



AGENDA MEETING NOTICE

Board of Directors Meeting

DATE: Wednesday, November 1, 2023

TIME: 8:30 a.m.

LOCATION: Staples Street Center – 2ND Floor Boardroom, 602 North Staples St., Corpus Christi, TX

BOARD OF DIRECTORS OFFICERS

Dan Leyendecker, Chair
 Anna Jimenez, Vice Chair
 Lynn Allison, Board Secretary
 (Administration & Finance Chair)

BOARD OF DIRECTORS MEMBERS

Gabi Canales (Rural & Small Cities Chair)
 Eloy Salazar (Operations & Capital Projects Chair)
 Arthur Granado (Legislative Chair)
 Beatriz Charo Jeremy Coleman Armando Gonzalez
 Erica Maymi Aaron Muñoz

	TOPIC	SPEAKER	EST.TIME	REFERENCE
1.	Pledge of Allegiance	D. Leyendecker U.S. Veteran, Roberto Jimenez	1 min.	----
2.	Roll Call	M. Montiel	1 min.	----
3.	Safety Briefing	M. Rendón	3 min.	----
4.	Receipt of Conflict of Interest Affidavits	D. Leyendecker	1 min.	----
5.	Opportunity for Public Comment 3 min. limit – no discussion	D. Leyendecker	3 min.	----
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.				
6.	Adoption of Resolution for Outgoing Chief Executive Officer – Jorge Cruz-Aedo	D. Leyendecker	5 min.	Page 1
7.	Awards and Recognition – CCRTA New Hires	D. Majchszak	5 min.	----
8.	Discussion and Possible Action to Approve Board Minutes of the Board of Directors Meeting of October 4, 2023	D. Leyendecker	3 min.	Pages 2-9
9.	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.			
				3 min. Pages 10-43
	<ul style="list-style-type: none"> a) Action to Authorize the Chief Executive Officer (CEO) or designee to execute estimated payment of \$653,087 to Texas Municipal League Inter-Governmental Risk Pool for the following lines of coverage for FY2024: Auto Liability Insurance, Auto Catastrophe Insurance, Property Insurance, General Liability Insurance, Errors & Omissions Insurance, Law Enforcement Liability and Workers' Compensation Insurance b) Action to Adopt a Resolution to Approve Changes to the Investment Policy, Designation of the Investment Advisor and List of Approved Brokers/Dealers c) Action to Adopt a Resolution for the GoodBuy Purchasing Cooperative d) Action to Authorize the Chief Executive Officer (CEO) or Designee to Exercise the First Option Year with Unum For Employee Long-Term Disability and Short-Term Disability Insurance e) Action to Approve the Fiscal Year 2024 Board & Committee Meetings Calendar f) Action to Approve the Fiscal Year 2024 Holidays and Service Levels g) Action to Authorize the Chief Executive Officer (CEO) or Designee to Award a Contract to Pinnacle Petroleum Inc. for Unleaded Fuel Supply h) Action to Authorize the Chief Executive Officer (CEO) or Designee to Award the Transportation Department Uniform Supplier Contract to Cintas Corporation 			



AGENDA MEETING NOTICE

10.	Public Hearing #2- Regarding Adoption of the FY2023 Operating and Capital Budget	R. Saldaña	5 min.	PPT
11.	Discussion and Possible Action to Adopt the FY2024 Operating and Capital Budget	R. Saldaña	5 min.	Pages 44-45
12.	Update – Corpus Christi MPO 2023 Planning Activities	G. Robinson/ Rob MacDonald, MPO	10 min.	PPT
13.	Update on RCAT Committee Activities	S. Montez	3 min.	PPT
14.	Committee Chair Reports a) Administration & Finance b) Operations & Capital Projects c) Rural and Small Cities d) Legislative	L. Allison E. Salazar G. Canales A. Granado	3 min. 3 min. 3 min. 3 min.	-----
15.	Presentations: a) 2022 DBP Auditors Presentation & Financial Statements b) 2022 CCRTA NTD Report Presentation & Report c) Triennial Presentation d) September 2023 Financial Report e) November 2023 Procurement Update f) September 2023 Operations Report	R. Saldaña Sara Bennett, CPA Carr, Riggs & Ingram, LLC Sara Bennett, CPA Carr, Riggs & Ingram, LLC R. Saldaña R. Saldaña R. Saldaña G. Robinson	45 min.	Pages 46-78 PPT Pages 79-86 PPT PPT Pages 87-100 PPT PPT Pages 101-112 PPT
16.	CEO Report	D. Majchszak	5 min.	PPT
17.	Board Chair Report	D. Leyendecker	5 min.	-----
18.	Adjournment	D. Leyendecker	1 min.	-----

Total Estimated Time: 1 hour 56 mins

On **Friday, October 27, 2023** this Notice was posted by **Marisa Montiel** 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.

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



Resolution

WHEREAS, Jorge G. Cruz-Aedo served as a dedicated Chief Executive Officer (CEO) of the Corpus Christi Regional Transportation Authority for more than seven years. During his tenure as CEO, Jorge remained committed to CCRTA's mission and serving the needs of the community. As a result of Jorge's leadership, CCRTA experienced tremendous growth as a transit system.

WHEREAS, Jorge G. Cruz-Aedo cultivated change within the organization, building on a foundation of transparency. He restructured the CCRTA, opened the organization to additional audits, provided organization-wide ethics and training, and emphasized clear communication. Jorge's leadership approach led to positive relationships and trust within the region. Due to his efforts, CCRTA has been recognized by the Government Finance Officers Association for budget and finance reporting for consecutive years to this day.

WHEREAS, Jorge G. Cruz-Aedo furthered the development of CCRTA's transportation system through construction and development. Jorge led the construction of the Staples Street Center and Station, and the pursuit of Grant 5339(b), which provided \$7.2 million for bus and bus facility improvements. This funding has led to the reconstruction of the Port Ayers Transfer Station, the Del Mar College Oso Creek Super Stops, and the updated parking lot at CCRTA's Operations Facility. These improvements will serve current and future generations of community members.

WHEREAS, Jorge G. Cruz-Aedo embraced transportation innovation to better serve the community. Jorge introduced the first autonomous vehicle to be launched on a complex route in an uncontrolled environment in North America. Under his leadership, CCRTA also introduced Express and Flex routes. These developments continue to improve access to students, service industry workers, and the greater community.

WHEREAS, Jorge G. Cruz-Aedo provided outstanding leadership during times of crisis. CCRTA led evacuation efforts, transporting individuals out of danger before Hurricane Harvey made landfall on the Coastal Bend region. During the pandemic, he was proactive in emphasizing cleaning and safety efforts, emphasizing the safety of all riders, employees, and guests. CCRTA never ceased transportation in the area, ensuring essential services were provided to those in need.

WHEREAS, Jorge G. Cruz-Aedo prioritized transportation accessibility throughout the CCRTA's service area. Jorge led the creation of the Shelter Expansion Program, which included the introduction of solar-powered Tolar shelters through the system. More than 320 Tolar shelters have been added to CCRTA's system, with plans to have bus shelters at 45% of all bus stops within the service areas by 2025.

WHEREAS, Jorge G. Cruz-Aedo, was a champion leader of public transportation. He was dedicated to improving transportation at all levels. Jorge is the Past Texas Transit Association President, served on multiple boards throughout his tenure, and earned accolades for the CCRTA on a local, state, regional, and national scale. His efforts have transformed CCRTA into an influential transit agency, recognized nationwide.

NOW, THEREFORE, BE IT RESOLVED BY THE CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY BOARD OF DIRECTORS THAT:

Jorge G. Cruz-Aedo is hereby commended for his distinguished service for the CCRTA.

DULY PASSED AND ADOPTED this 1st day of November 2023.

ATTEST:

**CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY**

Derrick Majchszak
Chief Executive Officer

Dan Leyendecker
Board Chair



**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS' MEETING MINUTES
WEDNESDAY, October 4, 2023**

Summary of Actions

1. Pledge of Allegiance
2. Roll Call
3. Heard Safety Briefing
4. Receipt of Conflict of Interest Affidavits
5. Provided Opportunity for Public Comment
6. Administered the Oath of Office Re-Appointments by Nueces County and the Small Cities Committee of Mayors (SCCM) to the CCRTA Board of Directors:
 - a) Lynn Allison – Nueces County Appointee
 - b) Anna Jimenez – Nueces County Appointee
 - c) Aaron Muñoz - Nueces County Appointee
 - d) Beatriz Charo – SCCM Appointee
 - e) Armando Gonzalez - SCCM Appointee
7. Presented Awards and Recognition
 - a) CCRTA New Hires
8. Approved Board Minutes of Board of Director Meeting of September 13, 2023
9. Approved Consent Items
 - a) Approved to Authorize the Chief Executive Officer (CEO) or Designee to Approve the Title VI Program Update for Fiscal Years 2020-2022
10. Adopted a Resolution to Support the Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program Funding Opportunity
11. Approved to Authorize the Chief Executive Officer (CEO) or Designee to Exercise the Two-Year Option for Bus Bench Advertising with Iconic Sign Group, LLC
12. Approved the Certification of Signature Authority for the Texas Department of Transportation's Public Transportation Division
13. Adopted a Resolution for the Interlocal Purchasing System (TIPS) Purchasing Cooperative
14. Heard Federal Legislative Update
15. Heard Update on Shelter Program
16. Heard Update on RCAT Committee Activities
17. Heard Committee Chair Reports
 - a) Administration and Finance
 - b) Operations and Capital Projects
 - c) Rural and Small Cities
 - d) Legislative
18. Heard Presentations –
 - a) 2022 Annual Comprehensive Financial Report (ACFR)
 - b) August 2023 Financial Report
 - c) October 2023 Procurement Update
 - d) August 2023 Operations Report
19. Heard CEO Report



20. **Heard Board Chair Report**
21. **Adjournment**

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

Vice-Chair Anna Jimenez called the meeting to order at 8:32 a.m. She welcomed and gave a brief introduction for U.S. Veteran, Jennifer Smart, to lead the Pledge of Allegiance. Ms. Montiel called roll and it was noted there was a quorum present at this time.

Board Members Present

Lynn Allison, Gabi Canales, Beatriz Charo, Jeremy Coleman, Armando Gonzalez, Arthur Granado, Anna Jimenez, Aaron Muñoz and Eloy Salazar.

Board Members Absent

Dan Leyendecker and Erica Maymi.

Staff Present

David Chapa, Angelina Gaitan, Derrick Majchszak, Sharon Montez, Marisa Montiel, Rita Patrick, Mike Rendón, Gordon Robinson and Robert Saldaña. Quinayzha Jackson, Ramon Rodriguez and Joshua Taylor.

Public Present

None.

Safety Briefing

Mr. John Esparza, Safety and Security Administrator, presented the safety briefing to the Board and audience. He noted that in the event of an emergency, the audience would exit the boardroom to his right and proceed down to the first floor where they would exit through the westside stairwell to the first floor and exit through the westside doors. Once outside, they would continue to the clock tower adjacent to the transfer station. Ms. Montiel will account for all Board Members and he would be the last out to ensure everyone exits safely. He noted three things, to not use the elevator, do not return until all clear has been given and if a shelter in place is needed, they would do so in the westside stairwell.

Receipt of Conflict of Interest Affidavits

None

Opportunity for Public Comment

None



Administered the Oath of Office Re-Appointments by Nueces County and the Small Cities Committee of Mayors (SCCM) to the CCRTA Board of Directors

At this time, the Oath of Office Re-Appointments were conducted for the following individuals: Nueces County – Lynn Allison, Anna Jimenez and Aaron Muñoz; Small Cities Committee of Mayors – Beatriz Charo and Armando Gonzalez. Photos were taken.

Awards and Recognitions

- a) CCRTA New Hires - Mr. Derrick Majchszak, CEO, introduced CCRTA new hires to the Board. The following employees were recognized: Bus Operators – Quinayzha Jackson and Ramon Rodriguez; Facilities Maintenance Technician I – Joshua Taylor. Photos were taken.

Discussion and Possible Action to Approve the Board of Directors Meeting Minutes of August 2, 2023 and Special Board of Directors Meeting Minutes of August 23, 2023

SECRETARY LYNN ALLISON MADE A MOTION TO APPROVE THE BOARD OF DIRECTORS MEETING MINUTES OF SEPTEMBER 13, 2023. DIRECTOR JEREMY COLEMAN SECONDED THE MOTION. *ALLISON, CANALES, CHARO, COLEMAN, GONZALEZ, GRANADO, JIMENEZ, MUÑOZ AND SALAZAR VOTING IN FAVOR. ABSENT LEYENDECKER AND MAYMI.*

Consent Items

- a) **Action to Authorize the Chief Executive Officer (CEO) or Designee to Approve the Title VI Program Update for Fiscal Years 2020-2022**

DIRECTOR AARON MUÑOZ MADE A MOTION TO APPROVE CONSENT ITEM A. DIRECTOR GABI CANALES SECONDED THE MOTION. *ALLISON, CANALES, CHARO, COLEMAN, GONZALEZ, GRANADO, JIMENEZ, MUÑOZ AND SALAZAR VOTING IN FAVOR. ABSENT LEYENDECKER AND MAYMI.*

Discussion and Possible Action to Adopt a Resolution to Support the Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program Funding Opportunity

Ms. Rita Patrick, Managing Director of Public Relations, presented the item noting the Board Priority of Financial Transparency. She began by providing background stating the DOT grant opportunity is a competitive grant. The SMART program was established to provide grants focused on advanced smart community technology and systems to improve transit efficiency and safety. Stage one is open and CCRTA is eligible to apply for funding. SMART expects to see projects that demonstrate and understanding of local needs and advance purpose-driven innovation. \$100 million appropriated annually for fiscal years 2022-2026 and the application deadline is October 10, 2023. Ms. Patrick continues that per the CCRTA Long-Range System Plan, the Bus Rapid Transit (BRT) would operate between Staples Street Station and TAMUCC. Service would operate every 15 minutes all day, seven days a week. Service would travel with



regular traffic flow and serve key stops. Ms. Patrick listed local and regional organizations and stakeholders that are critical partners and will be requesting letters of commitment from. The request would be for \$2,000,000 and would be 100% DOT funded. Funding would be used to begin planning and environmental phase with development of Locally Preferred Alternative (LPA). Upon award, LPA would require approximately one year to complete. Initial BRT implementation is estimated to be 3-5 years. LPA will provide road map for CCRTA to implement first BRT service. At this time, Ms. Patrick answered any questions from the Board.

DIRECTOR ELOY SALAZAR MADE A MOTION TO ADOPT A RESOLUTION TO SUPPORT THE STRENGTHENING MOBILITY AND REVOLUTIONIZING TRANSPORTATION (SMART) GRANTS PROGRAM FUNDING OPPORTUNITY. SECRETARY LYNN ALLISON SECONDED THE MOTION. ALLISON, CANALES, CHARO, COLEMAN, GONZALEZ, GRANADO, JIMENEZ, MUÑOZ AND SALAZAR VOTING IN FAVOR. ABSENT LEYENDECKER AND MAYMI.

Discussion and Possible Action to Authorize the Chief Executive Officer (CEO) or Designee to Exercise the Two-Year Option for Bus Bench Advertising with Iconic Sign Group, LLC

Ms. Rita Patrick presented the item noting the Board Priority of Financial Transparency. She provided the background stating CCRTA currently contracts with Iconic Sign Group, LLC to sell and service advertising on bus benches, bus stop shelter ad space, internal bus advertising and external bus advertising. She adds that the contractor is responsible for all installation, graffiti removal and general appearance of all advertisements. Bus and bus bench advertising contract expands CCRTA's revenue stream. Advertising provides an opportunity for small and local businesses to promote their product or service to the community. Ms. Patrick displayed a chart showing the percentage of gross revenue by base and option years and the minimum annual guarantee to CCRTA. The three-year base is 37% of \$150,000. At this time, she answered any questions the board had.

DIRECTOR GABI CANALES MADE A MOTION TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO EXERCISE THE TWO-YEAR OPTION FOR BUS BENCH ADVERTISING WITH ICONIC SIGN GROUP, LLC. DIRECTOR BEATRIZ CHARO SECONDED THE MOTION. ALLISON, CANALES, CHARO, COLEMAN, GONZALEZ, GRANADO, JIMENEZ, MUÑOZ AND SALAZAR VOTING IN FAVOR. ABSENT LEYENDECKER AND MAYMI.

Discussion and Possible Action Approve the Certification of Signature Authority for the Texas Department of Transportation's Public Transportation Division

Mr. Robert Saldaña, Managing Director of Administration, presented the item noting a Board Priority of Public Image and Transparency. He began by providing background noting CCRTA applies for state grants, specifically Transportation Developmental Credits (TDCs) through TXDOT's Public Transportation Division. This is done on behalf of CCRTA's sub-recipients who have received federally funded projects under the Section 5310 Program Management Plan.



TXDOT recently created a new grant platform called Intelligrants (IGX) and before CCRTA can use the platform, the Board must grant signature authority to CCRTA. He noted no financial impact. At this time, Mr. Saldaña answered any questions from the Board.

DIRECTOR JEREMY COLEMAN MADE A MOTION TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO APPROVE THE CERTIFICATION OF SIGNATURE AUTHORITY FOR THE TEXAS DEPARTMENT OF TRANSPORTATION'S PUBLIC TRANSPORTATION DIVISION. DIRECTOR BEATRIZ CHARO SECONDED THE MOTION. ALLISON, CANALES, CHARO, COLEMAN, GONZALEZ, GRANADO, JIMENEZ, MUÑOZ AND SALAZAR VOTING IN FAVOR. ABSENT LEYENDECKER AND MAYMI.

Discussion and Possible Action to Adopt a Resolution for the Interlocal Purchasing System (TIPS) Purchasing Cooperative

Mr. Robert Saldaña presented the item noting a Board Priority of Public Image and Transparency. He provided background noting CCRTA utilizes purchasing cooperatives, among other methods, to streamline the procurement process and save time, resources, and money. TIPS is an additional purchasing cooperative available to the CCRTA, providing an opportunity to obtain goods and services that align with local and state competitive bidding requirements. To join the TIPS Purchasing Cooperative, the CCRTA Board of Directors must pass a Resolution approving the TIPS Interlocal Agreement. There are no membership fees associated with the TIPS Cooperative.

DIRECTOR BEATRIZ CHARO MADE A MOTION TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO ADOPT A RESOLUTION FOR THE INTERLOCAL PURCHASING SYSTEM (TIPS) PURCHASING COOPERATIVE. SECRETARY LYNN ALLISON SECONDED THE MOTION. ALLISON, CANALES, CHARO, COLEMAN, GONZALEZ, GRANADO, JIMENEZ, MUÑOZ AND SALAZAR VOTING IN FAVOR. ABSENT LEYENDECKER AND MAYMI.

Federal Legislative Update

Mr. Derrick Majchszak, Chief Executive Officer, presented the item. He began by thanking Director Muñoz for his assistance with setting up meetings with legislators on a recent visit. He noted Legislative Chair Granado, Director Muñoz, Director Coleman, Deputy CEO and himself traveled to Washington, D.C. to meet with members of Congress from September 23-26th. They attended nine meetings including U.S. Representatives Cloud, Gonzalez and Cuellar. He notes they also attended the United Chamber of Corpus Christi's Legislative Advocacy Trip to D.C. which included special meetings with Senator Cruz, Congressman Clou and Senator Cornyn's office, along with other members of Congress. He provided meeting update notes from each of the nine meetings that they had along with their priorities which included the representatives



from the U.S. Department of Transportation, House Appropriations Subcommittee on Transportation and the House Subcommittee on Highways and Transit. Director Muñoz thanked the staff and board members that have been involved in these legislative efforts and he provided a brief update on the trip. He added that it is important to keep getting in front of the legislators to help make headway. Also, to see if there is a way to get a quarterly report in front of those who they met with to show them CCRTA's efforts towards these initiatives.

Update on Shelter Program

Ms. Sharon Montez, Managing Director of Capital Programs and Customer Service, presented the item noting the Board Priority of Facilities and Public Image. She began by providing the service standards for Shelter Placement and Methodology, which was approved by the Board of Directors in June 2017 and revisions in July 2021. Ridership of 30 or more daily boardings or bus stops that generate at least 10 daily passenger boardings and/or meet one of several listed criteria which was displayed. She displayed photos of recently installed shelters and amenities. Ms. Montez provided reasons for transit benches with separator bars such as provides a separate space per person, utilized by persons with disabilities and older Americans as support to stand up, reduces the use of skateboards, acts as a deterrent for the placement of large bulky items, lessens improper use of the bench among many other reasons. Ms. Montez notes that CCRTA's Safety and Security Department has to assign law enforcement personnel to patrol these bus stops due to added safety concerns from riders and CCRTA staff. At the bus stops, where people congregate, they discard empty bottles, syringes, dirty clothing, and use the bus stop as public restrooms leaving the stops with urine and fecal matter in the trash bins. Area businesses and residents have requested that bus stop amenities be removed due to unhoused persons living at the stops and demonstrating illicit behavior. Director Granado asked which locations and which amenities they are asking to be removed. Ms. Montez noted that she would display photos next and listed the locations. Ms. Montez adds that some bus stops require frequent power washing and listed the locations. Photos of shelters were displayed. Director Coleman asked if stops that have been removed are high frequency stops and Mr. Majchszak replied sometimes but CCDP and CCRTA are trying their best to manage the stops before it gets to that point. Ms. Montez noted that it is rare that a bus stop is removed, only the amenities if it gets to that point. Director Canales asked why there are not bars at every stop and Ms. Montez replied it is because of the retro fitting but they are working on solutions to put them in place. Director Granado emphasized how important it is to keep the amenities for the riders and a solution needs to be found to keep the riders comfortable and safe. The board provided any additional feedback they had and conversed with staff on the topic. Next, Ms. Montez displayed a chart displaying the new tolar shelter amenities update. She displayed the 20 bus stop locations of the installation of the recent tolar shelter order. The total percentage of bus shelter sets to total bus stops is 44%, which is higher than the national average. She concludes saying that in December, the recommendation to award the option year to Tolar Manufacturing will go to the Board for the next set of amenities.



Update on RCAT Committee Activities

Ms. Sharon Montez provided the RCAT Committee Update to the Board. The meeting was held on August 17, 2023 and she covered the items that were presented to the August Board of Directors meeting. She noted Mr. Majchszak introduced himself to the RCAT Committee and discussed several items as it related to CCRTA's Operations. She also provided the RCAT Liaison Report. She displayed the B-Line Service Performance chart pointing out that all the monthly metric has been met. The next RCAT meeting is on October 19, 2023.

Committee Chair Reports

- a) **Administration & Finance** – Committee Chair Allison noted they had a great committee meeting and would like everyone to dig deeper into the Fare Review process to keep it moving.
- b) **Operations & Capital Projects** – Committee Chair Salazar asked about upcoming projects and priorities for the committee and board. Mr. Majchszak replied some of them would be covered in Mr. Saldaña's upcoming presentation.
- c) **Rural & Small Cities** – Committee Chair Canales said her committee is working on meeting with all of the Rural and Small Cities to help establish the different needs of each community. She would like to get some agenda items together once they meet.
- d) **Legislative** – Committee Chair Granado thanked the staff and board members that attended the legislative meetings in D.C. and said the meetings went very well.

Presentations

a) 2022 Annual Comprehensive Financial Report (ACFR)

Mr. Robert Saldaña introduced Ms. Kristine Carusso with Carr, Riggs and Ingram to present the Financial Statement Audit for the Year Ended December 31, 2022. She presented the Auditor's Reports, Financial Statement highlights, discussed communication with governing body, and upcoming standards. She stated the financial statements are presented fairly in accordance with accounting principles generally accepted in the United States of America and no material findings noted. She said overall assets were up about \$14 million. There was an increase of \$12.3 million in net liabilities. Sales Tax Revenue chart was displayed year over year, actual has been budget. The adoption of GASB Statement No. 87 resulted in the recognition of deferred inflows related to leases, lease receivables, and right-to-use equipment with no material impact on the financial statement. She talked about the upcoming standard GASB Statement No. 96, which is effective for fiscal years starting after June 15, 2022, and will apply to the Authority's 2023 fiscal year. She commended the Finance team for their work with the auditors on completing the audit and adds that everything was done in a timely manner.

b) August 2023 Financial Report

Mr. Robert Saldaña, Managing Director of Administration, presented the August financials and noted that the item aligns with the Board Priority of Public Image & Transparency. He presented the highlights for the month stating Passenger Service was 105.34% of baseline, Bus Advertising was 148.10% of baseline, and Investment Income



was 513.57% of baseline. He displayed the August 2023 Income Statement Snapshot. Total revenues came in at \$4,492,986 and total expenses were \$3,942,634. He displayed the revenue categories. The operating vs. non-operating revenue was displayed and discussed. The total operating and non-operating revenues and capital funding were \$4,492,986 for the month. Next, he discussed and displayed a pie chart of where the money went. Mr. Saldaña showed the expenses by object for August. Purchased Transportation was 24%, Miscellaneous 2%, Supplies 9%, Salaries and Wages 38%, Benefits 9%, Services 14%, Utilities 3% and Insurance was 1%. The total Departmental Operating expenses were \$3,190,255. The YTD highlights for Bus Advertising was 146.49% of baseline, Investment Income was 460.81% of baseline and Federal Grant Assistance were 113.66% of baseline. YTD total revenues came in at \$41,299,591 and YTD total expenses came in at \$37,965,076. Mr. Saldaña discussed the fare recovery ratio. The current YTD FRC is 3.05%. Lastly, he displayed the sales tax update for July in which \$3,448,803 was received. At this time, Mr. Saldaña answered questions from the board. Secretary Allison asked if there is any benefit to be the first and only agency of going fare-free. Mr. Majchszak said a study can definitely be done but some of the bonds are tied to the revenue.

c) October 2023 Procurement Update

Mr. Saldaña presented the item noting that the item aligns with the Board Priority of Public Image & Transparency. He discussed the current procurements. The Transportation Uniform Supply with Cintas Corporation for a three-year supply and service contract in the amount of \$140,000. Unleaded Fuel Supply with Kapalua Marine Fuel & Lubes for a two-year supply contract in the amount of \$1,131,939. Depository and Banking Services with Frost Bank for a five-year service contract in the amount of \$15,000. Demolition of the Kleberg Bank Building at Port Ayers, 90 calendar day contract, with an estimated cost of \$470,120. The purchase, restoration, and repurposing of the Kleberg Bank Building for a six-month contract. The total of current procurements is \$1,757,059. The future procurements were displayed next. Long-Term and Short-Term Disability Insurance with Unum Life Insurance Company of America with two two-year with two one-year options in the amount of \$154,733. TML Intergovernmental Risk Pool with Texas Municipal League with a one-year contract in the amount of \$545,629. Bus Stop Shelter Amenities with Tolar Manufacturing Company, Inc. for a two-year contract with one, one-year option in the amount of \$1,098,085. Health Care Consulting and Risk Management Services with Roland Barrera Insurance for a three-year contract with one, two-year options in the amount of \$120,000. Next, the four-month outlook under the CEO signature authority was displayed and discussed next. All these items are \$50,000 or less. The items totaled \$318,627. Mr. Saldaña closed with stating the Marina Space with the City of Corpus Christi is not to exceed \$6,840.

d) August 2023 Operations Update

Mr. Gordon Robinson, Director of Planning, noted the board image for this item is Public Image and Transparency. He provided the highlights for the month of August 2023 vs. August 2022. The Passenger Trips were up 9.1%, the Revenue Service Hours were up 0.8% and the Revenue Service Miles were up 1.7%. He displayed the RTA System



Monthly Ridership Trends and the System-Wide Monthly Ridership by Mode. He noted the system overall was up 9.1%. Year-to-date, the system overall is up 19.3%. Next, he discussed the fixed route bus on-time performance and reported no issues. He displayed a list of the upcoming impacts and pointed out that 72 bus stops could potentially be impacted by the projects. The B-Line service passengers per hour met the performance standard and reported no issues. There were 41 customer assistance forms for the month, with two accommodations. The miles between road calls and the large bus fleet exceeded the standards. Mr. Robinson answered any question from the board at this time.

CEO Report

Mr. Majchszak presented the report and began going over the operation and project updates. Ridership has increased by up to 13% compared to October 2022. He said the application for the Reconnecting Communities and Neighborhoods grant funding opportunity for \$3.87M has been submitted. On October 1st, the Port Aransas Express ended for the season and will resume service in Spring of 2024. He provided an update on the Port Ayers Transfer Station construction.

Board Chair Report

At this time Vice Chair Jimenez gave the Board Members the opportunity to and they each went down the line to provide comments and feedback. Those that were re-appointed noted how grateful they are to continue to serve the RTA and the community. He discussed his recent meetings and events which included TEX-21, the Small Cities Committee of Mayors Appointment Panel Meeting and the United Chamber of CC Advocacy trip to D.C. He also listed some of the community events that Board Members and staff participated in. Next, he discussed employee relations and the recruitment efforts. Staff participated in and held three career fairs and hiring events during the month and is anticipating a class of 16 Bus Operators for the training class to begin soon. He announced the upcoming Employee Appreciation Day at Bear Lane Facility on October 5th and invited the Board. He also displayed community outreach events which included a September 11th remembrance and appreciation breakfast for local firefighters. He closed with a calendar of upcoming events.

Adjournment

There being no further review of items, the meeting was adjourned at 10:06 a.m.

Lynn Allison, Board Secretary

Submitted by: Marisa Montiel



Subject: Action to Execute Payment of \$653,087 to Texas Municipal League Inter-Governmental Risk Pool (TMLIRP) for the Following Lines of Coverage for FY2024: 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 personnel of the Corpus Christi RTA need to be adequately protected through insurance coverage.

Analysis

Total contribution costs for FY2024 have increased by 19.7% or \$107,458 over 2023.

Of the eight lines of coverage, three coverages had a significant contribution increase.

The main increases are explained as follows:

Increases:

- Automobile Liability/Medical Payments – experience modifier increased from 1.13 in 2023 to 1.34 for 2024.
- Real & Personal Property including Flood and Earthquake – increased cost of construction was a factor, a rate increase, and the experience modifier increased from 1 in 2023 to 1.1 for 2024.
- Workers' Compensation – projected budgeted payroll for 2024/ experience modifier decreased from .31 in 2023 to .3 for 2024.

Disadvantaged Business Enterprise

There is no DBE goal.

Financial Impact

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

Types of Coverage	Limit	Deductible	2022	2023	2024	Inc./Dec
			Contribution	Contribution	Contribution	2023 & 2024
General Liability/Cyber Liability	\$9,000,000	\$0	3,783	3,610	4,645	1,035
Errors & Omissions Liability	\$2,000,000	\$10,000	13,550	12,572	14,627	2,055
Automobile Liability/Medical Payments	\$500,000	\$0	232,769	207,758	267,399	59,641
Automobile Catastrophe	\$10,000,000	\$10,000	103,029	98,407	98,302	-105
Sub Total:			353,131	322,347	384,973	62,626
Law Enforcement Liability	\$5,000,000	\$1,000	1,618	1,560	1,870	310
Real & Personal Property (Includes Flood and Earthquake with a \$25,000 deductible)	\$54,739,022	\$10,000	46,975	53,116	70,821	17,705
Loss of Income, Extra Expense, Rents	\$1,000,000	\$10,000	Included			--
Boiler & Machinery	\$100,000	\$10,000	Included			--
Public Employee Dishonesty	\$500,000	\$2,500	837	837	837	0
Sub Total:			49,430	55,513	73,528	18,015
TOTAL: LIABILITY, PROPERTY & CRIME			402,561	377,860	458,501	
Workers' Compensation	Statutory		159,492	167,769	194,586	26,817
GRAND TOTAL			562,053	545,629	653,087	107,458

Board Priority

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

Recommendation

Staff requests the Board of Directors authorize the Chief Executive Officer (CEO) or designee to execute payment of \$653,087 to Texas Municipal League Inter-Governmental Risk Pool for the following lines of coverage for FY2024: Auto Liability Insurance, Auto Catastrophe Insurance, Property Insurance, General Liability Insurance, Errors & Omissions Insurance, Law Enforcement Liability and Workers' Compensation Insurance.

Final Approval by:



 Miguel Rendon
 Deputy CEO



Subject: Resolution Approving the Changes to the Investment Policy, the Designation of Investment Advisor and List of Approved Brokers/Dealers

Background

Statute - **The Texas Government Code Section 2256.005a** governs the investment of public funds in Texas and holds governmental units to strict compliance under the *Public Funds Investment Act (PFIA)*; as well as federal, state, and local statutes, rules, or regulations. PFIA has eight compliance components. CCRTA follows PFIA's specific requirements under each of the following components.

1. Investment Policies; Strategies; Investment Officer
2. External Policy Certification
3. Standard of Care
4. Investment Training
5. Authorized Investments
6. Internal Management Reports
7. Qualified Brokers
8. Definitions Authority Applicability

Investment Policy - PFIA requires a written investment policy that must be reviewed and adopted by the governing body annually **§2256.005(e)**. The Investment Policy was first adopted on February 5, 2014, and has been either revised or re-certified over the years. The Investment Policy was last reviewed and approved by the Board on **November 2, 2022**.

Investment Advisor – **PFIA section 2256.003(b)** allows the investing entity to contract with an investment management firm registered under the Investment Advisers Act of 1940 or with the State Securities Board to provide investment management services. Under this provision, CCRTA has contracted with Linda Patterson from Meeder Public Funds / Patterson Associates to keep the Board informed of any amendments enacted by the Texas Legislature, provide investment guidance of its public funds and any other funds under its control, and to ensure compliance of Broker/Dealer listing.

Eligible Investments - As provided in the **Public Funds Investment Act**, except those specifically not authorized in **Texas Government Code (TGC) Section 2256.009(b)** only those investments allowed by law may be made with all funds under the control of the Authority *except for pension and retirement funds* which are specifically excluded by the act and referred to as public retirement funds.

Qualifications of Broker/Dealer – **Public Funds Investment Act Section 2256.005e**, requires a review and designation of an authorized broker/dealer list at least annually. The Investment Advisor continually works with different brokerage firms to find the best value for the Authority which requires changes to be made to the list of authorized brokers. Broker/Dealer firms must have the following qualifications:

- Registered with the Financial Industry Regulatory Authority (FINRA) and provide the FINRA Reports for both the broker and the firm,
- Complies with the Municipal Securities Rulemaking Board (MSRB) rules and regulations,
- Acknowledgement of thorough review and understanding of the CCRTA's Investment Policy,
- Be examined by and/or subject to the rules and regulations of one or more of the following agencies:
 - Securities and Exchange Commission (SEC)
 - Federal Deposit Insurance Corporation (FDIC)
 - National Credit Union Share Insurance Fund (NCUSIF)
 - New York Stock Exchange (NYSE)
 - Federal Reserve System; or
 - The Comptroller of the Currency

Investment Definitions

- **US Treasury Obligations:** Treasury Notes and Bills with full faith and credit of the US Government meaning its taxing ability.
- **US Agencies:** obligations of the US Government's agencies such as FNMA and FHLMC, these carry the implicit guarantee of the US Gov't
- **Money market mutual funds:** securities where funds are pooled for investment under a strict policy and the goal is to return \$1 for each \$1 invested with interest.
- **Local pools:** operated like money market funds these are created under the Inter-Local Cooperation Act
- **Commercial paper:** short term debt of a corporation must be rated A1/P1 by two nationally recognized rating agencies.
- **State and local debt:** debt issued by local or state governments rated A minimum
- **Bankers' Acceptances:** created in international trade, represents an obligation of two banks being used in the trade process.
- **Repurchase Agreement (repo):** an investment of cash backed by collateral which CCRTA buys and the sells back after set time – a flex is a longer-term repo used strictly for CIP funds providing a set rate but total w/draw flexibility.
- **Certificates of deposit:** time deposits placed in a bank in Texas, insured by FDIC or collateralized per CCRTA policy.
- **Book value:** the value of a security in the portfolio representing purchase cost and any amortization or accretion as the security moves to maturity.
- **Market value:** the value at which the security could be sold on a free and open market.
- **Beginning and ending values:** the book and market values at the beginning and end of the reporting period
- **DVP:** process when buying a security – CCRTA never releases its money until the security is held by the custodian.

Identified Need

Linda Patterson, Investment Advisor, has identified several components of the Investment Policy approved by the Board on November 2, 2022, that require additional language to emphasize the guiding principles of the investment program and conformance to all statutes, rules, and regulations the investment of public funds.

A. Proposed Changes to the Investment Policy

Various changes to the language of the policy are being proposed to strengthen and clarify investment objectives of safety, liquidity diversification and yield with the primary objective of preservation and safety of public funds.

- Section 1. Policy Statement **§2256.005(e)**
 - Adding language to:
 - Describe CCRTA assets as being public funds.
 - Differentiate equities which are prohibited from debt investments which are PFIA authorized investments.

Rationale: To emphasize Preservation and Safety of Principal.

- Section 2. Scope of Policy **§2256.002(9)**
 - Adding language to:
 - Identify CCRTA as a publicly funded entity.
 - Emphasize that the Investment Policy is designed to protect the Financial assets of CCRTA.
 - Rename the annual financial report to *Annual Financial Comprehensive Report*.
 - Identify funds held in reserve accounts as available for investing.
 - Differentiate the investment risks from equity markets that apply to pensions and markets that apply to governmental funds.

Rational: To emphasize Safety of Principal requirement and comply with GFOA.

- Section 3. Policy Objectives **§2256.005 (b)(4)(F)**
 - Extending the maturity of a Treasury Note from 1 to 2 years as Treasury Notes.

Rationale: To provide more flexibility for future interest rate cycles to enhance total returns as required by policy objectives.

- Section 4. Investment Strategy **§22546.005(e)**
 - Adding language to:
 - Maintain portfolio and cash flow objectives during budgetary cycles.

Rationale: To maintain yield enhancement and assure anticipated cash flows are matched for adequate liquidity.

- Section 5. Standard of Prudence §2256.006 (a-b)
 - Adding language to:
 - Emphasizes that the prudent-person rule is a legal principle that is used to restrict the investment choices on behalf of CCRTA to those allowed by PFIA.

Rationale: To assure the Preservation and Safety of Principal.

- Section 6. Delegation of Authority and Responsibilities PFIA 2256.005 (f)
 - Adding language to:
 - Emphasize that the overall fiduciary responsibility rests on the governing body of CCRTA.
 - Clarify that the approval of the broker/dealer list is required to be done **annually**.

Rationale: To assure the Preservation and Safety of Principal.

- Section 7. Authorized Investments §2256.005 (b) (4)
 - Adding language to:
 - Emphasize that the only investments authorized for CCRTA are defined in the Investment Policy as debt securities.
 - Extend the maturity of Direct Obligations from 3 to 5 years.
 - Change the maximum percentage of Portfolio for Commercial Paper From 35% to 45%.

Rationale: To provide more flexibility for future interest rate cycles to enhance total returns as required by policy objectives.

- Section 8. Financial Counterparties No changes.
- Section 9. Pledged Depository Collateral §2256.0015(4)
 - Adding language to:
 - Reference that ALL financial institutions of CCRTA require signed depository agreements with the independent safekeeping agent.

Rationale: To comply with Financial Institutions Resource and Recovery Enforcement Act which governs FDIC on default.

B. *Designation of the Investment Advisor*

Because the investing environment is driven by complex regulatory and market forces that require daily attention, CCRTA has continued to opt for a professionally managed investment portfolio through the services of an Investment Advisor. Meeder Public Funds, the parent company of Patterson & Associates, a SEC-registered Investment Advisor, is currently serving the Authority under a professional agreement which expires on December 31, 2023. Staff have retained Meeder Public Funds through December 31, 2024.

C. Approval of the list of broker/dealers

There are no changes to the broker/dealers list from the listing approved by the Board on November 2, 2022.

The accompanying power point presentation delineates changes by stating the entire sentence and highlighting in red the additional wording being added to increase clarity.

Board Priority

This item corresponds with the Agency's Public Image and Transparency effort.

Financial Impact

The financial impact is favorable to the Authority due to the reconsiderations that will allow the portfolio to response to the anticipated Feds rate cutting strategy.

Recommendation

Staff requests the Board of Directors authorize the Chief Executive Officer (CEO) or designee to sign a resolution approving the recommended changes to the Investment Policy.

Respectfully Submitted,

Submitted by: Marie Sandra Roddel
Director of Finance

Reviewed by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 

Miguel Rendón
Deputy Chief Executive Officer

Corpus Christi Regional Transportation Authority Investment Policy
ATTACHMENT A

Authorized Investment Advisor

Meeder Investment
Dublin, Ohio

Corpus Christi Regional Transportation Authority Investment Policy
ATTACHMENT B

Authorized Broker/Dealer List



Approved Broker/Dealer List

Academy Securities ²	MarketAxess Corporation
Amherst Pierpont Securities ¹	Mizuho Securities ¹
Bank of America/Merrill Lynch ¹	Moreton Capital Markets
BMO Capital Markets ¹	Morgan Stanley ¹
BNY Capital Markets	Multi-Bank Securities ²
BOK Financial	Oppenheimer
Brean Capital	Piper Sandler & Co
Cantor Fitzgerald & Co. ¹	Raymond James
CastleOak Securities ²	RBC Securities ¹
D.A. Davidson	Rice Financial
FHN Financial	Robert W. Baird
FNC	Siebert Williams Shank ²
Goldman Sachs & Co. ¹	Stephens Inc.
Great Pacific ²	Stifel Nicolaus
Hilltop Securities	StoneX Group Inc.
Huntington Bank	SunTrust Robinson Humphrey, Inc.
InspereX (formerly InCapital)	TD Securities ¹
Jefferies ¹	UBS Financial ¹
JPMorgan Securities ¹	UMB Financial Services
Keybanc Capital Markets	Loop Capital Markets
Wells Fargo ¹	

Note: Direct issuers of CP and CDs are considered to be approved counterparties if approved as an issuer.

1 Primary Government Securities Dealer

2 Minority, Woman owned, or Service Disabled-Veteran owned Enterprise

Important Disclosures

This list is current as of the effective date only and is subject to change without notice. This list is for informational purposes only and may not be relied upon for any other purpose. The list does not imply counterparty approval for derivatives of any type. This information is confidential and may not be distributed without prior written consent of Meeder Public Funds, Inc.

CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
BOARD POLICY

INVESTMENTS – 2023

POLICY STATEMENT

Section 1. Statement.

This Investment Policy is authorized by the Board of Directors of the Corpus Christi Regional Transportation Authority (the "CCRTA") in accordance with Chapter 2256 of the Texas Government Code: The Public Funds Investment Act (the "Act"). ***The management of its funds is designed to protect the public funds which constitute CCRTA assets as a primary public fiduciary duty.***

The investment of public funds is statutorily guided by the Public Funds Investment Act (Government Code, Ch. 2256) with protection of principal as its highest priority. Restriction to the highest credit quality is paramount and investments are restricted to the debt markets to reduce market risks and protect public funds. Stocks (equities) which are volatile in changing market conditions are prohibited by the Act and the Texas Constitution because of their risk whereas debt investments when held to maturity will return the planned value. Investment in equities represents the lending of the public entity's credit and substantially lower credit quality.

Section 2. Scope of Policy.

As a publicly funded entity, it is the policy of the CCRTA, like all other Texas public entities, that all available funds shall be invested in only debt instruments in conformance with the legal and administrative requirements of the Act. This Investment Policy applies to and protects all financial assets of CCRTA including cash balances in all existing and future depository bank accounts. The CCRTA portfolio includes all operating and capital funds, including sales tax revenues and funds available from Reserve Accounts.

These funds are defined in the CCRTA's Annual Comprehensive Financial Report (ACFR) and include all governmental, proprietary, and bond funds and any other new funds created unless specifically exempted from investment purposes by the Board.

This Policy does not apply to the investment of assets accrued for the purpose of funding employee retirement benefits or programs, nor does it apply to trustee or escrow funds which are invested in accordance with their respective contracts or escrow agreements. These funds can absorb the risks incurred within the equity markets unlike governmental funds which are used for critical ongoing CCRTA operations. ***These longer duration funds have a significantly longer maturity horizon and can accept the additional risk unlike governmental funds which must be available for ongoing expenses throughout the fiscal year.***

Section 3. Policy Objectives.

The CCRTA investment program shall be managed and invested with four primary objectives listed below, in priority order. Investments are to be chosen in a manner which promotes diversity among market sectors and maturities. The use of high-grade governmental securities and high credit quality money market securities is designed to assure the marketability of those securities should liquidity needs arise. Investment decisions shall not incur unreasonable investment risks to obtain investment results.

- (a) **Preservation and Safety of Principal.** Safety of principal is the foremost objective. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. Each investment transaction shall seek first to ensure that capital losses are avoided, whether resulting from security default or erosion of market value.

- (b) Liquidity. The investment portfolio will retain sufficient liquidity to enable the CCRTA to meet all operating requirements, which can be reasonably anticipated. Cash flow analysis will be utilized to continuously monitor cash flow changes and guide investment decisions.
- (c) Diversification. The CCRTA will diversify its investments to avoid incurring unreasonable or avoidable risks regarding specific security types or individual financial institutions. Diversification will include diversification by maturity and market sector and will include the use of several institutions and brokers for diversification, competition, and market coverage. Diversification serves to reduce market and interest rate risk. Asset allocation shall reflect an emphasis on high credit quality governmental investments.
- (d) Yield. The investment portfolio shall be designed with the objective of attaining a reasonable market yield, considering risk constraints and the cash flow needs of the portfolio. CCRTA will not make investments for the purpose of trading or speculation as its dominant criteria. However, CCRTA intends to pursue active portfolio management techniques while working within the guidelines of the Policy to enhance total returns.

To monitor portfolio performance and in keeping with the weighted average maturity limitation of two years based on historical cash flow analysis, the comparable period, **current two-year (2) Treasury Note** will be used as a benchmark on the overall portfolio **reflecting the CCRTA's ongoing need for liquidity**. The benchmark is designed to monitor risk as well as performance.

The CCRTA may commingle its funds into one pooled investment portfolio for purposes of efficiency and maximum investment opportunity.

PROCEDURES

Section 4. Investment Strategy.

The investment portfolios shall be designed with the objective of attaining a reasonable debt market yield throughout CCRTA budgetary cycles as well as economic cycles. The strategy considers the investment risks constraints and the cash flow characteristics of the portfolio including market and volatility risk which would affect cash flow requirements.

The CCRTA may maintain one commingled portfolio for investment purposes which incorporates the specific investment strategy considerations based on the unique characteristics of the funds represented in the portfolio:

- (a) The investment strategy for operating funds has as its primary objective assurance that anticipated liabilities are matched and adequate investment liquidity provided. This may be accomplished by purchasing high quality, short- to medium-term maturity securities which will complement each other in a laddered maturity structure permitting some extension for yield enhancement.
- (b) The investment strategy for debt service funds shall have as its primary objective the assurance of available funds adequate to fund the debt service obligations on a timely basis. Successive debt service dates will be fully funded before extension.
- (c) The investment strategy for debt service reserve funds shall have as its primary objective the ability to generate a revenue stream to the debt service funds from high credit quality securities with a low degree of volatility. Securities should be of high credit quality and, except as may be required by the bond ordinance specific to an individual issue, of short to intermediate-term maturities.
- (d) The investment strategy for capital projects or capital project funds will have as its primary objective assurance that anticipated cash flows are matched for adequate liquidity. The stated final maturity dates of securities held may not exceed the estimated project completion date.

The CCRTA shall pursue an active investment management strategy. The Investment Officer(s) will continuously monitor the contents of the portfolio, the available markets, and the relative value of competing instruments to adjust the portfolio in response to market conditions.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies to ensure maximum cash availability. CCRTA shall maintain a comprehensive cash management program which includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services.

Section 5. Standard of Prudence.

The standard of care established statutorily assures that investments are made with judgment and care, under circumstances then prevailing, that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable **safety of their capital** as well as the probable income to be derived.

- (a) In determining whether the Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration (a) The investment of all funds over which the Investment Officer had responsibility rather than a consideration as to the prudence of a single investment, and
- (b) Whether the investment decision was consistent with the written Investment Policy of the CCRTA.

Employees of the CCRTA and any investment advisor designated by the Board who are involved in investment decisions, when acting in accordance with this Policy and exercising due diligence, shall not be held personally liable for a specific credit risk or market price change, provided deviation from expectations is reported in a timely manner and appropriate action is taken to control adverse developments.

Section 6. Delegation of Authority and Responsibilities.

- (a) All participants in the investment process shall seek to act responsibly as custodians of the public trust. The overall program shall be designed and managed with a degree of professionalism which is worthy of the public trust. Regardless of delegation of investment duties, by law the Board retains the overall fiduciary responsibility for CCRTA public funds.

The Board's responsibilities include:

- Establishment and annual adoption of the Investment Policy and Strategy Plan in accordance with the Act.
- Designation of a banking services depository for the funds of the CCRTA.
- Annual approval of the list of broker/dealers for the purpose of selling investment transactions to the CCRTA.
- Approval of the selection of, if the Board so desires, an investment advisor for the purpose of managing CCRTA funds.
- Quarterly review of investment reports and performance.
- Designation of an employee(s) of the CCRTA to serve as Investment Officer(s) to be responsible for the investment of its funds consistent with the adopted Investment Policy. (Authority granted to a person to invest the CCRTA's funds is effective until rescinded by the CCRTA or until termination of the person's employment with the CCRTA.)

(b) Investment Officer(s)

The Director of Finance and the Managing Director of Administration acting on behalf of CCRTA are designated as the Investment Officers and are responsible for investment management decisions and activities. The Investment Officers' responsibilities include the following.

- The Investment Officers are responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management.
- The Investment Officers shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this Investment Policy.
- The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls and documentation to regulate the activities of subordinate officials and staff.
- The Investment Officers shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officers are not available.

- No officer or designee may engage in an investment transaction except as provided under the terms of this Policy and established procedures.
- The Investment Officers shall be knowledgeable of laws concerning the investment of public funds, current investment practices and investment risks and opportunities as required by the Act (2256.008). The Investment Officer shall obtain ten (10) hours of training within twelve months of assuming the position and in each two-year period that begins on the first day of the CCRTA's fiscal year and consists of the two consecutive fiscal years after that. The training may be obtained from:
 - Government Finance Officers Association
 - Government Finance Officers Association of Texas
 - Government Treasurers Organization of Texas
 - Association of Public Treasurers of the US & Canada
 - Texas Municipal League
 - University of North Texas Center for Public Management
 - Patterson & Associates

If the Investment Officers desire to attend an investment-training seminar presented by another organization for training credit, such a seminar must be approved by the Chief Executive Officer and the Managing Director of Administration.

- The Investment Officers shall be bonded employees.
- This Policy and its adopting resolution authorize the Investment Officers to engage in investment transactions on behalf of CCRTA. The persons so authorized are authorized to approve electronic transfers used in the process of investing.
- If the Investment Officers have a personal business relationship with a business organization offering to engage in an investment transaction with the CCRTA, that individual shall file a statement disclosing that personal business interest in accordance with the Act.
- The Investment Officers shall develop and maintain a cash flow analysis to determine available balances and project cash flow needs for the prudent investment of CCRTA funds and the creation of adequate liquidity buffers.
- The Investment Officers shall maintain current and accurate documentation on all investment transactions and holdings.
- The Investment Officers shall ensure adequate security and independent safekeeping for all securities owned by or pledged to CCRTA.
- The Investment Officers shall ensure that all certification and other requirements placed on financial counterparties are observed.
- The Investment Officers shall monitor the credit ratings of all investments requiring ratings of no less than monthly. Ratings may be obtained from the rating agencies, Bloomberg, the Wall Street Journal, or other recognized financial reporting entities. Should the investments lose the required ratings, the Investment Officers shall inform the CEO of the loss of the ratings and options for the liquidation of the investments consistent with this policy.

Rated investments include:

- Obligations of States (other than Texas) and their agencies and subdivisions; banker's acceptances, commercial paper, money market mutual funds and investment pools.
- The Investment Officers shall monitor the status and ownership of all banks issuing brokered CDs owned by the CCRTA based upon information from the FDIC. If any bank has been acquired or merged with another bank in which brokered CDs are owned, the Investment Officers shall immediately liquidate any brokered CD which places the CCRTA above the FDIC insurance level.

(a) Section 7. Authorized Investments and List of Investments. The investment types listed below, and as further defined by the Act, are the only investments authorized for the CCRTA. If additional types of debt securities are approved for investment by public funds by state statute, they will not be eligible for investment by CCRTA until this Policy has been amended and the amended version adopted by the Board.

- Obligations of the United States, its agencies, and instrumentalities with a stated maturity not to exceed five years and excluding mortgage-backed securities.
- Direct obligations of the State of Texas or its agencies and instrumentalities with a stated maturity not to exceed five (5) years.
- Obligations, the principal, and interest of which are unconditionally guaranteed, insured, or backed by, the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities including the Federal Deposit Insurance Corporation and with a stated maturity not to exceed three years, and excluding mortgage-backed securities.

- Obligations of states, agencies, counties, cities, and other political subdivisions of any US state rated not less than A or its equivalent by at least **a nationally** recognized investment rating agencies not to exceed five (5) years to maturity.
- Fully insured or collateralized depository certificates of deposit from any bank doing business in the State of Texas and under the terms of a written depository agreement with that bank, not to exceed (2) two years to stated maturity, to include certificates of deposit purchased through the Certificate of Deposit Account Registry Service (CDARS) program with a Texas bank.
- FDIC insured brokered certificates of deposit securities from a bank in any US state, delivered versus payment to the CCRTA's safekeeping agent, not to exceed two (2) years to maturity.
- Fully collateralized repurchase agreements and reverse repurchase agreements as defined by the Act, with defined termination dates, and placed through a primary government securities dealer with a stated maturity not to exceed six months. Flex repurchase agreements used for capital projects may extend beyond three years as determined by the bond expenditure plan.
- Bankers' acceptances as defined by the Act with a stated maturity not to exceed three months.
- Commercial paper rated A1/P1 or equivalent by at least two nationally recognized rating agencies with a stated maturity not to exceed 270 days.
- Direct obligation AAA-Rated, local government investment pools in Texas and striving to maintain a \$1 net asset value per share.
- AAA-Rated, SEC registered money market mutual funds striving to maintain a \$1 net asset value.
- Interest bearing accounts of banks in Texas with FDIC coverage or collateralized in accordance with this Policy.

(b) Competitive Bidding Requirement. All securities, including certificates of deposit, will be purchased, or sold only after three (3) competitive offers/bids are taken to verify that CCRTA is receiving a fair market price. In the case of coordinated programs for the purchase of certificates of deposit bids (CDARS) from multiple brokers will not be required.

All bids/offers for investments may be solicited orally but confirmed in writing (or electronically) with internal trade ticket documentation, written confirmation from the broker/dealer, and original safekeeping receipt from the custodian.

(c) Delivery versus Payment. All security transactions, including collateral for repurchase agreements, shall be conducted on a delivery versus payment (DVP) basis. The CCRTA's custodian shall release funds only after it has received the purchased security into safekeeping. The custodian must be independent from the broker/dealer. The DVP basis shall be contractually established.

To ensure delivery versus payment settlement no securities will be purchased through a subsidiary of CCRTA's banking services bank.

(d) Diversification. The CCRTA recognizes that investment risks can result from issuer defaults, market price changes, or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification. The **guidelines** for diversification on the total portfolio are determined at the time of purchase and are established as:

	<u>Max. % of Portfolio</u>
US Treasury Obligations	80%
US Agencies/Instrumentalities	80%
State Government Obligations	45%
Local Government Obligations	45%
Certificates of Deposit (Depository)	50%
Brokered Certificates of Deposit	30%
Repurchase Agreements	50%
Flex in CIP Funds	100%
Local Government Investment Pools	80%
Money Market Funds	100%
Limited to 80% in any one fund	
(Not to exceed 10% of the value of the fund)	
Commercial Paper	45%
Bankers Acceptances	20%

Section 8. Financial Counterparties.

(a) Designation of Depository

At least every five years a banking services depository shall be selected through a competitive process. In selecting a depository, the services, cost of services, credit worthiness, and collateralization by the institution shall be considered. Collateralization of time and demand deposits in the depository must be in accordance with this Policy.

Any banking institution in which CCRTA time and demand deposits are placed is a designated depository and funds must be insured or collateralized under a written depository agreement.

(b) Investment Management Firm

CCRTA may contract with an SEC registered investment advisory firm for management of the portfolio.

Any new contracts with an investment advisory firm must be approved by resolution of the Board of Directors.

The investment advisor must be registered under the Investment Advisors Act of 1940.

The Investment Officer shall require that the investment advisor provide certain documents including:

- Audited financial statements or other acceptable evidence of financial stability.
- SEC annual ADV certification and Central Depository Registration (CRD) number.

The investment advisor is responsible for making investments and carrying out its contractual duties in full compliance with this policy and the Public Funds Investment Act.

(c) Security Brokers/Dealers

Investments may be made with or through the following institutions:

- Federally insured banks
- Brokers or security dealers reporting to the Market Reports Division of the Federal Reserve Bank of New York also known as "primary government securities dealers," or
- Secondary institutional brokers/dealers registered with the SEC and registered with Financial Industry Regulatory Authority (FINRA).

The Investment Officer(s) shall maintain a list of not less than three authorized brokers/dealers to assure competitive bidding. The Investment Officer(s) shall require that all financial institutions and broker/dealers desiring to transact business with the CCRTA must supply certain documents including:

- Current year audited financial statements or other acceptable evidence of financial stability.
- Financial Industry Regulatory Authority (FINRA) certification and the FINRA Central Depository Registration (CRD) number.
- Proof of Texas State Securities registration.

A list of authorized brokers/dealers will be prepared by the Investment Officer(s) and reviewed and adopted at least annually by the Board. **Each authorized broker/dealer will receive a copy of the current investment policy.**

(d) Policy Review Certification

CCRTA must provide a copy of its current Investment Policy to the investment management advisor and to each pool in which the CCRTA participates in. The qualified representative of said business organization shall execute a written certification in a form acceptable to the CCRTA substantially to the effect that the business organization has:

- Received, and thoroughly reviewed this Policy and
- Acknowledged that the business organization has implemented reasonable procedures and controls to preclude investment transactions that are not authorized by this Policy, except to the

extent that this authorization is dependent on an analysis of the makeup of the entire portfolio or requires subjective investment standards.

The Investment Officer(s) may not acquire or otherwise obtain any investment from a person or firm who has not delivered this written certification.

Section 9. Collateralization and Safekeeping.

All CCRTA repurchase agreements will be fully collateralized, and all time and demand deposits will be fully insured or collateralized. Collateral of 102 percent is required and must be kept safe by a CCRTA-approved independent third party.

Authorized collateral for repurchase agreements which is owned by the CCRTA includes only:

- A combination of cash and securities of the United States or its agencies and instrumentalities. The CCRTA does not accept letters of credit as collateral.

Authorized collateral for time and demand deposits which is pledged to the CCRTA includes only:

- Federal Deposit Insurance Corporation ("FDIC") insurance,
- Obligations of the United States or its agencies and instrumentalities, including mortgage-backed securities which pass the bank test.
- Direct obligations of the State of Texas or its agencies, or
- Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States or their respective agencies and instrumentalities.
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated not less than A or its equivalent by at least two nationally recognized investment rating agencies.

The CCRTA reserves the right to refuse any collateral it deems inappropriate.

(a) Pledged Depository (Pledged) Collateral

All financial institutions serving as CCRTA depositories will be required to sign a depository agreement with the CCRTA and the independent safekeeping agent and in compliance with FIRREA¹. The agreement shall define the collateral and CCRTA rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, which includes:

- The Agreement shall be in writing.
- The Agreement shall be approved by the Board of Directors, or the Loan Committee of the Depository and a copy of the meeting minutes or resolution reference must be delivered to the CCRTA; and
- No listing of pledged collateral shall be part of the agreement.

The following conditions must be met before time or demand deposits are made:

- Collateral must be held in an independent third-party bank outside the bank's holding company.
- Collateral will be maintained at 102% of principal plus accrued interest at all times, excluding amounts covered by FDIC insurance.
- The bank will be contractually liable for the continuous monitoring and maintenance of collateral and the required margin requirements.
- Pledged collateral will be evidenced by original safekeeping receipts and a monthly report sent directly to the CCRTA by the custodian including security description, par value, market value and CUSIP number.
- Substitution rights will be granted if the bank obtains prior approval from CCRTA and if substituting securities are received before previously pledged securities are removed from safekeeping.
- Collateral shall be reviewed on at least a monthly basis by the CCRTA's Investment Officer and may be audited by the CCRTA at any time during normal business hours of the safekeeping bank. A monthly listing of collateral from the pledgor shall include pledged

¹Financial Institutions Resource and Recovery Enforcement Act which governs the actions of the FDIC on default.

securities itemized by: name, type and description of the security, safekeeping receipt number, par value, coupon, cusip number, market value, and maturity date.

- Collateral shall be audited at least annually by the CCRTA's independent external auditors.
- Substitution of collateral is authorized; however, the pledging institution must contact the Investment Officer for prior approval.

(11) Repurchase Agreements (Owned) Collateral

The CCRTA and any counter party to a repurchase transaction are required to execute the Bond Market Master Repurchase Agreement. An executed copy of this Agreement must be on file before any transaction is initiated. Collateral will be evidenced by safekeeping receipts clearly denoting ownership by the CCRTA. Collateral will be maintained at 102% and held by an independent third party approved by CCRTA and delivered on a delivered-versus-payment (DVP) basis.

Section 10. Reporting.

The Investment Officer(s) shall prepare and submit at least quarterly, signed quarterly investment reports in compliance with the Act and Policy. The reports shall summarize investment strategies employed in the most recent quarter and fully describe investment, maturities, risk characteristics, and investment return for the quarter.

The reports shall include a succinct management summary of the current investment portfolio and changes made during the last quarter. This summary will be prepared in a manner to allow the reader to ascertain whether investment activities during the reporting period have conformed to the Investment policy and adequately maintained diversification and liquidity. The report will include the following:

- A detailed description of the investment position of the entity on the date of the report.
- A summary statement, for each pooled fund group that states the:
 - Beginning market value for the reporting period.
 - Ending market value for the period; and
 - Fully accrued interest for the reporting period.
- For each individual invested asset:
 - State the book value and market value at the end of the reporting period by the type of asset and fund type invested.
 - State the maturity date of each separately invested asset that has a maturity date.
 - State the account or fund or pooled group fund for which each individual investment was acquired (if more than one such account or fund exists).
- Dollar weighted average yield of the portfolio and its benchmarks,
- Earnings for the period (accrued plus net amortization),
- Analysis of the total portfolio by market sector and maturity, and
- Statement of compliance of the investment portfolio with the Act and the Investment Policy.

Market prices for the calculation of market value will be obtained from independent sources.

If the CCRTA invests in other than money market mutual funds or accounts offered by its depository bank in the form of certificates of deposits or money market accounts or similar accounts, the reports prepared by the Investment Officer(s) shall be formally reviewed at least annually by the independent auditor, and the results of the review shall be reported to the Board by the auditor.

Section 11. Annual Policy Adoption.

The CCRTA legal counsel shall review this policy annually to ensure it complies with the applicable laws. The Board shall review and adopt the Policy no less than annually and the adopting resolution shall reference any changes made.

Adopted – February 5, 2014
Approved by Resolution – February 1, 2017
Revised/Approved – October 4, 2017
Revised/Approved – December 5, 2018
Revised/Approved – November 6, 2019
Revised/Approved – November 4, 2020
Revised/Approved – December 1, 2021
Revised/Approved – November 2, 2022

**Corpus Christi Regional Transportation Authority Investment Policy
ATTACHMENT A**

Authorized Investment Advisor

Meeder Investment
Dublin, Ohio

Corpus Christi Regional Transportation Authority Investment Policy
ATTACHMENT B

Authorized List of Brokers/Dealers (see attached)

Approved Broker/Dealer List
6/30/2022

Academy Securities ²	MarketAxess Corporation
Amherst Pierpont Securities ¹	Mizuho Securities ¹
Bank of America/Merrill Lynch ¹	Moreton Capital Markets
BMO Capital Markets ¹	Morgan Stanley ¹
BNY Capital Markets	Multi-Bank Securities ²
BOK Financial	Oppenheimer
Brean Capital	Piper Sandler & Co
Cantor Fitzgerald & Co. ¹	Raymond James
CastleOak Securities ²	RBC Securities ¹
D.A. Davidson	Rice Financial
FHN Financial	Robert W. Baird
FNC	Siebert Williams Shank ²
Goldman Sachs & Co. ¹	Stephens Inc.
Great Pacific ²	Stifel Nicolaus
Hilltop Securities	StoneX Group Inc.
Huntington Bank	SunTrust Robinson Humphrey, Inc.
InspereX (formerly InCapital)	TD Securities ¹
Jefferies ¹	UBS Financial ¹
JPMorgan Securities ¹	UMB Financial Services
Keybank Capital Markets	Loop Capital Markets
Wells Fargo ¹	

Note: Direct issuers of CP and CDs are considered to be approved counterparties if approved as an issuer.

- *Primary Government Securities Dealer*
- *Minority, Woman owned, or Service Disabled-Veteran owned Enterprise*

Important Disclosures

This list is current as of the effective date only and is subject to change without notice. This list is for informational purposes only, and may not be relied upon for any other purpose. The list does not imply counterparty approval for derivatives of any type. This information is confidential and may not be distributed without prior written consent of Meeder Public Funds, Inc.

Corpus Christi Regional Transportation Authority



Resolution

APPROVE A CHANGE TO THE INVESTMENT POLICY, DESIGNATION OF INVESTMENT ADVISOR AND LIST OF APPROVED BROKERS/DEALERS

WHEREAS the Corpus Christi Regional Transportation Authority most recently adopted an Investment Policy on November 1, 2023, in accordance with Public Investment Act (Texas Government Code Chapter 2256) governs local government investment; and

WHEREAS the Public Investment Act (Section 2256.005a), Texas Government Code Chapter 2256 requires the Board to adopt an Investment Policy, Investment Strategies, and Broker/Dealer List by rule, order, ordinance, or resolution governing the investment of funds under its control.

WHEREAS Texas Government Code §2256.025 requires a review and designation of an authorized broker/dealer list at least annually; and

WHEREAS the Public Investment Act (Section 2256.005e), requires the resolution approving the Broker/Dealer List recording any changes made thereto; and

WHEREAS the Authority has chosen to make certain changes material to the Policy to include the following:

Renaming the Annual Financial Report to ACFR to comply with GFOA.

Extending the maturity of the Treasury Note from one (1) year to two (2) years.

Extending the maturity of State of Texas investment investments not to exceed (5) five years instead of three (3) years.

Increasing the maximum percentage of the investment portfolio for Commercial Paper not to exceed 45% instead of 35%.

Various changes to the language of the policy to strengthen and clarify investment objectives of safety, liquidity diversification and yield with the primary objective of safety of public funds.

NOW, THEREFORE, BE IT RESOLVED BY THE CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY THAT:

RESOLVED, that the Corpus Christi Regional Transportation Authority Investment Policy is reviewed and approved.

RESOLVED, that the designation of Meeder Investment as the Investment Advisor under the Investment Policy is hereby ratified and confirmed.

RESOLVED, that the authorized broker/dealer list is hereby ratified and confirmed.

The foregoing Resolution was adopted by the Board of Directors of the Regional Transportation Authority at a duly held meeting on November 1, 2023.

DULY PASSED, APPROVED AND ADOPTED this 1 day of November 2023.

ATTEST:

CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY



Subject: Adoption of the Resolution for the GoodBuy Purchasing Cooperative

Background

The CCRTA uses different methods to buy goods and services, including making use of purchasing cooperatives. By having the choice to purchase from various cooperatives, the CCRTA can save time, resources, and money during the procurement process. GoodBuy provides an efficient, cost-effective, and competitive way to buy goods and services that complies with local and state purchasing guidelines.

Identified Need

To become a member of the GoodBuy Purchasing Cooperative, it is necessary to pass a Resolution for the approval of the GoodBuy Interlocal Participation Agreement by the CCRTA Board of Directors. Being a member of GoodBuy enables the CCRTA to procure goods and services from contracts that fulfill all local and state competitive bidding requisites, thereby saving time and resources.

Financial Impact

There are no membership fees associated with the GoodBuy Purchasing Cooperative.

Board Priority

This Board Priority aligns with Public Image & Transparency.

Recommendation

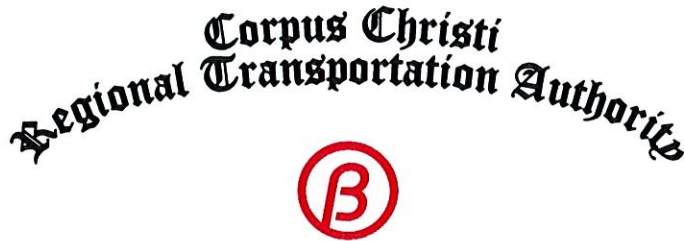
Staff recommends the Board of Directors to authorize the Chief Executive Officer (CEO) or designee to adopt the Resolution for the GoodBuy Purchasing Cooperative.

Respectfully Submitted,

Submitted by: Christina A. Perez, CIPM
Director of Procurement

Reviewed by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 
Miguel Rendon
Deputy Chief Executive Officer



Resolution
[GOODBUY PURCHASING COOPERATIVE]

WHEREAS, the Corpus Christi Regional Transportation Authority (CCRTA) pursuant to the authority by Article 791et.seq.of the Inter-local Cooperation Act, as amended, desires to participate in the Goodbuy Purchasing Cooperative.

WHEREAS, the CCRTA has elected to be a Member of the Goodbuy Purchasing Cooperative, a program created by local governments in accordance with the Inter-local Cooperation Act 791, Texas Government Code.

WHEREAS, the CCRTA is of the opinion that participation in the Goodbuy Purchasing Cooperative will be highly beneficial to the taxpayers of the local government through the efficiencies and potential savings to be realized through participation in this Shared Service Arrangement Resolution; and

WHEREAS, the CCRTA desires to participate and join with other local governments in a cooperative inter-local agreement and a shared service agreement for the purpose of fulfilling and implementing their respective public governmental purposes, needs, objectives, programs, functions and services.

NOW THEREFORE, BE IT RESOLVED BY THE CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY BOARD OF DIRECTORS that the CCRTA does request the Goodbuy Purchasing Cooperative include its stated needs for all categories of instructional goods and services, whereby the Member may be allowed to purchase those items from the Goodbuy Purchasing Cooperative contracts; and that the Goodbuy Purchasing Cooperative is authorized to sign and deliver all necessary requests and other documents in connection therewith for and on behalf of the Members that have elected to participate in this agreement.

FURTHER, BE IT RESOLVED, that the Board of Directors of the Corpus Christi Regional Transportation Authority does hereby authorize its Chief Executive Officer to execute this Agreement.

FINALLY, BE IT RESOLVED that the execution of this Resolution shall evidence the election of the Corpus Christi Regional Transportation Authority to become a member of the Multi-Regional Purchasing Program Shared Service Agreement upon the terms and conditions stated. The Board of Directors has, and at the time of adoption of this Resolution had, full power and lawful authority to adopt the foregoing Resolution and to confer the obligations, powers, and authority to the persons named, who hereby grant the power to exercise the same.

DULY PASSED AND ADOPTED this _____ day of _____, 2023.

ATTEST:

**CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY**

Derrick Majchszak
Chief Executive Officer

Dan Leyendecker
Chairman of the Board



Subject: Exercise First Option Year for Short-Term and Long-Term Disability Insurance with Unum Life Insurance Company

Background

The CCRTA entered a contract with Unum Life Insurance Company for the period of January 01, 2022, through December 31, 2023. The original contract term is two-year base contract with two one-year options. Applications for Long-Term and Short-Term disability coverage are processed by Unum, along with processing claims and payments and reevaluating claims for approved employees. Long-Term Disability is available to employees who complete one year of employment and is paid by the organization; Short-Term Disability is available to employees who pay for the benefit.

Below is an average employee lives who are currently on the plan and costs:

Plan Description	Current Employee Count	Average Monthly Total*
Long-Term Disability	181	\$10,461.38
Short-Term Disability	103	\$3,677.19

**Average monthly cost varies due to the number of employee(s) on the plan on a given month*

Employees with Long-Term and Short-Term Disability insurance benefits receive supplemental income if they are out due to illness or injury and do not have enough accrued paid leave to cover their wages. After reviewing the required documents, Unum decides whether to accept the claim.

Identified Need

Exercising the first option year of this contract will allow for the continuity of the Long-Term and Short-Term Disability insurance benefits provided through December 31, 2024.

Disadvantaged Business Enterprise (DBE)

There is no DBE requirement.

Financial Impact

The cost of having Long-Term and Short-Term Disability coverage available for our employees on an annual basis is projected to be approximately \$181,538. This cost is split with a portion of about \$47,136 being paid by the employee for Short-Term Disability coverage and the remaining \$134,402 paid by the CCRTA. These monies are 100% budgeted within individual operating department budgets.

Board Priority

This Board Priority is Transparency.

Recommendation

Staff requests that the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Exercise the First Option Year for Long-Term and Short-Term Disability Insurance with Unum Life Insurance Company.

Respectfully Submitted,

Submitted by: JoAnna Serna
EEO/ADA Compliance Officer

Reviewed by: Angelina Gaitan
Director of Human Resources

Final Approval by: 

Miguel Rendón
Deputy Chief Executive Officer



Board of Directors Meeting Memo

November 1, 2023

Subject: Adopt the Fiscal 2024 Board and Committee Meetings Calendar

Background

Each year, the Board adopts a meeting calendar for the upcoming year. The CCRTA monthly Board Meeting(s) are typically scheduled on the first (1ST) Wednesday of each month. The Administration & Finance Committee and Operations & Capital Projects Committee are typically held on the fourth (4TH) Wednesday each month, respectively. The Rural and Small Cities Committee and the Legislative Committee will meet quarterly, or as required.

Recommendation

Staff requests the Board of Directors authorize the Chief Executive Officer (CEO) or his designee to Adopt the 2024 Board and Committee Meetings Calendar.

Respectfully Submitted,

Final Approval by: _____

Miguel Rendón
Deputy Chief Executive Officer



2024 Meeting Calendar - CCRTA Board of Directors

Calendar grid for January with meeting dates highlighted in red: 10th and 24th.

January

10TH – BOARD Mtg. 8:30 a.m.
24TH – COMMITTEE Mtgs.* 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

July

10TH – BOARD Mtg. 8:30 a.m.
24TH – COMMITTEE Mtgs.* 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

Calendar grid for July with meeting dates highlighted in red: 10th and 24th.

Calendar grid for February with meeting dates highlighted in red: 7th and 28th.

February

7TH – BOARD Mtg. 8:30 a.m.
28TH – COMMITTEE Mtgs.* 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

August

7TH – BOARD Mtg. 8:30 a.m.
28TH – COMMITTEE Mtgs.* 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

Calendar grid for August with meeting dates highlighted in red: 7th and 28th.

Calendar grid for March with meeting dates highlighted in red: 6th and 27th.

March

6TH – BOARD Mtg. 8:30 a.m.
27TH – COMMITTEE Mtgs.* 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

September

11TH – BOARD Mtg. 8:30 a.m.
25TH – COMMITTEE Mtgs.* 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

Calendar grid for September with meeting dates highlighted in red: 11th and 25th.

Calendar grid for April with meeting dates highlighted in red: 3rd, 24th, 28th, 29th, 30th.

April

3RD – BOARD Mtg. 8:30 a.m.
24TH – COMMITTEE Mtgs.* 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)
*APTA Legislative- APR 7-9 (DC)
*Mobility - APR 28- May 1 (OR)

October

9TH – BOARD Mtg. 8:30 a.m.
23RD – COMMITTEE Mtgs.* 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)
*APTA Transform- Sep 29-Oct 2 (CA)

Calendar grid for October with meeting dates highlighted in red: 9th and 23rd.

Calendar grid for May with meeting dates highlighted in red: 7th, 22nd.

May

8TH – BOARD Mtg. 8:30 a.m.
22TH – COMMITTEE Mtgs.* 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)
*Mobility - APR 28- May 1 (OR)

November

6TH – BOARD Mtg. 8:30 a.m.
20TH – COMMITTEE Mtgs.* 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

Calendar grid for November with meeting dates highlighted in red: 6th and 20th.

Calendar grid for June with meeting dates highlighted in red: 5th and 26th.

June

5TH – BOARD Mtg. 8:30 a.m.
26TH – COMMITTEE Mtgs.* 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

December

4TH – BOARD Mtg. 8:30 a.m.
No COMMITTEE Mtgs.

Calendar grid for December with meeting dates highlighted in red: 4th.

Legend: Meetings – BOD & COMM # in red = CCRTA Holidays (Admin. Offices closed) *Rural and Small Cities & Legislative TBD *Blue = APTA Mtgs



Subject: Approve the Fiscal Year 2024 Holidays and Service Levels

Background

Each year, the Corpus Christi Regional Transportation Authority (CCRTA) Service Standards require Board of Directors approval of service levels on holiday dates or on dates adjacent to a holiday. In the past, CCRTA has not operated service on Easter, Thanksgiving, and Christmas holidays. On other dates, the CCRTA has operated a modified service schedule in alignment with historic ridership levels.

Identified Need

Per CCRTA Service Standards, staff must seek Board of Directors approval of service levels for implementation in the following year. For review and approval, Attachment A contains the draft notice to CCRTA employees and contractors containing the FY2024 Holidays and Service Levels.

Financial Impact

Costs associated with the FY2024 Holidays and Service Levels are included in the proposed FY2024 Operating Budget.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to approve the FY2024 Holidays and Service Levels.

Board Priority

The Board Priority is Public Image and Transparency.

Respectfully Submitted,

Reviewed & Submitted by:

Gordon Robinson
Managing Director of Operations

Final Approval by:



Miguel Rendón
Deputy Chief Executive Officer



CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY

DRAFT

To: CCRTA & Contract Employees

From: Derrick Majchszak, Chief Executive Officer

Re: 2024 Holidays and Service Levels

The 2024 holidays and service levels for bus and paratransit services are based on public input and historic ridership levels on holiday dates or on dates adjacent to a holiday. Regular fares apply to service dates listed below.

The Chief Executive Officer or designee determines the public transportation needs of the community which may result in changes to a schedule or service level.

Day	Date	Holiday	Service Level	Comments
Monday	January 1, 2024	New Year's Day **	Reduced Service Level *	RTA Holiday: Administration and Customer Service Closed
Monday	January 15, 2024	Martin Luther King Jr. Day	Weekday Service Level	RTA Observed Holiday: Administration and Customer Service Closed
Friday	March 29, 2024	Good Friday (Admin Holiday)	Weekday Service Level	RTA Observed Holiday: Administration and Customer Service Closed
Sunday	March 31, 2024	Easter Sunday	No Service	RTA Holiday: All Facilities Closed
Monday	May 27, 2024	Memorial Day	Reduced Service Level *	RTA Holiday: Administration and Customer Service Closed
Wednesday	June 19, 2024	Juneteenth	Weekday Service Level	RTA Holiday: Administration and Customer Service Closed
Thursday	July 4, 2024	Independence Day	Reduced Service Level *	RTA Holiday: Administration and Customer Service Closed
Monday	September 2, 2024	Labor Day	Reduced Service Level *	RTA Holiday: Administration and Customer Service Closed

Day	Date	Holiday	Service Level	Comments
Thursday	November 28, 2024	Thanksgiving	No Service	RTA Holiday: All Facilities Closed
Friday	November 29, 2024	Day after Thanksgiving (Admin Holiday)	Weekday Service Level	RTA Observed Holiday: Administration and Customer Service Closed
Tuesday	December 24, 2024	Christmas Eve	Weekday Service Level: Terminates in Early Evening	No RTA Holiday
Wednesday	December 25, 2024	Christmas	No Service	RTA Holiday: All Facilities Closed
Tuesday	December 31, 2024	New Year's Eve	Weekday Service Level: Terminates in Early Evening	No RTA Holiday
Wednesday	January 1, 2025	New Year's Day	Reduced Service Level *	RTA Holiday: Administration and Customer Service Closed

*A reduced service level is similar to services operated on Sundays

**Approved in 2023 Holiday & Service Levels calendar



Subject: Award a Contract to Pinnacle Petroleum Inc. for Unleaded Fuel Supply

Background

The Corpus Christi Regional Transportation Authority (CCRTA) is projected to use 227,794 gallons of unleaded fuel in 2024 and 243,739 gallons of unleaded fuel in 2025 for the contracted paratransit and fixed route services fleet, security and supervisor SUV's, and support vehicles. Projected usage is based on current consumption, projected delivery of 20 gasoline powered ARBOC's in late Fall 2023, four more ARBOC's by the end of 2024, MPG (miles per gallon), and estimated service miles for FY2024 and FY2025.

Identified Need

An unleaded fuel supply agreement assures that the CCRTA will be able to meet demand, maintain firm pricing, and eliminate supply shortages. Contract pricing is based on vendor mark-ups or discounts from the Oil Price Information Service (OPIS) price schedule on each delivery of unleaded fuel.

The cutaway van fleet is currently transitioning from the use of CNG to unleaded fuel to improve the reliability and versatility of our fleet, and to diversify our fuel source requirements. These future purchases include the projected delivery of 20 ARBOC's in late Fall 2023 and four more ARBOC's by the end of 2024.

The proposed contract is structured as a two-year base and no option year.

Bids Received

Bidder	Year One Of Two Year Base Discount (Per Gallon)	Year One Of Two Year Base Mark-up (Per Gallon)	Year Two Of Two Year Base Discount (Per Gallon)	Year Two Of Two Year Base Mark-up (Per Gallon)
Arguindegui Oil Company		0.0100		0.0100
Atlantic Petroleum & Mineral Resources, Inc.		0.1700		0.1900
Global Montello Group Corp.		0.0042		0.0042
Petroleum Traders Corporation		0.0512		0.0532
Pinnacle Petroleum, Inc.	-0.0420		-0.0420	
Sunoco Gladieux	-	-	-	-

Disadvantaged Business Enterprise

There is no DBE requirement for this procurement.

Financial Impact

Total expenditures will be determined by consumption and OPIS. The projected cost in 2024 is \$560,373.00 on 227,794 gallons, and the projected cost in 2025 is \$599,597.00 on 243,739 gallons. The increase in 2024 is due to the delivery of additional ARBOC's that will support the paratransit fleet on unleaded fuel along with an increase in service levels on select fixed routes. Funds are accounted for in the Board approved annual operating budgets.

Year	Estimated Annual Miles	Estimated Annual Usage in Gallons	Estimated Annual Cost
2024	1,510,034	227,794	\$560,373.00
2025	1,615,741	243,739	\$599,597.00

Board Priority

This Board Priority aligns with Public Image & Transparency.

Recommendation

Staff requests that the Board of Directors authorize the Chief Executive Officer (CEO) or designee to award a contract to Pinnacle Petroleum Inc. for Unleaded Fuel Supply.

Respectfully Submitted,

Submitted by: Bryan J. Garner
Director of Maintenance

Reviewed by: Gordon Robinson
Managing Director of Operations

Final Approval by: 
Miguel Rendón
Deputy Chief Executive Officer



Subject: Award the Transportation Department Uniform Supply Contract to Cintas Corporation

Background

To maintain a professional image, the Corpus Christi Regional Transportation Authority (CCRTA) follows strict uniform guidelines. Uniform components require replacement on an annual basis to ensure front line employees represent CCRTA in a professional manner. The CCRTA Transportation Department currently has 121 employees, comprised of 92 full-time Operators, ten student Operators, zero part-time Operators, and 19 administration staff. The administration staff consists of one Managing Director of Operations; one Director of Transportation; three Transportation Administrators; three Transportation Instructors; five Transportation Dispatchers; and six Transportation Street Supervisors. When all positions are full, the department will consist of 129 positions composed of 107 full-time and 6 part-time operators plus the 19 administrative positions. CCRTA provides each Transportation Department Operator and administrative employee an annual stipend up to \$295 for the purchase of uniforms throughout the calendar year.

Identified Need

The Transportation Department currently purchases uniforms from Cintas Corporation. The current agreement is a three-year contract with two one-year extensions. As the current agreement will expire on December 31, 2023, the CCRTA issued an Invitation for Bid on August 10, 2023 to solicit proposals. On October 5, 2023, three proposals were received, of which Cintas Corporation was deemed most responsive.

Financial Impact

The FY2024 estimated annual cost is \$43,955 which is included in the proposed FY2024 Operating Budget with local funds. The projected three-year total cost is \$137,952.50, which accounts for a 5% increase in Operators in each year.

FY2024 Employee Positions	Number of Employees	Allowance	Estimated Total
Full-Time Operators	107	\$295.00	\$31,565.00
Part-Time Operators	6	\$147.50	\$885.00
Managing Director of Operations	1	\$295.00	\$295.00
Director of Transportation	1	\$295.00	\$295.00
Transportation Administrators	3	\$295.00	\$885.00
Transportation Instructors	3	\$295.00	\$885.00
Transportation Dispatchers	5	\$295.00	\$1,475.00
Transportation Street Supervisors	6	\$295.00	\$1,770.00
Sub-Total Services	129		\$38,055.00
Turnover	20	\$295.00	\$5,900.00
Estimated FY2024 Total			\$43,955.00

Board Priority

The Board Priority is Public Image and Transparency.

Recommendation

Staff requests the Board of Directors authorize the Chief Executive Officer (CEO) or designee to award a contract to Cintas Corporation for Transportation Department Uniform Supply.

Respectfully Submitted,

Submitted by: Michael Ledesma
Director of Transportation

Reviewed by: Gordon Robinson
Managing Director of Operations

Final Approval by: 

Miguel Rendón
Deputy Chief Executive Officer



Subject: Adopt the FY2024 CCRTA Operating and Capital Budget of \$67,550,385.

Background

Chapter 451 of the Texas Transportation Code mandates that the Authority adopt an annual operating budget prior to the beginning of each fiscal year after making the proposed budget available publicly for at least 14 days. The required public notice period began on October 11, 2023, to be completed in time for the public hearing scheduled on October 25, 2023. The public notice was posted October 04, 2023, at the CCRTA Staples Street Center and sent to the Nueces County and the San Patricio County Clerks for posting at their locations. The public notice was also made available on the CCRTA website.

Identified Need

A public hearing is being conducted to provide the community and stakeholders an opportunity to provide input prior to the adoption of the 2024 Operating and Capital budget. The 2024 Operating and Capital budget accounts for 329,085 hours of service covering 846 square miles and over 3.3 million passenger trips, maintaining 4 transfer stations, 3 park and rides and a fleet of 127 fixed and paratransit vehicle; as well as a fleet of support vehicles.

The CCRTA staff has conducted six (6) prior budget workshops detailing department line item budgets:

Budget workshop #1 was conducted on July 26, 2023. The workshop reviewed Assumptions, Regional Economic Trends and 2024 Projected Revenues.

Budget workshop #2 was conducted on August 23, 2023. The workshop reviewed the following Administrative Support department budgets: MIS, Procurement, Finance and Accounting and Administration (Admin, Grants, and Budget & Capital Improvement Projects).

Budget workshop #3 was conducted on August 23, 2023. The workshop reviewed the following areas: CEO, Human Resources, Marketing & Communications and Safety & Security.

Budget workshop #4 was conducted on September 13, 2023. The workshop reviewed the following areas: Customer Service, Facilities Management, Capital Programs and Staples Street Center.

Budget workshop #5 was conducted on September 27, 2023. The workshop reviewed the following Operational areas: Transportation, Purchased Transportation, Service Development, Vehicle Maintenance and Materials Management.

Budget workshop #6 was conducted on October 4, 2023. The workshop reviewed the following areas. Debt Service, Port/Ayers Cost Center, Special Projects, Sub-recipient Agreements, Street Maintenance Allocation, 5-Year Service Plan, 5-Year CIP, 2024 Budget Overview and 5-Year Financial Plan.

The CCRTA Management Staff also conducted the 2024 Budget Public Hearing #1 on October 25, 2023, at 5:30pm. The Public Hearing is an overview of the 2024 Operating and Capital budget.

Financial Impact

The CCRTA is projecting total revenues to come in at \$67,550,385. The following are the key revenue categories:

1. Projected Sales Tax - \$44,244,769
2. Projected Operating Grant revenue - \$1,200,152
3. Projected Capital Grant revenue - \$11,971,407
4. Projected Fare revenue - \$1,105,459
5. Other Projected revenue - \$3,126,753
6. Unrestricted Reserves - \$5,901,845

Projected expenses are expected to come in at \$67,550,385. The CCRTA is projecting a one-time transfer from unrestricted reserves of \$5,901,540 to balance the 2024 Operating and Capital budget.

Recommendation

Staff recommends the Board of Directors adopt the proposed 2024 Operating and Capital Budget of \$67,550,385.

Respectfully Submitted,

Submitted by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 
Miguel Rendón
Deputy Chief Executive Officer



RTA Employees Defined Benefit Plan and Trust

FINANCIAL STATEMENTS

December 31, 2022 and 2021



	Page
REPORT	
Independent Auditors' Report	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS	
Statements of Fiduciary Net Position	6
Statements of Changes in Fiduciary Net Position	7
Notes to Financial Statements	8
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Net Pension Liability	25
Schedule of Changes in Net Pension Liability and Related Ratios	26
Schedule of Contributions	27
Schedule of Investment Returns	28
Notes to Required Supplementary Information	29



REPORT





Carr, Riggs & Ingram, LLC
500 North Shoreline Boulevard
Suite 701
Corpus Christi, TX 78401

361.882.3132
361.882.3199 (fax)
CRIcpa.com

INDEPENDENT AUDITORS' REPORT

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

Opinion

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, 2022 and 2021, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2022 and 2021, and the respective changes in financial position for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Carr, Riggs & Ingram, L.L.C.

Corpus Christi, Texas

July 31, 2023



FINANCIAL STATEMENTS



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, 2022. Please read this section in conjunction with the financial statements, which begin on page 6.

FINANCIAL HIGHLIGHTS

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

Financial Highlights for the Year Ended December 31, 2022

- The fiduciary net position held in trust for the Plan decreased by \$8,558,720 during the 2022 fiscal year and totaled \$42,537,443 as of December 31, 2022.
- Retirement benefits paid during 2022 increased \$122,737 to total \$2,415,094.
- Total Contributions to the Plan remained unchanged during 2022 to total \$1,382,108.
- Net depreciation in the fair market value of investments totaled \$7,400,557 representing a total decrease in the fair market value of investments of \$12,998,181 during 2022 compared to the appreciation in the fair market value of investments of \$5,597,624 experienced in the prior fiscal year.
- Administrative expenses decreased \$20,192 to total \$125,177.

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, 2022.

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 2023, the recommended employer contribution is 15.49% of total annual payroll, 3.74% more than the 2022 recommended contribution of 11.75%.

FINANCIAL ANALYSIS

The fiduciary net position held in trust for the Plan decreased by \$8,558,720 during the 2022 fiscal year and totaled \$42,537,443 as of December 31, 2022. The decrease is attributed primarily to the \$7,739,812 of net depreciation in the fair value of plan investments in 2022. The remaining change in net position is due to benefit payments of \$2,415,094 and administrative expenses of \$125,177 that were partially offset by employer contributions of \$1,382,108 and investment income of \$339,255.

Condensed Financial Information					
	December			Change	
	2022	2021	2020	2022-2021	2021-2020
Assets					
Investments at fair value	\$ 42,543,130	\$ 51,096,163	\$ 46,554,019	\$ (8,553,033)	\$ 4,542,144
Accrued interest receivable	9,844	-	138	9,844	(138)
Total Plan Assets	42,552,974	51,096,163	46,554,157	(8,543,189)	4,542,006
Liabilities	15,531	-	-	15,531	-
Net position restricted for pension benefits	\$ 42,537,443	\$ 51,096,163	\$ 46,554,157	\$ (8,558,720)	\$ 4,542,006

	Year Ended December			Change	
	2022	2021	2020	2022-2021	2021-2020
Additions					
Net investment (loss) income	\$ (7,400,557)	\$ 5,597,624	\$ 5,498,174	\$ (12,998,181)	\$ 99,450
Employer contributions	1,382,108	1,382,108	1,227,724	-	154,384
Total additions (deductions)	(6,018,449)	6,979,732	6,725,898	(12,998,181)	253,834
Deductions					
Benefits paid to participants	2,415,094	2,292,357	2,218,914	122,737	73,443
Administrative expenses	125,177	145,369	122,876	(20,192)	22,493
Total deductions	2,540,271	2,437,726	2,341,790	102,545	95,936
Net increase (decrease) in fiduciary net position	\$ (8,558,720)	\$ 4,542,006	\$ 4,384,108	\$ (13,100,726)	\$ 157,898

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 2022 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>December 31,</i>	2022	2021
Assets		
Investments at fair value		
Money market fund	\$ 855,918	\$ 904,700
Mutual funds	8,497,997	10,828,586
Collective funds	33,189,215	39,362,877
<hr/>		
Total investments at fair value	42,543,130	51,096,163
Receivables		
Accrued interest receivable	9,844	-
<hr/>		
Total assets	42,552,974	51,096,163
Liabilities		
Due to broker for securities purchased	15,531	-
<hr/>		
Total liabilities	15,531	-
Fiduciary net position		
Net position - restricted for pension benefits	42,537,443	51,096,163
<hr/>		
Total liabilities and net position - restricted for pension benefits	\$ 42,552,974	\$ 51,096,163
<hr/> <hr/>		

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>	2022	2021
Additions		
Investment income		
Net appreciation in value of investments	\$ -	\$ 5,241,116
Interest	9,815	1,106
Dividends	312,379	347,834
Mutual/common trust fund earnings	17,061	7,568
Total investment income	339,255	5,597,624
Contributions		
Employer	1,382,108	1,382,108
Total additions	1,721,363	6,979,732
Deductions		
Net depreciation in value of investments	7,739,812	-
Benefits paid to participants	2,415,094	2,292,357
Administrative expenses	125,177	145,369
Total deductions	10,280,083	2,437,726
Net increase (decrease)	(8,558,720)	4,542,006
Fiduciary net position		
Beginning of year	51,096,163	46,554,157
End of year	\$ 42,537,443	\$ 51,096,163

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

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 ("the 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 assets are held and managed by Principal Financial Group, the trustee or custodian and the qualified institution for the Plan, which invests contributions and Plan earnings, makes investment transactions as directed by the Authority Board and provides certain recordkeeping services. The Trustee carries out an investment policy established by the Authority Board consistent with purposes of the Plan and all applicable laws. The Plan has engaged third parties to provide actuarial services, consulting services, investment services and to assist with certain administrative functions of 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.

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.

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

Note 1: DESCRIPTION OF THE PLAN (CONTINUED)

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.

During the years ended December 31, 2022 and 2021 the Authority made contributions of \$1,382,108 and \$1,382,108, respectively.

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

Participant Accounts

Each employee will automatically become a participant upon meeting eligibility requirements. Once an employee has become a participant, the employee will continue to be a participant throughout their employment, without a break in service, and thereafter as long as the employee or the employee beneficiary retains any right to benefits under the Plan.

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 their final average compensation multiplied by 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, 2022 and 2021, there were 639 and 616 participants in the Plan, respectively, as follows:

	2022	2021
Active employees	218	217
Deferred vested	195	189
Retired and beneficiary	226	210
Total participants	639	616

Benefits

Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Administration costs are paid by the Plan.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 1: DESCRIPTION OF THE PLAN (CONTINUED)

Pension 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).

Death and Disability 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.

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.

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).

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). 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.

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.

Investment Valuation and Income Recognition

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.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis as earned. Dividends are recorded on the ex-dividend date. Fair value changes are recorded as investment income or loss. 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.

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.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 *Statements of Changes in Fiduciary Net Position*.

Risk and Uncertainties

The Plan invests 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 these changes could materially affect the amounts reported in the Plan's financial statements.

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.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, July 31, 2023, and determined there were no events that occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Note 3: CHANGES OF ASSUMPTIONS

During the year ended December 31, 2022, the assumed interest (or discount) rate was decreased from 7.10% to 7.00% per annum. During the year ended December 31, 2021, the assumed interest (or discount) rate was decreased from 7.20% to 7.10% per annum. During the year ended December 31, 2021, the mortality basis was changed from the RP-2014 Blue Collar Generational Mortality table with Improvement Scale MP-2020 to the RP-2014 Blue Collar Generational Mortality table with Improvement Scale MP-2021. During the year ended December 31, 2022, there were no changes in the mortality basis or mortality rates.

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 4: INVESTMENTS

Investments at December 31, 2022 and 2021 consist of the following mutual funds, which are stated at fair value:

	2022	2021
Money market fund:		
Principal Blackrock Short Term Investment Fund S1	\$ 855,918	\$ 904,700
Total money market fund	855,918	904,700
	2022	2021
Mutual funds:		
Fixed Income:		
Metropolitan West Total Return Bond Fund Class I	3,994,751	4,789,742
Total fixed income	3,994,751	4,789,742
International equity:		
Acadian Emerging Markets Portfolio Class I	657,584	877,122
Europacific Growth Fund Class R6	1,085,764	1,550,847
Invesco Oppenheimer Developing Markets Fund Class R6	645,768	937,789
Total international equity	2,389,116	3,365,758
Commodity:		
Alps/Corecommodity Management Complete Commoditiessm Strategy Fund Class I	1,037,824	1,308,638
Total commodity	1,037,824	1,308,638
Real Estate:		
Vanguard Real Estate Index Fund Class ADM	1,076,306	1,364,448
Total real estate	1,076,306	1,364,448
Total mutual funds	\$ 8,497,997	\$ 10,828,586

(Continued)

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 4: INVESTMENTS (CONTINUED)

	2022	2021
Collective investment funds:		
Domestic equity:		
Principal Multi-Manager Small Cap CI CIT N	\$ 2,139,461	3,624,769
Principal Blackrock International Equity Index CIT N	2,152,544	2,825,688
Principal Blackrock S&P Midcap Index CIT N	4,304,076	4,665,739
Principal Blackrock S&P 500 Index CIT N	5,536,584	6,123,651
Principal MFS Value CIT N	1,730,447	1,575,049
Principal T Rowe Price Institutional Equity Income Managed CIT N	1,726,927	1,554,350
Principal T Rowe Price Institutional Large-Cap Growth Managed C CIT N	1,260,908	1,515,121
Principal Voya Large Cap Growth CIT N	1,255,606	1,528,205
Total domestic equity	20,106,553	23,412,572
Fixed income:		
Allspring Core Bond CIT N	3,997,097	4,792,718
Principal Dodge & Cox Intermediate Bond CIT N	4,005,449	4,800,478
Principal Federated Total Return Bond CIT N	4,002,663	4,798,147
Total fixed income	12,005,209	14,391,343
International equity:		
Principal Causeway International Value CIT N	1,077,453	1,558,962
Total international equity	1,077,453	1,558,962
Total collective investment funds	33,189,215	39,362,877
Total investments	\$ 42,543,130	\$ 51,096,163

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: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as:

- 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; or
 - can be corroborated by observable market data.

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 unobservable and significant to the fair value measurement.

The asset's 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 methodologies used at December 31, 2022 and 2021.

Money Market Fund: Value is stated at cost, which approximates fair value.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Common stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 4: INVESTMENTS (CONTINUED)

Corporate bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote if available.

The preceding 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 Administrator 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 table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022:

	Quoted prices in active market for identical assets (Level 1)	Significant other observable inputs (Level 2)	Fair value
<i>December 31, 2022</i>			
Money market fund	\$ 855,918	\$ -	\$ 855,918
Mutual funds	8,497,997	-	8,497,997
Common/ Collective trust funds	-	33,189,215	33,189,215
Total investments, at fair value	\$ 9,353,915	\$ 33,189,215	\$ 42,543,130

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021:

	Quoted prices in active market for identical assets (Level 1)	Significant other observable inputs (Level 2)	Fair value
<i>December 31, 2021</i>			
Money market fund	\$ 904,700	\$ -	\$ 904,700
Mutual funds	10,828,586	-	10,828,586
Common/ Collective trust funds	-	39,362,877	39,362,877
Total investments, at fair value	\$ 11,733,286	\$ 39,362,877	\$ 51,096,163

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 4: INVESTMENTS (CONTINUED)

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 decreases. 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.

The following is a list of fixed income investments and related maturity schedule (in years) as of December 31, 2022 and 2021. 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
<i>December 31, 2022</i>					
Collective Investment Funds:					
Fixed Income					
Allspring Core Bond CIT N	\$ 3,997,097	\$ 17,987	\$ 999,275	\$ 636,738	\$ 2,343,097
Principal Dodge & Cox Intermediate Bond Fund CIT N	4,005,449	34,447	547,945	539,133	2,883,924
Principal Federated Total					
Return Bond Fund CIT N	4,002,663	469,913	913,808	1,025,082	1,593,860
Total	\$ 12,005,209	\$ 522,347	\$ 2,461,028	\$ 2,200,953	\$ 6,820,881

December 31, 2021

Collective Investment Funds:

Fixed Income					
Allspring Core Bond	\$ 4,792,718	\$ 143,782	\$ 2,252,577	\$ 1,533,670	\$ 862,689
Principal Dodge & Cox Intermediate Bond Fund	4,800,478	96,011	1,872,186	1,968,196	864,085
Principal Federated Total					
Return Bond Fund	4,798,147	191,926	959,629	182,389	2,063,203
Total	\$ 14,391,343	\$ 431,719	\$ 5,084,392	\$ 3,684,255	\$ 3,789,977

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 4: INVESTMENTS (CONTINUED)

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.

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, 2022 and 2021, 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, 2022 and 2021, there were no exceptions to these policy limits.

The following is the Plan's adopted asset allocation ranges as of December 31, 2022:

	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

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 4: INVESTMENTS (CONTINUED)

Rate of Return

The portfolio is expected to produce a compounded annual absolute return over a market cycle of at least 7.0%. For the year ended December 31, 2022 and 2021, the annual dollar-weighted rate of return (loss) on the Plan's investments, net of pension plan investment expense, was (14.50) and 12.02 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.

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

	Allspring Core Bond CIT N	Principal Dodge & Cox Intermediate Bond CIT N	Principal Federated Total Return Bond CIT N	Total
<i>December 31, 2022</i>				
AAA	\$ 2,998,622	\$ 1,947,049	\$ 2,694,593	\$ 7,640,264
AA	69,949	138,188	59,239	267,377
A	455,269	263,559	283,389	1,002,217
BBB	461,665	1,142,354	523,148	2,127,167
BB and Below	11,592	459,425	276,984	748,001
Other	-	54,874	165,310	220,184
Total fixed income	\$ 3,997,097	\$ 4,005,449	\$ 4,002,663	\$ 12,005,209
<i>December 31, 2021</i>				
Cash	\$ -	\$ 96,010	\$ 95,963	\$ 191,973
U.S. Treasury	-	1,104,110	-	1,104,110
U.S. Agency	-	1,728,172	-	1,728,172
AAA	3,259,048	48,005	-	3,307,053
AA	47,927	96,010	2,303,111	2,447,048
A	431,345	144,014	-	575,359
BBB	910,616	1,056,105	479,815	2,446,536
BB and Below	143,782	480,048	1,583,389	2,207,219
Other	-	48,004	335,870	383,874
Total fixed income	\$ 4,792,718	\$4,800,478	\$ 4,798,147	\$ 14,391,343

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 5: NET PENSION (ASSET) 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 (Asset) Liability as of December 31, 2022 and 2021 are as follows:

<i>As of December 31,</i>	2022	2021
Total pension liability	\$ 53,564,918	\$ 50,154,625
Plan fiduciary net position	42,537,443	51,096,163
Net pension (asset) liability	\$ 11,027,475	\$ (941,538)
Plan fiduciary net position as a percentage of the total pension (asset) liability	79.41%	101.88%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial cost method		Entry age normal
Inflation	2.25% per annum, compounded annually	
Salary increases	3.50% per annum, compounded annually	
Mortality	RP-2014 Blue Collar Generational Mortality table adjusted to 2006 and projected using Scale MP-2021	

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 (ASSET) 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, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity - Large Cap	20%	4.10%
Domestic Equity - Mid Cap	10%	4.55%
Domestic Equity - Small Cap	10%	4.55%
International Equity	15%	5.45%
Fixed Income	38%	1.05%
Domestic Real Estate	2.5%	3.54%
Commodities	2.5%	1.79%
Cash	2%	0.00%

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. 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 7.0%.

**RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements**

Note 5: NET PENSION (ASSET) 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 7.0%, 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 (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Net pension liability	\$ 17,259,921	\$ 11,027,475	\$ 5,806,448

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.



REQUIRED SUPPLEMENTARY INFORMATION



RTA Employees Defined Benefit Plan and Trust
Schedule of Net Pension Liability
Last 9 Years

For the year ended December 31,	Total Pension Liability	Plan Fiduciary Net Position	Employer's Net Pension Liability (Asset)	Plan Fiduciary Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability (Asset) as a % of Covered Payroll
2022	\$ 53,564,918	\$ 42,537,443	\$ 11,027,475	79.41%	\$ 12,603,883	87.5%
2021	50,154,625	51,096,163	(941,538)	101.88%	11,696,475	-8.0%
2020	47,287,748	46,554,157	733,591	98.45%	10,975,562	6.7%
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
Last 9 Years

<i>For the year ended December 31,</i>	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service cost	\$ 988,099	\$ 990,244	\$ 926,286	\$ 879,904	\$ 1,066,449	\$ 980,740	\$ 941,470	\$ 876,806	\$ 695,517
Interest on total pension liability	3,546,868	3,404,718	3,257,661	2,987,293	2,780,193	2,620,680	2,521,413	2,396,547	2,254,495
Changes in benefit terms	-	-	-	-	313,503	-	-	115,478	391,915
Changes between expected and actual experience	726,557	162,958	336,157	1,943,344	(241,238)	335,013	(465,534)	(260,046)	784,295
Changes of assumptions	563,863	601,314	361,060	373,385	1,189,575	-	-	-	-
Benefit payments, including refunds of employee contributions	(2,415,094)	(2,292,357)	(2,218,914)	(1,927,249)	(1,808,898)	(1,833,510)	(1,561,905)	(1,493,324)	(1,248,266)
Net change in total pension liability	3,410,293	2,866,877	2,662,250	4,256,677	3,299,584	2,102,923	1,435,444	1,635,461	2,877,956
Total pension liability, beginning	50,154,625	47,287,748	44,625,498	40,368,821	37,069,237	34,965,814	33,530,370	31,894,909	29,016,953
Total pension liability, ending (a)	\$53,564,918	\$ 50,154,625	\$ 47,287,748	\$ 44,625,498	\$ 40,368,821	\$ 37,068,737	\$ 34,965,814	\$ 33,530,370	\$ 31,894,909
Plan Fiduciary Net Position									
Contributions - employer	\$ 1,382,108	\$ 1,382,108	\$ 1,227,724	\$ 3,691,087	\$ 1,425,533	\$ 1,383,969	\$ 1,503,736	\$ 985,175	\$ 1,178,498
Investment income net of investment expenses	(7,400,557)	5,597,624	5,498,173	6,617,918	(2,046,180)	4,409,016	2,523,595	(348,950)	1,706,547
Benefit payments, including refunds of employee contributions	(2,415,094)	(2,292,357)	(2,218,914)	(1,927,249)	(1,808,898)	(1,833,510)	(1,561,905)	(1,493,324)	(1,248,266)
Administrative expenses	(125,177)	(145,369)	(122,875)	(111,886)	(110,600)	(102,228)	(92,810)	(94,874)	(91,465)
Net change in plan fiduciary net position	(8,558,720)	4,542,006	4,384,108	8,269,870	(2,540,145)	3,857,247	2,372,616	(951,973)	1,545,314
Plan fiduciary net position, beginning	51,096,163	46,554,157	42,170,049	33,900,179	36,440,324	32,583,077	30,210,461	31,162,434	29,617,120
Plan fiduciary net position, ending (b)	\$42,537,443	\$ 51,096,163	\$ 46,554,157	\$ 42,170,049	\$ 33,900,179	\$ 36,440,324	\$ 32,583,077	\$ 30,210,461	\$ 31,162,434
Net pension (asset) liability, ending = (a) - (b)	\$11,027,475	\$ (941,538)	\$ 733,591	\$ 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	79.41%	101.88%	91.96%	83.98%	98.30%	93.19%	90.10%	97.70%	97.70%
Covered payroll	\$12,603,883	\$ 11,696,475	\$ 10,668,048	\$ 10,677,430	\$ 9,773,977	\$ 9,178,411	\$ 8,818,232	\$ 7,274,172	\$ 7,274,172
Net pension (asset) liability as a % of covered payroll	87.49%	-8.05%	33.62%	60.58%	6.43%	25.96%	37.65%	10.07%	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
2022	\$ 1,330,108	\$ 1,382,108	\$ (52,000)	\$ 12,603,883	11.00%
2021	1,382,108	1,382,108	-	11,696,475	11.80%
2020	1,306,947	1,227,724	79,223	10,975,562	11.20%
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%

See Notes to Required Supplementary Information.

**RTA Employees Defined Benefit Plan and Trust
Schedule of Investment Returns
Last 9 Years**

Year Ended December 31	Net Money-Weighted Rate of Return
2022	-14.51%
2021	12.02%
2020	13.07%
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.

See Notes to Required Supplementary Information.

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, 2022 there were no changes in assumptions. For the December 31, 2021 valuation, the assumed rates of mortality were changed from the RP-2014 Blue Collar Generational Mortality table with Improvement Scale MP-2020 to the RP-2014 Blue Collar Generation Mortality Table with Improvement Scale MP-2021.

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, 2022:

Valuation Date	December 31, 2022
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-2021
Asset Valuation Method	Fair Market Value based on quoted market prices
Actuarial Assumptions:	
Investment rate of return	7.00% 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:	

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 adjustment	2.5% per year for participants receiving monthly benefits whose benefits began on or before January 1, 2015.



Corpus Christi Regional Transportation Authority

NTD REPORT

December 31, 2022



Carr, Riggs & Ingram, LLC
500 North Shoreline Boulevard
Suite 701
Corpus Christi, TX 78401

361.882.3132
361.882.3199 (fax)
CRlcpa.com

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors of the
Corpus Christi Regional Transportation Authority
Corpus Christi, TX

We have performed the procedures enumerated below on the Federal Funding Allocation Statistics Form of Corpus Christi Regional Transportation Authority (the "Authority") for the year ended December 31, 2022. The Authority's management is responsible for the data contained in the Federal Funding Allocation Statistics Form and the system in place to record the data in accordance with the National Transit Database (NTD).

The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the Federal Funding Allocation Statistics Form of the Authority. Additionally, the Federal Transit Administration (FTA) have agreed to and acknowledged that the procedures performed are appropriate for its purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

- A. The procedures to be applied to each applicable mode and type of service (TOS) (directly operated, purchased transportation, transportation network, and Taxi) are: Obtain and read a copy of written system procedures for reporting and maintaining data in accordance with NTD requirements and definitions set forth in 49 CFR Part 630 and as presented in the 2022 *NTD Policy Manual*. If there are no procedures available, discuss the procedures with the personnel assigned responsibility for supervising the NTD data preparation and maintenance.

Results: No exceptions were found as a result of applying the above procedure.

- B. Discuss the procedures (written or informal) with the personnel assigned responsibility for supervising the preparation and maintenance of NTD data to determine:

- The extent to which the transit agency followed the procedures on a continuous basis; and

- Whether these transit personnel believe such procedures result in accumulation and reporting of data consistent with NTD definitions and requirements set forth in 49 CFR Part 630 and as presented in the 2022 *NTD Policy Manual*.

Results: No exceptions were found as a result of applying the above procedure.

- C. Ask these same personnel about the retention policy that the transit agency follows as to source documents supporting NTD data reported on the Federal Funding Allocation Statistics form.

Results: No exceptions were found as a result of applying the above procedure.

- D. Based on a description of the transit agency's procedures from items (A) and (B) above, identify all the source documents that the transit agency must retain for a minimum of three years. For each type of source document, select three months out of the year and determine whether the document exists for each of these periods.

Results: No exceptions were found as a result of applying the above procedure.

- E. Discuss the system of internal controls. Inquire whether separate individuals (independent of the individuals preparing source documents and posting data summaries) review the source documents and data summaries for completeness, accuracy, and reasonableness and how often these individuals perform such reviews.

Results: No exceptions were found as a result of applying the above procedure.

- F. Select a random sample of the source documents and determine whether supervisors' signatures are present as required by the system of internal controls. If supervisors' signatures are not required, inquire how personnel document supervisors' reviews.

Results: No exceptions were found as a result of applying the above procedure.

- G. Obtain the worksheets used to prepare the final data that the transit agency transcribes onto the Federal Funding Allocation Statistics form. Compare the periodic data included on the worksheets to the periodic summaries prepared by the transit agency. Test the arithmetical accuracy of the summaries.

Results: No exceptions were found as a result of applying the above procedure.

- H. Discuss the procedure for accumulating and recording Passenger Miles Traveled (PMT) data in accordance with NTD requirements with transit agency staff. Inquire whether the procedure is one of the methods specifically approved in the 2022 *NTD Policy Manual*.

Results: No exceptions were found as a result of applying the above procedure.

- I. Discuss with transit agency staff (the accountant may wish to list the titles of the persons interviewed) the transit agency's eligibility to conduct statistical sampling for PMT data every third year. Determine whether the transit agency meets NTD criteria that allow transit agencies to conduct statistical samples for accumulating PMT data every third year rather than annually. Specifically:
- The public transit agency serves an UZA with a population less than 500,000 according to the most recent census.
 - The public transit agency directly operates fewer than 100 revenue vehicles in all modes in annual maximum revenue service (VOMS) (in any size UZA).
 - Service purchased from a seller is included in the transit agency's NTD report.
 - For transit agencies that meet one of the above criteria, review the NTD documentation for the most recent mandatory sampling year (2017) and determine that statistical sampling was conducted and meets the 95 percent confidence and ± 10 percent precision requirements.
 - Determine how the transit agency estimated annual PMT for the current report year.

Results: No exceptions were found as a result of applying the above procedure.

- J. Obtain a description of the sampling procedure for estimation of PMT data used by the transit agency. Obtain a copy of the transit agency's working papers or methodology used to select the actual sample of runs for recording PMT data. If the transit agency used average trip length, determine that the universe of runs was the sampling frame. Determine that the methodology used to select specific runs from the universe resulted in a random selection of runs. If the transit agency missed a selected sample run, determine that a replacement sample run was random. Determine that the transit agency followed the stated sampling procedure.

Results: No exceptions were found as a result of applying the above procedure.

- K. Select a random sample of the source documents for accumulating PMT data and determine that the data are complete (all required data are recorded) and that the computations are accurate. Select a random sample of the accumulation periods and re-compute the accumulations for each of the selected periods. List the accumulation periods that were tested. Test the arithmetical accuracy of the summary.

Results: No exceptions were found as a result of applying the above procedure.

- L. Discuss the procedures for systematic exclusion of charter, school bus, and other ineligible vehicle miles from the calculation of actual Vehicle Revenue Miles (VRM) with transit agency staff and determine that they follow the stated procedures. Select a random sample of the

source documents used to record charter and school bus mileage and test the arithmetical accuracy of the computations.

Results: No exceptions were found as a result of applying the above procedure.

M. For actual VRM data, document the collection and recording methodology and determine that deadhead miles are systematically excluded from the computation. This is accomplished as follows:

- If actual VRMs are calculated from schedules, document the procedures used to subtract missed trips. Select a random sample of the days that service is operated, and re-compute the daily total of missed trips and missed VRMs. Test the arithmetical accuracy of the summary.
- If actual VRMs are calculated from hubodometers, document the procedures used to calculate and subtract deadhead mileage. Select a random sample of the hubodometer readings and determine that the stated procedures for hubodometer deadhead mileage adjustments are applied as prescribed. Test the arithmetical accuracy of the summary of intermediate accumulations.
- If actual VRMs are calculated from vehicle logs, select random samples of the vehicle logs and determine that the deadhead mileage has been correctly computed in accordance with FTA definitions.

Results: No exceptions were found as a result of applying the above procedure.

N. For rail modes, review the recording and accumulation sheets for actual VRMs and determine that locomotive miles are not included in the computation.

Results: Not applicable to the Authority.

O. If fixed guideway or High Intensity Busway Directional Route Miles (FG or HIB DRM) are reported, interview the person responsible for maintaining and reporting NTD data whether the operations meet FTA definition of fixed guideway (FG) or High Intensity Busway (HIB) in that the service is:

- Rail, trolleybus (TB), ferryboat (FB), or aerial tramway (TR); or
- Bus (Motorbus (MB), Commuter Bus (CB), or Bus Rapid Transit (RB)) service operating over exclusive or controlled access rights-of-way (ROW); and
 - Access is restricted;
 - Legitimate need for restricted access is demonstrated by peak period level of service D or worse on a parallel adjacent highway; and

- Restricted access is enforced for freeways; priority lanes used by other HOV (i.e., vanpools (VP), carpools) must demonstrate safe operation.

Results: Not applicable to the Authority.

- P. Discuss the measurement of FG and HIB DRM with the person reporting NTD data and determine that he or she computed mileage in accordance with FTA definitions of FG/HIB and DRM. Inquire of any service changes during the year that resulted in an increase or decrease in DRMs. If a service change resulted in a change in overall DRMs, re-compute the average monthly DRMs, and reconcile the total to the FG/HIB DRM reported on the Federal Funding Allocation Statistics form.

Results: Not applicable to the Authority.

- Q. Inquire if any temporary interruptions in transit service occurred during the report year. If these interruptions were due to maintenance or rehabilitation improvements to a FG segment(s), the following apply:

- Report DRMs for the segment(s) for the entire report year if the interruption is less than 12 months in duration. Report the months of operation on the FG/HIB segments form as 12. The transit agency should document the interruption.
- If the improvements cause a service interruption on the FG/HIB DRMs lasting more than 12 months, the transit agency should contact its NTD validation analyst to discuss. FTA will make a determination on how to report the DRMs.

Results: Per inquiry with Data Technician, no temporary interruptions in transit service occurred during the report year due to maintenance or rehabilitation improvements.

- R. Measure FG/HIB DRM from maps or by retracing route.

Results: Not applicable to the Authority.

- S. Discuss whether other public transit agencies operate service over the same FG/HIB as the transit agency. If yes, determine that the transit agency coordinated with the other transit agency (or agencies) such that the DRMs for the segment of FG/HIB are reported only once to the NTD on the Federal Funding Allocation form. Each transit agency should report the actual VRM, PMT, and Operating Expense (OE) for the service operated over the same FG/HIB.

Results: Not applicable to the Authority.

- T. Review the FG/HIB segments form. Discuss the Agency Revenue Service Start Date for any segments added in the 2022 report year with the persons reporting NTD data. This is the commencement date of revenue service for each FG/HIB segment. Determine that the date reported is the date that the agency began revenue service. This may be later than the Original Date of Revenue Service if the transit agency is not the original operator. If a segment

was added for the 2022 report year, the Agency Revenue Service Date must occur within the transit agency's 2022 fiscal year. Segments are grouped by like characteristics. Note that for apportionment purposes, under the State of Good Repair (§5337) and Bus and Bus Facilities (§5339) programs, the seven-year age requirement for fixed guideway/High Intensity Busway segments is based on the report year when the segment is first reported by any NTD transit agency. This pertains to segments reported for the first time in the current report year. Even if a transit agency can document an Agency Revenue Service Start Date prior to the current NTD report year, FTA will only consider segments continuously reported to the NTD.

Results: Not applicable to the Authority.

U. Compare Operating Expenses with audited financial data after reconciling items are removed.

Results: No exceptions were found as a result of applying the above procedure.

V. If the transit agency purchases transportation services, interview the personnel reporting the NTD data on the amount of purchased transportation-generated fare revenues. The purchased transportation fare revenues should equal the amount reported on the Contractual Relationship form.

Results: No exceptions were found as a result of applying the above procedure.

W. If the transit agency's report contains data for purchased transportation services and the procedures in this accountants' review were not applied to the purchased transportation services, obtain a copy of the IAS-FFA regarding data for the purchased transportation service. Attach a copy of the statement to the report. Note as a negative finding if the purchased transportation services were not included in this accountants' review, and the transit agency also does not have a separate Independent Accountants' Statement for the purchased transportation data.

Results: No exceptions were found as a result of applying the above procedure.

X. If the transit agency purchases transportation services, obtain a copy of the purchased transportation contract and determine that the contract specifies the public transportation services to be provided; the monetary consideration obligated by the transit agency or governmental unit contracting for the service; the period covered by the contract (and that this period overlaps the entire, or a portion of, the period covered by the transit agency's NTD report); and is signed by representatives of both parties to the contract. Interview the person responsible for retention of the executed contract and determine that copies of the contracts are retained for three years.

Results: No exceptions were found as a result of applying the above procedure.

Y. If the transit agency provides service in more than one UZA, or between an UZA and a non-UZA, inquire of the procedures for allocation of statistics between UZAs and non-UZAs. Obtain and review the FG segment worksheets, route maps, and urbanized area boundaries used for

allocating the statistics, and determine that the stated procedure is followed and that the computations are correct.

Results: Not applicable to the Authority.

- Z. Compare the data reported on the Federal Funding Allocation Statistics Form to data from the prior report year and calculate the percentage change from the prior year to the current year. For actual VRM, PMT or OE data that have increased or decreased by more than 10 percent, or FG DRM data that have increased or decreased. Interview transit agency management regarding the specifics of operations that led to the increases or decreases in the data relative to the prior reporting period.

Results: No exceptions were found as a result of applying the above procedure.

AA. The accountant should document the specific procedures followed, documents reviewed, and tests performed in the work papers. The work papers should be available for FTA review for a minimum of three years following the NTD report year. The accountant may perform additional procedures, which are agreed to by the accountant and the transit agency, if desired. The accountant should clearly identify the additional procedures performed in a separate attachment to the statement as procedures that were agreed to by the transit agency and the accountant but not by FTA.

Results: No exceptions were found as a result of applying the above procedure.

We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Federal Funding Allocation Statistics Form. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of Authority and FTA and is not intended to be and should not be used by anyone other than those specified parties.

Carr, Riggs & Ingram, L.L.C.

Corpus Christi, TX
October 18, 2023



Subject: September 2023 Financial Report

Overview: The results from the **operating budget** for the **month** of **September** report **Revenue** exceeding **Expenditures** by **\$549,686**. Total revenues from operations reached **\$3,980,921**, representing 102.51% of the budget baseline, while operating expenses finished at **\$3,431,235**, or 91.94% of baseline.

Year-to-date total revenues of **\$34,994,573** reached **104.25% of baseline** while expenses of **\$32,388,448** finished at **95.71%** of baseline producing a surplus of **\$2,606,125**.

The performance of the CIP budget is being presented as budgeted which includes transfer-in amounts from the fund balance which were used to balance the 2023 budget. It is also being presented without the budgeted transfer-in to improve the usefulness of fund balance information. To clarify, an operational budget is a 12-month short-term financial plan for the day-to-day expenses for the specified accounting period. The capital budget on the other hand consists of long-term acquisitions that may or may not be completed within the 12-month accounting period and which costs are required to be spread over the life of the various assets.

The CIP budget for the month resulted in expenditures exceeding revenues by **\$151,188** when CIP program expenditures came in at **\$708,439** while **grant revenues** came in at **\$557,251**. The budget shortage of **\$151,188** represents the depreciation expense for the month. However, for reporting purposes the transfer-in of **\$304,129** from the fund balance must be factored into the financials to reflect a balanced budget as was initially approved.

Year-to-date CIP total funding totaled **\$11,096,011** while total expenditures finished at **\$9,719,542** resulting in **funding sources** to exceed expenditures by **\$1,376,469**. Funding sources include the budgeted transfer-in from fund balance of **\$2,737,164** and removing this from revenues results in a budget shortage of \$1,360,695 as shown on the next table.

The overall performance for the **month** results in an initial increase of **\$702,627** to the fund balance with a surplus of **\$549,686** attributable to the operating budget, and a surplus of **\$152,941** related to the CIP budget. However, the removal of the **\$304,129** budgeted transfer-in is necessary to arrive at the actual **increase** to the fund balance for the month of **\$398,498 instead of an increase of \$702,627**.

The overall performance for the **year-to-date** results in an initial increase of **\$3,982,594** to the fund balance, with an increase of **\$2,606,125** attributable to the operating budget, and an increase of **\$1,376,469** related to the CIP budget. Again, however, removing the budgeted transfer-in results in an actual increase to the fund balance in the amount of **\$1,245,430**.

The following table provides an illustration of the impact of the removal of the transfer-in:

CIP Budget		
	<u>Month</u>	<u>Year to Date</u>
Revenues	\$ 861,380	\$ 11,096,011
Less: Budgeted Transfer-In from Fund Balance	(304,129)	(2,737,164)
Equals Revenues (FTA Share)	557,251	8,358,847
Grant-Eligible Costs (FTA Share)	557,251	8,358,847
Depreciation	151,188	1,360,695
Total Expenses	708,439	9,719,542
Expenses exceeding Revenues	\$ (151,188)	\$ (1,360,695)

SUMMARY: Results from all Activities Compared to Budget

Total Revenues and funding sources for the month of **September** closed at **\$4,842,301**, of which **\$3,980,921** is attributable to the **Operating Budget (Table 4 and PPT Slides 3 and 4)** and **\$861,380** to the capital budget. The actual revenues from the capital budget total **\$557,251** while the remaining **\$304,129** represents the budgeted transfer in from the unrestricted portion of the fund balance. The performance of the revenue categories from the Operating Budget is discussed as follows.

Operating Revenues, which include only resources generated from transit operations, **totaled \$110,621**, or **5.52%** more than forecasted (**Table 4.1**) & (**PPT Slide 5**). **Fare Revenues** ended the month at \$93,226, or 100.96% of the baseline expectation and include **\$5,454** from **Go-Pass Mobile App Pass Sales**.

Meanwhile, commissions from both **Bus and Bench Advertising** ended the month at **\$17,020** of which **\$3,838** came from **Bus Bench Advertising commissions** while **\$13,182** came from **On-Board Bus Advertising commissions**. The combined revenue was 140.49% of baseline. Note that the revenue earned from **Bench Advertising** is net of the portion paid to the City of Corpus Christi, which collects one-third (1/3) of the Authority's share of bench advertising commission for the use of City property. The one-third portion to the City this month was **\$1,869**.

Other Operating Revenues totaled \$375, or 100% of baseline, which includes insurance proceeds from incidents involving the Authority's fleet vehicles. (**Table 4.1**).

Non-Operating Revenues, which **includes** sales tax, investment income, lease income from tenants, and federal assistance grants totaled **\$3,870,300**, reaching **102.43%** of the **\$3,778,526** budget expectation, generating **\$91,774** more than forecasted (**Table 4.1**) of which the majority came from continued strong performance by the Authority's investment portfolio. Investment income continues to perform well, exceeding the budget by **\$200,484** because of the higher yields earned due to the Federal Reserve's increases to the federal funds rate. The Fed has signaled a more dovish outlook on additional rate increases by the end of 2023, while rates are expected to retreat in 2025 opposed to 2024 as originally anticipated.

Meanwhile, revenues from operating grants and Staples Street Leases fell short of baseline. For the operating grants, the shortfall was expected, as 2023 preventive maintenance funds have been fully utilized, leaving only sub recipient grants as revenue sources which has a net effect on the net position since it is a pass through that is an off set to reimbursement expenses paid to sub-recipients. However, CCRTA is awaiting approval of FTA's 3rd round of Hurricane Harvey relief funds amounting to \$11,744 which is amount of eligible expenses that were not covered by the previous grant award. Staples Street Center leases continue to miss the baseline as the result of a tenant vacating the SSC. It is anticipated that the vacancy will be filled in 2024.

For clarification, please keep in mind that all revenues reported are **actual** revenues received or earned except for the sales tax revenue. The Sales Tax Revenue has been **estimated** since the amount will not be determined until payment is received on **November 10, 2023**. Out of the seven (7) sources included in this revenue category, 89.34% of total revenue came from the sales tax revenue estimate as indicated in the table on the following page:

September 2023 Revenue Composition – Table 1

Line #	Revenue Source	Actual	%
1	Sales Tax Revenue	\$3,556,386	89.34%
2	Passenger Service	93,226	2.34%
3	SSC Lease Income	42,172	1.06%
4	Bus Advertising	17,020	0.43%
5	Investment Income	248,319	6.24%
6	Grant Assistance Revenue	23,423	0.59%
7	Other Revenue	375	0.01%
	Total (excluding capital)	\$3,980,921	100.00%

The **Investment Portfolio** closed the month of September 2023 with a market value of **\$60,811,900**, an increase of **\$981,311** from the balance at the end of August 2023 of **\$59,830,589**. The increase is due to lower cash outflows to vendors for the month.

The composition of the September market value includes **\$31,811,393** in short-term securities consisting of **\$10,804,705** in Commercial Paper and **\$21,006,688** in Federal Agency Coupon Securities. In addition, **\$26,107,192** is held in TexPool Prime and **\$2,893,314** in bank accounts of which **\$2,000,000** represents the compensating balance requirement. For the month of **September**, earned interest income was recorded at **\$248,319**.

TexPool Prime Rate is currently at 5.55% while locked rates for securities range from 3.50% - 5.68%. The Fed has signaled a more dovish outlook on additional rate increases by the end of 2023, while rates are expected to retreat in 2025 opposed to 2024 as originally anticipated.

Interest revenue year-to-date totaled **\$2,011,692** and is expected to reach **\$2,500,000** by the end of year.

This investment portfolio does not include any assets from pension plans but only assets from operations.

The **Sales tax** allocation for September 2023 is **estimated** at **\$3,556,386**. The estimate is necessary since allocations lag two months behind and will not be received until November 10, 2023.

The Sales Tax revenue payment of **\$3,375,472** for August 2023 was received October 13, 2023, and was **\$54,101**, or **1.58%** less than the **\$3,429,573** August reported **estimate**. The August payment included the allocation from internet sales of **\$36,027**, an increase of \$216 or 0.60% from the prior month. RTA started receiving internet sales tax revenue in December 2019, and to date have received **\$1,343,529**. Retailers started collecting sales tax on internet sales on October 1, 2019.

The sales tax revenue over the last five years averages 74.92% of total income. In 2022, Sales Tax Revenue represented 69.71% of total revenues. 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. During this reporting period sales tax represented 81.87% of total operating revenues. **Table 2** illustrates the sales tax revenue trend from the beginning of the year.

Transparency Disclosure

The sales tax revenue reported as 2023 Actual is higher than what is reported by the state comptroller's website. The difference represents the \$27,374 that is deducted by the state comptroller each month as repayment of \$1,177,082 that occurred in December 2019 because of an audit. The repayment is over 43 months and as of August have made 34 installments. This amount is added back to calculate the growth rate when compared to the same period last year.

Sales Tax Growth – Table 2

Month Revenue was Recognized	2023 Actual	2022 Actual	\$ Growth	% Growth
January (actual)	2,883,848	\$ 2,700,560	183,288	6.79%
February (actual)	2,939,551	2,726,132	213,419	7.83%
March (actual)	3,876,821	3,504,497	372,324	10.62%
April (actual)	3,196,995	3,074,059	122,936	4.00%
May (actual)	3,371,557	3,067,990	303,567	9.89%
June (actual)	3,744,213	3,483,166	261,047	7.49%
July (actual)	3,448,803	3,326,242	122,561	3.68%
August (actual)	3,375,472	3,220,185	155,287	4.82%
September (estimate)	3,556,386	3,341,572	214,814	6.43%
October (estimate)	-	-	-	0.00%
November (estimate)	-	-	-	0.00%
December (estimate)	-	-	-	0.00%
	\$ 30,393,645	\$ 28,444,403	\$ 1,949,242	6.85%

The detail of all revenue and expense categories are presented in the following tables, along with the fare recovery ratio for September 2023:

Revenue – September 2023 – Revenue Composition (Includes Operating and Capital Funding) – Table 3

Revenue Source	September 2023	%	YTD	%
Passenger Service	\$ 93,226	2.05%	\$ 802,214	1.85%
Bus Advertising	17,020	0.38%	159,187	0.37%
Other Revenue	375	0.01%	37,379	0.09%
Sales Tax Revenue	3,556,386	78.37%	30,393,645	70.11%
Grants - Operating	23,423	0.52%	1,209,857	2.79%
Grants - Capital	557,251	12.28%	8,358,847	19.28%
Investment Income	248,319	5.47%	2,011,692	4.64%
SSC Lease Income	42,172	0.93%	380,599	0.88%
Total Revenue	\$ 4,538,172	100.00%	\$ 43,353,419	100.00%

Revenue – September 2023 Operating Revenue and Capital Funding – Table 4

	09/2023				
	2023 Adopted Budget	September 2023 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Revenues					
Passenger service	\$ 1,108,110	\$ 93,226	\$ 92,343	8.41%	100.96%
Bus advertising	145,371	17,020	12,114	11.71%	140.49%
Other operating revenues	312,337	375	375	0.12%	100.00%
Sales Tax Revenue	40,316,731	3,556,386	3,556,386	8.82%	100.00%
Federal, state and local grant assistance	1,565,828	23,423	130,486	1.50%	17.95%
Investment Income	574,000	248,319	47,833	43.26%	519.13%
Staples Street Center leases	525,850	42,172	43,821	8.02%	96.24%
Total Operating & Non-Operating Revenues	44,548,227	3,980,921	3,883,358	8.94%	102.51%
Capital Grants & Donations	8,864,316	557,251	557,251	6.29%	100.00%
Transfers-In	3,649,552	304,129	304,129	8.33%	100.00%
Total Operating & Non-Operating Revenues and Capital Funding	\$ 57,062,095	\$ 4,842,301	\$ 4,744,738	8.49%	102.06%

	09/2023				
	2023 Adopted Budget	YTD 2023 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Revenues					
Passenger service	\$ 1,108,110	\$ 802,214	\$ 831,083	72.39%	96.53%
Bus advertising	145,371	159,187	109,028	109.50%	146.00%
Other operating revenues	312,337	37,379	234,252	11.97%	15.96%
Sales Tax Revenue	40,316,731	30,393,645	30,393,645	75.39%	100.00%
Federal, state and local grant assistance	1,565,828	1,209,857	1,174,371	77.27%	103.02%
Investment Income	574,000	2,011,692	430,500	350.47%	467.29%
Staples Street Center leases	525,850	380,599	394,388	72.38%	96.50%
Total Operating & Non-Operating Revenues	44,548,227	34,994,573	33,567,267	78.55%	104.25%
Capital Grants & Donations	8,864,316	8,358,847	8,358,847	94.30%	100.00%
Transfers-In	3,649,552	2,737,164	2,737,164	75.00%	100.00%
Total Operating & Non-Operating Revenues and Capital Funding	\$ 57,062,095	\$ 46,090,584	\$ 44,663,278	80.77%	103.20%

Revenue – September 2023 from Operations – Table 4.1

	09/2023				
	2023 Adopted Budget	September 2023 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Revenues					
Passenger service	\$ 1,108,110	\$ 93,226	\$ 92,343	8.41%	100.96%
Bus advertising	145,371	17,020	12,114	11.71%	140.49%
Other operating revenues	312,337	375	375	0.12%	100.00%
Total Operating Revenues	1,565,818	110,621	104,832	7.06%	105.52%
Sales Tax Revenue	40,316,731	3,556,386	3,556,386	8.82%	100.00%
Federal, state and local grant assistance	1,565,828	23,423	130,486	1.50%	17.95%
Investment Income	574,000	248,319	47,833	43.26%	519.13%
Staples Street Center leases	525,850	42,172	43,821	8.02%	96.24%
Total Non-Operating Revenues	42,982,409	3,870,300	3,778,526	9.00%	102.43%
Total Revenues	\$ 44,548,227	\$ 3,980,921	\$ 3,883,358	8.94%	102.51%

September 2023 Expenses

The results of all expenditure activities, including capital, are presented below. Overall, the total operating expenses came in \$300,948 under the anticipated baseline of \$3,732,183. Departmental expenses came in \$260,552 under the anticipated baseline or 7.66%. Debt service payments are fixed by the terms of the bond contract which is the reason for the resulting 1000% actual to baseline as payments are made semi-annually. Street Improvements is also a fixed amount that represents one-twelve of the annual amount budgeted for all member cities, resulting in 100% of baseline.

For the year to date, total expenditures came in \$1,452,097 under the anticipated baseline of \$33,840,545. Departmental operating expenses came in \$1,213,792 under the anticipated baseline or 3.96%. Debt service payments are fixed by the terms of the bond contract which is the reason for the resulting 100% actual to baseline as payments are made semi-annually. Street Improvements is also a fixed amount that represents one-twelve of the annual amount budgeted for all member cities, resulting in 100% of baseline.

September 2023 Total Expenses & Capital Expenditures – Table 6

	09/2023				
	2023 Adopted Budget	September 2023 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Expenditures					
Departmental Operating Expenses	\$ 40,836,914	\$ 3,142,523	\$ 3,403,075	7.70%	92.34%
Debt Service	1,597,313	-	-	0.00%	0.00%
Street Improvements	3,183,464	265,289	265,289	8.33%	100.00%
Subrecipient Grant Agreements	765,828	23,423	63,819	3.06%	36.70%
Total Operating & Non-Operating Expenses	46,383,519	3,431,235	3,732,183	7.40%	91.94%
Grant Eligible Costs	8,864,316	557,251	557,251	6.29%	100.00%
Depreciation Expenses	1,814,260	151,188	151,188	8.33%	100.00%
Total Operating & Non-Operating Expenses and Capital Expenditures	\$ 57,062,095	\$ 4,139,674	\$ 4,440,622	7.25%	93.22%

	09/2023				
	2023 Adopted Budget	YTD 2023 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Expenditures					
Departmental Operating Expenses	\$ 40,836,914	\$ 29,413,894	\$ 30,627,686	\$ 72.03%	96.04%
Debt Service	1,597,313	250,890	250,890	15.71%	100.00%
Street Improvements	3,183,464	2,387,598	2,387,598	75.00%	100.00%
Subrecipient Grant Agreements	765,828	336,066	574,371	43.88%	58.51%
Total Operating & Non-Operating Expenses	46,383,519	32,388,448	33,840,545	69.83%	95.71%
Grant Eligible Costs	8,864,316	8,358,847	8,358,847	94.30%	100.00%
Depreciation Expenses	1,814,260	1,360,695	1,360,695	75.00%	100.00%
Total Operating & Non-Operating Expenses and Capital Expenditures	\$ 57,062,095	\$ 42,107,990	\$ 43,560,087	73.79%	96.67%

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 September 2023, total departmental operating expenses realized favorable variances against the baseline expectation from categories including Salaries & Wages, Benefits, Services, Materials & Supplies, Insurance, and Miscellaneous (which includes Dues & Subscriptions and Travel & Training expenses).

Meanwhile, unfavorable variance was identified with the category of Purchased Transportation.

Purchased Transportation reported a negative variance of \$23,189, or 3.17% compared to the baseline. The variance is the result of service hours for B-Line that increased 8.44% over the 2023 monthly average from January to August, along with service hours for fixed routes that increased by 7.10% over the 2023 monthly average from January to August. The category, however, remains under the annual baseline by 1.93% for the year to date.

September 2023 Departmental Expense Breakdown – Table 7.1

	09/2023				
	2023 Adopted Budget	September 2023 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Departmental Operating Expense Object Category					
Salaries & Wages	\$ 14,794,668	\$ 1,169,959	\$ 1,232,888	7.91%	94.90%
Benefits	5,964,443	424,469	497,037	7.12%	85.40%
Services	5,698,190	368,072	474,849	6.46%	77.51%
Materials & Supplies	3,202,967	256,023	266,914	7.99%	95.92%
Utilities	802,906	54,025	66,909	6.73%	80.74%
Insurance	648,227	49,239	54,019	7.60%	91.15%
Purchased Transportation	8,765,945	753,684	730,495	8.60%	103.17%
Miscellaneous	959,568	67,052	79,964	6.99%	83.85%
Total Departmental Operating Expenses	\$ 40,836,914	\$ 3,142,523	\$ 3,403,075	7.70%	92.34%

	09/2023				
	2023 Adopted Budget	YTD 2023 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Departmental Operating Expense Object Category					
Salaries & Wages	\$ 14,794,668	\$ 10,705,960	\$ 11,096,002	72.36%	96.48%
Benefits	5,964,443	4,649,609	4,473,332	77.96%	103.94%
Services	5,698,190	3,657,631	4,273,643	64.19%	85.59%
Materials & Supplies	3,202,967	2,391,220	2,402,225	74.66%	99.54%
Utilities	802,906	569,756	602,179	70.96%	94.62%
Insurance	648,227	428,839	486,170	66.16%	88.21%
Purchased Transportation	8,765,945	6,447,751	6,574,459	73.55%	98.07%
Miscellaneous	959,568	563,126	719,676	58.69%	78.25%
Total Departmental Operating Expenses	\$ 40,836,914	\$ 29,413,894	\$ 30,627,686	72.03%	96.04%

2023 Self-Insurance Claims, Medical & Vision and Dental – Table 9

Month	Medical & Vision	Dental	Total
January	\$ 523,138	\$ 6,669	\$ 529,807
February	186,094	4,935	191,029
March	349,549	11,923	361,472
April	254,342	11,323	265,665
May	518,048	9,518	527,567
June	361,286	5,993	367,279
July	434,970	7,785	442,754
August	220,101	12,452	232,552
September	111,761	3,254	115,015
	\$ 2,959,288	\$ 73,851	\$ 3,033,139

Fare Recovery Ratio – Table 10

Description	9/30/2023	Year to Date
Fare Revenue or Passenger Revenue	\$ 93,226	\$ 802,214
Operating Expenses	3,137,866	29,409,236
Fare Recovery Ratio	2.97%	2.73%
*Excluding Depreciation		

Note: Same period last year (September 2022) the FRR was 3.07%

The passenger fares are pledged revenues secured by the bond covenant associated with the construction of the Staples Street Center Building. The bond contract requires the Authority to establish and maintain rates and charges for facilities and services afforded by the CCRTA transit system to produce gross operating revenues in each fiscal year by reasonably anticipating sufficient passenger revenues to pay for maintenance and operating expenses and produce net operating revenues at least 1.10 times the annual debt service requirements. The debt service coverage ratio is a different ratio from the Fare Recovery Ratio. CCRTA has maintained since the inception of the bond covenant a coverage ratio of at least 1.10.

September 2023 – Table 11

For the month of September, total Revenues exceeded Expenses by \$702,627. For the year to date, total Revenues exceeded Expenses by \$3,982,594. A greater detail of the financial results is explained in the accompanied Power Point presentation.

	09/2023				
	2023 Adopted Budget	September 2023 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Operating Revenues	\$ 44,548,227	\$ 3,980,921	\$ 3,883,358	8.94%	102.51%
Operating Expenses	46,383,519	3,431,235	3,732,183	7.40%	91.94%
Revenue over Expenses	<u>(1,835,292)</u>	<u>549,686</u>	<u>151,175</u>	-29.95%	363.61%
Capital Funding	12,513,868	861,380	861,380	6.88%	100.00%
Capital Expenditures	10,678,576	708,439	708,439	6.63%	100.00%
Revenue over Expenses	<u>1,835,292</u>	<u>152,941</u>	<u>152,941</u>	8.33%	100.00%
Revenue over Expenditures	\$ <u>(0)</u>	\$ <u>702,627</u>	\$ <u>304,116</u>		

	09/2023				
	2023 Adopted Budget	YTD 2023 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Operating Revenues	\$ 44,548,227	\$ 34,994,573	\$ 33,567,267	78.55%	104.25%
Operating Expenses	46,383,519	32,388,448	33,840,545	69.83%	95.71%
Revenue over Expenses	<u>(1,835,292)</u>	<u>2,606,125</u>	<u>(273,278)</u>	-142.00%	-953.65%
Capital Funding	12,513,868	11,096,011	11,096,011	88.67%	100.00%
Capital Expenditures	10,678,576	9,719,542	9,719,542	91.02%	100.00%
Revenue over Expenses	<u>1,835,292</u>	<u>1,376,469</u>	<u>1,376,469</u>	75.00%	100.00%
Revenue over Expenditures	\$ <u>(0)</u>	\$ <u>3,982,594</u>	\$ <u>1,103,191</u>		

NET POSITION

The Total Net Position at the end of the month was **\$113,705,780**, an increase of **\$9,604,274** from December 2022 which closed at **\$104,101,506**.

The Total Net Position is made up of three (3) components: Net Investment in Capital Assets, Funds Restricted for the FTA's Interest, and Unrestricted which represents the residual amount of the net position that is available for spending.

Of the Total Net Position of **\$113,705,780**, the portion of the fund balance that is not restricted in accordance with GASB Concepts Statement No 4 is **\$52,634,503**, but only **\$30,253,664** is available for spending because of the internal restrictions placed by the Board for specific reserves which total **\$22,380,839**. 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, 42.52% of the unrestricted portion is assigned by the Board to fund reserves that are earmarked to meet certain unexpected demands.

FUND BALANCE AS OF SEPTEMBER 30, 2023:

<u>FUND BALANCE</u>	
Net Invested in Capital Assets	\$ 60,495,969
Restricted for FTA Interest	575,308
Unrestricted	→ 52,634,503
TOTAL FUND BALANCE	113,705,780
<u>UNRESTRICTED BREAKDOWN</u>	
Designated for Operating Reserve (25% OpEx less EBR)	9,834,375
Designated for Capital Reserve (25% of total CIP)	11,068,263
Designated for Employee Benefits Reserve	1,478,201
Total Designated Reserves (42.52%)	\$ 22,380,839
Unrestricted (57.48%)	30,253,664
TOTAL DESIGNATED & UNRESTRICTED	→ \$ 52,634,503

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: 
Miguel Rendón
Deputy Chief Executive Officer

Corpus Christi Regional Transportation Authority
 Operating and Capital Budget Report
 For the month ended September 2023

OPERATING BUDGET	09/2023				
	2023 Adopted Budget	September 2023 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
	A	B	C = A / 12	B / A	C vs B
Revenues					
Passenger service	\$ 1,108,110	\$ 93,226	\$ 92,343	8.41%	100.96%
Bus advertising	145,371	17,020	12,114	11.71%	140.49%
Other operating revenues	312,337	375	375	0.12%	100.00%
Sales Tax Revenue	40,316,731	3,556,386	3,556,386	8.82%	100.00%
Federal, state and local grant assistance	1,565,828	23,423	130,486	1.50%	17.95%
Investment Income	1,674,000	248,319	47,833	43.26%	519.13%
Staples Street Center leases	525,850	42,172	43,821	8.02%	96.24%
Total Revenues	44,548,227	3,980,921	3,883,358	8.94%	102.51%
Expenses					
Transportation	9,932,992	781,959	827,749	7.87%	94.47%
Customer Programs	595,697	42,253	49,641	7.09%	85.12%
Purchased Transportation	8,765,945	753,684	730,495	8.60%	103.17%
Service Development	801,372	30,889	66,781	3.85%	46.25%
MIS	1,674,391	104,340	139,533	6.23%	74.78%
Vehicle Maintenance	6,547,805	491,474	545,650	7.51%	90.07%
Facilities Maintenance	3,104,571	261,596	258,714	8.43%	101.11%
Contracts and Procurements	449,199	29,726	37,433	6.62%	79.41%
CEO's Office	1,209,277	105,519	100,773	8.73%	104.71%
Finance and Accounting	902,039	79,545	75,170	8.82%	105.82%
Materials Management	278,468	21,278	23,206	7.64%	91.70%
Human Resources	1,013,273	69,696	84,439	6.88%	82.54%
General Administration	538,361	32,674	44,863	6.07%	72.83%
Capital Project Management	404,989	32,365	33,749	7.99%	95.90%
Marketing & Communications	833,041	59,155	69,420	7.10%	85.21%
Safety & Security	2,411,815	151,933	200,985	6.30%	75.59%
Staples Street Center	1,141,678	89,595	95,140	7.85%	94.17%
Port Ayers Cost Center	32,000	185	2,667	0.58%	6.93%
Debt Service	1,597,313	-	-	0.00%	0.00%
Special Projects	200,000	4,657	16,667	2.33%	27.94%
Subrecipient Grant Agreements	765,828	23,423	63,819	3.06%	36.70%
Street Improvements Program for CCRTA Regional Entities	3,183,464	265,289	265,289	8.33%	100.00%
Total Expenses	46,383,519	3,431,235	3,732,183	7.40%	91.94%
Revenues Over Expenses - Operating Budget	(1,835,292)	549,686	151,175		
CIP BUDGET					
	2023 Adopted Budget	September 2023 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
	A	B	C = A / 12	B / A	
Funding Sources					
Transfer In	\$ 3,649,552	304,129	304,129	8.33%	100.00%
Grant Revenue	8,864,316	557,251	557,251	6.29%	0.00%
Total Funding Sources	12,513,868	861,380	861,380	6.88%	100.00%
Capital Expenditures					
Grant Eligible Costs	8,864,316	557,251	557,251	6.29%	0.00%
Depreciation Expenses	1,814,260	151,188	151,188	8.33%	100.00%
Total Expenditures	10,678,576	708,439	708,439	6.63%	100.00%
Funding Sources Over Expenditures	1,835,292	152,941	152,941	8.33%	100.00%
Revenues Over Expenses - Operating Budget	(1,835,292)	549,686	151,175		
Revenues Over Expenses - CIP Budget	1,835,292	152,941	152,941		
Revenues Over Expenses (including rounding)	\$ (0)	\$ 702,627	\$ 304,116		

Corpus Christi Regional Transportation Authority
 Operating and Capital Budget Report
 For the month ended September 2023

OPERATING BUDGET	09/2023				
	2023 Adopted Budget	YTD 2023 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
	A	B	C = A / 12 * 9	B / A	C vs B
Revenues					
Passenger service	\$ 1,108,110	\$ 802,214	\$ 831,083	72.39%	96.53%
Bus advertising	145,371	159,187	109,028	109.50%	146.00%
Other operating revenues	312,337	37,379	234,252	11.97%	15.96%
Sales Tax Revenue	40,316,731	30,393,645	30,393,645	75.39%	100.00%
Federal, state and local grant assistance	1,565,828	1,209,857	1,174,371	77.27%	103.02%
Investment Income	574,000	2,011,692	430,500	350.47%	467.29%
Staples Street Center leases	525,850	380,599	394,388	72.38%	96.50%
Total Revenues	44,548,227	34,994,573	33,567,267	78.55%	104.25%
Expenses					
Transportation	9,932,992	7,529,915	7,449,744	75.81%	101.08%
Customer Programs	595,697	476,849	446,773	80.05%	106.73%
Purchased Transportation	8,765,945	6,447,751	6,574,459	73.55%	98.07%
Service Development	801,372	467,088	601,029	58.29%	77.71%
MIS	1,674,391	1,177,623	1,255,794	70.33%	93.78%
Vehicle Maintenance	6,547,805	4,643,384	4,910,854	70.92%	94.55%
Facilities Maintenance	3,104,571	2,336,786	2,328,428	75.27%	100.36%
Contracts and Procurements	449,199	265,617	336,899	59.13%	78.84%
CEO's Office	1,209,277	868,102	906,958	71.79%	95.72%
Finance and Accounting	902,039	620,086	676,529	68.74%	91.66%
Materials Management	278,468	206,796	208,851	74.26%	99.02%
Human Resources	1,013,273	792,219	759,955	78.18%	104.25%
General Administration	538,361	325,888	403,771	60.53%	80.71%
Capital Project Management	404,989	295,001	303,742	72.84%	97.12%
Marketing & Communications	833,041	592,703	624,781	71.15%	94.87%
Safety & Security	2,411,815	1,509,098	1,808,861	62.57%	83.43%
Staples Street Center	1,141,678	841,760	856,258	73.73%	98.31%
Port Ayers Cost Center	32,000	12,571	24,000	39.29%	52.38%
Debt Service	1,597,313	250,890	250,890	15.71%	100.00%
Special Projects	200,000	4,657	150,000	2.33%	3.10%
Subrecipient Grant Agreements	765,828	336,066	574,371	43.88%	58.51%
Street Improvements Program for CCRTA Regional Entities	3,183,464	2,387,598	2,387,598	75.00%	100.00%
Total Expenses	46,383,519	32,388,448	33,840,545	69.83%	95.71%
Revenues Over Expenses - Operating Budget	(1,835,292)	2,606,125	(273,278)		
CIP BUDGET					
Funding Sources					
Transfer In	\$ 3,649,552	2,737,164	2,737,164	75.00%	100.00%
Grant Revenue	8,864,316	8,358,847	8,358,847	94.30%	0.00%
Total Funding Sources	12,513,868	11,096,011	11,096,011	88.67%	100.00%
Capital Expenditures					
Grant Eligible Costs	8,864,316	8,358,847	8,358,847	94.30%	0.00%
Depreciation Expenses	1,814,260	1,360,695	1,360,695	75.00%	100.00%
Total Expenditures	10,678,576	9,719,542	9,719,542	91.02%	100.00%
Funding Sources Over Expenditures	1,835,292	1,376,469	1,376,469	75.00%	100.00%
Revenues Over Expenses - Operating Budget	(1,835,292)	2,606,125	(273,278)		
Revenues Over Expenses - CIP Budget	1,835,292	1,376,469	1,376,469		
Revenues Over Expenses (including rounding)	\$ (0)	\$ 3,982,594	\$ 1,103,191		

CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
Statement of Net Position
Month ended September 30, 2023, and year ended December 31, 2022

	Unaudited September 30 2023	Audited December 31 2022
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 26,842,427	\$ 25,536,891
Short Term Investments	25,735,062	26,829,671
Receivables:		
Sales and Use Taxes	6,877,110	6,892,274
Federal Government	464,272	85,717
Other	394,116	635,609
Inventories	1,167,809	1,204,171
Prepaid Expenses	1,644,406	878,503
Total Current Assets	63,125,201	62,062,836
Non-Current Assets:		
Restricted Cash and Cash Equivalents	575,308	575,308
Long Term Investments	7,494,494	5,951,169
Lease Receivable	1,481,296	1,481,296
Capital Assets:		
Land	4,882,879	4,882,879
Buildings	52,705,304	52,705,304
Transit Stations, Stops and Pads	28,574,474	28,574,474
Other Improvements	5,525,123	5,525,123
Vehicles and Equipment	62,634,935	62,634,935
Right-To-Use Leased Equipment	499,627	499,627
Software Subscriptions	201,602	-
Construction in Progress	1,094,110	1,095,385
Current Year Additions	7,760,912	-
Total Capital Assets	163,878,965	155,917,727
Less: Accumulated Depreciation	(88,630,145)	(87,269,450)
Net Capital Assets	75,248,820	68,648,277
Total Non-Current Assets	84,799,918	76,656,050
TOTAL ASSETS	147,925,119	138,718,886
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow related to pensions	9,475,513	9,475,513
Deferred outflow related to OPEB	62,202	62,202
Deferred outflow on extinguishment of debt	2,937,149	2,937,149
Total Deferred Outflows	12,474,864	12,474,864
TOTAL ASSETS AND DEFERRED OUTFLOWS	160,399,984	151,193,750
LIABILITIES AND NET POSITION		
Current Liabilities:		
Accounts Payable	2,930,872	1,979,739
Current Portion of Long-Term Liabilities:		
Long-Term Debt	905,000	905,000
Compensated Absences	335,005	335,005
Sales Tax Audit Funds Due	82,122	328,488
Distributions to Regional Entities Payable	6,867,150	7,523,214
Other Accrued Liabilities	906,330	1,353,073
Total Current Liabilities	12,026,479	12,424,519
Non-Current Liabilities:		
Long-Term Liabilities, Net of Current Portion:		
Long-Term Debt	16,785,000	16,785,000
Compensated Absences	942,102	942,102
Sales Tax Audit Funds Due	164,258	164,258
Net Pension Liability	11,027,475	11,027,475
Net OPEB Obligation	834,840	834,840
Lease Liability	338,738	338,738
Total Non-Current Liabilities	30,092,413	30,092,413
TOTAL LIABILITIES	42,118,892	42,516,932
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow related to pensions	3,087,164	3,087,164
Deferred inflow related to OPEB	6,852	6,852
Deferred inflow related to leases	1,481,296	1,481,296
Total Deferred Inflows	4,575,312	4,575,312
TOTAL LIABILITIES AND DEFERRED INFLOWS	46,694,204	47,092,244
Net Position:		
Net Invested in Capital Assets	60,495,969	53,895,426
Restricted for FTA Interest	575,308	575,308
Unrestricted	52,634,503	49,630,772
TOTAL NET POSITION	\$ 113,705,780	\$ 104,101,506

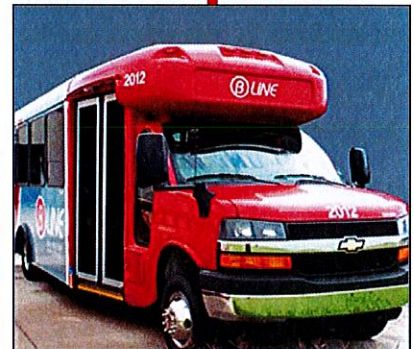
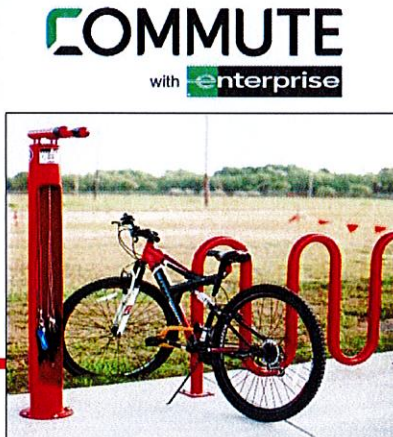
Corpus Christi Regional Transportation Authority
Statement of Cash Flows (Unaudited)
For the month ended September 30, 2023

	<u>9/30/2023</u>
Cash Flows From Operating Activities:	
Cash Received from Customers	\$ 74,658
Cash Received from Bus Advertising and Other Ancillary	83,335
Cash Payments to Suppliers for Goods and Services	(2,213,737)
Cash Payments to Employees for Services	(868,940)
Cash Payments for Employee Benefits	(112,582)
Net Cash Used for Operating Activities	<u>(3,037,266)</u>
Cash Flows from Non-Capital Financing Activities:	
Sales and Use Taxes Received	3,421,429
Grants and Other Reimbursements	66,478
Distributions to Subrecipient Programs	-
Distributions to Region Entities	-
Net Cash Provided by Non-Capital Financing Activities	<u>3,487,907</u>
Cash Flows from Capital and Related Financing Activities:	
Federal and Other Grant Assistance	192,750
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	-
Net Cash Provided by Capital and Related Financing Activities	<u>192,750</u>
Cash Flows from Investing Activities:	
Investment Income	364,349
Purchases of Investments	(1,500,000)
Maturities and Redemptions of Investments	5,000,000
Premiums/Discounts on Investments	47,536
Net Cash Provided by Investing Activities	<u>3,911,885</u>
Net Increase in Cash and Cash Equivalents	4,555,276
Cash and Cash Equivalents (Including Restricted Accounts), September 1, 2023	22,862,459
Cash and Cash Equivalents (Including Restricted Accounts), September 30, 2023	\$ <u><u>27,417,735</u></u>



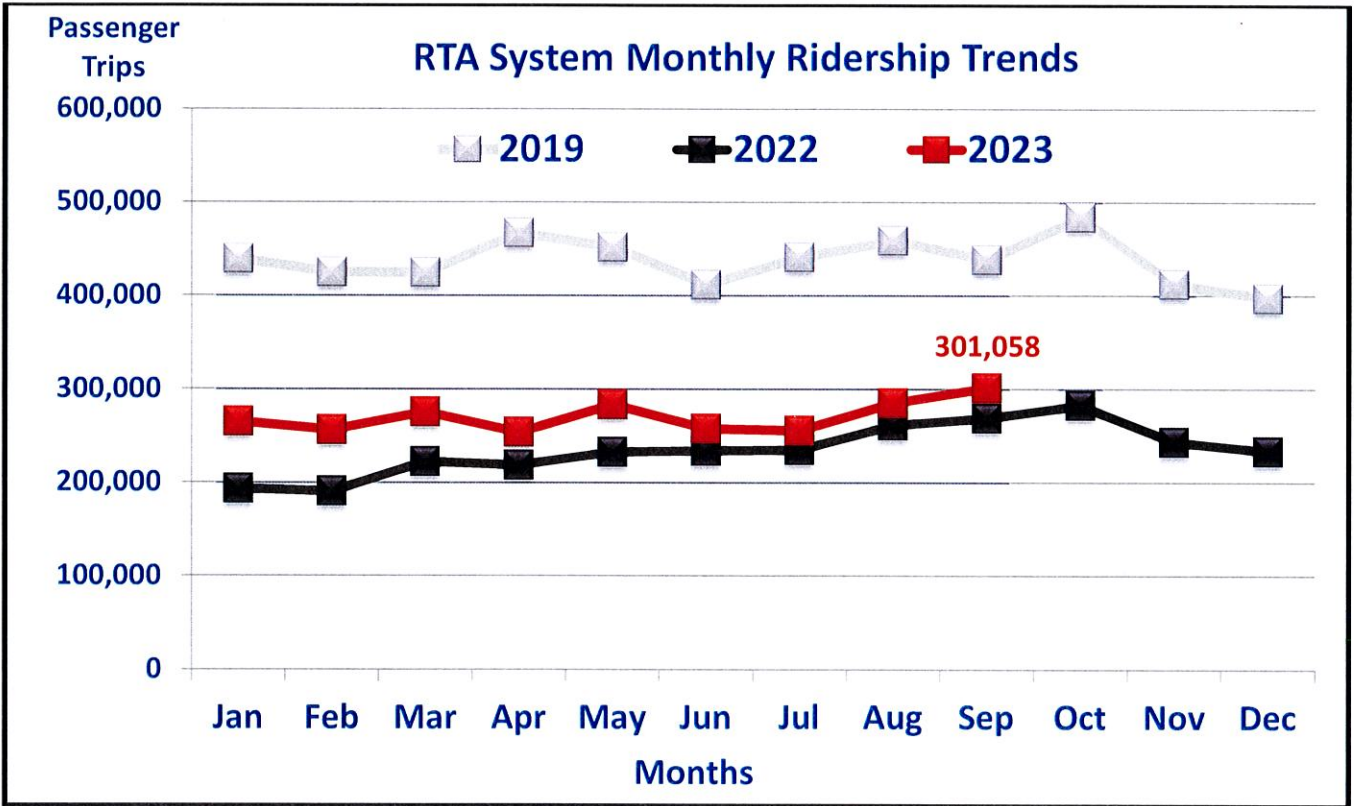
Subject: September 2023 Operations Report

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.



System-wide Ridership and Service Performance Results

September 2023 system-wide ridership levels continued to be impacted by the COVID-19 pandemic. Passenger trips totaled 301,058 which represents a 12.0% increase as compared to 268,700 passenger trips in September 2022 with 32,358 more trips provided this month. In comparison to the pre-COVID-19 (Pre-Covid) period in September 2019 with 438,270 passenger trips, the 301,058 passenger trips represent a 31.3% decrease with 137,212 fewer trips.

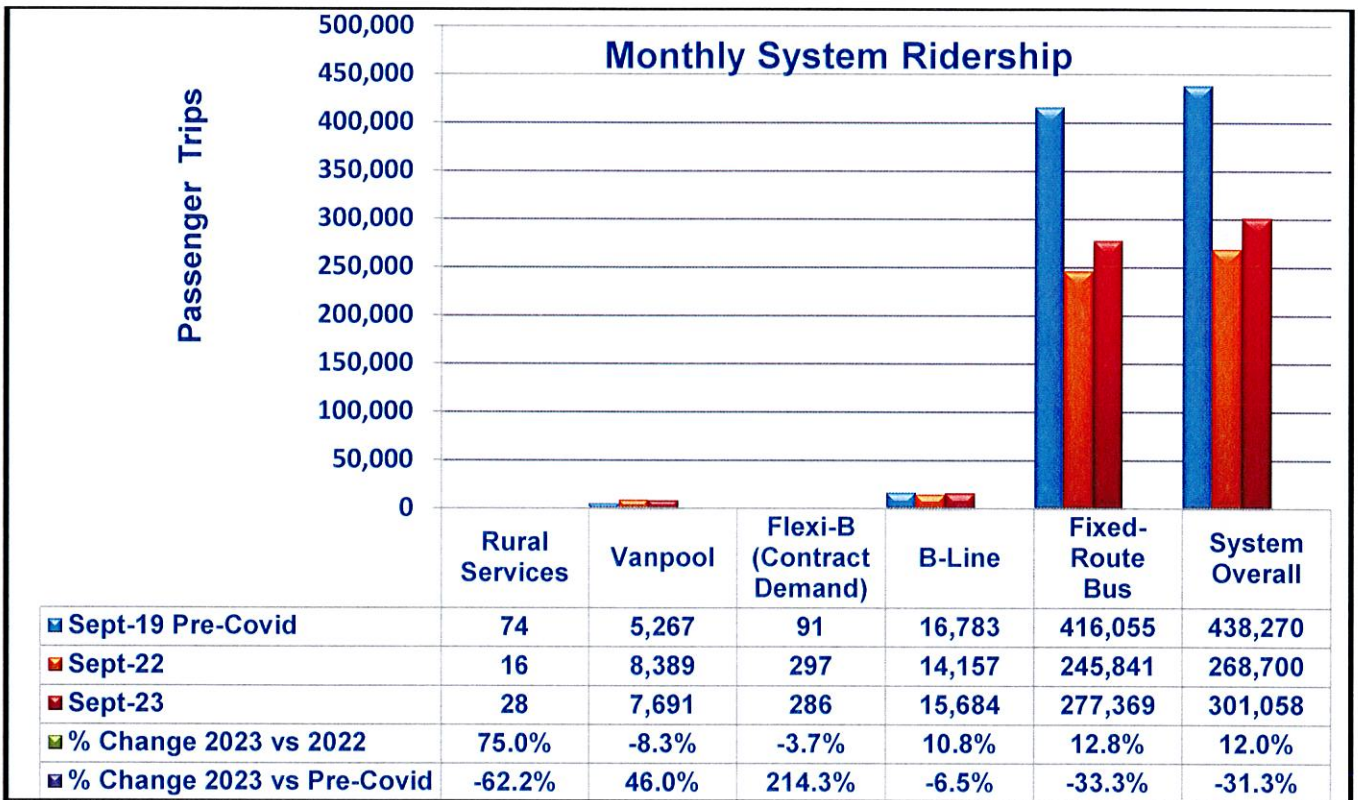


September 2023	September 2022	Variance
20 Weekdays	21 Weekdays	-1
5 Saturdays	4 Saturdays	+1
5 Sundays	5 Sundays	-
30 Days	30 Days	-

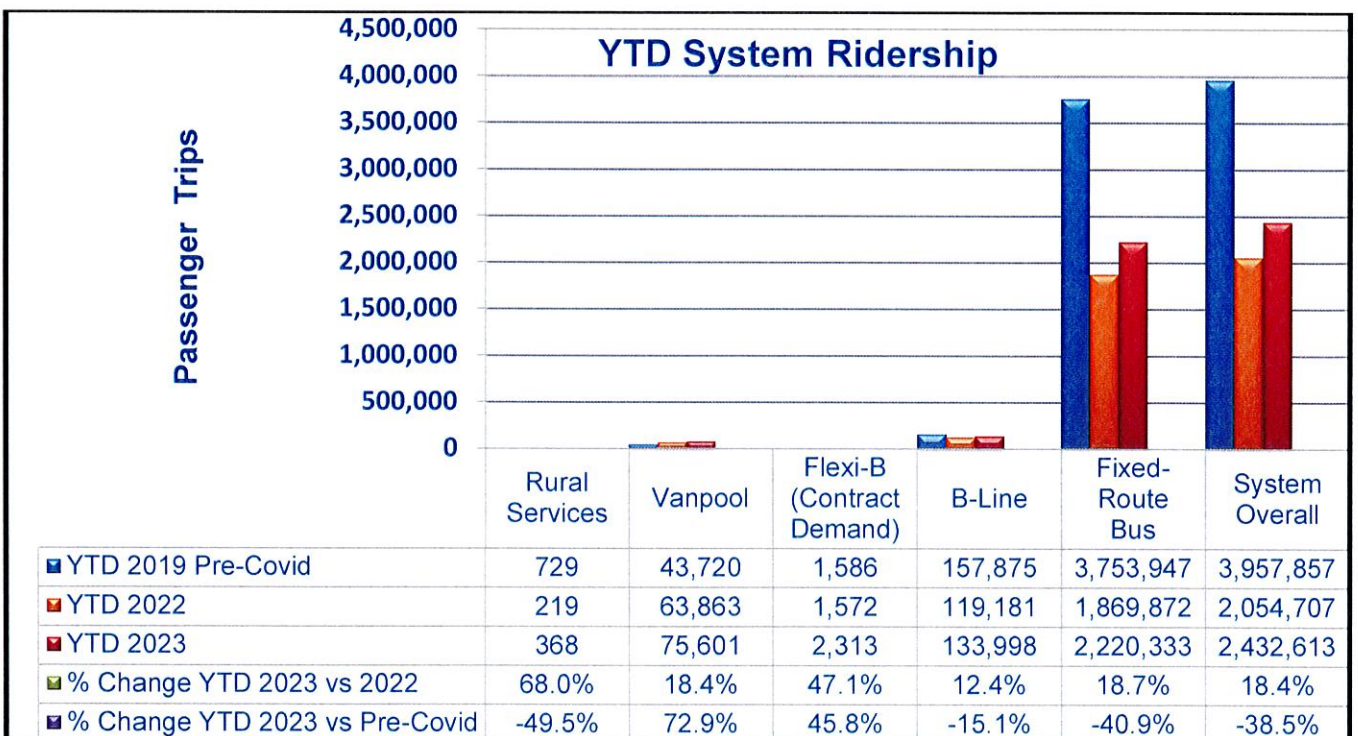
The average retail price for unleaded gas in Corpus Christi was approximately \$3.38 per gallon as compared to \$3.08 per gallon in September 2022¹ which represents an 9.7% increase in the average cost per gallon. September rainfall was 1.01 inches which is below the average monthly total of 5.42 inches. September 2022 was similar with a rainfall total of 1.66 inches.² The 97.3-degree average high temperature for September was above the average monthly temperature of 90.8 degrees.

1. GasBuddy.com historical data at <http://www.gasbuddy.com>.
 2. <https://etweather.tamu.edu/rainhistory>

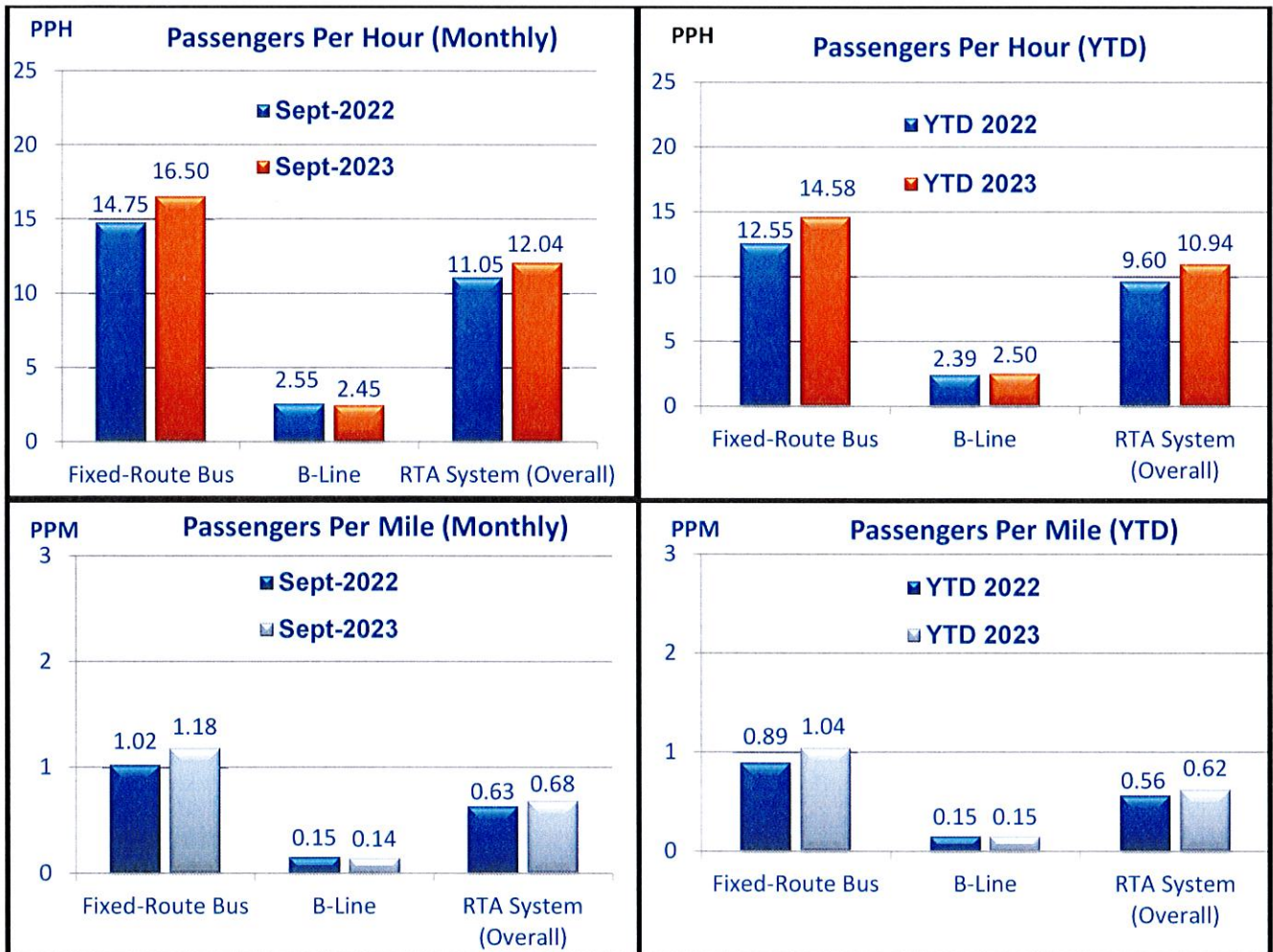
The chart below shows monthly ridership results for all services. CCRTA recorded 32,358 more passenger trips in September 2023 for a 12.0% increase as compared to September 2022. As compared to September 2019 Pre-Covid, passenger trips decreased 31.3%.



The chart below shows YTD ridership results for all services. 377,906 more trips so far compared to 2022.



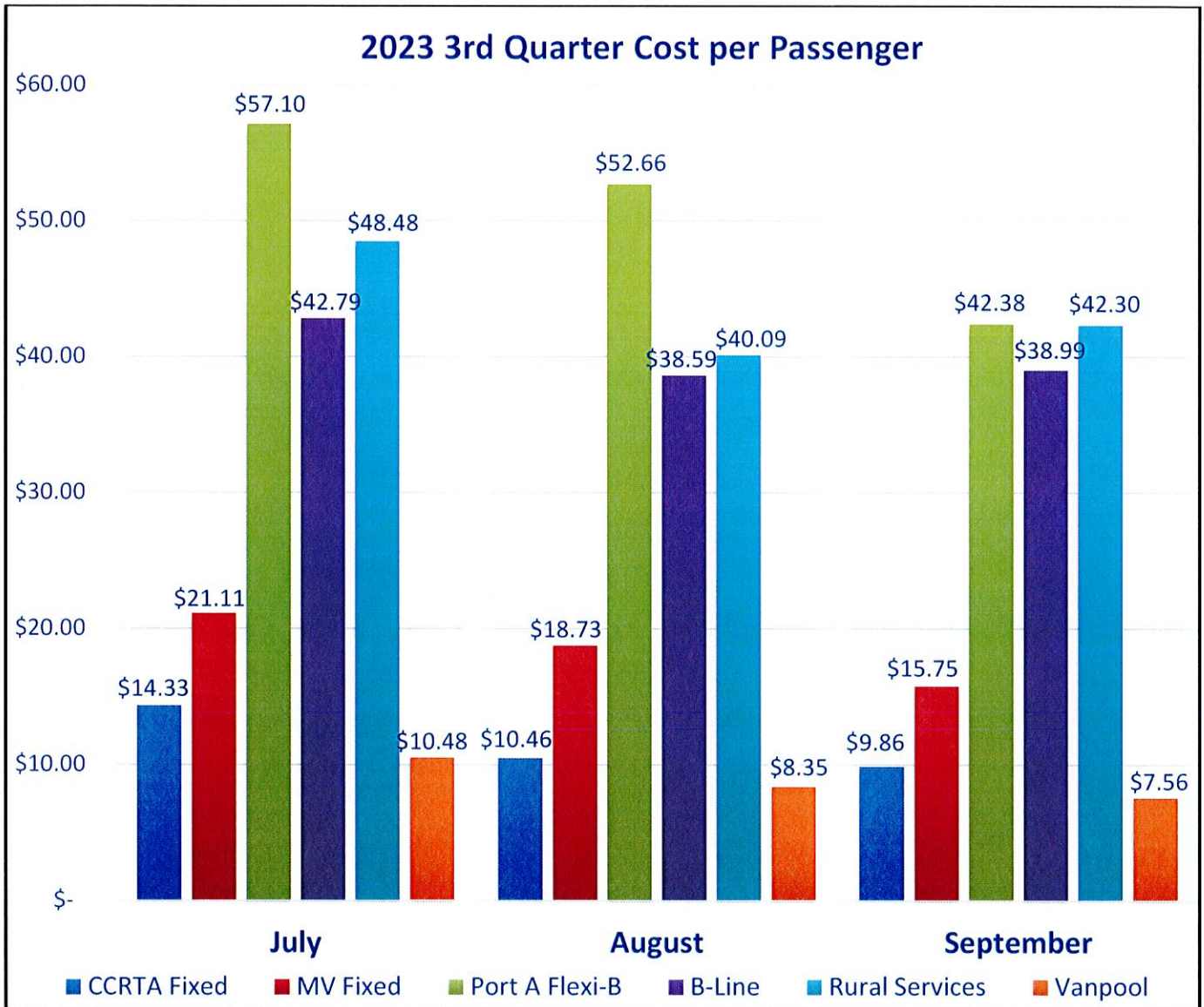
The following charts report system-wide productivity for the month of September 2023 vs. September 2022 and YTD figures.



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

Schedule Adherence	Standard	Jun-23	Jul-23	Aug-23	Sep-23	4-Month Average
Early Departure	<1%	0.0%	0.0%	0.3%	0.0%	0.1%
Departures within 0-5 minutes	>85%	85.5%	89.1%	88.2%	84.3%	86.8%
Monthly Wheelchair Boardings	No standard	3,684	3,762	4,480	5,129	4,264
Monthly Bicycle Boardings	No standard	6,237	6,312	6,592	6,534	6,419

The following tables include Cost per Passenger totals by service mode for the third quarter of 2023. In addition, year-to-date (YTD) averages by service mode are included.



Month	CCRTA Fixed	MV Fixed	Port A Flexi-B	B-Line	Rural Services	Vanpool
July	\$ 14.33	\$ 21.11	\$ 57.10	\$ 42.79	\$ 48.48	\$ 10.48
August	\$ 10.46	\$ 18.73	\$ 52.66	\$ 38.59	\$ 40.09	\$ 8.35
September	\$ 9.86	\$ 15.75	\$ 42.38	\$ 38.99	\$ 42.30	\$ 7.56
YTD Average	\$ 11.84	\$ 17.42	\$ 43.43	\$ 40.03	\$ 44.65	\$ 8.60

On Detour

- **Port Ave.** Utility Replacement Project (6) month project: Began March 2022 with anticipated completion in late 2023.
 - Routes 21, 23 & 37 (**2 stops impacted**)
- **S. Staples St.** (Kostoryz-Baldwin) (29) month project: Began March 2021. Traffic now on newly constructed east section. Project to be completed November 2023.
 - Route 29 (**12 Stops closed**) Detour from Staples to Alameda to Texan Trail.
- **New Harbor Bridge (North Beach):** Routes 76 & 78 remain on a minor detour under U.S. HWY 181 in the inbound direction. (No stops impacted)
- **Leopard St.** (Nueces Bay to Palm) Project now complete but (**3**) **stops remain closed** due to detour. Routes 27 & 28 remain on detour.
 - Routes 27 & 28
- **Leopard St.** (Crosstown-Palm) (14) month project began Dec. 5, 2022. This Bond project will extend the current/existing Leopard St. detour. Expected completion in June 2024. (*Project now half complete*)
 - Routes 27 & 28 (**12 stops impacted**)
- **Gollihar** (Crosstown-Greenwood) Began April 24, 2023.
 - Routes 23 & 25 (**6 stops closed**)
- **Alameda (Louisiana-Texan Trail):** Project to begin Fall-2023.
 - Routes 5, 17 & detoured 29 (19 stops impacted)
- **Brownlee Blvd.** (Morgan-Staples) To begin late-2023.
 - Routes 5x & 17 (**7 stops will be impacted**)
- **Comanche** (Carancahua-Alameda) To begin late-2023.
 - Routes 12, 21, 27 & 28 (**4 stops will be impacted**)
- **McArdle Rd. (Carroll-Kostoryz):** Project to begin Oct 30th, 2023. Route 19M (8 stops will be impacted)
- **Upper/Mid./Lower Broadway:** Project currently in design.
 - Routes 6, 76 & 78 (no stops to be impacted)
- **Everhart Rd. (SPID-S. Staples):** Project to begin late Fall-2023.
 - Routes 32 & 37 (7 stops will be impacted)
- **Wildcat** (Northwest Blvd.-Teague) Began Jan. 10, 2023. (10) month project. Almost complete as of mid-September 2023.
 - Route 27 (1 stop remains closed)

Upcoming Detours

Currently No Detour

For September 2023, there were 9 impacted fixed routes out of 33 fixed route services in operation. This equates to approximately 27% of CCRTA services travelling on the local streets. Detoured bus route services include: 21, 23, 25, 27, 28, 29, 37, 76 & 78.

The total number of bus stops currently impacted or closed is **36**.

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

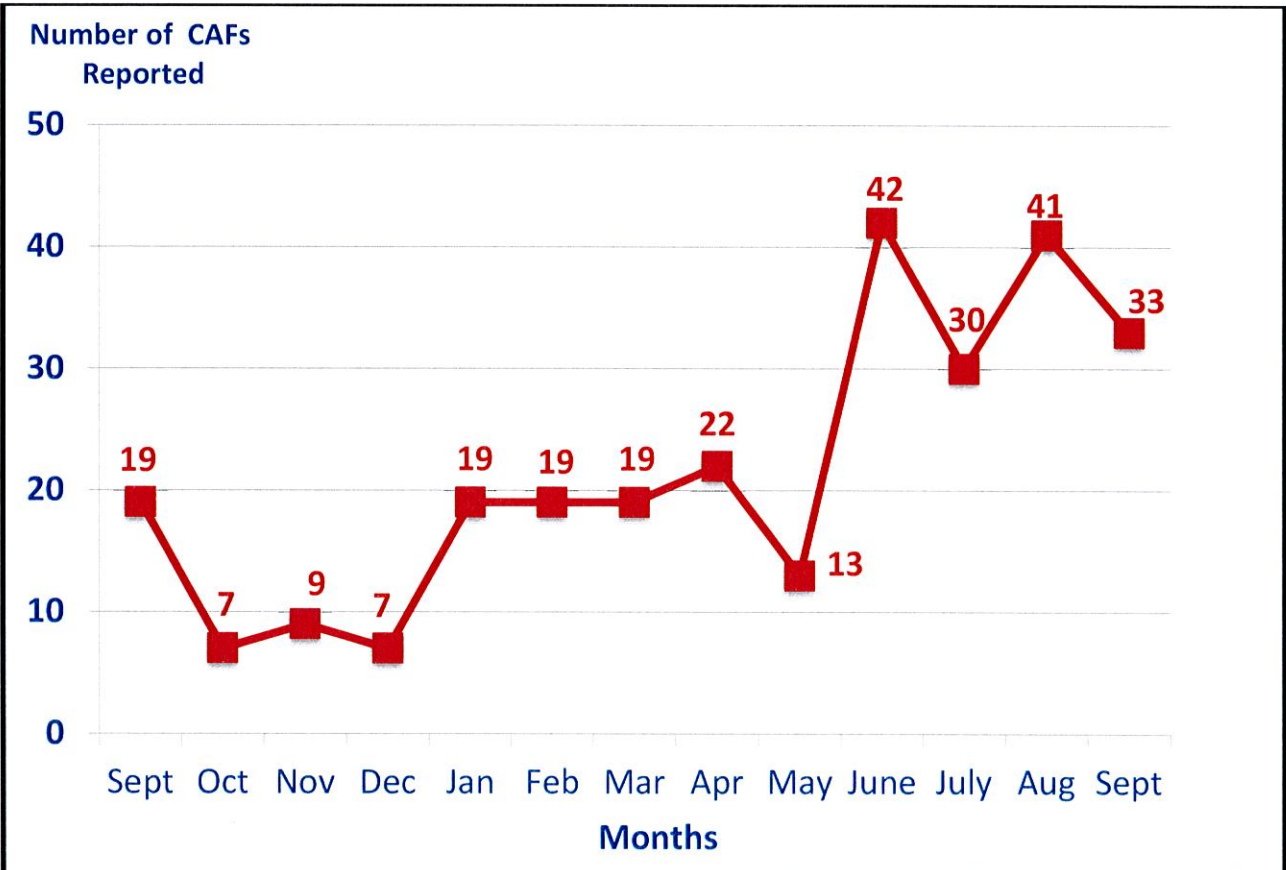
In September 2023, B-Line service performance metrics are listed below.

- Productivity: **2.45** Passengers per Hour (PPH) did not meet the contract standard of 2.50 PPH.
- Denials: 0 denials or **0.0%** did meet the contract standard of 0.0%.
- Miles between Road Calls (MBRC): **14,725** did meet the contract standard of 12,250 miles.
- Ridership Statistics: **10,404** ambulatory boardings; **4,247** wheelchair boardings

Metric	Standard	Jun-23	Jul-23	Aug-23	Sep-23	(4) Month-Ave.
Passengers per Hour	2.50	2.58	2.50	2.52	2.45	2.51
Denials	0.00%	0.00%	0.00%	0.00%	0.00%	0.0%
Miles Between Road Calls	12,250	12,474	13,774	13,307	14,725	13,570
Monthly Wheelchair Boardings	No standard	4,384	3,975	4,520	4,247	4,282

Customer Programs Monthly Customer Assistance Form (CAF) Report

For September 2023, Customer Service received and processed 33 Customer Assistance Forms (CAF's). Of the 33 recorded CAFs, four were commendations.



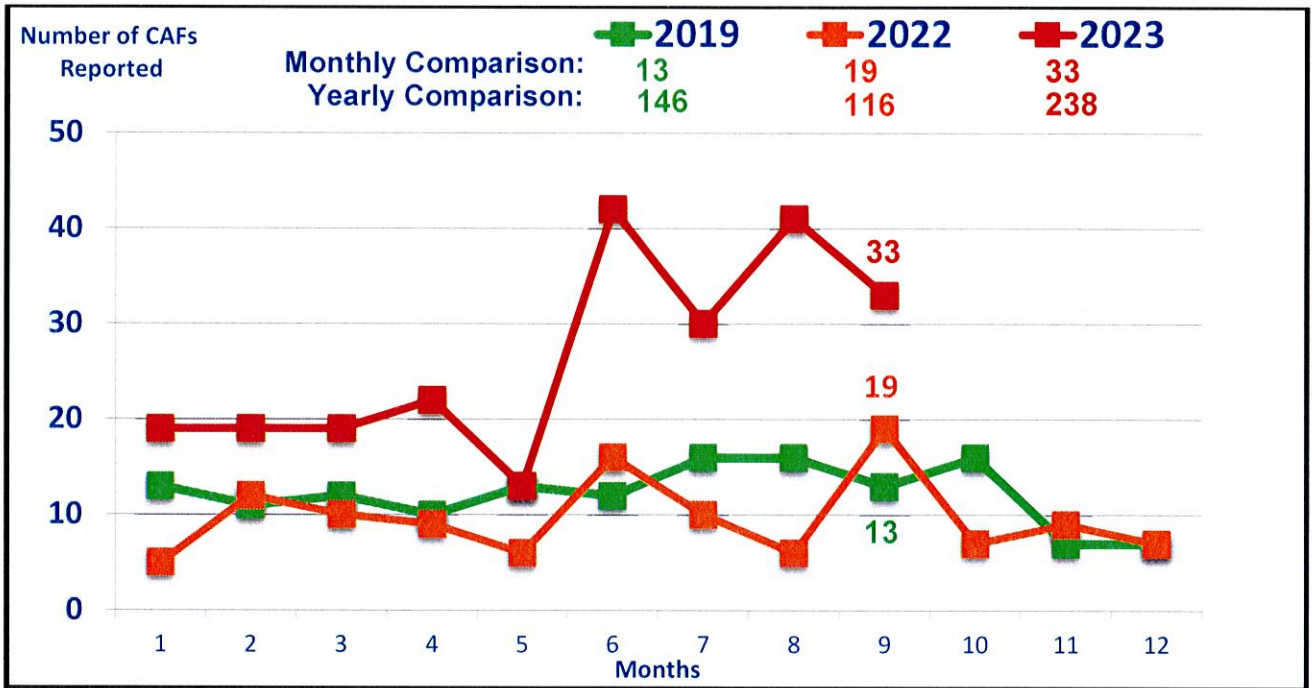
Route Summary Report:

Route	# of CAFs	Route	# of CAFs
#3 NAS Shuttle	4	#34 Robstown North Circulator	1
#4 Flour Bluff		#35 Robstown South Circulator	
#5 Alameda		#37 Crosstown/TAMU-CC	1
#5x Alameda Express		#50 Calallen/NAS Ex (P&R)	
#6 Santa Fe/Malls	1	#51 Gregory/NAS Ex (P&R)	
#12 Hillcrest/Baldwin	1	#54 Gregory/Downtown Express	
#15 Kostoryz/Carroll HS		#60 Momentum Shuttle	
#16 Morgan/Port	1	#65 Padre Island Connection	1
#17 Carroll/Southside		#76 Harbor Bridge Shuttle	
#19 Ayers		#78 North Beach Shuttle	
#19G Greenwood		#83 Advanced Industries	
#19M McArdle		#90 Flexi-B Port Aransas	
#21 Arboleda	2	#93 Flex	
#23 Molina	2	#94 Port Aransas Shuttle	
#24 Airline/Yorktown		#95 Port Aransas Express	1
#25 Gollihar/Greenwood		B-Line (Paratransit) Services	2
#26 Airline/Lipes	2	Safety & Security	
#27 Leopard	1	Transportation	
#27x Leopard (Express)		Facilities Maintenance	
#28 Leopard/Navigation	3	Customer Service Department	
#29 Staples	2	Service Development	
#29F Staples/Flour Bluff	2	Facilities	
#29SS Staples/Spohn South		Commendations	4
#32 Southside	2	TOTAL CAF's	33

CAF Breakdown by Service Type:

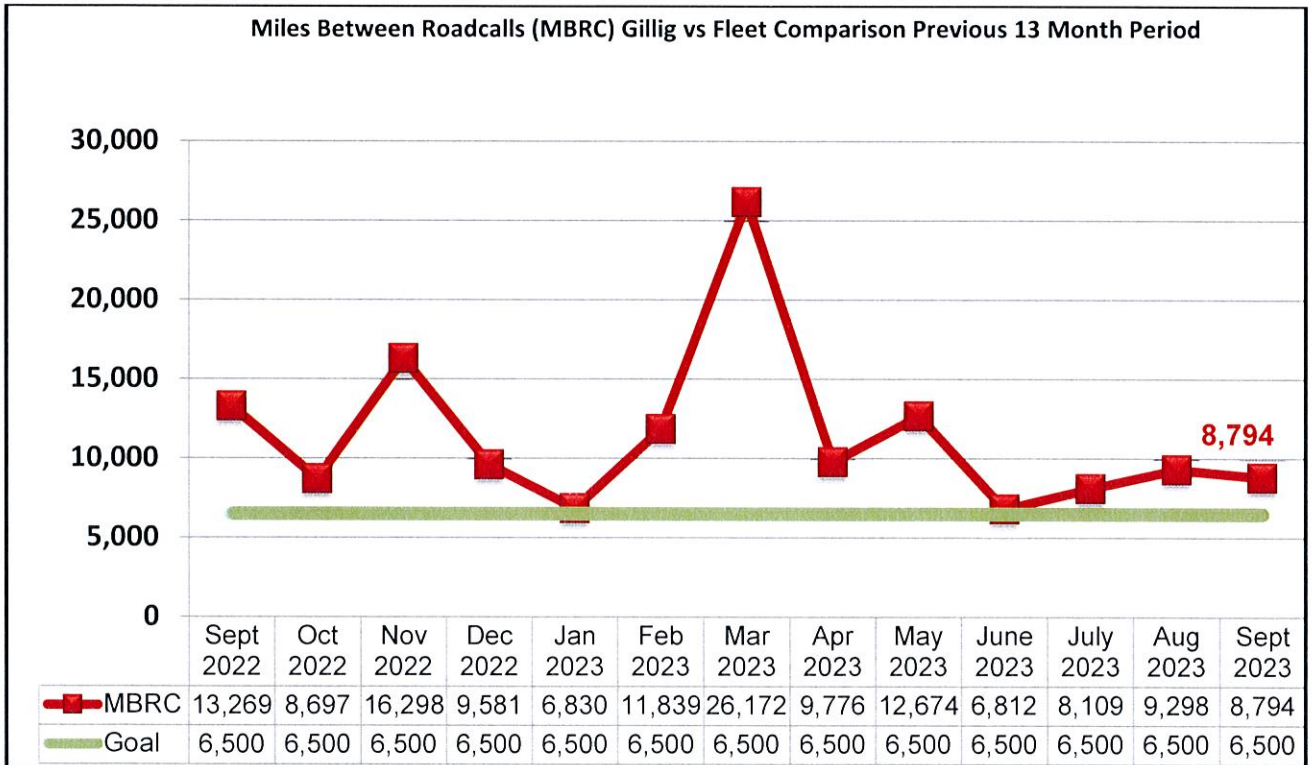
CAF Category	RTA Fixed Route	B-Line ADA Paratransit	Purchased Transportation	Totals
ADA	2			2
Service Stop Issues			2	2
Driving Issues		1		1
Customer Services			1	1
Late/Early – No Show	4		4	8
Alleges Injury	1			1
Fare/Transfer Dispute	2			2
Clean Trash Can				
Dispute Drop-off/Pickup		1		1
Add Bench/Stop				
Left Behind/Passed Up	6			6
Inappropriate Behavior				
B-Line Calls				
Incident at Stop				
Incident on Bus				
Incident at Station				
Securement/Tie Down Issue				
Denial of Service	3			3
Safety & Security				
Rude	2			2
Facility Maintenance				
Service Development				
Vehicle Maintenance				
Over Crowded Vehicle				
Cell Phone User				
Safety Transportation				
Commendations	3		1	4
Total CAFs	23	2	8	33

Number of CAF Reports: Current and Historical Trends



Vehicle Maintenance Department: Miles Between Road Calls Report

In September 2023, there were 8,794 miles between road calls (MBRC) recorded as compared to 13,269 MBRC in September 2022. A standard of 6,500 miles between road calls is used based on the fleet size, age and condition of CCRTA vehicles. The thirteen-month average is 11,396.



Board Priority

The Board Priority is Public Image and Transparency.

Respectfully Submitted,

Submitted & Reviewed by: Gordon Robinson
Managing Director of Operations

Final Approval by: 

Miguel Rendón
Deputy Chief Executive Officer