



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

AGENDA MEETING NOTICE

BOARD OF DIRECTORS

DATE: Wednesday, December 2, 2020
TIME: 8:30 a.m. Board of Directors Meeting
LOCATION: Staples Street Center
 602 North Staples Street, 2ND Floor Board Room • Corpus Christi, TX

BOARD OF DIRECTORS MEETING

EDWARD MARTINEZ (Chair)

Michael Reeves (Vice Chair) ~ Dan Leyendecker (Secretary)

Lynn Allison ~ Anne Bauman ~ Patricia Dominguez ~ Anna Jimenez

Glenn Martin ~ Eloy Salazar ~ Philip Skrobarczyk ~ Matt Woolbright

	TOPIC	SPEAKER	EST.TIME	REFERENCE
1.	Pledge of Allegiance	E. Martinez	1 min.	-----
2.	Roll Call	D. Leyendecker	2 min.	-----
3.	Safety Briefing	M. Rendón	5 min.	-----
4.	Receipt of Conflict of Interest Affidavits	E. Martinez	2 min.	-----
5.	Opportunity for Public Comment 3 min. limit – no discussion	E. Martinez	3 min.	-----
<p>NOTE: DUE TO THE CURRENT CONDITIONS FOR COVID-19, WE ENCOURAGE SOCIAL DISTANCING AND REQUIRE FACIAL COVERINGS (AVAILABLE) FOR INDIVIDUALS ATTENDING THE MEETING.</p> <p>Public Comment may be provided in writing, limited to 1,000 characters, by using the Public Comment Form online at www.ccrta.org/news-opportunities/agenda or by regular mail or hand-delivery to the CCRTA at 602 N. Staples St., Corpus Christi, TX 78401, and MUST be submitted no later than 5 minutes after the start of a meeting in order to be provided for consideration and review at the meeting. All Public Comments submitted shall be placed into the record of the meeting.</p>				
6.	Award Recognition – Sergio Garcia, SEC-OP Security Officer	M. Rendon	3 min.	-----
7.	Update on CCRTA's 2020 Accomplishments	J. Cruz-Aedo	10 min.	PPT
8.	Update on Corpus Christi Metropolitan Planning Organization (MPO)	Rob MacDonald, MPO	10 min.	PPT
9.	Discussion and Possible Action to Approve the Board of Directors Meeting Minutes of November 4, 2020	E. Martinez	3 min.	Pages 1-8
10.	<p>CONSENT ITEMS: The following items are routine or administrative in nature and have been discussed previously by the Board or Committees. The Board has been furnished with support documentation on these items. 5 min. Pages 9-18</p> <p>a) Action to Execute Payment of \$515,649.00 to Texas Municipal League Inter-Governmental Risk Pool (TMLIRP) for the Following Lines of Coverage for FY2021: Auto Liability Insurance, Auto Catastrophe Insurance, Property Insurance, General Liability Insurance, Errors & Omissions Insurance, Law Enforcement Liability and Workers' Compensation Insurance (pgs.9-10)</p>			

	<p>b) Action to Approve the Continued Postponement of the Local Government Fare Review Committee Meeting until April 2021, pending the Risk and Impact of COVID-19 (pgs.11-12)</p> <p>c) Action to Award Contracts to Silsbee Ford, Inc. and Creative Bus Sales, Inc. for Eight (8) Transportation Supervisor and Support Vehicles (pgs.13-14)</p> <p>d) Action to Approve the Title VI Program Update for Fiscal Years 2017-2019 (pgs.15-16)</p> <p>e) Action to Award A Contract to Nash Entities, Inc. for the Power Washing of the Transfer Stations (pgs.17-18)</p>			
11.	Discussion and Possible Action to Accept the Comprehensive Annual Financial Report (CAFR) with Independent Auditors' Report for the Year Ended December 31, 2019	R. Saldaña Alan D. Bowers, Jr. Carr, Riggs & Ingram	10 min.	Pages 19-21 <i>PPT</i> <i>Attachment A</i> <i>Attachment B</i>
12.	Discussion and Possible Action to Ratify the ACH payments made to UMB Bank, NA to satisfy the Authority's 2020 Annual Debt Service requirements of the Revenue Refunding Bonds, Taxable Series 2019	R. Saldaña	5 min.	Pages 22-23 <i>PPT</i>
13.	Discussion and Possible Action to Award a Contract to Driverguard, Inc. for Driver Safety Shields	D. Majchszak	5 min.	Pages 24-25 <i>PPT</i>
14.	Discussion and Possible Action to Award a Three-Year Contract with one two-year option for Bus and Bench Advertising to Iconic Sign Group, LLC	R. Patrick	5 min.	Pages 26-27 <i>PPT</i>
15.	Presentations:			
	a) October 2020 Financial Report	R. Saldaña	5 min.	Pages 28-38 <i>PPT</i>
	b) October Procurement Updates	R. Saldaña	5 min.	<i>PPT</i>
	c) October 2020 Safety & Security Reports	M. Rendón	5 min.	<i>PPT</i>
	d) October 2020 Operations Report	G. Robinson	5 min.	Pages 39-48 <i>PPT</i>
16.	CEO's Report	J. Cruz-Aedo	10 min.	-----
17.	Board Chair's Report	E. Martinez	10 min.	-----
18.	Adjournment	E. Martinez	1 min.	-----
19.	Information Items:			-----
	a) Member Inquiry Forms			
	1. ADM Committee Meeting–October 28, 2020			
	2. OPS Committee Meeting–October 28, 2020			
	b) Member Inquiry Forms			
	1. Board Meeting–November 4, 2020			

Total Estimated Time: 1 hr., 50 min.

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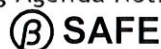
On **Friday, November 27, 2020** this Notice was posted by **Dena Linnehan** at the CCRTA Staples Street Center, 602 N. Staples Street, Corpus Christi, Texas; and sent to the Nueces County and the San Patricio County Clerks for posting at their locations.

PUBLIC NOTICE is given that the Board may elect to go into executive session at any time during the meeting in order to discuss matters listed on the agenda, when authorized by the provisions of the Open Meetings Act, Chapter 551 of the Texas Government Code. In the event the Board elects to go into executive session regarding an agenda item, the section or sections of the Open Meetings Act authorizing the executive session will be publicly announced by the presiding officer.

In compliance with the Americans with Disabilities Act, individuals with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact the Assistant Secretary to the Board at (361) 903-3474 at least 48 hours in advance so that appropriate arrangements can be made. Información en Español: Si usted desea esta información en Español o en otro idioma, por favor llame al teléfono (361) 289-2712.

Mission Statement
The Regional Transportation Authority was created by the people to provide quality transportation in a responsible manner consistent with its financial resources and the diverse needs of the people. Secondly, The RTA will also act responsibly to enhance the regional economy.

Meeting Agenda Notice - Page 2



Vision Statement
Provide an integrated system of innovative accessible and efficient public transportation services that increase access to opportunities and contribute to a healthy environment for the people in our service area.



**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
WEDNESDAY, NOVEMBER 4, 2020**

Summary of Actions

1. Pledge of Allegiance
2. Roll Call
3. Safety Briefing
4. Receipt of Conflict of Interest Affidavits
5. Opportunity for Public Comment
6. Held Public Hearing #2 – Regarding Adoption of the FY2021 Operating and Capital Budget
7. Action to Adopt the FY2021 Operating and Capital Budget
8. Heard Update on CCRTA's Response to COVID-19
9. Action to Approve the Board of Directors Meeting Minutes of October 7, 2020
10. Action to Approve the State and Federal Legislative Priorities
11. Heard Consent Items –
 - a) Action to Approve the Fiscal 2021 Board & Committee Meetings Calendar (pg.13)
 - b) Action to Approve entering into a renegotiated five-year contract with 90 Degrees Benefit, formally known as ENTRUST, Inc. Third-Party Administrator for the CCRTA Employee Group Health, Vision, and Dental Insurance Benefits Program (pgs.14-17)
 - c) Action to Exercise First Option Year with United Healthcare Insurance Company for Short-Term & Long-Term Disability Insurance (pgs.18-19)
 - d) Action to Accept the Investment Performance Evaluation Report on the Defined Benefit Plan a requirement of the Pension Review Board (PRB) Filing with the State (pgs.20-21)
 - e) Action to Adopt a Resolution to Approve a Change to the Investment Policy, Designation of the Agency's Investment Advisor and Approve the List of Brokers/Dealers (pgs.22-24)
 - f) Action to Adopt a Resolution to Recertify Designation of the Reserves from the Unrestricted Portion of the Fund Balance and the Methodologies used in determining the Funding Levels (pgs.25-26)
 - g) Action to Approve the Fiscal Year 2021 Holidays and Service Levels (pg.27)
 - h) Action to Award a Contract to SanUVAire, LLC for Ultraviolet Germicidal Irradiation (UVGI) kits (pgs.28-29)
 - i) Action to Award a Contract to Zeit Energy, LLC for a CNG Defueling Station (pgs.30-31)
12. Heard Presentations –
 - a) September 2020 Financial Report
 - b) September Procurement Update
 - c) September 2020 Safety & Security Report
 - d) September 2020 Operations Report
13. Heard CEO's Report
14. Heard Chairman's Report
15. Adjournment
16. Informational Items



The Corpus Christi Regional Transportation Authority Board of Directors met at 8:30 a.m. in the Corpus Christi Regional Transportation Authority Staples Street Center facility located at 602 N. Staples Street, 2nd Floor Board Room, Corpus Christi, Texas.

Call to Order & Roll Call

Mr. Edward Martinez, Board Chairman, called the meeting to order at 8:30 a.m., and held the Pledge of Allegiance. Ms. Dena Linnehan called Roll and stated a quorum was present.

Board Members Present

Edward Martinez, Board Chair; Michael Reeves, Board Vice Chairman; Lynn Allison, Anne Bauman, Patricia Dominguez, Anna Jimenez, Glenn Martin, Eloy Salazar, Philip Skrobarczyk and Matt Woolbright.

Board Members Absent

Dan Leyendecker, Board Secretary.

Staff Present

Jorge G. Cruz-Aedo, CEO; David Chapa, Dena Linnehan, Derrick Majchszak, Sharon Montez, Rita Patrick, Mike Rendón, Gordon Robinson and Robert Saldaña.

Public Present

None.

Public Comment

None received. Public Comment has been made available online to the Public on the CCRTA website at the following link below. No online comments were received.

<https://www.ccrta.org/news-opportunities/agendas/>

Held Safety Briefing

Mr. Mike Rendón provided safety information in the event of an emergency for the Board members and guests in the audience. He pointed out three exits to the Board of Directors room, to the back by the kitchen, my immediate right, and to the back of this boardroom. He said during an emergency you will utilize the west side door, report to the clock tower adjacent to the transfer station, Ms. Linnehan will account for the Board of Directors members, and that he will make sure everyone exits properly. Mr. Rendón also commented do not use the elevator, do not return to the building unless an 'all clear' has been given, and if we have to shelter in place, we will shelter in place in the west side of the building.

Action to receive Conflict of Interest Affidavits

None received.

Provided Opportunity for Public Comment

No Public Comments received.

Held Public Hearing #2 – Regarding Adoption of the FY2021 Operating and Capital Budget

Mr. Robert Saldaña opened the Public Hearing at 8:55 a.m. He commented the agency has been diligent with budget workshops to date as 6 workshops have been held starting July 22, 2020 through October 28, 2020. He stated that a Public Hearing #1 was held on October 31, 2020 and this is the Public Hearing #2 for the opportunity to adopt the FY2021 Operating and Capital budget. He explained each workshop held went through the departments individually, with a



summarized overview at the last one. Mr. Saldaña said the whole budget is predicated on our service plan and from that we develop our Capital CIP, then all operating expenses to support the service plan and CIP.

He continued to expand on both, with mention of modifying and/or making any adjustments to our services with our full- and part-time employees of 281. He said our FY2021 budget is about a 10 percent reduction from FY2020 at almost \$51.7M. He said our fares from the revenue side is \$1.3M, and we typically have about \$1.8-1.9M. Sales tax is about \$35M which is the majority of our revenue with other being \$1.3M. He stated the operating grants which are preventative maintenance monies of \$849K provide us a total operating revenues of \$38.6M. Add in \$9.7M of capital, grants, reimbursements and we get total revenues of \$48.3M. Mr. Saldaña said in order to balance our budget we are going to transfer in \$3.35M from unrestricted reserves. He continued to say that some well-funded CAREs Act monies of \$9.5-10M back to unrestricted reserves, the agency will pull about \$3.3M to balance the budget, giving us a \$6.5M cash surplus. Mr. Saldaña commented our expenses will be about \$51.6M which balances our expenses and our revenues.

He said our five year CIP will have 79 projects, \$57.3M with \$44.5M being federally funded and about \$12.75M is being locally funded. Mr. Saldaña commented the agency receive federal funds from the grants in three different ways; 5307 the majority, 5339 for our bus and facilities, and our 5310 a pass-thru generally given out to the general public and agencies to help seniors and underprivileged. He said the vast majority of our grant monies we use are capital purchases of buses and our bus shelter amenities.

Mr. Saldaña detailed each year of the 5-year CIP. He pointed out that the emphasis is that this budget will be reduced from the agency's current level of funding, as it is balanced by the excess of revenues over expenses anticipated this year and being from the CAREs Act funding. He stated the \$9M or so, the agency will end in a positive position, taking the \$3.5M and balancing the reduced budget, and still setting aside about \$6M into an obligated reserves. This gives us some capacity in the future, in the event we haven't recovered enough to have current revenues cover those expenses, the \$6M will. He commented we are laying out a very viable plan for next year that has capacity for some additional funding in future years should we not be at the level we are. Mr. Saldaña said the agency is operating at a 45 percent level of existing service, prior to the pandemic, and things are being managed and being managed well. He stated we are presenting a very fair budget. He said it is balanced and we would ask that we have an opening for the public hearing, to, if there is anyone who wants to speak about the budget, we will close the public hearing and then hopefully move forward for adoption of the proposed 2021 budget. Mr. Saldana closed the Public Hearing #2 at 9:05 a.m.

Action to Adopt the FY2021 Operating and Capital Budget

MS. LYNN ALLISON MADE A MOTION TO ADOPT THE FY2021 OPERATING AND CAPITAL BUDGET. MR. GLENN MARTIN SECONDED THE MOTION. THE MOTION CARRIED. MARTINEZ, ALLISON, BAUMAN, DOMINGUEZ, JIMENEZ, MARTIN, REEVES, SALAZAR, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT DAN LEYENDECKER.

Heard Update on CCRTAs Response to COVID-19

Mr. Cruz-Aedo reported the agency continues with their extensive cleaning and sanitizing of facilities and fleet, and continuance to address ridership and being responsive to any changes occurring through the system. He said we are operating around the 45 percent level from prior



years due to the pandemic, and not just Corpus Christi as it is nationwide. Mr. Cruz-Aedo commented we still emphasize the health and safety and welfare of our service and our employees. He said the agency to-date has had 15 positive cases including MV Transportation also having 15 positive cases. We do everything in the prevention and the health of our employees through communication, emails and text messages. He said for the community, we have issued 60,000 plus masks through our system, and every bus has a mask dispenser and hand sanitizers with driver shields on our buses. Mr. Cruz-Aedo reported that we emphasize to our security officers to ensure we have a high level of safety, and we are soon going to be employing ultraviolet aids to help with the bus cleaning processes.

Mr. Cruz-Aedo commented for our employees, we emphasize their health; we put out communications to them and in person; have given two dates for employee flu shots; monitor their health and safety; require social distancing, masks, and flex hours via telework for the administrative staff. He said we have PPE and daily cleaning throughout all of our facilities, and not only encourage messaging with the employees but we also use our social media to help with us that.

As of this meeting, the agency has spent \$1,683,000 in direct support of our COVID 19 efforts which is all covered under the CAREs Act monies received and has been reimbursed to us. He said we encourage the state and federal consultants to keep us informed of anything that is coming down from a legislative perspective; the agency is also connected obviously with TTA, SWTA, and APTA, and we pursue other private informational sources so our COVID19 response is appropriate for the type of business that we perform and the community that we support. He stated that we had a free ride to vote yesterday, and normal ridership is around 7,000 a day, plus or minus, yet had 7,800 riders. Mr. Cruz-Aedo commented he does not attribute all of the 800 to being voters, yet just shows that we did have a use of this free day to go vote yesterday.

The agency is actively pursuing survey data to ensure that we have appropriate responses, and we have a few safety commercials being run on the air right now and hopefully you all have seen them during the evening news. Mr. Cruz-Aedo commented our main concern is about health, safety and welfare, and we do our part and try to provide the public with the transportation they need.

Action to Approve the Board of Directors Meeting Minutes of October 7, 2020

MR. MATT WOOLBRIGHT MADE A MOTION TO APPROVE THE BOARD OF DIRECTORS MEETING MINUTES OF OCTOBER 7, 2020. MR. MICHAEL REEVES SECONDED THE MOTION. THE MOTION CARRIED. MARTINEZ, ALLISON, BAUMAN, DOMINGUEZ, JIMENEZ, MARTIN, REEVES, SALAZAR, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT DAN LEYENDECKER.

Action to Approve the State and Federal Legislative Priorities

Mr. Cruz-Aedo commented we have been working with our state and federal legislative consultants to draft up our priorities for the coming year, 2021's legislative issues. We have worked with consultants and are in agreement with their priorities. He said they have crafted what we had discussed into priorities that we would like to present to you. Mr. Cruz-Aedo stated the course of action would be for the Board to hear from our consultants and review their priorities, have discussion with the Board to make sure they are in agreement with what Staff and the consultants have crafted, and then move forward for adoption after the board reviews of the items. These priorities were also previously discussed and detailed at the Committees meetings held on October 28, 2020. Both consultants again provided each of their lists of items to prioritize for the



agency. After general discussion, the Board approved the State and Federal 2021 Legislative priorities.

MR. REEVES MADE A MOTION TO APPROVE THE STATE AND FEDERAL LEGISLATIVE PRIORITIES. MR. SALAZAR SECONDED THE MOTION. THE MOTION CARRIED. MARTINEZ, ALLISON, BAUMAN, DOMINGUEZ, JIMENEZ, MARTIN, REEVES, SALAZAR, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT DAN LEYENDECKER.

Heard Consent Items

- a) Action to Approve the Fiscal 2021 Board & Committee Meetings Calendar (pg.13)
- b) Action to Approve entering into a renegotiated five-year contract with 90 Degrees Benefit, formally known as ENTRUST, Inc. Third-Party Administrator for the CCRTA Employee Group Health, Vision, and Dental Insurance Benefits Program (pgs.14-17)
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MR. SALAZAR MADE A MOTION TO APPROVE CONSENT ITEMS A) THROUGH I). MS. PATRICIA DOMINGUEZ SECONDED THE MOTION. THE MOTION CARRIED. MARTINEZ, ALLISON, BAUMAN, DOMINGUEZ, JIMENEZ, MARTIN, REEVES, SALAZAR, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT DAN LEYENDECKER.

Heard Presentations –

a) September 2020 Financial Report

Mr. Robert Saldaña reported on highlights for the month of September. He said total revenues over expenses are at close to \$1.1M mainly due to the draw down of around \$1.2M of CAREs Act monies. Operating revenues are at 95 percent of total budget, and department expenses are about 13.33 percent under baseline budget. Mr. Saldaña reported there is about \$4.6M of total revenues, and operating revenues \$4.1M, and capital funds at around \$500K. He said our expenses come in around \$5M with \$665K in capital expenditures giving us a positive cash flow of \$1.1 million for the month of September. For revenue breakdown, almost \$2.8M is what has been budgeted for sales tax with close to \$1.2M in grant assistance from the CAREs Act draw down. He stated that September's revenues were at \$2.57M on a budget of \$2.90M, and a \$400K savings for the month. He reported the agency is 75 percent of the year down on the financial



side, passenger services revenues are at 63-64 percent, Staples Street Center revenues mostly from leases collected, and total department operating expenses at \$2.2M saved from targeted baseline budget. Mr. Saldaña provided several slides with the breakdown in detail with a slide to show COVID-19 reimbursements at \$15.2 to-date. He also mentioned the fuel prices are down slightly. Expenses year-to-date are \$24M on a budget of \$26M, or a \$2.2M savings. He stated we should receive the September sales tax revenues next week of \$2.9M on a budget of \$3.3M, and in August we received \$2.9M, or \$178K less this year than last August.

b) September Procurement Update

Mr. Saldaña reported there are 5 procurements/solicitations out for the month; 8 Transportation and Supervisor Support Vehicles at \$392K; Power Washing Services for Transfer Stations at \$487,290; Driver Safety Shields at \$439,110; Bus and Bus Bench Advertising which is a revenue generating contract, and Bear Lane Parking Lot Improvements at \$842,604.

He said for the 3 Month Outlook, there are 4 procurements; Texas Municipal League TMLIR Risk Poll at \$440,482 auto renewal until cancelled; Long and Short-Term Disability Insurance at \$108,487 exercise first option year; Bus Stop Cleaning Services at \$474,367.50 to exercise the second of the two one-year options; and Peace Officer Law Enforcement Service Agreement at \$694,656 annual contract.

He reported for the CEO's Signature Authority of less than \$50K we have 13 items; Maintenance Uniform Rental Services at \$49,459 2-year agreement with one 2-year option; Social and Traditional Media Monitoring Services at \$10K one-year agreement; Life and AD&D Insurance for a three-year contract with two one-year options; Trapeze FX Blockbuster 1-year agreement at \$28,726; Spanish Translation Services 1-year contract at \$25K; South Texas Military Task Force 1-year agreement at \$25K; Remix Transit Planning Software agreement at \$31K; Investment Advisory Services 14 month agreement at \$25,666; Fleet-Net Software License and Support 1-year agreement at \$28,750; DRI AVL Software Maintenance 1-year agreement at \$46,449; Pre-Employment Background Screening at \$12K auto renewal; Peace Officer Service Agreement at \$44,200 one-year agreement and Website Maintenance one-year agreement at \$14,600.

He said we still maintain our Marina Rental Space on a month-to-month contract with the City of Corpus Christi not to exceed \$6,100.

c) September 2020 Safety & Security Report

Mr. Mike Rendón commented for the month of September collision rate 0.52, and drove around 191K miles, and the agency is 60 percent less than 2019 for accidents and we are doing very, very well. Mr. Rendón said the contacts with individuals for the month was 504 with the top five categories being 95 percent with the loitering being 166. He said security does their very best to move out individuals not utilizing the metro system, transfer stations or any bus stops. For the stats on quality of life, it is at 163 contacts with individuals. This is where our officers communicate with our customers. He said they will provide directions, answer law enforcement questions, as well as making them feel safe while they are in the transfer station, and we get good compliments on doing this. The Staples Street Center has been averaging between 50 and 60 walk-ins per day, although has been a little over 100 have been coming into the building as Social Services and Veterans Affairs offices have been open by appointment only. He also commented on the



canine unit board nine buses a few weeks ago here at Staples Street Center and Port/Ayers station and all went very well.

d) September 2020 Operations Report

Mr. Gordon Robinson commented for the month of September with the Board Priority aligning with image and transparency, we reported just over 202,000 passenger trips in total. He said revenue service hours were just over 22,000, and the revenue service miles were just over 308,000. Mr. Robinson said in terms of where we are, we are lower than the prior years for good reasons, with the COVID 19 pandemic. He commented the breakdown by mode overall is at 53.8 percent, or 54 percent down. Mr. Robinson reported the year-to-date is down 40 percent overall, all other services at 37 percent, and Vanpool is down as well. He said the 4-month average is at 95 percent, several services are being impacted by construction projects, and our B-Line service you can see the social distancing aspects in place. He commented for the CAFs, we had 11 for September as compared to September last year at 13, and 2 of the 11 were for commendations, and miles between roadcalls for the large bus fleet were just under 6,000.

Heard CEO's Report

Mr. Jorge G. Cruz-Aedo commented he had two items to report. The first being the Thanksgiving luncheon for the employees, contractor and their employees that we historically have catered, we have cancelled this year due to the pandemic. Mr. Cruz-Aedo said so in lieu of not being able to do this luncheon, he is giving them a \$25 H-E-B gift card to help them buy their Thanksgiving treats and meals as part of a replacement for the Thanksgiving meal, and I wanted to let you we were doing this instead of having a catered luncheon. He said for the second item, we have had a very important situation that was dealt with for our Greyhound passengers that use the Staples Street Center, so I would like Mr. Rendón to come up and tell you more.

Mr. Rendón reported on a situation over the past weekend where our Security officer Garcia opened the doors for the Greyhound customers of about 10 and saw an elderly person go in and sit in one of the chairs in the waiting area. He said he was not feeling well and wanted to wait for the line to go down, so our officer kept an eye on him. He continued to say that Officer Garcia saw the man faint after about 3 to 4 minutes and had caught his arm between the chairs, so Officer Garcia assisted him immediately and put him on the floor. The gentleman was having some issues and Officer Garcia's military training, as he is a U.S. Army veteran, he began to perform CPR on the man. 911 was called and Officer Garcia continued with chest compressions and brought the gentleman back to life as at one time he had expired. Once the ambulance arrived within seven minutes, the fire department personnel took over. Officer Garcia did an excellent job in recognizing the gentleman was in some type of distress and kept his eye on him and eventually saved the man's life. Officer Garcia has only been working with us for 10 months and he does a very, very good job with and for our customers. He is also the officer who witnessed the incident a few months back and was able to identify the individual who assaulted another individual and ended that individual's life, CCPD arrested the assailant and still remains in jail.

Mr. Rendón commented we had planned to recognize Officer Sergio Garcia with an award this morning yet had to be at school with his daughter and apologized for being unable to be here. We will try to recognize him with this award later this month or in December at the Board meeting.



Heard Chairman's Report

Mr. Edward Martinez, Board Chairman opened it up for the board members to comment. Mr. Reeves thanked Mr. Rendón for sharing that story of Officer Garcia and is appreciated. It is never easy to react calmly in those situations, so I appreciate his efforts and the results and thank you for bringing those to us and please continue to do so. I just wish everybody a smooth week, safe, and I want to thank staff for their continued efforts to work through this and I am just pleased all the way around. Ms. Allison said she wanted to echo Director Reeves' comments for a great job by Officer Garcia. She also commented, as much as I am sad to miss this Thanksgiving lunch, I am absolutely thankful for you, Jorge, directing the extra funds for the gift cards for employees to enjoy their Thanksgiving. Ms. Bauman also commented she is so proud of everybody, and Ms. Dominguez reiterated good job everyone, stay safe and thank you so much for all you do. Ms. Jimenez stated she was very impressed with all of the reports today, the financials, the security report and of course it is always good to end with the report regarding officer Garcia. She said thank you so much for all that you do, and these are challenging times and they will continue to be challenging times and I am just blessed and thankful that you all are such a wonderful, wonderful organization. Mr. Martin also commented everything is great, congratulations, and I really appreciate the methodology and the way we handled the budget. He continued to say he believes, as you say, our most important function with the boards and the committees, and I liked the way it was presented, the openness of it, if you will. Everything is good and everyone stay safe. Mr. Salazar added his comments regarding the budget, and stated this was his first time to go through this process and a lot of work went into this budget preparation. He said he believes staff did an outstanding job, and he is looking forward to continuing to support this board and believes some good things are going to happen here real soon. Mr. Skrobarczyk commented good job and to carry on. Mr. Woolbright reiterated what Philip said, and good job to the security officer who was on the ball.

Mr. Martinez finalized the board comments and said he echoes the other board member's comments. He stated what staff has been doing all along, maintaining transparency throughout this entire endeavor with regards to the budget, he appreciates all of the hard work, the agency's staff, employees and security personnel are taking care of for the safety of staff, the ridership, and community. He said, Jorge, you know, there are few things for December I would like to see on the agenda. Mr. Martinez ended by saying for everyone else, thank you all and have a safe and happy Thanksgiving, and he adjourned the meeting.

Adjournment

There being no further review of items, the meeting adjourned at 9:49 a.m.

Submitted by: Dena Linnehan

Dan Leyendecker, Board Secretary



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

December 2, 2020

Subject: Action to Execute Payment of \$515,649.00 to Texas Municipal League Inter-Governmental Risk Pool (TMLIRP) for the Following Lines of Coverage for FY2021: Auto Liability Insurance, Auto Catastrophe Insurance, Property Insurance, General Liability Insurance, Errors & Omissions Insurance, Law Enforcement Liability and Workers' Compensation Insurance

Background

The Corpus Christi RTA is insured through The Texas Municipal League Intergovernmental Risk Pool (TMLIRP). The Authority has been a member of the Liability Property Fund since 1990 and joined the Worker's Compensation Fund in 2009. Participation in the funds was initiated by entering into Interlocal Agreements with the participating pool member local governments.

Identified Need

The assets and interest of the Corpus Christi RTA need to be adequately protected through insurance coverage.

Analysis

Total contribution costs for FY2021 have increased by 17.06% or \$75,167.00 over 2020. Six lines of coverage out of eight lines of coverage contributions have increased.

The main increases and decreases are explained as follows:

Increases:

- *Real and Personal Property* - rate increase for this type of coverage at the Staples Street Center.
- *Workers' Compensation* - Agency does not have a bad loss ratio but due to having a low modifier (.37) that is sensitive to any loss experience increase, even a slight one, the contribution amount increases.
- *Automobile Liability/Medical Payments* – increase in claims and settlements
- *Errors & Omissions Liability* – had a slight increase
- *Public Employee Dishonesty*-had a small increase
- *Law Enforcement Liability*- had a slight increase

Decreases:

- *General Liability*-had a small decrease
- *Automobile Catastrophe*-amount remained the same

Disadvantaged Business Enterprise

There is no DBE goal.

A finalized cost schedule table which compares fund contributions is presented below:

Financial Impact

Types of Coverage	Limit	Deductible	2,019 Contribution	2,020 Contribution	2,021 Contribution	Inc./Dec 2020 & 2021
General Liability	\$9,000,000	\$0	3,365	2,904	2,885	-19
Errors & Omissions Liability	\$2,000,000	\$10,000	9,794	8,341	8,994	653
Automobile Liability/Medical Payments	\$500,000	\$0	221,546	200,183	238,761	38,578
Automobile Catastrophe	\$10,000,000	\$10,000	25,000	30,460	30,460	0
Sub Total:			259,705	241,888	281,100	39,212
Law Enforcement Liability	\$5,000,000	\$1,000	831	732	764	32
Real & Personal Property (Includes Flood and Earthquake with a \$25,000 deductible)	\$39,474,870	\$10,000	36,378	39,126	40,136	1,010
Loss of Income, Extra Expense, Rents	\$1,000,000	\$10,000	Included	Included	Included	--
Boiler & Machinery	\$100,000	\$10,000	Included	Included	Included	--
Public Employee Dishonesty	\$500,000	\$2,500	733	734	807	73
Sub Total:			37,942	40,592	41,707	1,115
TOTAL: LIABILITY, PROPERTY & CRIME			297,647	282,480	322,807	40,327
Workers' Compensation	Statutory		115,290	158,002	192,842	34,840
GRAND TOTAL			412,937	440,482	515,649	75,167

Board Priority

This item aligns with the Board Priority – Safety and Security and Transparency.

Committee Review

This item was reviewed and approved at the Administration & Finance Committee meeting held on November 18, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to execute payment of \$515,649.00 to Texas Municipal League Inter-Governmental Risk Pool for the following lines of coverage for FY2021: Auto Liability Insurance, Auto Catastrophe Insurance, Property Insurance, General Liability Insurance, Errors & Omissions Insurance, Law Enforcement Liability and Workers' Compensation Insurance.

Respectfully Submitted,

Submitted by: Miguel Rendón
Director of Safety and Security

Final Approval by: 
Jorge G. Cruz-Aedo
Chief Executive Officer



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

December 2, 2020

Subject: Approve the Continued Postponement of the Local Government Fare Review Committee Meeting until April 2021, pending the Risk and Impact of COVID-19

Background

On September 4, 2019, the CCRTA Board of Directors approved the findings of an independent fare equity analysis, and recommended a fare adjustment. CCRTA gathered public feedback from riders and community members beginning in the fall of 2019 and concluding in the spring of 2020. Responses were gathered through 29 fare review public meetings and an online survey on ccrta.org.

On March 11, 2020, the World Health Organization (WHO) declared coronavirus (COVID-19) a pandemic. The City of Corpus Christi, Nueces County, and Public Health District held its first conference related to COVID-19 preparation on the same day.

On March 12, 2020, Nueces County named members to their Local Government Fare Review Committee, as CCRTA began its response to COVID-19 with a dedicated page, information, and resources.

On March 18, 2020, CCRTA began adjusting transportation service levels as a response to COVID-19.

On March 31, 2020, the City of Corpus Christi named members to the Local Government Fare Review Committee.

On May 6, 2020, The CCRTA Board of Directors approved a 6-month postponement of the Fare Recovery Process due to the COVID-19 pandemic.

Reasons for Postponement

CCRTA continues to dedicate staff and resources to COVID-19 response. As of November 2020, the COVID-19 Pandemic continues to surge throughout the United States and Europe. As on November 11, 2020, the State of Texas exceeded the 1,000,000th COVID-19 case, becoming the first state in the US to do so. Our current ridership continues to trend around 45 -50% of our normal pre-COVID level.

Identified Need

CCRTA's top priority is the health and safety of riders, employees, and community members. Currently, transportation services, local businesses, and employment have all been significantly impacted by COVID-19. The Transit Industry is trying to find ways to recover our ridership levels to at least to the point of pre-COVID-19 levels. A potential fare increase at this time could possibly hinder the CCRTA's ridership recovery goal. With a possible COVID-19 vaccine on the horizon, it might be prudent to continue with the postponement of the fare recovery process until April 2021.

Financial Impact

If the continued postponement is approved, CCRTA fares would maintain their current pricing.

CCRTA's base fare remains amongst the lowest in the nation.

Board Priority

This item aligns with the Board Priority – Public Image & Financial Transparency.

Committee Review

This item was reviewed and approved at the Administration & Finance Committee meeting held on November 18, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Approve the Continued Postponement of the Local Government Fare Review Committee Meeting until April 2021, pending the Risk and Impact of COVID-19.

Respectfully Submitted,

Submitted by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 
Jorge G. Cruz-Aedo
Chief Executive Officer



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

December 2, 2020

Subject: Award contracts to Silsbee Ford, Inc. and Creative Bus Sales, Inc. for Eight (8) Transportation Supervisor and Support Vehicles

Background

RTA Transportation Supervisors and staff operate non-revenue support vehicles to travel throughout the 846 square mile CCRTA service area to provide street supervision and assistance to operators, customers, and overall service to include; detours, weather, special events, accidents/incidents, service interruptions etc. Additionally, Transportation Supervisors and staff respond to police incidents associated with CCRTA; safety and security, vehicle collision, unexpected closures etc.

Identified Need

Several Transportation Supervisor and support vehicles have met their useful life and need replacement in order to avoid excessive maintenance costs and disruptions to daily operations.

Disadvantaged Business Enterprise

For this procurement the DBE participation is zero percent (0%) – Contractors are encouraged to offer contracting opportunities to the fullest extent possible through outreach and recruitment activities to small, minority and disadvantaged businesses.

Financial Impact

The Eight (8) Transportation Supervisor and Support Vehicles project is budgeted for \$392,000 and is a 2020 CIP project funded partially by 5307 Formula Funds. Silsbee Ford was the sole bidder on the four (4) unleaded SUV's with a bid of \$119,993, which equates to \$29,998.25 per SUV. Silsbee Ford was also the sole bidder on the two (2) hybrid SUV's with a bid of \$56,841.46, which equates to \$28,420.73 per SUV. Creative Bus Sales was the sole bidder on the two (2) minivans with wheelchair access with a bid of \$96,674.00, which equates to \$48,337.00 per van.

Total expenditures for Eight (8) SUV Transportation Supervisor Support Vehicles is \$273,508.46. The local match is 20% with an estimated cost of \$54,701.70 and a federal estimated cost of \$218,806.76.

SILSBEE FORD, INC.						
Item	Manuf.	Model	Year	Qty	Unit Price	Total
Unleaded SUVs	Ford	Explorer	2021	4	\$29,998.25	\$ 119,993.00
Hybrid SUVs	Ford	Escape	2021	2	\$28,420.73	\$ 56,841.46
Minivans w/ Wheelchair Ramp				2	NO BID	NO BID
TOTAL						\$ 176,834.46

CREATIVE BUS SALES, INC.						
Item	Manuf.	Model	Year	Qty	Unit Price	Total
Unleaded SUVs				4	NO BID	NO BID
Hybrid SUVs				2	NO BID	NO BID
Minivans w/ Wheelchair Ramp	Braun	Voyager	2021	2	\$48,337.00	\$ 96,674.00
TOTAL						\$ 96,674.00

Board Priority

This item aligns with the Board Priority – Public Image and Transparency

Committee Review

This item was reviewed and approved at the Operations & Capital Projects Committee meeting held on November 18, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Award Contracts to Silsbee Ford, Inc. and Creative Bus Sales, Inc. for Eight (8) Transportation Supervisor and Support Vehicles.

Respectfully Submitted,

Submitted by: Bryan Garner
Director of Maintenance

Reviewed by: Derrick Majchszak
Managing Director of Operations

Final Approval by: 
Jorge G. Cruz-Aedo
Chief Executive Officer



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

December 2, 2020

Subject: Title VI Program Update for Fiscal Years 2017-19

Background

Title VI of the Civil Rights Act of 1964 (Title VI) protects people from discrimination based on race, color, or national origin in programs or activities that receive federal financial assistance. As the Corpus Christi Regional Transportation Authority (CCRTA) is a transit provider which operates 50 or more fixed route vehicles in peak service and is located in an urbanized area of 200,000 or greater in population, a Title VI Program update must be filed in accordance with Federal Transit Administration (FTA) timelines in order to continue to receive federal funding.

Every three years, the FTA Office of Civil Rights conducts discretionary compliance reviews of recipients of federal funding, including transit providers, state Departments of Transportation, and Metropolitan Planning Organizations to determine their compliance with FTA Circular 4702.1B "Title VI Requirements and Guidelines for Federal Transit Administration Recipients". The current 2017 Title VI Program update for fiscal years 2014-16 was approved by the Board of Director on November 1, 2017. The 2017 update will expire on January 30, 2021. Upon approval, the 2020 Title VI Program update for fiscal years 2017-19 will become effective on January 31, 2021.

Identified Need

Per FTA guidelines, the Board of Directors are required to approve this 2020 update prior to submittal to the FTA in the Transit Award Management System (TrAMS). In the development of the 2020 update, demographics were analyzed from the 2018 American Community Survey provided by the United States Census Bureau, data was utilized from the CCRTA Geographic Information System (GIS), and survey results were captured from CCRTA community engagement efforts. Demographic and socioeconomic characteristics of riders was revised which included updates to minority, non-minority, low-income, and Limited English Proficient (LEP) populations within census tracts and block groups throughout the service area.

Title VI service, fare equity analysis, and public involvement documents are included in the 2020 update for major service or fare changes. No fare changes occurred within this period. Additionally, no Title VI complaints have been filed or investigated in this period.

Disadvantaged Business Enterprise

Not applicable.

Financial Impact

No financial impacts.

Board Priority

This item aligns with the Board Priority – Public Image and Transparency.

Committee Review

This item was reviewed and approved at the Operations & Capital Projects Committee meeting held on November 18, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to approve the Title VI Program Update for Fiscal Years 2017-19.

Respectfully Submitted,

Submitted by: Gordon Robinson
Director of Planning

Reviewed by: Derrick Majchszak
Managing Director of Operations

Final Approval by: 

Jorge G. Cruz-Aedo
Chief Executive Officer

Title VI Program

2020 Update (FY 2017-2019)



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY



Submitted in accordance with Federal
Transit Administration Circular 4702.1B
for Fiscal Years 2017 - 2019



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

December 2, 2020

Subject: Award a One-Year Contract for Power Washing of the Transfer Stations to Nash Entities, Inc. not to exceed \$151,008

Background

The CCRTA has the following bus transfer stations:

- Robstown Transfer Station
- Southside Transfer Station
- Port Ayers Transfer Station
- Staples Street Transfer Station

Prior to the current pandemic, the stations would be pressured washed at least once a month, while custodial staff would clean the stations at least twice a day. However, due to the highly contagious spread of COVID-19, CCRTA is strengthening all cleaning processes.

Identified Need

The current Facilities Staff is not enough personnel to increase the frequency of the pressure washing during the Covid-19 pandemic. Therefore, the decision was made to hire a contractor to support staff for one year, with a one-year option if needed.

Analysis

An Invitation for Bids (IFB) was issued and thirteen (13) proposals were received. Three proposals were non-responsive. The lowest bidder was Nash Entities, Inc. The table below displays the bidders and bid costs for power washing twice a week, for one year.

No.	Description	Robstown Station	Southside Transfer Station	Port/Ayers Station	Staples Street Station	Total Cost
1	Nash Entities, Inc.	\$13,728.00	\$69,888.00	\$30,160.00	\$37,232.00	\$151,008.00
2	Top Notch Way, Inc.	\$27,144.00	\$75,400.00	\$40,716.00	\$75,400.00	\$218,660.00
3	Prestige Building Group	\$22,759.31	\$115,315.20	\$50,002.52	\$61,585.52	\$249,662.55
4	Welker Enterprises, LLC., dba Phoenix Clean	\$22,360.00	\$115,960.00	\$50,440.00	\$61,360.00	\$250,120.00
5	Double H Power Washing, LLC	\$27,587.04	\$139,776.00	\$60,609.12	\$74,649.12	\$302,621.28
6	Evergreen Landscape Services	\$34,020.48	\$172,433.04	\$74,751.04	\$92,067.04	\$373,271.60
7	Two Rivers Wash dba Sparkle Wash	\$45,978.40	\$163,072.00	\$90,913.68	\$111,973.68	\$411,937.76
8	Hardy & Hardy, Inc.	\$114,400.00	\$114,400.00	\$114,400.00	\$114,400.00	\$457,600.00
9	Brite White Pressure Washing	\$73,565.44	\$372,736.00	\$161,624.32	\$199,064.32	\$806,990.08
10	Be-Clean Cleaning Services, Inc.	\$91,956.80	\$465,920.00	\$202,072.00	\$248,872.00	\$1,008,820.80

CONSENT ITEM

Nash Entities, Inc., offered the lowest quote for the one-year period. The company has been in business since 2003, or 17 years. A list of clients includes Chick-fil-A, Visit CC, Montgomery County, just to name a few.

Disadvantaged Business Enterprise

For this procurement the DBE goal is zero percent (0%).

Financial Impact

The award of the contract is \$151,008 for the first year. and is funded through local funds. The first option year will be presented to the Board of Directors, before the first year of the service is completed.

Board Priority

The Board Priority is Facilities and Safety.

Committee Review

This item was reviewed and approved at the Operations & Finance Committee meeting held on November 18, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Award a One-Year Contract for Power Washing of the Transfer Stations to Nash Entities, Inc. not to exceed \$151,008.

Respectfully Submitted,

Submitted & Sharon Montez
Reviewed by: Managing Director of Customer Services and Capital Projects

Final Approval by: 
Jorge G. Cruz-Aedo
Chief Executive Officer



Subject: Accept the Comprehensive Annual Financial Report (CAFR) with Independent Auditors' Report for the Year Ended December 31, 2019

Background

The Texas Transportation Code Chapter 451.451 states (a) The Board of an authority shall have an annual audit of the affairs of the authority prepared by an independent certified public accountant or a firm of independent certified public accountants and (b) The audit is open to public inspection. The Authority is also required by federal regulations to undergo a compliance and financial audit of its federal grants and the Defined Benefit Plan.

Pursuant to these regulations, the financial statements of the Authority for its fiscal year ended December 31, 2019, has been audited the by the independent firm of Carr, Riggs, & Ingram, LLC, Certified Public Accountants.

In compliance with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB), the financial statements are being presented through the **Comprehensive Annual Financial Report (CAFR)** which is a thorough and detailed presentation of the Authority's financial condition prepared internally by the Finance Department and reviewed by Carr, Riggs, & Ingram, LLC, Certified Public Accountants.

Identified Need

Alan D. "A.J." Bowers, Jr. CPA, CITP (Certified Information Technology Professional), Engagement Auditor and Partner, of the accounting firm of Carr, Riggs, & Ingram, LLC, Certified Public Accountants, has provided the Independent Auditors' Report along with an overview of the financial performance of the Year Ended December 31, 2019.

The CAFR has been reviewed by the auditors and their input has been incorporated throughout the document. The auditors have expressed an "unmodified," or clean, opinion which is the best opinion available. This type of opinion is issued when the auditors feel that financial statements are presented, in all material respects, in accordance with applicable financial reporting framework. The document also contains the single audit reports which are required of the Authority as a recipient of Federal Funds.

Each year, upon the completion of the audit of the financial statements and preparation of the Comprehensive Annual Financial Report (CAFR), the CCRTA's Finance Department submits the CAFR to the Government Finance Officers Association (GFOA) in an effort to earn the Certificate of Achievement for Excellence in Financial Reporting. The award is the highest form of recognition for excellence in the area of governmental accounting and financial reporting. CCRTA has received this award along with a brass medallion symbolizing the achievement for each year since 2012.

Once accepted by the Board, the 2019 CAFR will be submitted to GFOA to continue striving for improvement in financial transparency and obtaining the 8th consecutive award. The goal is to continue exemplifying outstanding financial management annually and adding additional medallions to the 10-year plaque that has been provided by GFOA.

Summary of Audit Results

The auditor’s report expresses an unmodified opinion on the basic financial statements for the Authority, major federal award programs (Single Audit), and the Employees Defined Benefit Plan and Trust.

Basic Financial Statements

The **Net Position** of the Authority stands at \$81,316,788, a decrease of \$3,122,820 from December 31, 2018. Two factors impacted the decrease in net position.

One factor was attributed to the removal of the \$1,611,302 cash reserve restricted for debt service that was used for the reduction of bond principal in the November 2019 advance refunding of the Authority’s bonds. However, this strategy will result in interest savings over the life of the bonds. The other factor is primarily associated with the depreciation expense which caused the reduction in Invested Capital Assets of \$4,053,606; the depreciation expense outweighed the acquisition of capital assets.

The **Unrestricted Net Position** on the other hand stands at \$26,244,817 which increased by \$2,542,088 from December 31, 2018. The below table is an illustration of the Net Position:

Description	At 12/31/2019	At 12/31/2018	Change
Invested In Capital Assets	55,071,970	59,125,576	(4,053,606)
Restricted for Debt Service	-0-	1,611,302	(1,611,302)
Unrestricted	26,244,818	23,702,730	2,542,088
Total Net Position	81,316,788	84,439,608	(3,122,820)

Of the total unrestricted portion of \$26,244,818, sixty-five percent or \$17,153,505 has been assigned to reserve accounts by order of Board Approved Policies, leaving the amount available at \$9,091,313.

Defined Benefit Plan and Trust

The fiduciary **Net Position** held in trust increased by \$8,269,871 during 2019 and totaled \$42,170,049.

The **Net Appreciation** in the fair market value of investments increased by \$8,269,676 for a total appreciation of \$6,412,947 compared to depreciation of (\$2,256,960) for the prior year.

Administrative expenses increased by \$1,285 to total \$111,885 from \$110,600 for the prior year.

Disadvantaged Business Enterprise

Not Applicable.

Financial Impact

None at this time.

Board Priority

This item aligns with the Board Priority – Financial Transparency.

Recommendation

Staff recommends the Board of Directors Accept the Comprehensive Annual Financial Report (CAFR) with Independent Auditors’ Report for the Year Ended December 31, 2019.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Accept the Comprehensive Annual Financial Report (CAFR) with Independent Auditors' Report for the Year Ended December 31, 2019.

Respectfully Submitted,

Submitted by: Marie Sandra Roddel
Director of Finance

Reviewed by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 

Jorge G. Cruz-Aedo
Chief Executive Officer

ATTACHMENT A
RTA Employees Defined Benefit Plan and Trust
Financial Statements (December 31, 2019 and 2018)

RTA Employees Defined Benefit Plan and Trust
FINANCIAL STATEMENTS
(AND REQUIRED SUPPLEMENTARY INFORMATION)
December 31, 2019 and 2018



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

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RTA Employees Defined Benefit Plan and Trust

FINANCIAL STATEMENTS
(AND REQUIRED SUPPLEMENTARY INFORMATION)

December 31, 2019 and 2018



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RTA Employees Defined Benefit Plan and Trust
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December 31, 2019 and 2018

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Corpus Christi Regional Transportation Authority
Employees Defined Benefit Plan and Trust
Corpus Christi, Texas

We have audited the accompanying financial statements of the RTA Employees Defined Benefit Plan and Trust (the "Plan"), which comprise the statements of fiduciary net position as of December 31, 2019 and 2018, and the related statements of changes in fiduciary net position for the years then ended, and the related notes to the financial statements, which collectively compromise the Plan's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the RTA Employees Defined Benefit Plan and Trust as of December 31, 2019 and 2018, and the changes in fiduciary net position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary plan information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Caru, Riggs & Ingram, L.L.C.

Corpus Christi, Texas
November 19, 2020

RTA Employees Defined Benefit Plan and Trust Management's Discussion and Analysis

The Management's Discussion and Analysis ("MDA") on the financial performance of RTA Employees Defined Benefit Plan and Trust (the "Plan") provides an overview of the Plan's financial activities for the fiscal year ended December 31, 2019. Please read this section in conjunction with the financial statements, which begin on page 5.

FINANCIAL HIGHLIGHTS

The following highlights are explained in greater detail later in this discussion.

Financial Highlights for the Year Ended December 31, 2019

- The fiduciary net position held in trust for the Plan increased by \$8,269,871 during the 2019 fiscal year and totaled \$42,170,049 as of December 31, 2019.
- Retirement benefits paid during 2019 increased \$118,351 to total \$1,927,249.
- Total Contributions to the Plan increased \$2,265,554 during 2019 to total \$3,691,087.
- Net appreciation in the fair market value of investments increased by \$8,269,675 during 2019 for a total appreciation of \$6,412,947 compared to depreciation of (\$2,256,960) for the prior fiscal year.
- Administrative expenses increased \$1,285 to total \$111,885.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Plan's basic financial statements include the following:

1. Statements of fiduciary net position,
2. Statements of changes in fiduciary net position, and
3. Notes to the financial statements.

The statement of fiduciary net position reports the Plan's assets, liabilities, and resultant net position restricted for pension benefits. It discloses the financial position of the Plan as of December 31, 2019.

The statement of changes in fiduciary net position reports the results of the Plan's operations during the year disclosing the additions to and deductions from the net position. It supports the change that has occurred to the prior year's net position value on the statements of fiduciary net position.

The notes to the financial statements provide additional information and insight that are essential to gaining a full understanding of the data provided in the statements of fiduciary net position and statements of changes in the fiduciary net position. The notes to the financial statements are followed by required supplementary information that further explains and supports the information in the financial statements.

RTA Employees Defined Benefit Plan and Trust Management's Discussion and Analysis

For 2020, the recommended employer contribution is 11.91% of total annual payroll, 0.4% more than the 2019 recommended contribution of 11.51%.

FINANCIAL ANALYSIS

The fiduciary net position held in trust for the Plan increased by \$8,269,871 during the 2019 fiscal year and totaled \$42,170,049 as of December 31, 2019. The increase is attributed primarily to the \$8,269,675 fair market value appreciation of plan investments in 2019.

Condensed Financial Information					
	December			Change	
	2019	2018	2017	2019-2018	2018-2017
Assets					
Investments at fair value	\$ 42,168,639	\$ 33,898,964	\$ 36,439,133	\$ 8,269,675	\$ (2,540,169)
Accrued interest receivable	1,410	1,214	1,191	196	23
Total Plan Assets	42,170,049	33,900,178	36,440,324	8,269,871	(2,540,146)
Liabilities					
Net position restricted for pension benefits	-	-	-	-	-
Year Ended December					
	Year Ended December			Change	
	2019	2018	2017	2019-2018	2018-2017
Additions					
Net investment (loss) income	\$ 6,617,918	\$ (2,046,181)	\$ 4,409,016	\$ 8,664,099	\$ (6,455,197)
Employer contributions	3,691,087	1,425,533	1,383,969	2,265,554	41,564
Total additions (deductions)	10,309,005	(620,648)	5,792,985	10,929,653	(6,413,633)
Deductions					
Benefits paid to participants	1,927,249	1,808,898	1,833,510	118,351	(24,612)
Administrative expenses	111,885	110,600	102,228	1,285	8,372
Total deductions	2,039,134	1,919,498	1,935,738	119,636	(16,240)
Net increase (decrease) in net position	\$ 8,269,871	\$ (2,540,146)	\$ 3,857,247	\$ 10,810,017	\$ (6,397,393)

REQUESTS FOR INFORMATION

Questions concerning any of the information provided or requests for additional financial information should be addressed to Corpus Christi Regional Transportation Authority, Finance Department, 602 N. Staples St., Corpus Christi, Texas 78401, (361) 883-2287. In addition, this Employee Defined Benefit Plan and Trust Financial Report for 2019 will be posted on the Authority's website: www.ccrta.org under the category "Financial Transparency" – Pension Information.

**RTA Employees Defined Benefit Plan and Trust
Statements of Fiduciary Net Position**

<i>As of December 31,</i>	2019	2018
ASSETS		
Investments at fair value:		
Money market funds	\$ 905,128	\$ 1,039,372
Mutual funds	8,870,103	7,061,842
Collective investments funds	32,393,408	25,797,750
Total investments, at fair value	42,168,639	33,898,964
Receivables:		
Accrued interest receivable	1,410	1,214
Total assets	\$ 42,170,049	\$ 33,900,178
FIDUCIARY NET POSITION		
Net position - restricted for pension benefits	\$ 42,170,049	\$ 33,900,178

The accompanying notes are an integral part of these financial statements.

**RTA Employees Defined Benefit Plan and Trust
Statements of Changes in Fiduciary Net Position**

<i>For the years ended December 31,</i>	2019	2018
ADDITIONS		
Contributions		
Employer contributions	\$ 3,691,087	\$ 1,425,533
Investment income (loss)		
Net appreciation (depreciation) in fair value of investments	6,412,947	(2,250,960)
Interest	25,103	11,278
Dividends	173,464	188,814
Mutual/ Common trust fund earnings	6,404	4,687
Total investment income (loss), net	6,617,918	(2,046,181)
Total additions (deductions)	10,309,005	(620,648)
DEDUCTIONS		
Benefits paid to participants	1,927,249	1,808,898
Administrative expenses	111,885	110,600
Total deductions	2,039,134	1,919,498
Net increase (decrease) in fiduciary net position	8,269,871	(2,540,146)
Fiduciary net position, beginning of year	33,900,178	36,440,324
Fiduciary net position, end of year	\$ 42,170,049	\$ 33,900,178

The accompanying notes are an integral part of these financial statements

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 1: DESCRIPTION OF THE PLAN

The following description of the RTA Employees Defined Benefit Plan and Trust (the "Plan") provides only general information. Refer to Plan documents for a more complete description of Plan provisions.

General

The Plan is a single-employer defined benefit pension plan administered by the Corpus Christi Regional Transportation Authority ("Authority") and established upon the applicable sections of the Internal Revenue Code. The Authority Board may periodically amend the Plan document. The current Plan provisions were established by a Plan and Trust agreement adopted by the Board of Directors in July 1986, and amended in July 1994, February 2002, November 2010, December 2011, December 2012, and January 2015.

Plan Administrator

The Plan has engaged third parties to provide actuarial services, consulting services, investment services and to assist with certain administrative functions of the Plan.

Benefits

Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The Plan assets are maintained under a trust agreement with Wells Fargo Bank (Trustee). The Trustee carries out an investment policy established by the Authority Board consistent with purposes of the Plan and all applicable laws. Administration costs are paid by the Plan.

Eligibility Requirements

All employees shall be eligible to participate in the Plan on the date of the commencement of a full-time employment or reemployment. For purposes of this section, a full-time employee shall be defined as an employee who receives compensation from the employer on the basis on an average of at least 40 hours of employment per week. Once an employee has become a participant, he will continue to be a participant as long as he continues to be an employee without a break in service and thereafter as long as he or his beneficiary retains any right to benefits under the Plan.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 1: DESCRIPTION OF THE PLAN (Continued)

Retirement Benefits

Plan participants are eligible for their pension benefit after terminating employment with vested rights. Participants are eligible for normal retirement on his normal retirement date (first day of the calendar month immediately following the date he attains age 62). A participant who has both attained his 55th birthday and has completed at least ten (10) years of service may retire at any time by giving at least 120 days prior written notice to the employer, but at a benefit reduced by 5% for each year preceding his normal retirement date. Participants should refer to the Plan Document for a more complete description of the Plan reduction factors. Normal retirement benefits shall be an amount equal to 2% of his final average compensation multiplied by his years of service (converted to a monthly retirement benefit by dividing by twelve).

Vesting

Vesting begins at three years of service with full vesting at seven years. Employees who retire on or after age 62 are entitled to an annual retirement benefit equal to 2% of average compensation for the final three consecutive years of employment times their number of years of service for the Authority. Reduced retirement benefits are available at age 55 with ten years of service. In January 2015, the Plan was amended to allow those eligible for early retirement during a specific window without incurring the normal reduction in benefits. The Plan is not indexed for inflation. As of December 31, 2019 and December 31, 2018, there were 596 and 583 participants in the Plan, respectively, as follows:

	2019	2018
Retirees and beneficiaries currently receiving benefits	185	172
Terminated and entitled to, but not yet receiving benefits	196	184
Active employees	215	227
Total participants	596	583

Death Benefits

If the employment of a Participant is terminated by reason of his death prior to the completion of three (3) years of service, no death benefits shall be payable under the Plan. If the employment of a participant is terminated by reason of his death, while in the employment of the Authority after the completion of three (3) years of service or after having terminated with at least three (3) years of service, then a death benefit shall be payable to the participant's surviving spouse equal to the "Pre-Retirement Survivor Annuity". The "Pre-Retirement Survivor's Annuity" means a survivor annuity for the life of the deceased participant's spouse which provides payments to the surviving spouse that are equal to the amounts that would have been paid to the surviving spouse (details provided in Plan Document). If the participant does not have a surviving spouse, no death benefits shall be payable.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 1: DESCRIPTION OF THE PLAN (Continued)

Disability Benefits

Employees determined to be disabled under terms of the Authority's long-term disability program as of June 1, 1999 shall be entitled to benefits under this Plan to the extent the Plan provisions in place on June 1, 1999 provided for such benefits.

Contributions

The Authority shall contribute to the fund from time to time amounts based upon the recommendations of the Plan's actuary, in order to fund the costs of the Plan on an acceptable basis. All employer contributions when made to fund and all property and funds of the fund, including income from investments and from all other sources, shall be retained for the exclusive benefit of participants and their beneficiaries, and shall be used to pay retirement income provided hereunder or to pay expenses of administration of the Plan and the fund.

No contributions shall be required of or permitted by any participants under this plan.

Plan Termination

The Authority, has the right under the Plan to discontinue its contributions at any time and to terminate the Plan.

Tax Qualifications

The Plan is a tax qualified plan under IRS Code Section 401(a).

Funding Policy

The employer shall establish a funding policy and method consistent with the Plan objectives in order that the long range and short range financial needs of the Plan may be determined and communicated to the Board.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to the accounting principles generally accepted in the United States of America (GAAP) for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other authoritative sources.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation U.S GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Method Used to Value Investments

The assets of the Plan are invested in various fixed income, equity and short-term money market funds managed by a trustee. The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Plan. Investments are reported at their fair market value as determined by the trustee. Investments in mutual funds are valued based on most recent quoted market prices.

Investment Income

Dividend income is recognized based on the dividend date and interest income is recognized on the accrual basis as earned. Fair value changes are recorded as investment income or loss. Purchases and sales of investments are recorded as of the trade date.

Investment Valuation and Income Recognition

The Plan's investments are stated at market value, unless otherwise indicated. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for further information and related disclosures regarding the Plan's investments. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in the fair value of investments includes realized gains or losses and unrealized appreciation or depreciation on investments bought and sold as well as held during the year. Gains and losses on the sale of investments in registered investment company funds are computed using the weighted average cost method.

Risk and Uncertainties

The Plan may invest in various types of investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of fiduciary net position.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Payment of Benefits

Benefit payments are recognized as expenses when due and payable in accordance with the terms of the Plan.

Administrative Expenses

The employer may pay all expenses incurred in the administration of the Plan, including expenses and fees of the Trustee, but it shall not be obligated to do so; except that any such expenses and fees not paid by the employer shall be paid from the Plan. All expenses not paid by the employer and all other proper charges and disbursements of the Trustee, including taxes of any kind which may be levied or assessed under existing or future laws upon or in respect to the Fund or the Trust created hereby, shall be paid by the Trustee out of, and shall constitute a first charge upon, the Fund. In addition, certain investment related expenses are included in the net appreciation of fair value of investments presented in the accompanying *Statement of Changes in Fiduciary Net Position*.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 19, 2020. See Note 8 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Note 3: CHANGES OF ASSUMPTIONS

The assumed interest (or discount) rate was decreased from 7.40% to 7.30% per annum. The mortality basis was changed from the RP-2017 Blue Collar Generational Mortality table with Improvement Scale MP-2018 to the RP-2014 Blue Collar Generational Mortality table with Improvement Sale MP-2019.

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 4: INVESTMENTS

Investments at December 31, 2019 and 2018 consist of the following mutual funds, which are stated at fair value:

	2019	2018
Money market fund:		
Wells Fargo Short Term Investment Fund F	\$ 905,128	\$ 1,039,372
Total money market fund	905,128	1,039,372
Mutual funds:		
Fixed income:		
Metropolitan West Total Return Bond Fund Class I	3,267,295	2,701,425
Total fixed income	3,267,295	2,701,425
International equity:		
Acadian Emerging Markets Portfolio Class Inst	873,054	666,821
American Funds Europacific Growth	1,758,498	1,361,263
Invesco Oppenheimer Developing	884,955	-
Oppenheimer Developing Markets Fund Class I	-	678,564
Total international equity	3,516,507	2,706,648
Commodity:		
Alps/Corecommodity Mgmt Complete Comm Strat Fund Cl I	1,091,871	836,556
Total commodity	1,091,871	836,556
Real Estate:		
Vanguard REIT ETF	994,430	817,213
Total real estate	994,430	817,213
Total mutual funds	8,870,103	7,061,842
Collective investment funds:		
Domestic equity:		
Wells Fargo Multi-Manager Small Cap CIT F	3,904,687	3,069,349
Wells Fargo Blackrock S&P Midcap Index CIT F	4,331,665	3,400,961
Wells Fargo Blackrock S&P 500 Index CIT F	4,407,935	3,392,146
Wells Fargo MFS Value CIT F	1,310,502	1,017,448
Wells Fargo T Rowe Price Instit Equity Income Managed CIT F	873,304	677,674
Wells Fargo T Rowe Price Instit Large-Cap Growth Managed CIT F	1,350,986	1,018,995
Wells Fargo Voya Large Cap Growth CIT F	892,523	679,054
Total domestic equity	17,071,602	13,255,627
Fixed income:		
Wells Fargo Core Bond Fund	6,128,610	5,076,577
Wells Fargo Dodge & Cox Intermediate Bond CIT F	2,873,258	2,366,531
Wells Fargo Federated Total Return Bond CIT F	3,286,199	2,707,096
Total fixed income	12,288,067	10,150,204
International equity:		
Wells Fargo Causeway International Value CIT F	1,752,958	1,366,754
Wells Fargo Lazard International Equity CIT F	1,280,781	1,025,165
Total international equity	3,033,739	2,391,919
Total collective investment funds	32,393,408	25,797,750
Total investments	\$ 42,168,639	\$ 33,898,964

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 4: INVESTMENTS (Continued)

Fair Value Measurements

GASB 72, Fair Value Measurements and Application, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement). The three levels of the fair value hierarchy under GASB 72 are described as follows:

Level 1 inputs to the valuation methodology is unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from, or corroborated by, observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 inputs to the valuation methodology are inputs that are unobservable and significant to the fair value measurement.

Valuation Methodology

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2019.

Level 1 Fair Value Measurements

The fair value of mutual funds is based on quoted net asset values of the shares held by the Plan at the end of the year. Accounts are based on available quoted market prices.

Level 2 Fair Value Measurements

The fair value of certain units of Collective Investment Funds is based on significant other observable inputs. Underlying investments include securities, government and agency obligations, and fixed income securities. Securities traded on security exchanges are valued at closing market prices on the valuation date. Securities traded in the over-the-counter market are valued at the last sale on the valuation date, if any, otherwise at the last reported bid price. Government and agency obligations are valued based upon the most recent bid quotation for identical or similar obligations.

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 4: INVESTMENTS (Continued)

Fixed income securities are valued based upon the most recent bid quotation obtained from major market makers or security exchanges. The fair value of the collective trust fund is the respective net asset values reported by the fund daily.

The preceding valuation methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following presents the Plan's fair value measurements at December 31, 2019 and 2018 reported by level, within the fair value hierarchy and segregated by entity size or investment objective.

Fair Value Measurements			
	Fair value	Quoted prices in active market for identical assets (Level 1)	Significant other observable inputs (Level 2)
December 31, 2019			
Money market fund	\$ 905,128	\$ 905,128	\$ -
Mutual funds	8,870,103	8,870,103	-
Common/ Collective trust funds	32,393,408	-	32,393,408
Total	\$ 42,168,639	\$ 9,775,231	\$ 32,393,408
December 31, 2018			
Money market fund	\$ 1,039,372	\$ 1,039,372	\$ -
Mutual funds	7,061,842	7,061,842	-
Common/ Collective trust funds	25,797,750	-	25,797,750
Total	\$ 33,898,964	\$ 8,101,214	\$ 25,797,750

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. As market interest rates rise, the fair value of an investment held decreased. The Plan's current Investment Policy does not specifically address interest rate risk. The Plan does, however, monitor exposure using the "Segmented Time Distribution" method.

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 4: INVESTMENTS (Continued)

The following is a list of fixed income investments and related maturity schedule (in years) as of December 31, 2019 and 2018. The Maturity schedule is based on the average maturity of the fund as noted by the fund manager.

Investment Type	Fair Value	Less than			
		1 year	1 - 5 years	5- 10 years	10 + years
December 31, 2019					
Collective Investment Funds:					
Fixed Income					
WF Core Bond Fund	\$ 6,128,610	\$ 61,286	\$ 3,861,024	\$ 1,225,722	\$ 980,578
WF Dodge & Cox Intermediate Bond Fund	2,873,258	86,198	1,494,094	689,582	603,384
WF Federated Total Return Bond Fund	3,286,199	131,448	690,102	98,586	1,413,066
Total	\$ 12,288,067	\$ 278,932	\$ 6,045,220	\$ 2,013,890	\$ 2,997,027

December 31, 2018					
Collective Investment Funds:					
Fixed Income					
WF Core Bond Fund	\$ 5,076,577	\$ 50,766	\$ 2,182,928	\$ 2,233,694	\$ 609,189
WF Dodge & Cox Intermediate Bond Fund	2,366,531	23,665	757,290	1,230,596	354,980
WF Federated Total Return Bond Fund	2,707,096	81,213	568,490	81,213	1,055,767
Total	\$ 10,150,204	\$ 155,644	\$ 3,508,708	\$ 3,545,503	\$ 2,019,936

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the Plan. The Plan's investment policy addresses general provisions relating to common stocks where limits are established on percentage of investing in a particular stock. The policy also stresses high quality and reasonable diversification of fixed income investments with portfolio holdings concentrated in securities rated A or better, limiting 10% of holdings invested in issues rated below BBB, only with management approval.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 4: INVESTMENTS (Continued)

Custodial Credit Risk

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by counterparty, or counterparty's trust department or agent but not in the government's name. This is the risk that in the event of bank or investment failure, the Plan's deposits or investments may not be returned. The Plan's investment policy does not specifically address custodial credit risk; however, all of Defined Benefits' deposits and investments are in the name of the Plan and Trust. As of December 31, 2019 and 2018, the Plan's deposits or investments exposed to custodial credit risk are minimal.

Concentration of Credit Risk

This is the risk of investing predominately in any one type of investment or entity. The Plan recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The Plan's adopted investment policy established diversification as a major objective of the investment program and sets diversification limits for all authorized investment types which are monitored on a monthly basis. Per the policy, no equity holding may exceed 5% of the outstanding voting shares of the issuing corporation. Likewise, regarding fixed income investments, not more than 5% of the market value of the total portfolio may be invested in the debt securities of any one company. As of December 31, 2019 and 2018 there were no exceptions to these policy limits.

The following is the Plan's adopted asset allocation ranges as of December 31, 2019:

	Target %	Maximum %	Minimum %	Benchmark
Cash	2%	3%	0%	Treasury Bill Equivalent
Equities	60%	70%	50%	S & P 500
Fixed Income	38%	50%	27%	Barclays Capital Aggregate

Rate of Return

The portfolio is expected to produce a compounded annual absolute return over a market cycle of at least 7.5%. For the year ended December 31, 2019 and 2018, the annual dollar-weighted rate of return on the Plan's investments, net of pension plan investment income, was 18.98 and -5.40 percent, respectively. The dollar-weighted rate of return demonstrates that the present value of future cash flows plus the final market value of investments equal the current market price of investment.

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 4: INVESTMENTS (Continued)

The Plan's fixed income investments are rated based on the average quality of the fixed income investments as noted below:

	WF Core Bond Fund CIT F	WF Dodge & Cox Intermed Bond CIT F	WF Federated Total Return Bond CIT F	Total
December 31, 2019				
Cash	\$ -	\$ 28,733	\$ 32,862	\$ 61,595
U.S. Treasury	-	201,128	-	201,128
U.S. Agency	-	1,235,501	-	1,235,501
AAA	4,167,455	172,395	1,643,100	5,982,950
AA	122,572	57,465	98,586	278,623
A	735,433	201,128	427,206	1,363,767
BBB	980,578	747,047	722,964	2,450,588
BB and Below	122,572	229,861	361,482	713,915
Total	\$ 6,128,610	\$ 2,873,258	\$ 3,286,199	\$ 12,288,067
December 31, 2018				
Cash	\$ -	\$ 23,665	\$ 27,071	\$ 50,736
U.S. Treasury	-	236,653	-	236,653
U.S. Agency	-	899,282	-	899,282
AAA	3,756,667	141,992	1,272,335	5,170,994
AA	152,297	23,665	54,142	230,104
A	304,595	141,992	297,780	744,367
BBB	812,252	733,625	649,703	2,195,580
BB and Below	50,766	165,657	297,781	514,204
Other	-	-	108,284	108,284
Total	\$ 5,076,577	\$ 2,366,531	\$ 2,707,096	\$ 10,150,204

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 5: NET PENSION LIABILITY

The Net Pension Liability is measured as the Total Pension Liability, less the amount of the Plan's Fiduciary Net Position. In actuarial terms, this will be the accrued liability less the market value of assets. The components of the Plan's Net Pension Liability as of December 31, 2019 and 2018 are as follows:

	2019	2018
Total pension liability	\$ 44,625,498	\$ 40,368,820
Plan fiduciary net position	42,170,049	33,900,178
Net pension liability	\$ 2,455,449	\$ 6,468,642

Plan fiduciary net position as a percentage of the total pension liability	94.50%	83.98%
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Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2019, using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.50%
Mortality	RP-2014 Blue Collar Generational Mortality table with Improvement Scale MP-2019
Ad hoc post- employment benefits	Not applicable

Long-Term Expected Rate of Plan Returns

The long-term expected rate of return on Plan investments was determined considering historical performance and using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 5: NET PENSION LIABILITY (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity - Large Cap	20%	5.20%
Domestic Equity - Mid Cap	10%	6.00%
Domestic Equity - Small Cap	10%	6.30%
International Equity	15%	5.20%
Fixed Income	38%	1.30%
Domestic Real Estate	2.5%	4.30%
Commodities	2.5%	2.20%
Cash	2%	0.00%

Discount Rate

The discount rate used to measure the total pension liability was 7.3%. Pursuant to Paragraph 43 of GASB No. 67, an alternative analysis was performed to compare the Plan's net fiduciary position to projected benefit payments.

1. The Normal Cost represents the annual cost of providing an additional year of pension benefits for active participants.
2. The Unfunded Actuarial Accrued Liability represents the accumulated deficiency of the total cost of benefit payments which have already been earned over the current assets held by the Plan's trust.
3. The Authority's contribution policy is to make an annual payment equal to the Normal Cost plus the amortization payment of the Unfunded Actuarial Accrued Liability. The amortization payment is calculated as a level dollar amount over a period of 15 years from January 1, 2009.
4. A review of actual contributions over the past five years shows that the Authority has made sufficient contributions to meet its funding policy.

On the basis of the above, the projected cash flows will be sufficient to provide the benefit payments to the Plan participants. Thus, the Discount Rate is equal to the long-term expected rate of return of 7.3%.

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 5: NET PENSION LIABILITY (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the Net Pension Liability of the Plan, calculated using the discount rate of 7.3%, as well as what the Plan's Net Pension Liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.3%) or 1-percentage point higher (8.3%) than the current rate:

	1% Decrease	Current Discount	1% Increase
	6.30%	Rate 7.30%	8.30%
Net pension liability	\$ 7,723,454	\$ 2,455,449	\$ (1,951,023)

Note 6: PLAN TERMINATION

Although it has not expressed any intention to do so, the Authority expressly reserves the right under the Plan to terminate or partially terminate the Plan and its contributions thereunder at any time subject to the provisions set forth in Section 7 of the Plan and by giving written notice of such termination or discontinuation of its contribution to the Trustee. In the event the Plan terminates, or partially terminates, the present value of the benefits shall be determined as of the Plan termination date and the assets of the Trust Fund shall be allocated to the extent they shall be sufficient, after providing for expenses and administration, in the following order:

1. First
 - a. To benefits which are being paid as of three years prior to the date of termination of the Plan, with the amount to be allocated to such benefit, based on the provisions of the Plan in effect during the five-year period immediately preceding the date of termination under which such benefit would be least.
 - b. To benefits which would have been paid as of three years prior to the date of termination (i) if the Participant had retired prior to the three-year period and (ii) if his benefits had commenced (in the normal form of annuity under the Plan) as of the beginning of such three-year period, with the amount to be allocated to each such benefit determined under the provisions of the Plan in effect during the five-year period preceding the date of termination under which the benefit would be the least.
2. Second, to all other vested Accrued Benefits as determined under Section 3.05.
3. Third, to all other Accrued Benefits attributable to non-vested participants.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 6: PLAN TERMINATION (Continued)

For purposes of 1.b.i above, the lowest benefit in pay status during a three-year period shall be considered the benefit in pay status for such period.

If the assets available for allocation to any class specified above are insufficient to satisfy in full the benefits of all individuals within that class, the assets shall be allocated pro-rata among such individuals on the basis of present value (as of the termination date) of their respective benefits.

Note 7: TAX STATUS

On April 27, 2017 the Internal Revenue Service (IRS) issued a favorable determination letter stating that the Plan was in compliance with Section 1.401-1(b)(3) of the Code of Federal Regulations.

Note 8: SUBSEQUENT EVENTS

Management of the Plan evaluated all events or transactions that occurred after December 31, 2019 through November 19, 2020, the date the Plan's financial statements were available to be issued.

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Plan. The occurrence and extent of such impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all which are uncertain.

REQUIRED SUPPLEMENTARY PLAN INFORMATION

RTA Employees Defined Benefit Plan and Trust
Schedule of Net Pension Liability
Last 6 Years

For the Year Ended December 31,	Total Pension Liability	Plan Fiduciary Net Position	Employer's Net Pension Liability	Plan Fiduciary Net Position as a % of Total Pension Liability		Covered Payroll	Net Pension Liability (Asset) as a % of Covered Payroll
				Plan Fiduciary Net Position	Pension Liability		
2019	\$ 44,625,498	\$ 42,170,049	\$ 2,455,449	94.50%	\$ 10,668,048	23.0%	
2018	40,368,821	33,900,179	6,468,642	83.98%	10,677,430	60.6%	
2017	37,069,237	36,440,324	628,913	98.30%	9,773,977	6.4%	
2016	34,966,314	32,583,077	2,383,237	93.18%	9,178,411	26.0%	
2015	33,530,870	30,210,461	3,320,409	90.10%	8,818,232	37.7%	
2014	31,895,409	31,162,434	732,975	97.70%	7,274,172	10.1%	

Note to Schedule:

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See notes to required supplementary information.

RTA Employees Defined Benefit Plan and Trust
Schedule of Changes in Net Pension Liability and Related Ratios

For the year ended December 31,	2019	2018*	2017	2016	2015	2014
Total Pension Liability						
Service cost	\$ 879,904	\$ 1,066,449	\$ 980,740	\$ 941,470	\$ 876,806	\$ 695,517
Interest on total pension liability	2,987,293	2,780,193	2,620,680	2,521,413	2,396,547	2,254,495
Change in excess state money	-	-	-	-	-	-
Changes in benefit terms	-	313,503	-	-	115,478	391,915
Changes between expected and actual experience	1,943,344	(241,238)	335,013	(465,534)	(260,046)	784,295
Changes of assumptions	373,385	1,189,575	-	-	-	-
Contributions - buybacks	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(1,927,249)	(1,808,898)	(1,833,510)	(1,561,905)	(1,493,324)	(1,248,266)
Net change in total pension liability	4,256,677	3,299,584	2,102,923	1,435,444	1,635,461	2,877,956
Total pension liability, beginning	40,368,821	37,069,237	34,965,814	33,530,370	31,894,909	29,016,953
Total pension liability, ending (a)	\$ 44,625,498	\$ 40,368,821	\$ 37,068,737	\$ 34,965,814	\$ 33,530,370	\$ 31,894,909
Plan Fiduciary Net Position						
Contributions - employer	\$ 3,691,087	\$ 1,425,533	\$ 1,383,969	\$ 1,503,736	\$ 985,175	\$ 1,178,498
Investment income net of investment expenses	6,617,918	(2,046,180)	4,409,016	2,523,595	(348,950)	1,706,547
Benefit payments, including refunds of employee contributions	(1,927,249)	(1,808,898)	(1,833,510)	(1,561,905)	(1,493,324)	(1,248,266)
Administrative expenses	(111,886)	(110,600)	(102,228)	(92,810)	(94,874)	(91,465)
Other	-	-	-	-	-	-
Net change in plan fiduciary net position	8,269,870	(2,540,145)	3,857,247	2,372,616	(951,973)	1,545,314
Plan fiduciary net position, beginning	33,900,179	36,440,324	32,583,077	30,210,461	31,162,434	29,617,120
Plan fiduciary net position, ending (b)	\$ 42,170,049	\$ 33,900,179	\$ 36,440,324	\$ 32,583,077	\$ 30,210,461	\$ 31,162,434
Net pension liability, ending = (a) - (b)	\$ 2,455,449	\$ 6,468,642	\$ 628,413	\$ 2,382,737	\$ 3,319,909	\$ 732,475
Plan fiduciary net position as a % of total pension liability	94.50%	83.98%	98.30%	93.19%	90.10%	97.70%
Covered payroll	\$ 10,668,048	\$ 10,677,430	\$ 9,773,977	\$ 9,178,411	\$ 8,818,232	\$ 7,274,172
Net pension liability as a % of covered payroll	23.02%	60.58%	6.43%	25.96%	37.65%	10.07%

Note to Schedule:

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

*Multiple valuations were performed in 2018. The December 31, 2017 valuation was necessary to roll forward the valuation to December 31, 2018, but was not utilized in the financial statements.

See notes to required supplementary information.

**RTA Employees Defined Benefit Plan and Trust
Schedule of Contributions
Last 10 Years**

Year Ended December 31	Actuarially Determined Contribution	Contributions in Relation to the Actuarial Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2019	\$ 1,227,724	\$ 3,691,087	\$ (2,463,363)	\$ 10,668,048	34.60%
2018	1,191,087	1,425,533	(234,446)	10,677,430	13.35%
2017	1,399,307	1,383,969	15,338	9,773,977	14.16%
2016	1,468,804	1,503,736	(34,932)	9,178,411	16.38%
2015	983,696	985,175	(1,479)	8,818,232	11.17%
2014	695,517	1,178,498	(482,981)	7,274,172	16.20%
2013	988,534	1,280,330	(291,796)	7,474,445	17.13%
2012	1,125,651	1,125,651	-	7,221,526	15.59%
2011	886,742	1,064,288	(177,546)	7,073,120	15.05%
2010	1,168,423	1,168,423	-	7,246,596	16.12%

See notes to required supplementary information.

**RTA Employees Defined Benefit Plan and Trust
Schedule of Investment Returns
Last 6 Years**

Year Ended December 31	Net Money-Weighted Rate of Return
2019	18.98%
2018	-5.40%
2017	13.12%
2016	8.01%
2015	-1.42%
2014	5.07

Note to Schedule:

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

RTA Employees Defined Benefit Plan and Trust Notes to Required Supplementary Information

Factors that significantly affect trends in amounts reported

For the periods presented, there were no changes of benefit terms or changes in the size or composition of the population covered by the benefit terms which significantly affect trends in the amounts reported. For the December 31, 2019 valuation, the assumed rates of mortality were changed from the RP-2017 Blue Collar Generational Mortality table with Improvement Scale MP-2018 to the RP-2014 Blue Collar Generation Mortality Table with Improvement Scope MP-2019.

Method and assumptions used in calculations of actuarially determined contributions

The following actuarially determined methods and assumptions were used to determine contribution rates reported for the year ended December 31, 2019:

Valuation Date	December 31, 2019																
Actuarial Cost Method	Entry Age Normal Actuarial Cost Method																
Amortization Method	Level Dollar																
Remaining Amortization Period	Average working lifetime of all participants																
Mortality Rate	RP-2014 Blue Collar Generational Mortality table with Improvement Scale MP-2019																
Asset Valuation Method	Fair Market Value based on quoted market prices																
Actuarial Assumptions:																	
Investment rate of return	7.30% compounded annually																
Inflation rate	2.25% compounded annually																
Retirement age	Later of age 62 with 7 or more years of employment																
Disability and rate:	None assumed																
Retirement Rates:																	
	<table border="0" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Age</th> <th style="text-align: center; border-bottom: 1px solid black;">Retirement Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">55-61</td> <td style="text-align: center;">20%</td> </tr> <tr> <td style="text-align: center;">62</td> <td style="text-align: center;">35%</td> </tr> <tr> <td style="text-align: center;">63-64</td> <td style="text-align: center;">15%</td> </tr> <tr> <td style="text-align: center;">65</td> <td style="text-align: center;">25%</td> </tr> <tr> <td style="text-align: center;">66-67</td> <td style="text-align: center;">20%</td> </tr> <tr> <td style="text-align: center;">68-69</td> <td style="text-align: center;">50%</td> </tr> <tr> <td style="text-align: center;">70</td> <td style="text-align: center;">100%</td> </tr> </tbody> </table>	Age	Retirement Rates	55-61	20%	62	35%	63-64	15%	65	25%	66-67	20%	68-69	50%	70	100%
Age	Retirement Rates																
55-61	20%																
62	35%																
63-64	15%																
65	25%																
66-67	20%																
68-69	50%																
70	100%																
Projected salary increases	3.5% per year until the assumed retirement age and 15% in year of retirement to account for non-regular compensation, includes inflation at 2.5%.																
Cost of Living assumption	2.5% per year for participants receiving monthly benefits whose benefits began on or before January 1, 2015.																



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Comprehensive Annual Financial Report

Corpus Christi, Texas

www.ccrta.org



For the Fiscal Year Ended December 31, 2019



Subject: Ratify the ACH payments made to UMB Bank, NA to satisfy the Authority's 2020 Annual Debt Service requirements of the Revenue Refunding Bonds, Taxable Series 2019

Background

The Corpus Christi RTA issued refunding bonds in 2019 in order to refinance Series 2013 Revenue Bonds originally used for the construction of the Staples Street Center. By issuing the refunding bonds, the Authority was able to capitalize on historically-low bond rates and realize long-term savings on total debt service. Debt service on CCRTA Revenue Refunding Bonds, Taxable Series 2019 is paid twice each year; an interest-only payment in June, and a regular (principal plus interest) payment in December. Debt payments are made to UMB Bank, NA.

Annual Debt Service requirements through 2026 are presented as follows:

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/05/2019	-	-	-	-	-
06/01/2020	-	-	317,414.73	317,414.73	-
12/01/2020	815,000.00	2.095%	277,352.68	1,092,352.68	-
12/30/2020	-	-	-	-	1,409,767.41
06/01/2021	-	-	268,815.56	268,815.56	-
12/01/2021	870,000.00	2.086%	268,815.56	1,138,815.56	-
12/30/2021	-	-	-	-	1,407,631.12
06/01/2022	-	-	259,741.46	259,741.46	-
12/01/2022	890,000.00	2.079%	259,741.46	1,149,741.46	-
12/30/2022	-	-	-	-	1,409,482.92
06/01/2023	-	-	250,489.91	250,489.91	-
12/01/2023	905,000.00	2.103%	250,489.91	1,155,489.91	-
12/30/2023	-	-	-	-	1,405,979.82
06/01/2024	-	-	240,973.83	240,973.83	-
12/01/2024	930,000.00	2.203%	240,973.83	1,170,973.83	-
12/30/2024	-	-	-	-	1,411,947.66
06/01/2025	-	-	230,729.88	230,729.88	-
12/01/2025	950,000.00	2.307%	230,729.88	1,180,729.88	-
12/30/2025	-	-	-	-	1,411,459.76
06/01/2026	-	-	219,771.63	219,771.63	-
12/01/2026	970,000.00	2.407%	219,771.63	1,189,771.63	-
12/30/2026	-	-	-	-	1,409,543.26

Identified Need

In order to maintain a strong bond rating, it is necessary that the Authority meet its debt service requirements in a timely manner. In accordance with the bond covenant, the annual debt service obligations are made twice a year. The total amount required to service the annual debt obligations for 2020 is \$1,409,767.35. The first payment was made on April 17, 2020, in the amount of \$317,414.65 for the interest portion of the debt payment. The second payment was made on November 13, 2020, in the amount of \$1,092,352.70 and included \$815,000 for principal and \$277,352.70 for interest.

Disadvantaged Business Enterprise

There is no DBE goal.

Financial Impact

The annual debt service payments are budgeted in the operating budget, in department 65 (Debt Service).

Board Priority

This item aligns with the Board Priority –Transparency.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Ratify the ACH payments made to UMB Bank, NA to satisfy the Authority’s 2020 Annual Debt Service requirements of the Revenue Refunding Bonds, Taxable Series 2019.

Respectfully Submitted,

Submitted by: Sandy Roddel
Director of Finance

Reviewed by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 
Jorge G. Cruz-Aedo
Chief Executive Officer



Subject: Award a Contract to Driverguard, Inc. for Driver Safety Shields

Background

RTA currently operates a fleet of 70 Gillig buses on our fixed route services, and staff is requesting to retrofit 63 of these buses with an advanced Driver Safety Shield. These vehicles have recently been equipped with acrylic barriers that were designed and installed by our vehicle maintenance team. These barriers were installed to provide our bus operators with an additional level of protection from COVID-19 and other bacterial and viral threats.

Identified Need

The existing barriers are only intended to provide additional protection from bacterial and viral threats. Prior to COVID-19, the primary threat to a bus operator was the risk of a physical assault. The purchase and installation of Driver Safety Shields will provide our bus operators with protection from potential physical assaults, assaults using weapons, and from bacterial and viral threats.

Disadvantaged Business Enterprise

For this procurement the DBE participation is zero percent (0%) – Contractors are encouraged to offer contracting opportunities to the fullest extent possible through outreach and recruitment activities to small, minority and disadvantaged businesses.

Financial Impact

The estimated cost of this project prior to issuing the IFB was \$443,240. This project is expected to qualify for a full 100 percent grant funding under the CARES act. We received three bids on the IFB, with Driverguard, Inc. being the only one to meet all of the specifications. The cost of this project is \$129,925.00 and it is expected to qualify for a full 100 percent grant funding under the CARES act.

Drivers Safety Shields		
IFB No. 2020-FP-12		
Company	Cost	Meets Specs
Driverguard, Inc.	\$129,925.00	Yes
Gillig, LLC	\$105,840.00	No
Power Manufacturing, Inc.	\$66,465.00	No

Board Priority

The Board Priority is Safety & Security.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Award a contract to Driverguard, Inc. for Driver Safety Shields.

Respectfully Submitted,

Submitted by: Bryan Garner
Director of Maintenance

Reviewed by: Derrick Majchszak
Managing Director of Operations

Final Approval by: 

Jorge G. Cruz-Aedo
Chief Executive Officer



Subject: Award a Three-Year Contract with one two-year option for Bus and Bus Bench Advertising to Iconic Sign Group, LLC

Background

CCRTA currently contracts with Iconic Sign Group, LLC (awarded in 2015), to sell and service advertising on:

- Bus benches
- Bus stop shelter ad space
- Inside bus advertising posters
- Outside bus advertising including wraps on both sides of buses and the back of buses where available

The contractor is also responsible for all graffiti removal on the advertisement and general appearance of the advertisement itself.

Identified Need

A Request for Proposals (RFP) was discussed and approved at the Administration & Finance Committee meeting held on September 23, 2020. The Board of Directors authorized the Chief Executive Officer or his Designee to issue the RFP at the Board of Directors meeting held on October 7, 2020. An RFP was issued on October 7, 2020, with submission proposals due on November 18, 2020.

The RFP was issued, and four proposals were received from Iconic Sign Group, LLC, Hendrickson Transportation, Hachar Bus Ads of CC, and adsposure. These proposals were first evaluated by five CCRTA Managing and Department Directors for their proposed method of accomplishing work; personnel and equipment; and qualifications, experience and competence. Proposers were given a technical score then price was factored into the evaluation. A summary of the proposals and evaluations are below:

Firms	Technical Evaluation Average Total (75 Points Max.)	Proposed Revenue Schedule (25 Pts. Max.)	Total Proposal Score (Max. Pts.100)	Three Year Base Total Contract Guarantee
Iconic	72.40	16.67	89.07	\$450,000
Hendrickson	36.60	25.00	61.60	\$525,000
Hachar	52.80	16.67	69.47	\$450,000
adsposure	58.80	0.00	58.80	---

Staff recommends awarding the three-year base contract to Iconic Sign Group who scored the highest total proposal score (technical evaluation average total and proposed revenue schedule).

Financial Impact

The Iconic Signs Group, LLC contract consists of a three (3) year base with one (1) two-year option. Minimum annual guarantee for this contract is \$150,000 for each year of the three (3) year base, with a total guarantee of \$450,000.

The two-year option would have a minimum annual guarantee of \$160,000 for the first year, and \$170,000 for the second year, for a \$330,000 total guarantee over two years.

Board Priority

This item aligns with the Board Priority – Financial Transparency.

Committee Review

This item completed grading and evaluation after the Committee Meeting agenda deadline had passed.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to award a three-year contract with one two-year option for bus and bus bench advertising to Iconic Sign Group, LLC.

Respectfully Submitted,

Submitted by: Rita Patrick
Director of Marketing

Final Approval by: 

Jorge G. Cruz-Aedo
Chief Executive Officer



Subject: October 2020 Financial Report

SUMMARY: Results from all Activities Compared to Budget

Total Revenues reported by the **Operating and Capital Budgets** for the month of October totaled **\$3,760,476** of which **\$3,254,060** is from the **Operating Budget** while **\$506,416** is from the **Capital Budget**. The percentage actual to baseline from the \$3,254,060 reached 99.49% of the baseline expectation. Included in this is revenue category is the sales tax estimate of \$2,891,664, the pass through federal grant assistance for sub-recipients of \$192,661, lease income of \$40,753 and investment income of \$8,131. Operating Revenues for October continue to reflect the impact of the Covid-19 pandemic on various aspects of the Authority, as fare revenues reached only 55.34% of the baseline expectation but up by .083% from prior month. Meanwhile, bus and bench advertising reached 85.88% of the baseline expectation. The baseline expectation provides an even 12-month spread to all revenue and expense categories and helps gauge the reasonableness of financial data.

The **Investment Portfolio** closed the month of October with a Market Value of **\$45,426,250**, an increase of **\$18,050,801** from the end of 2019 which closed at **\$27,375,449**. In comparison to the Market Value ending in September, the Market Value for October increased by **\$256,654**, of which \$170,952 is due to the YTD interest earnings for the month while the remaining \$85,702 is primarily due to the timing of invoice payments. The majority of the Authority's holdings are in TexPool Prime which includes Commercial Paper Investments.

Other Revenues which is a component of Operating Revenues, totaled \$24,608 in October. These revenues are typically sporadic and will not usually align with the baseline expectation. The revenue category includes federal and state fuel credits, income from facility rentals, proceeds from insurance claims, and other income.

Sales tax revenue is the largest source of income from **Operating Revenues**. The actual allocation payment for October 2020 will be received December 11, 2020. Because the allocations lag two months behind the sales tax for October is estimated for budget and reporting purposes.

The October allocation is estimated at **\$2,891,664** and represents the amount equal to the same period in 2019. This amount was utilized in order to maintain a conservative forecast for what might emerge in the aftermath of Covid-19 **since adjustments to sales tax payments by the Comptroller are unpredictable**. The most common adjustments come from **Audits** that can lead to sizeable adjustments that may either decrease or increase the sales tax payment. This strategy will assist in responding to revenue shortfalls by allowing ample time to adjust spending and/or evaluate changes in spending patterns. And in the opinion of the most recent S&P report "the Authority maintains exceptional financial metrics" compared with peers.

Month Revenue was Recognized	2020 Actual	2019 Actual	\$ Growth	% Growth
January (actual)	\$ 2,532,147	\$ 2,567,060	\$ (34,913)	-1.36%
February (actual)	2,593,497	2,533,698	59,799	2.36%
March (actual)	2,856,393	2,969,520	(113,127)	-3.81%
April (actual)	2,463,919	2,776,441	(312,522)	-11.26%
May (actual)	2,791,009	2,862,654	(71,645)	-2.50%
June (actual)	3,348,797	3,371,490	(22,693)	-0.67%
July (actual)	2,744,819	3,169,718	(424,899)	-13.40%
August (actual)	2,792,247	2,970,409	(178,162)	-6.00%
September (actual)	3,024,935	2,759,470	265,465	9.62%
October (estimate)	2,891,664	2,891,664	-	0.00%
November				0.00%
December				0.00%
	\$ 28,039,427	\$ 28,872,124	\$ (832,697)	-2.88%

Sales Tax revenue payment of \$3,024,935 for September was received November 13, 2020 which exceeded the initial budget estimated by \$265,465. The payment included the allocation from internet sales of \$23,033 and an increase of 7.02% from the prior month. RTA started receiving internet sales tax revenue in December 2019, and to date have received **\$214,309**. Retailers started collecting sales tax on internet sales October 1, 2019.

October 2019	\$10,059		
November 2019	12,664	25.89%	increase from prior month
December 2019	14,454	14.13%	increase from prior month
January 2020	17,773	22.96%	increase from prior month
February 2020	13,611	23.41%	decrease from prior month
March 2020	18,756	37.80%	increase from prior month
April 2020	16,441	12.34%	decrease from prior month
May 2020	19,191	16.73%	increase from prior month
June 2020	26,538	38.28%	increase from prior month
July 2020	20,267	23.63%	decrease from prior month
August 2020	21,522	6.19%	increase from prior month
September 2020	23,033	7.02%	increase from prior month

Sales tax typically represents the largest component of CCRTA's total income however there are several factors that can cause fluctuations from year to year. Although sales tax revenue is related to economic conditions, other factors such as the amount of revenues from other sources and capital improvement plans do come into play.

The sales tax revenue over the last five years' averages to **76.80%** of total income. In 2019 Sales Tax Revenue represented 88% of total revenues. For the last few months, sales tax revenue collected in comparison to other revenue has been significantly lower than normal due to the CARES funding.

To stabilize the fluctuations of sales tax revenue, CCRTA has established several reserve accounts that serve as a liquidity cushion. As you can see from the fund balance breakdown below, over 50% of the unrestricted portion is assigned by the Board to fund reserves that are earmarked to meet certain unexpected demands.

The detail of all revenue and expense categories are presented in the following tables, along with the fare recovery ratio for October 2020:

Operating Revenue – October 2020 and Year-To-Date – Revenue Composition

Revenue Source	October 2020	%	YTD	%
Passenger Service	\$ 84,884	2.35%	\$ 964,477	2.08%
Bus Advertising	11,360	0.31%	102,823	0.22%
Other Revenue	24,608	0.68%	66,096	0.14%
Sales Tax Revenue	2,891,664	80.02%	28,039,427	60.50%
Grants - Operating	192,661	5.33%	15,711,605	33.90%
Grants - Capital	359,495	9.95%	882,992	1.91%
Investment Income	8,131	0.23%	170,952	0.37%
SSC Lease Income	40,753	1.13%	404,981	0.87%
Total Revenue	\$ 3,613,555	100.00%	\$ 46,343,353	100.00%

October 2020 Revenue – Operating and Capital Funding and Transfer-In

	10/2020				
	2020 Adopted Budget	October 2020 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Revenues					
Passenger service	\$ 1,840,710	\$ 84,884	\$ 153,393	4.61%	55.34%
Bus advertising	158,731	11,360	13,228	7.16%	85.88%
Other operating revenues	622,779	24,608	51,898	3.95%	47.42%
Sales Tax Revenue	37,762,468	2,891,664	2,891,664	7.66%	100.00%
Federal, state and local grant assistance	874,476	192,661	72,873	22.03%	264.38%
Investment Income	565,803	8,131	47,150	1.44%	17.24%
Staples Street Center leases	486,015	40,753	40,501	8.39%	100.62%
Total Operating Revenues	42,310,982	3,254,060	3,270,707	7.69%	99.49%
Capital Grants & Donations	12,631,327	359,495	359,495	2.85%	100.00%
Transfers-In	1,763,046	146,921	146,921	8.33%	100.00%
Total Revenues & Capital Funding	\$ 56,705,355	\$ 3,760,476	\$ 3,777,122	6.63%	99.56%

Year-to-Date 2020 Revenue – Operating and Capital Funding and Transfer-In

	10/2020				
	2020 Adopted Budget	YTD 2020 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Revenues					
Passenger service	\$ 1,840,710	\$ 964,477	\$ 1,533,925	52.40%	62.88%
Bus advertising	158,731	102,823	132,276	64.78%	77.73%
Other operating revenues	622,779	66,096	518,983	10.61%	12.74%
Sales Tax Revenue	37,762,468	28,039,427	28,872,124	74.25%	97.12%
Federal, state and local grant assistance	874,476	15,711,605	728,730	1796.69%	2156.03%
Investment Income	565,803	170,952	471,503	30.21%	36.26%
Staples Street Center leases	486,015	404,981	405,013	83.33%	99.99%
Total Operating Revenues	42,310,982	45,460,361	32,662,552	107.44%	139.18%
Capital Grants & Donations	12,631,327	882,992	882,992	6.99%	100.00%
Transfers-In	1,763,046	1,469,205	1,469,205	83.33%	100.00%
Total Revenues & Capital Funding	\$ 56,705,355	\$ 47,812,558	\$ 35,014,749	84.32%	136.55%

OCTOBER 2020 EXPENSES

The results of all expenditure activities, including capital are presented below. The total activities compared well against the baseline. Timing of expenditures such as Debt Service (paid in May and November), and purchases of capital contribute to the anticipated variance between the outcome of operations and the baseline.

October 2020 Total Expenses & Capital Expenditures

	10/2020				
	2020 Adopted Budget	October 2020 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Expenditures					
Departmental Operating Expenses	\$ 35,606,645	\$ 2,719,470	\$ 2,967,220	7.64%	91.65%
Debt Service	1,423,053	-	118,588	0.00%	0.00%
Street Improvements	3,021,641	251,803	251,803	8.33%	100.00%
Subrecipient Grant Agreements	49,694	192,661	4,141	387.69%	4652.34%
Total Operating Expenses	40,101,033	3,163,935	3,341,753	7.89%	94.68%
Grant Eligible Costs	12,631,327	359,495	359,495	2.85%	100.00%
Depreciation Expenses	3,972,995	331,083	331,083	8.33%	100.00%
Total Expenses & Capital Expenditures	\$ 56,705,355	\$ 3,854,512	\$ 4,032,331	6.80%	95.59%

Year-to-Date 2020 Total Expenses & Capital Expenditures

	10/2020				
	2020 Adopted Budget	YTD 2020 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Expenditures					
Departmental Operating Expenses	\$ 35,606,645	\$ 27,176,883	\$ 29,672,204	76.33%	91.59%
Debt Service	1,423,053	266,900	1,185,878	18.76%	22.51%
Street Improvements	3,021,641	2,518,034	2,518,034	83.33%	100.00%
Subrecipient Grant Agreements	49,694	519,150	41,412	1044.69%	1253.63%
Total Operating Expenses	40,101,033	30,480,967	33,417,528	76.01%	91.21%
Grant Eligible Costs	12,631,327	882,992	882,992	6.99%	100.00%
Depreciation Expenses	3,972,995	3,310,828	3,310,829	83.33%	100.00%
Total Expenses & Capital Expenditures	\$ 56,705,355	\$ 34,674,787	\$ 37,611,349	61.15%	92.19%

EXPENSES – REPORTED BY EXPENSE OBJECT CATEGORY

The **Financial Accounting Standards Board (FASB)** requires expenses to be reported by object category which include expenses that can be traced back to a specific department and or activity. It excludes depreciation expenses, expenses associated with the Street Improvement Program, debt service expenses, and pass through activities (Sub-recipients).

Accordingly, for the month of October 2020, total departmental operating expenses realized a favorable variance against the monthly budget as well as the baseline expectation. **We are 10 months into the budget or 83.33% and the majority of the departmental expenses closed the month at or below this benchmark. Only the Materials & Supplies categories exceeded the benchmark, due to the costs of personal protective equipment and cleaning supplies associated with Covid-19, which are costs reimbursed by CARES Act funding.**

October 2020 Departmental Expenses

Departmental Operating Expense Object Category	10/2020				
	2020 Adopted Budget	October 2020 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Salaries	\$ 13,257,370	\$ 1,033,669	\$ 1,104,781	7.80%	93.56%
Benefits	5,512,012	369,122	459,334	6.70%	80.36%
Services	4,801,717	366,141	400,143	7.63%	91.50%
Materials & Supplies	3,047,462	287,214	253,955	9.42%	113.10%
Utilities	707,280	53,144	58,940	7.51%	90.17%
Insurance	454,522	32,331	37,877	7.11%	85.36%
Purchased Transportation	7,105,315	554,470	592,110	7.80%	93.64%
Miscellaneous	720,966	23,379	60,081	3.24%	38.91%
Total Departmental Operating Expenses	\$ 35,606,645	\$ 2,719,470	\$ 2,967,220	7.64%	91.65%

2020 Year-to-Date Departmental Expenses

Departmental Operating Expense Object Category	10/2020				
	2020 Adopted Budget	YTD 2020 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Salaries	\$ 13,257,370	\$ 10,403,195	\$ 11,047,809	78.47%	94.17%
Benefits	5,512,012	4,347,732	4,593,343	78.88%	94.65%
Services	4,801,717	2,865,179	4,001,431	59.67%	71.60%
Materials & Supplies	3,047,462	2,821,951	2,539,552	92.60%	111.12%
Utilities	707,280	525,061	589,400	74.24%	89.08%
Insurance	454,522	313,560	378,768	68.99%	82.78%
Purchased Transportation	7,105,315	5,563,613	5,921,096	78.30%	93.96%
Miscellaneous	720,966	336,592	600,805	46.69%	56.02%
Total Departmental Operating Expenses	\$ 35,606,645	\$ 27,176,883	\$ 29,672,204	76.33%	91.59%

New for 2020 is the allocation of the full labor burden to each respective department. In the past, line items such as **Health Insurance**, **Workers Compensation**, and **Unemployment Insurance** were all charged to the **Human Resources** department. Now, the benefit line is allocated proportionately to its respective department. As such, there is a significantly lower budget amount for the expense function of **Insurance**. The reduction in Insurance has been added to **Benefits** as part of the allocation process.

For October 2020, most expense categories were within a reasonable degree of distance from the baseline expectation. The largest expense category, **Salaries totaled \$1,033,669**, and was within 6% of the baseline expectation. The **Benefits** category also maintained the same baseline expectation with a totaled of \$369,122. Meanwhile the **Materials & Supplies** category appears further from the baseline expectation; however, this category includes much of the costs incurred in response to **Covid-19** and reimbursable under the Cares Grant.

The cost of fuel used in fleet vehicles falls under the Materials & Supplies category. The average price per gallon in **October, for compressed natural gas (CNG), diesel, and unleaded was \$0.69, \$1.37, and \$1.55**, respectively, while the average cost for 2020 for the year-to-date was \$0.67, \$1.46, and \$1.81, respectively.

Total operating expenses are within nine percentage points of the baseline expectation for year-to-date budget 2020, with monthly expenses to-date representing only 76.01% of the budget, compared to the baseline expectation of 83.33%.

Covid-19 Expenses

Because of the accounting treatment associated with the various types of **Covid-19** purchase it is necessary to provide clarification to explain the variances between the financials and any other internal reporting sources.

The financials only report expenditures that have completed the transaction cycle. **Covid-19** expenses in the financials are either a specialized direct expenditure resulting from the pandemic or **normal operating expenses** from specific departments that have been identified by the CARES Act as reimbursable eligible expenses (this includes wages and benefits of certain departments). These expenses when submitted for reimbursement have to be reduced by the amount of fare revenue received as of the reporting period. The specialized direct expenditures flow through a special inventory account for tracking and expensed to the department budgets when the items are taken out of inventory for use. The cost of the items still in inventory are reported in the Statement of Net Position (Balance Sheet) and the items used and taken out of inventory are reported in the Operating and Capital Budget Report.

As of the October financial statements the YTD total of **\$15,192,455** has been recognized as grant revenues from the CARES Act. This represents all eligible costs less the amount of fare revenue received as of this reporting date totaling **\$690,273**. The remaining funds available are expected to be drawn down in November 2020.

Eligible Reimbursable Expense	Amount
Salaries	\$ 5,737,744
Benefits	2,888,741
Services	1,034,007
Materials & Supplies	1,388,527
Utilities	118,446
Insurance	63,273
Purchased Transportation	4,651,989
Total	\$ 15,882,728
Less: Fare Revenue Received	(690,273)
Total Grant Reimbursement	\$ 15,192,455
Grant Award	\$ 15,359,362
Grant Balance Available	\$ 166,907

Fare Recovery Ratio

Description	10/31/2020	Year to Date
Fare Revenue	\$ 84,884	\$ 964,477
Operating Expenses*	2,719,470	26,371,270
Fare Recovery Ratio	3.12%	3.66%
*Excluding Depreciation		

Note: Same period last year (October) the FRR was 4.80%

NET POSITION

The Total Net Position at the end of the month was **\$94,426,682**, an increase of \$13,109,895 from December 2019, which is due to the combined effect of the CARES Grant funding offset by accruals for depreciation and street improvements. The Total Net Position is made up of three (3) components: Net Investment in Capital Assets, restricted for Debt Service (Bond Contract), and Unrestricted which represents the residual amount of the net position that is available for spending.

The Debt Service restriction of \$1.6 Million was removed as a result of the November 2019 bond refunding due. The purchase of an insurance policy allowed the Authority to release the existing cash reserve of \$1.6 Million which had been restricted for debt service in 2019. Of the unrestricted portion, 42% has been designated by the Board.

Of the Total Net Position of **\$94,426,682**, the portion of the fund balance that is not restricted in accordance to GASB Concepts Statement No 4 is **\$41,167,286**, but only **\$24,013,781** is available for spending as a result of the internal restrictions placed by the Board for specific reserves which total **\$17,153,505**.

FUND BALANCE AS OF OCTOBER 31, 2020:

<u>FUND BALANCE</u>	
Net Invested in Capital Assets	\$ 53,259,396
Restricted for Debt Service	-
Unrestricted	41,167,286
TOTAL FUND BALANCE	<u>94,426,682</u>
<u>RESERVES</u>	
Net Invested in Capital Assets	53,259,396
Designated for Debt Service	-
Designated for Operating Reserve	9,310,463
Designated for Capital Reserve	3,157,831
Designated for Local Share of CIP	3,972,993
Designated for Employee Benefits Reserve	712,218
Unrestricted	24,013,781
TOTAL INVESTED IN CAPITAL & RESERVES	<u>\$ 94,426,682</u>

Please refer to the following pages for the detailed financial statements.

Respectfully Submitted,

Submitted by: Marie Sandra Roddel
Director of Finance

Reviewed by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 
Jorge G. Cruz-Aedo
Chief Executive Officer

Corpus Christi Regional Transportation Authority
 Operating and Capital Budget Report
 For the month ended October 2020

OPERATING BUDGET	10/2020				
	2020 Adopted Budget	October 2020 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
	A	B	C = A / 12	B / A	C vs B
Revenues					
Passenger service	\$ 1,840,710	\$ 84,884	\$ 153,393	4.61%	55.34%
Bus advertising	158,731	11,360	13,228	7.16%	85.88%
Other operating revenues	622,779	24,608	51,898	3.95%	47.42%
Sales Tax Revenue	37,762,468	2,891,664	2,891,664	7.66%	100.00%
Federal, state and local grant assistance	874,476	192,661	72,873	22.03%	264.38%
Investment Income	565,803	8,131	47,150	1.44%	17.24%
Staples Street Center leases	486,015	40,753	40,501	8.39%	100.62%
Total Revenues	42,310,982	3,254,060	3,270,707	7.69%	99.49%
Expenses					
Transportation	10,158,674	707,246	846,556	6.96%	83.54%
Customer Programs	564,293	48,510	47,024	8.60%	103.16%
Purchased Transportation	7,105,315	581,558	592,110	8.18%	98.22%
Service Development	608,237	49,692	50,686	8.17%	98.04%
MIS	1,349,557	105,276	112,463	7.80%	93.61%
Vehicle Maintenance	5,738,762	447,920	478,230	7.81%	93.66%
Facilities Maintenance	2,834,107	267,942	236,176	9.45%	113.45%
Contracts and Procurements	323,102	25,695	26,925	7.95%	95.43%
CEO's Office	1,006,761	46,530	83,897	4.62%	55.46%
Finance and Accounting	771,199	75,060	64,267	9.73%	116.80%
Materials Management	188,618	18,659	15,718	9.89%	118.71%
Human Resources	701,471	73,168	58,456	10.43%	125.17%
General Administration	595,856	29,493	49,655	4.95%	59.40%
Capital Project Management	329,103	15,195	27,425	4.62%	55.40%
Marketing & Communications	685,721	30,729	57,143	4.48%	53.78%
Safety & Security	1,449,103	100,946	120,759	6.97%	83.59%
Staples Street Center	996,766	95,656	83,064	9.60%	115.16%
Port Ayers Cost Center	-	195	-	0.00%	0.00%
Debt Service	1,423,053	-	118,588	0.00%	0.00%
Special Projects	200,000	-	16,667	0.00%	0.00%
Subrecipient Grant Agreements	49,694	192,661	4,141	387.69%	4652.34%
Street Improvements Program for CCRTA Region Entities	3,021,641	251,803	251,803	8.33%	100.00%
Total Expenses	40,101,033	3,163,935	3,341,753	7.89%	94.68%
Revenues Over Expenses - Operating Budget	2,209,949	90,125	(71,046)		
CIP BUDGET					
	2020 Adopted Budget	October 2020 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
	A	B	C = A / 12	B / A	
Funding Sources					
Transfer In	\$ 1,763,046	146,921	146,921	8.33%	100.00%
Grant Revenue	12,631,327	359,495	359,495	2.85%	0.00%
Total Funding Sources	14,394,373	506,416	506,416	3.52%	100.00%
Capital Expenditures					
Grant Eligible Costs	\$ 12,631,327	359,495	359,495	2.85%	0.00%
Depreciation Expenses	3,972,995	331,083	331,083	8.33%	100.00%
Total Expenditures	16,604,322	690,578	690,578	4.16%	100.00%
Funding Sources Over Expenditures	(2,209,949)	(184,162)	(184,162)	8.33%	100.00%
Revenues Over Expenses - Operating Budget	2,209,949	90,126	(71,046)		
Revenues Over Expenses - CIP Budget	(2,209,949)	(184,162)	(184,162)		
Revenues Over Expenses (including rounding)	(0)	(94,036)	(255,208)		

Corpus Christi Regional Transportation Authority
 Operating and Capital Budget Report
 For the month ended October 2020

OPERATING BUDGET	10/2020				
	2020 Adopted Budget	YTD 2020 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
	A	B	C = A / 12 * 10	B / A	C vs B
Revenues					
Passenger service	\$ 1,840,710	\$ 964,477	\$ 1,533,925	52.40%	62.88%
Bus advertising	158,731	102,823	132,276	64.78%	77.73%
Other operating revenues	622,779	66,096	518,983	10.61%	12.74%
Sales Tax Revenue	37,762,468	28,039,427	28,872,124	74.25%	97.12%
Federal, state and local grant assistance	874,476	15,711,605	728,730	1796.69%	2156.03%
Investment Income	565,803	170,952	471,503	30.21%	36.26%
Staples Street Center leases	486,015	404,981	405,013	83.33%	99.99%
Total Revenues	42,310,982	45,460,361	32,662,552	107.44%	139.18%
Expenses					
Transportation	10,158,674	7,976,221	8,465,561	78.52%	94.22%
Customer Programs	564,293	431,098	470,244	76.40%	91.68%
Purchased Transportation	7,105,315	5,835,948	5,921,096	82.13%	98.56%
Service Development	608,237	423,527	506,864	69.63%	83.56%
MIS	1,349,557	1,014,743	1,124,631	75.19%	90.23%
Vehicle Maintenance	5,738,762	4,145,845	4,782,302	72.24%	86.69%
Facilities Maintenance	2,834,107	2,230,210	2,361,756	78.69%	94.43%
Contracts and Procurements	323,102	264,981	269,252	82.01%	98.41%
CEO's Office	1,006,761	763,609	838,968	75.85%	91.02%
Finance and Accounting	771,199	618,009	642,666	80.14%	96.16%
Materials Management	188,618	168,588	157,182	89.38%	107.26%
Human Resources	701,471	618,795	584,559	88.21%	105.86%
General Administration	595,856	325,085	496,547	54.56%	65.47%
Capital Project Management	329,103	174,637	274,252	53.06%	63.68%
Marketing & Communications	685,721	458,623	571,434	66.88%	80.26%
Safety & Security	1,449,103	921,351	1,207,586	63.58%	76.30%
Staples Street Center	996,766	792,569	830,638	79.51%	95.42%
Port Ayers Cost Center	-	13,044	-	0.00%	0.00%
Debt Service	1,423,053	266,900	1,185,878	18.76%	22.51%
Special Projects	200,000	-	166,667	0.00%	0.00%
Subrecipient Grant Agreements	49,694	519,150	41,412	1044.69%	1253.63%
Street Improvements Program for CCRTA Region Entities	3,021,641	2,518,034	2,518,034	83.33%	100.00%
Total Expenses	40,101,033	30,480,967	33,417,528	76.01%	91.21%
Revenues Over Expenses - Operating Budget	2,209,949	14,979,394	(754,975)		
CIP BUDGET					
	A	B	C = A / 12 * 10	B / A	
Funding Sources					
Transfer In	\$ 1,763,046	1,469,205	1,469,205	83.33%	100.00%
Grant Revenue	12,631,327	882,992	882,992	6.99%	0.00%
Total Funding Sources	14,394,373	2,352,197	2,352,197	16.34%	100.00%
Capital Expenditures					
Grant Eligible Costs	\$ 12,631,327	882,992	882,992	6.99%	0.00%
Depreciation Expenses	3,972,995	3,310,828	3,310,828	83.33%	100.00%
Total Expenditures	16,604,322	4,193,820	4,193,820	25.26%	100.00%
Funding Sources Over Expenditures	(2,209,949)	(1,841,623)	(1,841,623)	83.33%	100.00%
Revenues Over Expenses - Operating Budget	2,209,949	14,979,394	(754,975)		
Revenues Over Expenses - CIP Budget	(2,209,949)	(1,841,623)	(1,841,623)		
Revenues Over Expenses (including rounding)	(0)	13,137,771	(2,596,598)		

CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
Statement of Net Position
Month ended October 31, 2020, and year ended December 31, 2019

	Unaudited October 31 2020	Unaudited December 31 2019
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 44,683,574	\$ 27,157,466
Receivables:		
Sales and Use Taxes	6,474,935	6,183,019
Accrued Interest	-	-
Federal Government	552,623	410,980
Other	175,622	1,263,308
Inventories	1,031,236	675,774
Prepaid Expenses	834,411	509,201
Total Current Assets	53,752,401	36,199,748
Non-Current Assets:		
Capital Assets:		
Land	5,381,969	5,381,969
Buildings	53,734,210	53,734,210
Transit Stations, Stops and Pads	24,409,826	24,409,826
Other Improvements	5,525,123	5,525,123
Vehicles and Equipment	61,516,982	61,516,982
Construction in Progress	234,089	167,718
Current Year Additions	1,431,882	-
Total Capital Assets	152,234,080	150,735,827
Less: Accumulated Depreciation	(82,197,549)	(78,886,721)
Net Capital Assets	70,036,532	71,849,106
Total Non-Current Assets	70,036,532	71,849,106
TOTAL ASSETS	123,788,933	108,048,854
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow related to pensions	4,131,381	4,131,381
Deferred outflow on extinguishment of debt	3,487,864	3,487,864
Total Deferred Outflows	7,619,245	7,619,245
TOTAL ASSETS AND DEFERRED OUTFLOWS	131,408,178	115,668,099
LIABILITIES AND NET POSITION		
Current Liabilities:		
Accounts Payable	845,927	736,501
Current Portion of Long-Term Liabilities:		
Long-Term Debt	815,000	815,000
Compensated Absences	276,864	276,864
Sales Tax Audit Funds Due	-	246,366
Distributions to Regional Entities Payable	6,043,356	3,525,322
Other Accrued Liabilities	721,020	718,297
Total Current Liabilities	8,702,168	6,318,350
Non-Current Liabilities:		
Long-Term Liabilities, Net of Current Portion:		
Long-Term Debt	19,450,000	19,450,000
Compensated Absences	269,885	269,885
Sales Tax Audit Funds Due	1,177,096	930,730
Net Pension Liability	2,455,449	2,455,449
Net OPEB Obligation	970,134	970,134
Total Non-Current Liabilities	24,322,564	24,076,198
TOTAL LIABILITIES	33,024,732	30,394,548
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow related to pensions	3,956,764	3,956,764
TOTAL LIABILITIES AND DEFERRED INFLOWS	36,981,496	34,351,312
Net Position:		
Net Invested in Capital Assets	53,259,396	55,071,970
Unrestricted	41,167,286	26,244,817
TOTAL NET POSITION	\$ 94,426,682	\$ 81,316,787

**Corpus Christi Regional Transportation Authority
Statement of Cash Flows (Unaudited)
For the month ended October 31, 2020**

	<u>10/31/2020</u>
Cash Flows From Operating Activities:	
Cash Received from Customers	\$ 210,457
Cash Received from Bus Advertising and Other Ancillary	72,810
Cash Payments to Suppliers for Goods and Services	(1,565,624)
Cash Payments to Employees for Services	(1,081,305)
Cash Payments for Employee Benefits	(146,602)
Net Cash Used for Operating Activities	<u>(2,510,264)</u>
Cash Flows from Non-Capital Financing Activities:	
Sales and Use Taxes Received	2,792,247
Grants and Other Reimbursements	12,012
Distributions to Subrecipient Programs	(192,661)
Distributions to Region Entities	-
Net Cash Provided by Non-Capital Financing Activities	<u>2,611,598</u>
Cash Flows from Capital and Related Financing Activities:	
Federal and Other Grant Assistance	325,349
Proceeds/Loss from Sale of Capital Assets	-
Proceeds from Bonds	-
Repayment of Long-Term Debt	-
Interest and Fiscal Charges	-
Purchase and Construction of Capital Assets	(480,218)
Net Cash Used by Capital and Related Financing Activities	<u>(154,869)</u>
Cash Flows from Investing Activities:	
Investment Income	8,131
Purchases of Investments	-
Maturities and Redemptions of Investments	-
Premiums/Discounts on Investments	-
Net Cash Provided by Investing Activities	<u>8,131</u>
Net decrease in Cash and Cash Equivalents	(45,405)
Cash and Cash Equivalents (Including Restricted Accounts), October 1, 2020	44,728,979
Cash and Cash Equivalents (Including Restricted Accounts), October 31, 2020	\$ <u><u>44,683,574</u></u>



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

December 2, 2020

Subject: October 2020 Operations Report

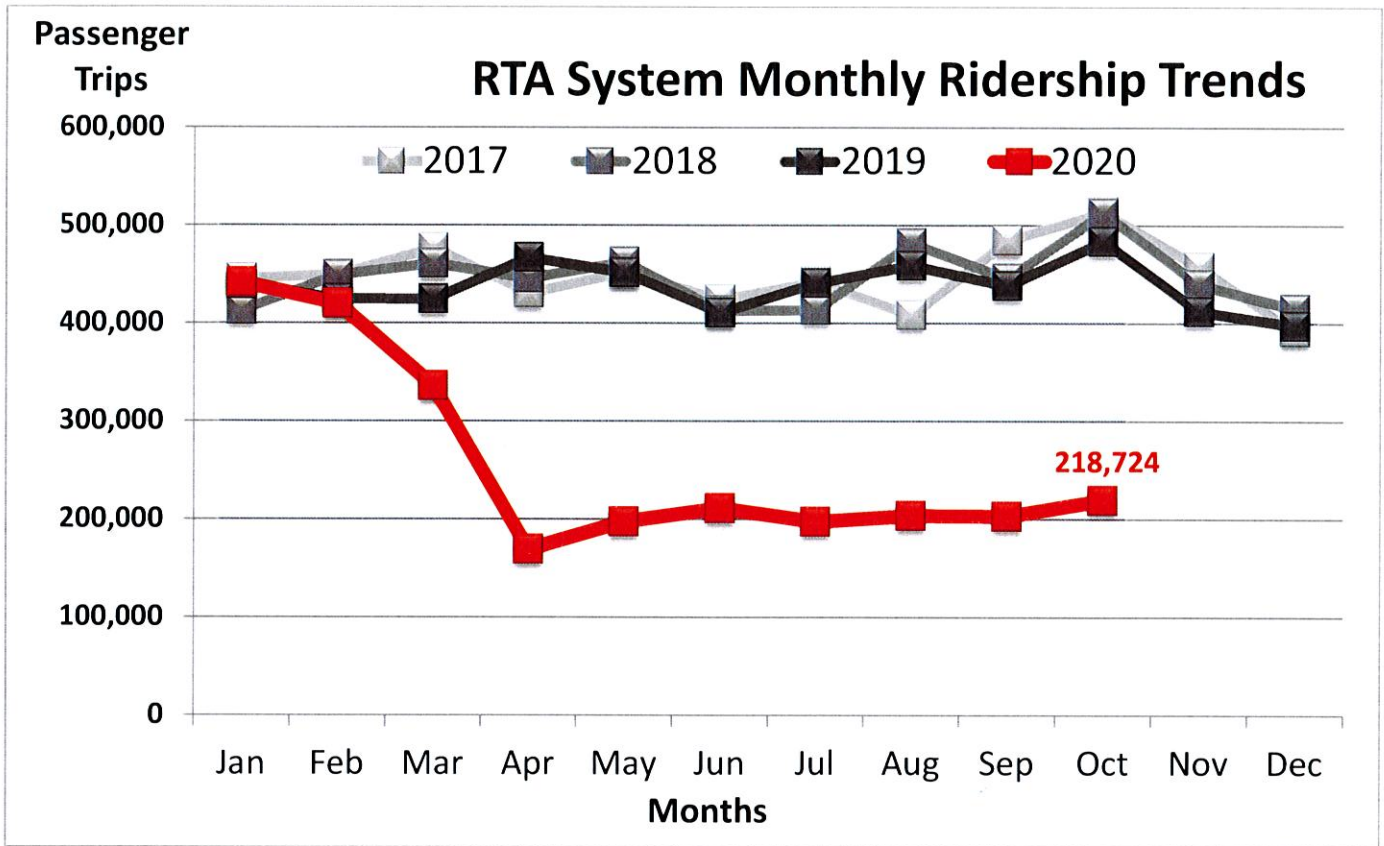
The system-wide monthly operations performance report is included below for your information and review. This report contains monthly and Year-to-Date (YTD) operating statistics and performance measurement summaries containing ridership, performance metrics by service type, miles between road calls and customer service feedback.



COMMUTE
with **enterprise**

System-wide Ridership and Service Performance Results

In October 2020, system-wide ridership levels continued to be adversely impacted by the COVID-19 pandemic. Boardings totaled 218,724 which represents a decrease of 54.8% as compared to 483,793 boardings in October 2019 or 265,069 fewer boardings this month.

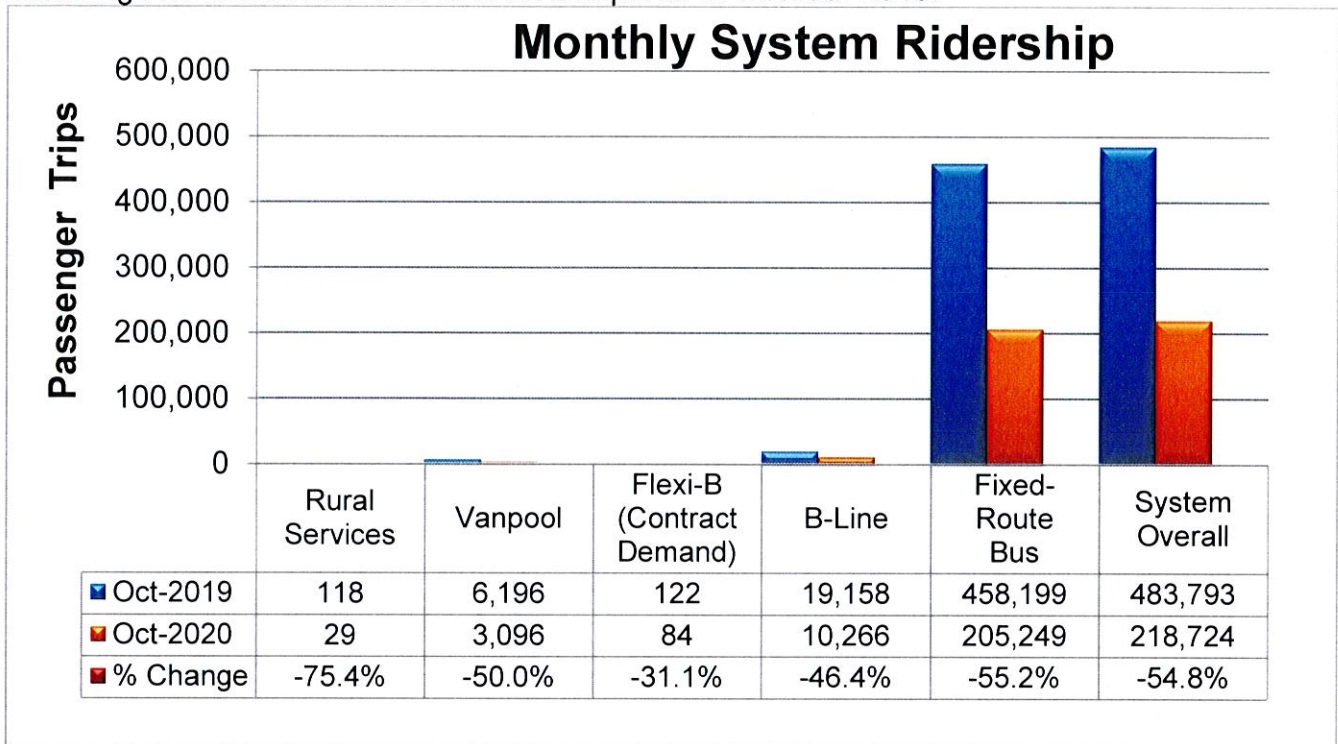


October 2019	October 2020	Variance
23 Weekdays	22 Weekdays	-1
4 Saturdays	5 Saturdays	+1
4 Sundays	4 Sundays	-
No Holiday	No Holiday	-
31 Days	31 Days	-

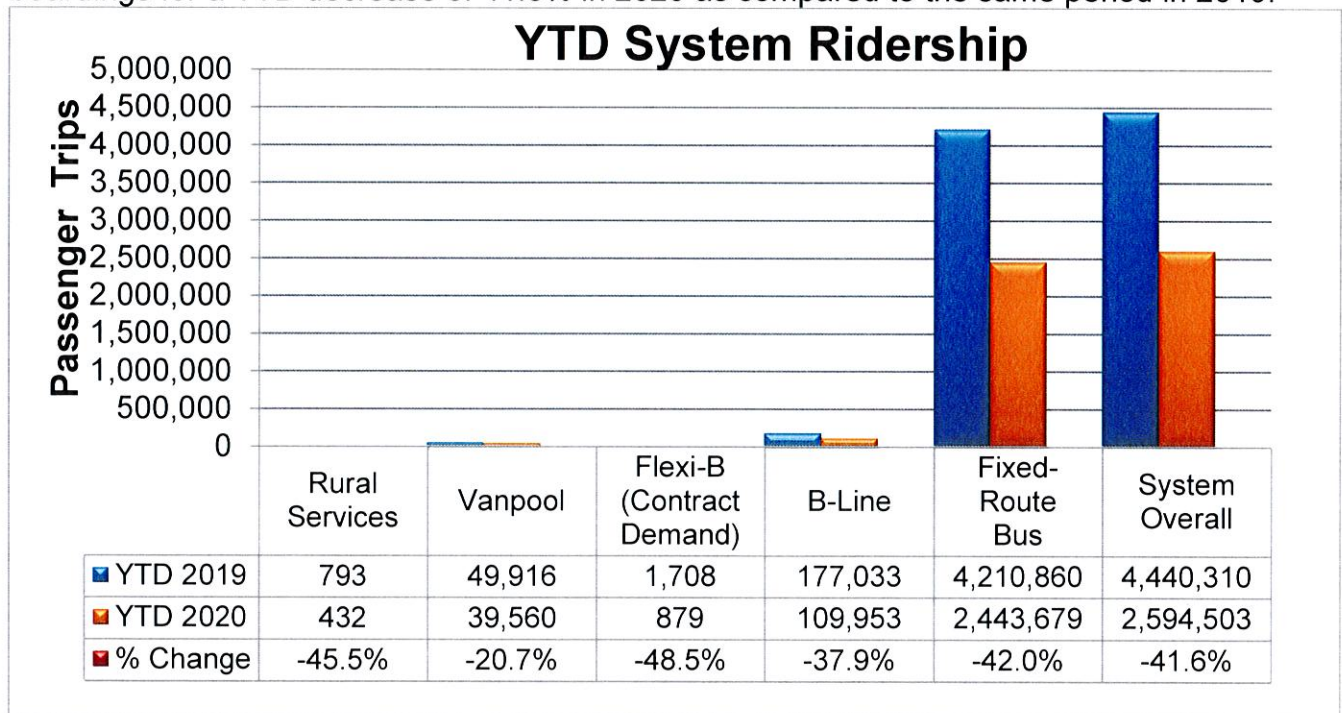
In October 2020, the average retail price for unleaded gas in Corpus Christi was approximately \$1.81 per gallon compared to approximately \$2.26 per gallon in October 2019¹. October rainfall continued to be well below normal at 1.37 inches and less than last year which received only 1.44 inches in October 2019. Historically, the average rainfall in October is 3.63 inches.² The average high temperature was normal at 85 degrees.

1. GasBuddy.com historical data at <http://www.gasbuddy.com>.
 2. <https://www.usclimatedata.com/climate/corpus-christi/texas/united-states>

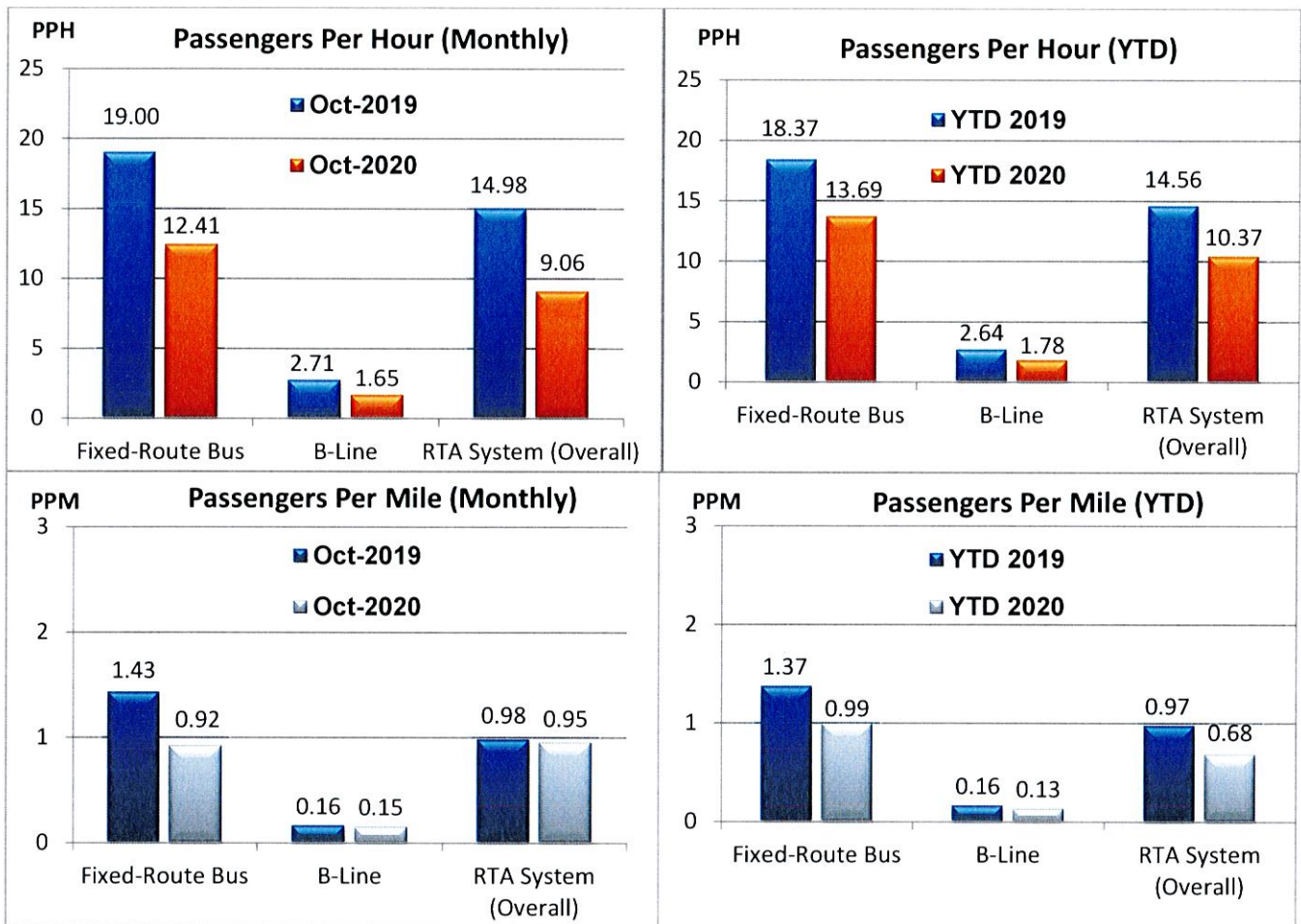
The chart below shows monthly ridership results for all services. CCRTA recorded 265,069 fewer boardings for a decrease of 54.8% as compared to October 2019.



The chart below shows YTD ridership results for all services. CCRTA has recorded 1,845,807 fewer boardings for a YTD decrease of 41.6% in 2020 as compared to the same period in 2019.



The following charts report system-wide productivity for the month of October 2020 vs. October 2019 and YTD figures.



The following table shows on-time performance of fixed route services.

Schedule Adherence	Standard	Jul-20	Aug-20	Sep-20	Oct-20	4-Month Average
Early Departure	<1%	0.0%	0.7%	0.3%	0.0%	0.3%
Departures within 0-5 minutes	>85%	94.1%	96.1%	92.4%	96.5%	94.8%
Monthly Wheelchair Boardings	No standard	2,954	3,213	3,331	3,423	3,230
Monthly Bicycle Boardings	No standard	4,636	4,608	4,312	4,876	4,608

The following construction projects potentially impact current or future on-time performance:

On Detour	<ul style="list-style-type: none"> • North Beach-U.S. 181 realignment (Harbor Bridge reconstruction) <ul style="list-style-type: none"> ➤ Routes 76 & 78
On Detour	<ul style="list-style-type: none"> • Winnebago & Lake St.-(Harbor Bridge reconstruction): Began August 2020 <ul style="list-style-type: none"> ➤ Route 12
On Detour	<ul style="list-style-type: none"> • Morgan Ave. (Crosstown-Ocean) 15-month project: To be complete July 2021 <ul style="list-style-type: none"> ➤ Route 23
On Detour	<ul style="list-style-type: none"> • Leopard Street TxDOT Project (Mexico to Doss St.) (24) month project: To be complete late 2021 <ul style="list-style-type: none"> ➤ Routes 27
On Detour	<ul style="list-style-type: none"> • Everhart Road (Holly Rd-SPID) (22) month project: Began September 2019 <ul style="list-style-type: none"> ➤ Route 32
On Detour	<ul style="list-style-type: none"> • Everhart Road (SPID-McArdle): Project to begin mid-June 2021. <ul style="list-style-type: none"> ➤ Route 32
On Detour	<ul style="list-style-type: none"> • Ayers Street (SPID-Gollihar) (28) month project: Began January 2020 <ul style="list-style-type: none"> ➤ Route 19
No Detour	<ul style="list-style-type: none"> • S. Staples St. (Kostoryz- Baldwin) (29) month project: To begin Dec. 2020 <ul style="list-style-type: none"> ➤ Route 29
On Detour	<ul style="list-style-type: none"> • Laguna Shores Rd. (SPID-Wyndale) (14) month, (3) Phase project: Began October 26, 2020 with anticipated completion in October 2022 <ul style="list-style-type: none"> ➤ Routes 3 & 4
Future Detour	<ul style="list-style-type: none"> • Leopard St. (Nueces Bay to Palm) (14) month project: Began October 2020 with anticipated completion in late 2021 <ul style="list-style-type: none"> ➤ Routes 27
Future Detour	<ul style="list-style-type: none"> • Leopard St. (Crosstown to Palm) (14) month project: To begin January 2021 with anticipated completion in mid-2022 <ul style="list-style-type: none"> ➤ Routes 27
Future Detour	<ul style="list-style-type: none"> • Airline Rd. (SPID-McArdle) (7) month project: To begin January 2021 <ul style="list-style-type: none"> ➤ Routes 26 & 65
No Detour	<ul style="list-style-type: none"> • McArdle Road (Carroll-Kostoryz) (6) month project: To begin early-2021 <ul style="list-style-type: none"> ➤ Route 19
No Detour	<ul style="list-style-type: none"> • Gollihar Road (Greenwood-Crosstown) In design. To begin mid-2021 <ul style="list-style-type: none"> ➤ Routes 23 & 25
No Detour	<ul style="list-style-type: none"> • S. Alameda St. (Louisiana-Chamberlain) (12) month project: To begin mid-2021 <ul style="list-style-type: none"> ➤ Routes 5 & 17

In October 2020, there were 9 detoured routes or 28% out of 32 fixed route services travelling on the local street network. Detoured services include: 3, 4, 12, 19, 23, 27, 32, 76 & 78.

In the future, at least 2 additional routes will be detoured due to construction projects: 26 & 65.

Purchased Transportation Department Report: B-Line Service Contract Standards & Ridership Statistics

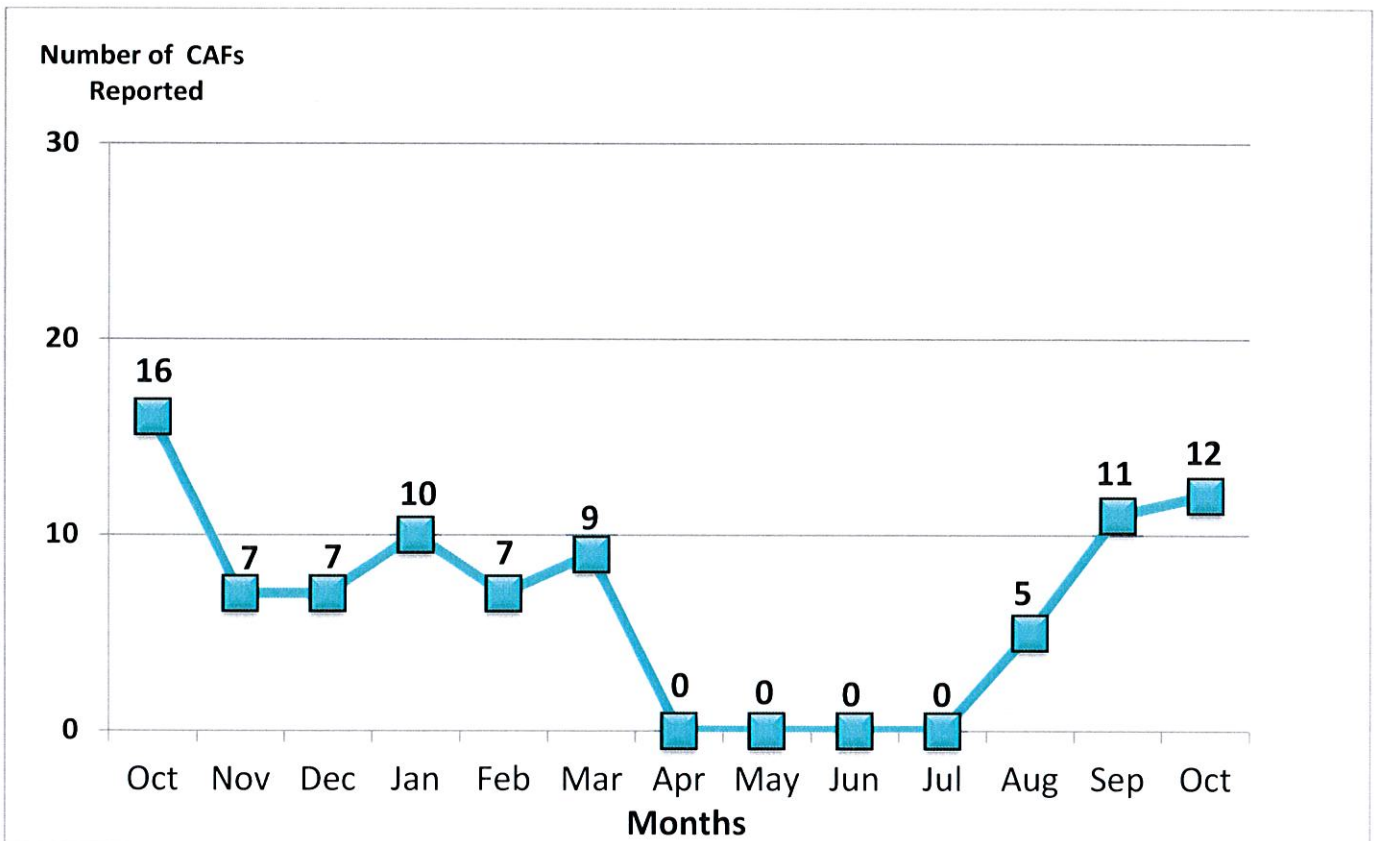
In October 2020, B-Line service metrics were impacted by the COVID-19 pandemic.

- Productivity: **1.65** PPH did not meet the contract standard of 2.50 PPH.
- Denials: 0 denials or **0.0%** did meet contract standard of 0.0%.
- Miles between Road Calls (MBRC): **5,948** did not meet the contract standard of 12,250 miles.
- Ridership Statistics: **6,910** ambulatory boardings; **2,631** wheelchair boardings

Metric	Standard	Jul-20	Aug-20	Sep-20	Oct-20	(4) Month-Ave.
Passengers per Hour	2.50	1.60	1.61	1.65	1.65	1.63
Denials	0.00%	0.00%	0.00%	0.00%	0.00%	0.0%
Miles Between Road calls	12,250	6,877	5,740	6,130	5,948	6,174
Monthly Wheelchair Boardings	No standard	2,203	2,127	2,359	2,631	2,330

1. Customer Programs Monthly Customer Assistance Form (CAF) Report

For October 2020, Customer Service received and processed 12 Customer Assistance Forms (CAF's) of which all were verified as valid. No commendations were received this month.



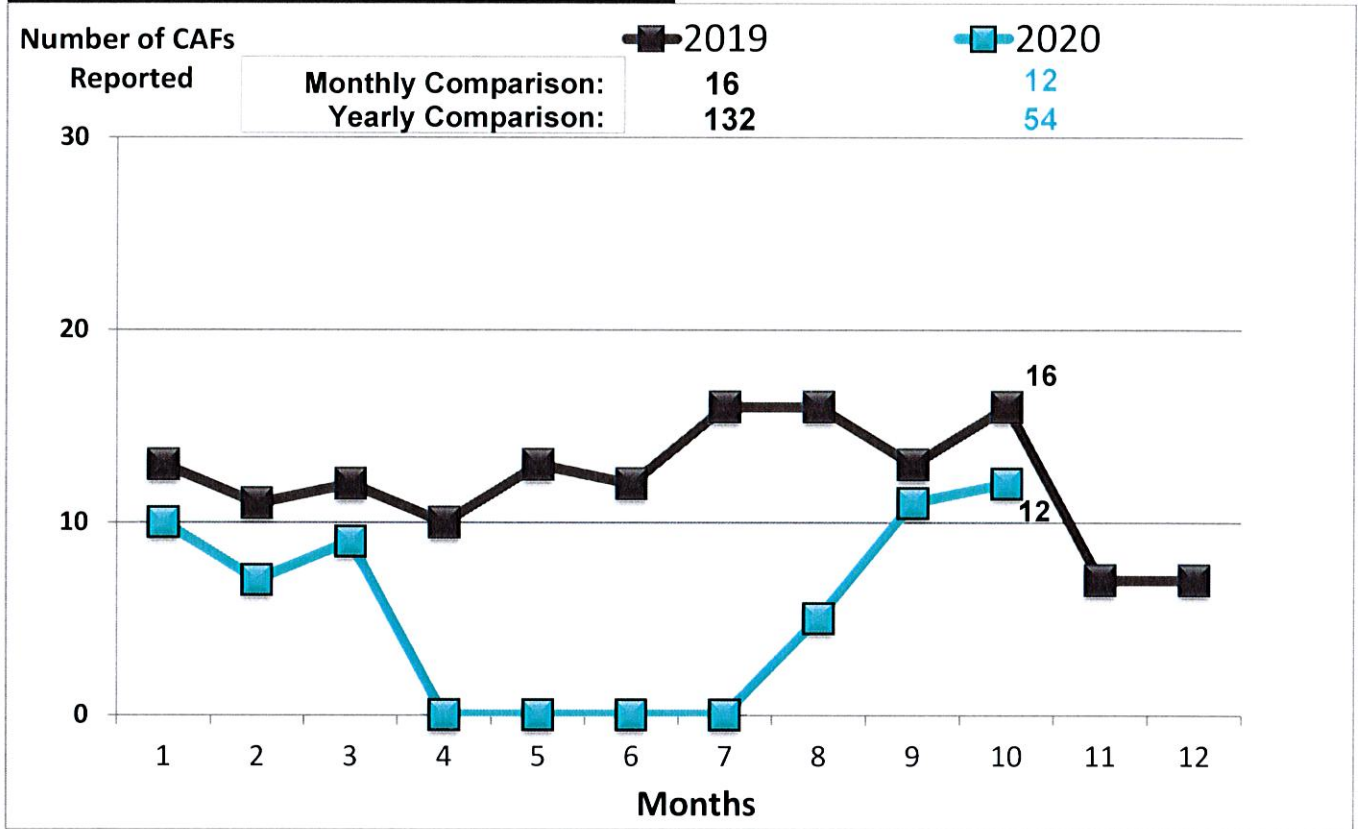
Route Summary Report for October 2020:

Route	# of CAFs	Route	# of CAFs
#3 NAS Shuttle		#34 Robstown North Circulator	
#4 Flour Bluff		#35 Robstown South Circulator	
#5 Alameda		#37 Crosstown/TAMUCC	1
#5x Alameda Express		#50 Calallen/NAS Ex (P&R)	
#6 Santa Fe/Malls		#51 Gregory/NAS Ex (P&R)	
#12 Saxet Oak Park		#53 Robstown/NAS Ex (P&R)	
#15 Kostoryz		#54 Gregory/Downtown Express	
#16 Morgan		#56 Flour Bluff/Downtown Express	
#17 Carroll/Southside		#60 Islander Connection	
#19 Ayers	1	#65 Padre Island Connection	1
#19G Greenwood		#76 Harbor Bridge Shuttle	
#19M McArdle		#78 North Beach Shuttle	
#21 Arboleda		#90 Flexi-B Port Aransas	
#23 Molina		#93 Flex	
#25 Gollihar/Greenwood		#94 Port Aransas Shuttle	
#26 Airline/Lipes	1	#95 Port Aransas Express	
#27 Northwest	2	B-Line (Paratransit) Services	
#27x Northwest (Express)		Safety/Transportation	2
#28 Leopard/Omaha		Facilities Maintenance	
#29 Staples		Customer Service Department	
#29F Staples/Flour Bluff	1	Service Development/Facilities	
#29SS Staples/Spohn South	1	Facilities/Service Development	
#30 Westside/Health Clinic		Transportation (Other)	1
#32 Southside	1	TOTAL CAF's	12

October 2020 CAF Breakdown by Service Type:

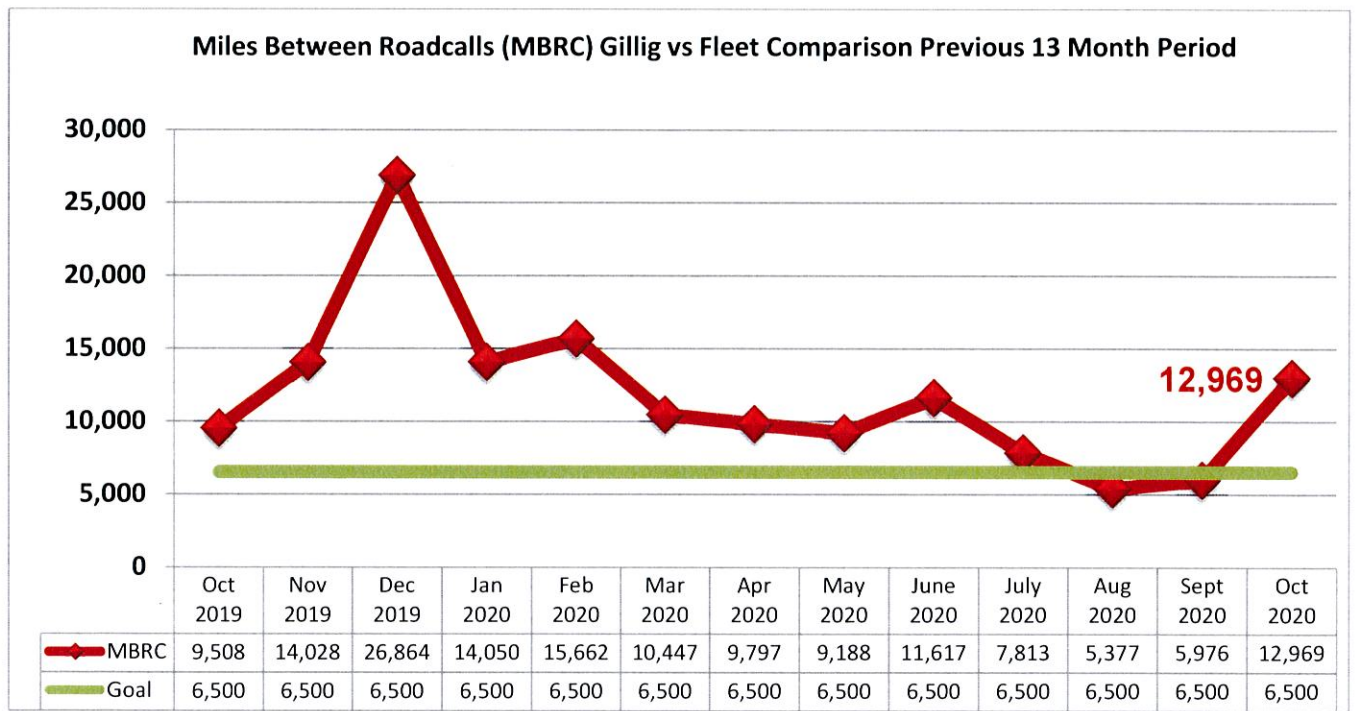
CAF Category	RTA Fixed Route	B-Line ADA Paratransit	MV Fixed Route	Totals
ADA	1			1
Service Stop Issues	3		1	4
Driving Issues	3			3
Customer Services	1			1
Late/Early – No Show				
Alleges Injury				
Fare/Transfer Dispute	1			1
Clean Trash Can				
Dispute Drop-off/Pickup				
Add Bench/Stop				
Tie Down Issues				
Inappropriate Behavior				
B-line Calls				
Incident at Stop				
Incident on Bus				
Incident at Station				
Policy				
Denial of Service				
Safety & Security	2			2
Rude				
Facility Maintenance				
Service Development				
Transportation (Other)				
Over Crowded Vehicle				
Route Suggestion				
Service Maintenance				
Commendations				
Total CAFs	11	0	1	12

CAF Reports: Current and Historical Trends



Vehicle Maintenance Department: Miles Between Road Calls Report

In October 2020, there were 12,969 miles between road calls (MBRC) recorded as compared to 9,508 MBRC in October 2019. A standard of 6,500 miles between road calls is used based on the fleet size, age and condition of CCRTA vehicles. In addition, seasonal high weather temperatures impact the number of road calls.




Board Priority

The Board Priority is Public Image and Transparency.

Respectfully Submitted,

Submitted by: Gordon Robinson
Director of Planning

Reviewed by: Derrick Majchszak
Managing Director of Operations

Final Approval by: 

Jorge G. Cruz-Aedo
Chief Executive Officer

Administration Finance Committee Member Inquiry

Meeting Date	Agenda Item #	Member Name	Inquiry	Response	Response Date
10/28/2020	10.	M. Woolbright	<p>In reference to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Accept the Investment Performance Evaluation Report on the Defined Benefit Plan a requirement of the Pension Review Board (PRB) Filing with the State, Mr. Woolbright asked, part of our decision as a board to raise our funded status and potential of the possible downturn, which ended up being prophetic and we got lucky with that, but I don't think that was just the cola?</p>	<p>Mr. Saldana responded we adjusted the one time cola, we adjusted the mortality rate table, and then we lowered our expected return from seven and a half to 7.25. So a combination of a lot of those things is what the two and a half million covered.</p>	11/18/2020

Operations Capital Projects Committee Member Inquiry

Meeting Date	Agenda Item #	Member Name	Inquiry	Response	Response Date
10/28/2020	7.	A. Jimenez	In reference to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Award a Contract to SanUVAire, LLC for Ultraviolet Germicidal Irradiation (UVGI) kits, Ms. Jimenez asked, how long before we can get these installed in the buses?	Mr. Majchszak answered, once we get approval and the waiting period for the contract is over we should start receiving the product within a month.	10/28/2020

Board Member Inquiry

Meeting Date	Agenda Item #	Member Name	Inquiry	Response	Response Date
			No Questions		