

# AGENDA MEETING NOTICE

## Board of Directors Meeting

**DATE:** Wednesday, November 5, 2025

**TIME:** 8:30 a.m.

**LOCATION:** Staples Street Center – 2<sup>ND</sup> Floor Boardroom, 602 North Staples St., Corpus Christi, TX

### BOARD OF DIRECTORS OFFICERS

Arthur Granado, Chair  
Anna Jimenez, Vice Chair  
Lynn Allison, Board Secretary/  
Legislative Chair

### BOARD OF DIRECTORS MEMBERS

Beatriz Charo, Administration & Finance Chair  
Aaron Muñoz, Operations & Capital Projects Chair  
David Berlanga Gabi Canales Jeremy Coleman  
Beth Owens Eloy Salazar Amanda Torres

	TOPIC	SPEAKER	EST.TIME	REFERENCE
1.	<b>Pledge of Allegiance</b>	A. Granado/ U.S. Veteran, Daniel James	1 min.	----
2.	<b>Safety Briefing</b>	J. Esparza	3 min.	----
3.	<b>Roll Call and Establish Quorum</b>	M. Montiel	1 min.	----
4.	<b>Confirm</b> Posting of Meeting's Public Notice in Accordance with Texas Open Meetings Act, Texas Government Code, Chapter 551	A. Granado	1 min.	----
5.	<b>Public Notice on Executive Session</b>	A. Granado	1 min.	----
<p><b>Public Notice</b> 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</p>				
6.	<b>Receipt of Conflict of Interest Affidavits</b>	A. Granado	1 min.	----
7.	<b>Opportunity for Public Comment</b> <b>3 min. limit – no discussion</b>	A. Granado	3 min.	----
<p>Public Comment may be provided in writing, limited to 1,000 characters, by using the <a href="https://www.ccrta.org/meetings/public-comment">Public Comment Form</a> online at <a href="https://www.ccrta.org/meetings/public-comment">https://www.ccrta.org/meetings/public-comment</a> or by regular mail or hand-delivery to the CCRTA at 602 N. Staples St., Corpus Christi, TX 78401, and MUST be submitted no later than 5 minutes after the start of a meeting in order to be provided for consideration and review at the meeting. All Public Comments submitted shall be placed into the record of the meeting.</p>				
8.	<b>Adopt Resolution</b> for Outgoing Small Cities Committee of Mayors Appointed Board Member, Armando B. Gonzalez	A. Granado	5 min.	<b>Page 1</b>
9.	<b>Awards and Recognition –</b> a) New Hires	D. Majchszak	5 min.	----
10.	<b>Discussion and Possible Action</b> to Approve the October 1, 2025 Board of Directors Meeting Minutes	A. Granado	3 min.	<b>Pages 2-11</b>
11.	<b>Announcement</b> of Committee Appointments by the Board Chair and <b>Action</b> to Confirm Committee Appointments	A. Granado	3 min.	<b>Pages 12-14</b>
12.	<b>CONSENT ITEMS:</b> The following items are routine or administrative in nature and have been discussed previously by the Board or Committees. The Board has been furnished with support documentation on these items.		5 min.	<b>Pages 15-26</b> <i>PPT</i>

# AGENDA MEETING NOTICE

	<ul style="list-style-type: none"> <li>a) <b>Action</b> to Approve the Fiscal Year 2026 Board &amp; Committee Meetings Calendar</li> <li>b) <b>Action</b> to Award a Contract to 90 Degrees Benefit for Third-Party Administration for Employee Group Health, Vision and Dental Insurance, for an Amount Not to Exceed \$1,127,568.40</li> <li>c) <b>Action</b> to Approve the Fiscal Year 2026 Holidays and Service Levels</li> <li>d) <b>Action</b> to Award Multiple Two-Year Contracts to C.C. Freightliner, Crossline Supply, LLC, Cummins Southern Plains LLC, J. David White Associates, Inc. dba White Associates, and Muncie Transit Supply for Internal and External Engine Parts, Not to Exceed a Total Amount of \$900,200.00</li> <li>e) <b>Action</b> to Authorize the Purchase of Two (2) Lone Star ProMaster 3500 Vans from Model 1 Commercial Vehicles, Through the State of Washington Department of Enterprise Services Contract, Not to Exceed a Total Amount of \$424,356.48</li> </ul>			
13.	<b>Discussion and Possible Action</b> to Approve Excused Absences by Board Member Gabi Canales Concerning Attendance at Particular Board Meetings	D. Majchszak/ J. Bell, Legal Counsel	3 min.	<b>Pages 27-28</b> <i>PPT</i>
14.	<b>Public Hearing #2- Regarding Adoption of the FY2026 Operating and Capital Budget</b>	R. Saldaña	5 min.	<i>PPT</i>
15.	<b>Discussion and Possible Action</b> to Adopt the FY2026 Operating and Capital Budget	R. Saldaña	5 min.	<b>Pages 29-30</b>
16.	<b>Update</b> on RCAT Committee Activities	S. Montez	3 min.	<i>PPT</i>
17.	<b>Committee Chair Reports</b> <ul style="list-style-type: none"> <li>a) Administration &amp; Finance</li> <li>b) Operations &amp; Capital Projects</li> <li>c) Rural and Small Cities</li> <li>d) Legislative</li> </ul>	<ul style="list-style-type: none"> <li>B. Charo</li> <li>A. Muñoz</li> <li>A. Gonzalez</li> <li>L. Allison</li> </ul>	<ul style="list-style-type: none"> <li>3 min.</li> <li>3 min.</li> <li>3 min.</li> <li>3 min.</li> </ul>	-----
18.	<b>Presentations:</b> <ul style="list-style-type: none"> <li>a) 2024 Annual Comprehensive Financial Report (ACFR)</li> <li>b) September 2025 Financial Report</li> <li>c) November 2025 Procurement Update</li> <li>d) September 2025 Operations Report</li> </ul>	<ul style="list-style-type: none"> <li>R. Saldaña/ Adam Miller Adamson &amp; Company, LLC</li> <li>R. Saldaña</li> <li>R. Saldaña</li> <li>G. Robinson</li> </ul>	25 min.	<b>Pages 32-167</b> <i>PPT</i>  <b>Pages 168-182</b> <i>PPT</i> <b>Pages 183-195</b> <i>PPT</i>
19.	<b>CEO Report</b>	D. Majchszak	5 min.	<i>PPT</i>
20.	<b>Reports from Board Chair and Board Members</b>	Board Chair	5 min.	-----
21.	<b>Adjournment</b>	Board Chair	1 min.	-----

**Total Estimated Time: 1 hr 36 mins**

# AGENDA MEETING NOTICE

On Thursday, October 30, 2025 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**

*To provide our riders with safe, accessible,  
convenient, and sustainable transportation solutions  
that unite communities and promotes local  
economic growth.*

**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.*



## **Resolution**

**WHEREAS**, Armando Gonzalez served the Corpus Christi Regional Transportation Authority (CCRTA) as a member of the Board of Directors and as Chair of the Rural and Small Cities Committee, where he provided leadership and oversight for transportation initiatives serving CCRTA’s rural communities.

**WHEREAS**, during his tenure, Armando Gonzalez supported CCRTA’s major capital improvement projects, including the development of the Del Mar College – Oso Creek Super Stops and the design and construction of the Port Ayers Transfer Station. Funding for these projects was made possible through the pursuit of \$7.2 million in competitive grants. In addition, CCRTA expanded accessibility across its service area through the installation of nearly 400 Tolar bus shelters as part of the Shelter Expansion Program.

**WHEREAS**, Armando Gonzalez also provided leadership in securing a \$5.88 million competitive federal grant to support the purchase of eight new low-emission CNG buses, enhancing CCRTA’s fleet efficiency and reliability.

**WHEREAS**, during his tenure, CCRTA was recognized nationally by the American Public Transportation Association (APTA) for its outstanding safety, security, and emergency management programs, earning multiple Gold Awards and Certificates of Merit for four consecutive years and counting.

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

Armando Gonzalez is hereby commended for his distinguished service, leadership, and dedication to advancing public transportation throughout CCRTA’s service area.

**DULY PASSED AND ADOPTED** this \_\_\_\_ day of November 2025.

**ATTEST:**

**CORPUS CHRISTI REGIONAL  
TRANSPORTATION AUTHORITY**

\_\_\_\_\_  
Derrick Majchszak  
Chief Executive Officer

\_\_\_\_\_  
Arthur Granado  
Board Chair

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS' MEETING MINUTES  
WEDNESDAY, October 1, 2025**

**Summary of Actions**

1. Pledge of Allegiance
2. Heard Safety Briefing
3. Roll Call and Established Quorum
4. Confirmed Posting of Meetings Public Notice
5. Gave Public Notice on Executive Session
6. Receipt of Conflict of Interest Affidavits
7. Provided Opportunity for Public Comment
8. Administered the Oath of Office Appointments by the Small Cities Committee of Mayors (SCCM) to the CCRTA Board of Directors:
  - a) Beth Owens – SCCM Appointee
  - b) Beatriz Charo – SCCM Appointee
9. Presented Awards and Recognition
  - a) New Hires
  - b) Retiree
10. Approved the September 10, 2025 Board of Directors Meeting Minutes
11. Held Election and Administered Swearing-In of CCRTA Board Chair
12. Elected CCRTA Board Vice Chair, Board Secretary, and Board Assistant Secretary(s)
13. Approved to Award a Three-Year Contract to Iconic Sign Group, LLC for Bus and Bench Advertising
14. Approved to Award a Contract to Bridgestone Americas Tire Operations, LLC for Bus Tire Leasing and Service in the amount of \$1,371,052.33
15. Amended the Board Policy on Contracting to Increase the Chief Executive Officer's Purchasing Authority
16. Authorized to Approve the FY 2025 Operating and Capital Budget – Amendment #1
17. Approved a Resolution for the Fare Structure, subject to the approval of the Corpus Christi Metropolitan Planning Organization Transportation Policy Committee (TPC)
18. Heard Update on RCAT Activities
19. Heard Committee Chair Reports
  - a) Administration and Finance
  - b) Operations and Capital Projects
  - c) Rural and Small Cities
  - d) Legislative
20. Heard Presentations –
  - a) August 2025 Financial Report
  - b) October 2025 Procurement Update
  - c) August 2025 Operations Report
21. Heard CEO Report
22. Heard Reports from Board Chair and Board Members
23. 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, 2<sup>nd</sup> Floor Board Room, Corpus Christi, Texas.

**Pledge of Allegiance**

Chair Arthur Granado called the meeting to order at 8:30 a.m. He welcomed and gave an introduction for U.S. Veteran, Alejandro Agustin, to lead the Pledge of Allegiance.

**Safety Briefing**

Mr. John Esparza, Safety Administrator, presented the safety briefing to the Board and audience. He provided exit instructions in the event of an emergency. Ms. Montiel would account for all Board Members, and he would be the last out to ensure everyone exits safely.

**Roll Call & Establish Quorum**

Ms. Montiel called roll and noted a quorum was present at this time.

**Board Members Present**

Lynn Allison, David Berlanga, Beatriz Charo, Jeremy Coleman, Arthur Granado, Anna Jimenez, Aaron Muñoz, Eloy Salazar, and Amanda Torres.

**Board Members Absent**

Gabi Canales.

**Staff Present**

Angelina Gaitan, Sharon Montez, Marisa Montiel, Rita Patrick, Miguel Rendón, Gordon Robinson and Robert Saldaña. John Esparza, Gilbert Casas, and Ngoc-Ha Phan.

**Public Present**

Phil Moore, STV Inc. David De La Fuente, Chris De La Fuente, & Ray Hernandez, Iconic Signs. Eric Castaneda, UCCCC.

**Confirm Posting of Meeting's Public Notice in Accordance with Texas Open Meetings Act, Texas Government Code, Chapter 551**

Ms. Montiel confirmed posting of the meeting.

**Public Notice on Executive Session**

Chair Granado gave notice on Executive Session to the public.

**Receipt of Conflict of Interest Affidavits**

None

**Opportunity for Public Comment**

None

### **Awards and Recognitions**

- a. CCRTA New Hires - Mr. Derrick Majchszak, Chief Executive Officer, announced CCRTA's new hires to the Board. Ngoc-Ha Phan was introduced to the and photos were taken.
- b. CCRTA Retiree- It was noted that Mr. Walter Flores, Bus Operator with over 30 years of service, would not be in attendance.

### **Discussion and Possible Action to Approve the September 10, 2025 Board of Directors Meeting Minutes**

**DIRECTOR BEATRIZ CHARO MADE A MOTION TO APPROVE THE SEPTEMBER 10, 2025 BOARD OF DIRECTORS MEETING MINUTES. VICE CHAIR ANNA JIMENEZ SECONDED THE MOTION. ALLISON, BERLANGA, CHARO, COLEMAN, JIMENEZ, MUÑOZ, OWENS, SALAZAR, AND TORRES VOTING IN FAVOR. OPPOSED NONE. ABSENT CANALES.**

### **Election and Swearing-In of CCRTA Board Chair**

Chair Granado opened nominations for the Board Chair position. At this time, Director Berlanga made a motion to table the election of officers until such a time that the Nueces County Commissioners Court has an opportunity to appoint or re-appoint the Board Members to the CCRTA. He congratulated Beth Owens as the new Small Cities appointee. Director Berlanga added that she is an example of the changes that can occur. He continued that by voting today, Director Owens has no first-hand knowledge of the intricacies of the CCRTA, adding that it is unfair to her to vote for this item during her first board meeting. Chair Granado said that he is out of order, adding that he should not speak on behalf of another Board Member. Director Berlanga stated he was merely congratulating her, and he knows that the Commissioner's Court has had to delay the CCRTA appointments due to their full schedule and budgeting process. Director Berlanga noted he felt it was only prudent and respectful to allow County Judge Connie Scott and the rest of the Commissioners' Court the opportunity to make their appointments. He asked the current County Appointees to go on the record to support giving the County Judge and the rest of the Commissioners' Court the respect that they should be afforded; he said otherwise, it would be disrespectful to the County Judge to do otherwise.

**DIRECTOR DAVID BERLANGA MADE A MOTION TO TABLE THE ELECTION OF OFFICERS UNTIL SUCH A TIME THAT THE NUECES COUNTY COMMISSIONERS COURT HAS HAD AN OPPORTUNITY TO APPOINT OR RE-APPOINT THE MEMBERS OF THE CCRTA. DIRECTOR ELOY SALAZAR SECONDED THE MOTION.**

Director Eloy Salazar added that this was no reflection on the current Chair and feels he has done an excellent job, but he feels the election should be postponed as it is only fair to give any new potential County Appointees their opportunity to vote. He added that whatever the Board decides, he respects that in the end they all come together. Director Salazar asked Mr. Bell, Legal Counsel, for clarification on when attendance is considered and if it is based on calendar year. Mr. Bell confirmed that CCRTA Board considers attendance by calendar year, based on the item discussed at the last board meeting. Terms of office are based upon their appointments.

The City of Corpus Christi appointments are from July 1 through June 30 of even years. He added that County and Small Cities terms are from October 1 through September 30 of odd-numbered years, along with the officer elections. What was discussed at the last board meeting was a statute on attendance that measured attendance by calendar year. Director Salazar said his recommendation would be to hold the elections in January or until the County can make the appointments. Secretary Allison deferred her position on the matter to a letter she received from the County Judge stating to maintain status quo until appointments are made. Chair Granado called the motion out-of-order, stating it would violate the by-laws, adding that they had already been amended in the past to move it in a similar situation to January, then was amended recently back to the current terms. He said he was not going to put the Board in a position to violate the by-laws if they held elections at any time other than that specified in the by-laws. He addressed the letter from the County Judge in which she states that there is a delay in their appointments; however, the current appointees may continue to operate and serve in their official capacity until the County appointments or re-appointments.

Director Berlanga asked Mr. Bell if the motion could be ruled out of order, since it is just a regular routine motion. Mr. Bell advised that under Robert's Rules of Order, the Chair can rule a motion out of order, and the Board can challenge the ruling by a majority vote. Mr. Bell added that the by-laws do state that the election of the Chair shall occur at the October Board Meeting. He deferred to Director Berlanga stating he could appeal the decision of the chair, needing a second, or he could call for the vote to sustain his ruling. Director Berlanga agreed with the latter.

**CHAIR GRANADO CALLED FOR ALL THOSE IN FAVOR TO SUSTAIN THE CHAIR'S RULING OF THE MOTION ON THE FLOOR AS OUT OF ORDER IN VIOLATION OF THE BY-LAWS. ALLISON, BERLANGA, CHARO, COLEMAN, JIMENEZ, MUÑOZ, OWENS, AND TORRES. OPPOSED BERLANGA AND SALAZAR. ABSENT CANALES.**

Director Salazar made a motion to nominate Art Granado for the Chair position. He added that his position is no reflection on him, however, he does wish that the election was being held at a later date. Secretary Allison said that she has served six years, and she initially did not support Chair Granado in the position. However, throughout his time as Chair, he has been a great leader and has accomplished many goals. She seconded the motion. With no other nominations, Chair Granado called for the vote by acclamation.

**DIRECTOR ELOY SALAZAR MADE A MOTION TO NOMINATE ART GRANADO AS BOARD CHAIR. SECRETARY ALLISON SECONDED THE MOTION. CHAIR GRANADO CALLED FOR THE VOTE BY ACLAMATION. ALLISON, BERLANGA, CHARO, COLEMAN, JIMENEZ, MUÑOZ, OWENS, SALAZAR, AND TORRES VOTING IN FAVOR. OPPOSED NONE. ABSENT CANALES.**

Chair Granado thanked everyone. Director Salazar said that sometimes the board agrees to disagree, but at the end of the day, they come together and they need to support each other from that point forward. At this point, Chair Granado completed his Oath of Office, administered by Mr. Bell.

**Action to Elect CCRTA Board Vice Chair, Board Secretary, and Board Assistant Secretary(s)**

Chair Granado opened the floor for the Vice Chair, Board Secretary, and Board Assistant Secretary positions. Director Beatriz Charo made a motion to retain all of the current officer positions, with the addition of Director Jeremy Coleman as an additional Board Assistant Secretary. Vice Chair – Anna Jimenez, Secretary – Lynn Allison, Assistant Secretaries – Marisa Montiel and Jeremy Coleman. There were no further nominations.

**DIRECTOR BEATRIZ CHARO MADE A MOTION TO RETAIN ALL OF THE CURRENT OFFICER POSITIONS, WITH THE ADDITION OF DIRECTOR JEREMY COLEMAN AS ASSISTANT BOARD SECRETARY. DIRECTOR AARON MUNOZ SECONDED THE MOTION. ALLISON, BERLANGA, CHARO, COLEMAN, JIMENEZ, MUÑOZ, OWENS, SALAZAR, AND TORRES VOTING IN FAVOR. OPPOSED NONE. ABSENT CANALES.**

**Discussion and Possible Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Award a Three-Year Contract to Iconic Sign Group, LLC for Bus and Bench Advertising**

Ms. Rita Patrick, Managing Director of Public Relations, presented the item. She began by providing background, noting that the current contractor for internal and external bus advertising, along with bus stop benches and shelters, is Iconic Sign Group, LLC. She introduced Ray Hernandez with Iconic Sign Group to the Board and noted he was present. She added that Iconic has had the contract for over ten years, has provided excellent service, and is a well-established DBE. Ms. Patrick provided a background on the 2026 active fleet. The advertising parameters for both for-profit and non-profit organizations were displayed. Agreement details were discussed, including the locations of increased advertising opportunities. The RFP timeline was discussed, and it was noted that three proposals were received. The rating chart was displayed for the three proposals, and Iconic came in with the highest rating of 91.80. Iconic's Best and Final Agreement Offer was displayed, along with the percentage of gross revenue allocated to CCRTA per year, as per the three-year contract. Director Charo confirmed with Mr. Majchszak that modifications can be made if needed to ensure the contract is not limited to selling a certain number of advertising spots for profit versus non-profit purposes. He added that several non-profit agencies purchase the advertisements, so it should not be an issue. Director Salazar commented that he was pleased with the fact that this is a local agency and that they were the best price.

**DIRECTOR AARON MUNOZ MADE A MOTION TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO AWARD A THREE-YEAR CONTRACT TO ICONIC SIGN GROUP, LLC FOR BUS AND BENCH ADVERTISING. DIRECTOR ELOY SALAZAR SECONDED THE MOTION.**

***ALLISON, BERLANGA, CHARO, COLEMAN, JIMENEZ, MUÑOZ, OWENS, AND SALAZAR VOTING IN FAVOR. TORRES ABSTAINED. OPPOSED NONE. ABSENT CANALES.***

**Discussion and Possible Action to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Award a Contract to Bridgestone Americas Tire Operations, LLC for Bus Tire Leasing and Service in the amount of \$1,371,052.33**

Mr. Gordon Robinson, Managing Director of Operations, presented the item, noting Board Priority of Ridership. He provided background and stated that CCRTA utilizes a contractor for bus tire leasing and service charges for the large bus fleet. Tires are leased based on actual miles driven, with a minimum operating tread depth, and the contracted tire technician provides turnkey services. Contractor is also responsible for the disposal of scrap tires in accordance with all state and federal laws. The current Bus Tire Leasing and Services Contract is held with Bridgestone Americas Tire Operations, LLC. Mr. Robinson went over the IFB timeline, noting one bid was received and deemed responsive. In order to maintain discounted pricing, the New Bus Tire Leasing and Service contract is recommended for a five-year term with no option years. Expenditures will be determined by actual usage. There is no DBE requirement for the procurement. The pricing chart was displayed per year by tire size and monthly service charge, with a grand total of \$1,371,052.33.

**SECRETARY LYNN ALLISON MADE A MOTION TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO AWARD A CONTRACT TO BRIDGESTONE AMERICAS TIRE OPERATIONS, LLC FOR BUS TIRE LEASING AND SERVICE IN THE AMOUNT OF \$1,371,052.33. DIRECTOR AARON MUNOZ SECONDED THE MOTION. *ALLISON, BERLANGA, CHARO, COLEMAN, JIMENEZ, MUÑOZ, OWENS, SALAZAR, AND TORRES VOTING IN FAVOR. OPPOSED NONE. ABSENT CANALES.***

**Discussion and Possible Action to Amend the Board Policy on Contracting to Increase the Chief Executive Officer's Purchasing Authority**

Mr. Derrick Majchszak presented the update, along with Mr. John Bell, Legal Counsel. The history of the CEO's signature authority was discussed. He discussed how the existing board policy and Procedures establish the expenditure authority of the CEO and detail when and how competitive procurement takes place. Historically, the CEO's expenditure authority has tracked increases in the competitive bidding limits. In the past session, the Texas Legislature increased the competitive bidding limit from \$50,000 to \$100,000. The last change in this limit was in 2011, and on February 1, 2012, the RTA Board approved the increase in the expenditure authority of the CEO from \$25,000 to \$50,000 to match that adjustment. The prior increases in the CEO's authorization was displayed since December 1, 1985. The peer Texas transit agencies and local authorities CEO/General Manager authority limits were displayed. The general limit on competitive procurement is not addressed in the Board Policy on Contracting. As a result, effective September 1, CCRTA will be following the new State law, but staff will continue to utilize alternative competitive methods and validation procedures to make sure that it is getting the best value for CCRTA. In Part C of the Board Policy, the existing \$50,000 limit is noted for the requirement that any contracts for personal or professional services be posted at least two

weeks prior to award. That part of State law was not changed by the Legislature and will remain in effect. He displayed the contracts that have been executed between \$50,000-\$100,000 in the past year and through December 31, 2026. Mr. Majchszak also discussed current professional services agreements over \$50,000 and potential procurements that could come up.

Director Salazar said he did not feel a pressing need to increase the limit. He adds that the County limit is at \$50,000 and whether the City is at \$50,000 or \$100,000, both of their budgets are way higher than the RTA's and is not relevant in his opinion. He said he will support what the majority of the Board would like to do, but he just does not see the need due to the minimal level of contacts of that size that come to the Board. Director Berlanga agreed with Director Salazar and noted he would also support the Board, but does not see a need for the increase. Secretary Allison said that she supports an incremental, modest increase, but not the full amount, adding that it is no reflection on the CEO. Director Charo recommended increasing the limit to \$75,000 and reiterated that procurements are discussed at every Board meeting for transparency. A lengthy discussion was held on the differences between competitive procurements and professional services agreements.

**DIRECTOR BEATRIZ CHARO MADE A MOTION TO AMEND THE BOARD POLICY ON CONTRACTING PROCEDURES TO INCREASE THE CHIEF EXECUTIVE OFFICER'S PURCHASING AUTHORITY FROM TO \$75,000 FOR COMPETITIVE PROCUREMENT, INCLUDING CONSTRUCTION CHANGE ORDERS, AND MAINTAIN THE LIMIT OF \$50,000 FOR PROFESSIONAL SERVICES AGREEMENTS. VICE CHAIR ANNA JIMENEZ SECONDED THE MOTION. ALLISON, BERLANGA, CHARO, COLEMAN, JIMENEZ, MUÑOZ, OWENS, SALAZAR, AND TORRES VOTING IN FAVOR. OPPOSED NONE. ABSENT CANALES.**

#### **Discussion and Possible Action to Approve the FY 2025 Operating and Capital Budget – Amendment #1**

Mr. Robert Saldaña, presented the item noting the board priorities of Public Image and Transparency. He provided background stating on November 6, 2024, the CCRTA Board of Directors adopted the Fiscal Year 2025 Operating and Capital Budget. The Board of Director adopted a balanced budget, which included revenues and expenses both totaling \$58,983,064. As a governmental unit, CCRTA offers two separate 401(a) plans to assist full-time employees in planning for retirement. These include the Defined Benefit Plan (DBP) and the Defined Contribution Plan (DCP). Since the Defined Benefit Plan is funded by the CCRTA, the annual contribution is determined by an actuarial study performed each year. The annual contribution for 2025 was determined by the actuary at \$3,016,257. The amount paid in January 2025 was \$1,994,276, which requires an additional contribution of \$1,021,981. The CCRTA Board of Directors has an adopted funding policy for the Defined Benefit Plan and Trust. The policy states that the CCRTA Board of Directors approved a minimum funding level between 85% - 95%. On September 10, 2025, the Board of Directors authorized the additional Actuarial Determined Contribution of \$1,021,981 to the Defined Benefit Plan and Trust. The additional funding was necessary to ensure the CCRTA stays within the Board adopted 85% - 95% funding level.

**VICE CHAIR ANNA JIMENEZ MADE A MOTION TO APPROVE THE FY 2025 OPERATING AND CAPITAL BUDGET AMENDMENT #1. DIRECTOR JEREMY COLEMAN SECONDED THE MOTION. ALLISON, BERLANGA, CANALES, COLEMAN, GONZALEZ, MUÑOZ, SALAZAR, AND TORRES VOTING IN FAVOR. CHARO AND JIMENEZ OPPOSED. ABSENT NONE.**

**Discussion and Possible Action to Approve a Resolution for the Fare Structure, Subject to the Approval of the Corpus Christi Metropolitan Planning Organization Transportation Policy Committee (TPC)**

Mr. Robert Saldaña, Managing Director of Administration, presented the item noting the board priorities of Public Image and Transparency. He provided background noting that in order for CCRTA wants to create an efficient, modern transit system that is sustainable, adaptable, and aligns with our riders' needs, a fare adjustment is the first step to achieve this. He added that even with the proposed increase, CCRTA's fare will stay below the national average. He discussed the fare review process including the data collection, which includes over 1,000 surveys, planning analytics, and Title VI Fare Equity Analysis. There has only been one fixed-route base fare increase since 2006, which went from \$0.50 to \$0.75. CCRTA subsidizes approximately 95% of all trips. He displayed the reduced fare structure chart. Mr. Saldaña added that most agencies adjust their fares every three years and CCRTA's base fare is lower than cities with lower median income. CCRTA's fare recovery ratio is 2.4% and collects an average of \$0.25 per trip. This critically low ratio may affect federal funding, due to being designated as "financially underperforming". He displayed the State and Peer Comparison Chart and Texas Transit Agency Comparison. The recommended fare rates were displayed through January 2030, which includes the regular fixed-route base fare increasing to \$1.50 by that time (incrementally). The community benefits were discussed, which included supporting current and future service initiatives, sustaining CCRTA's workforce and training programs, maintaining a high level of safety and security, and ensuring long-term financial stability. Mr. Saldaña discussed the approval process timeline, and if approved, the fare adjustment would take effect on January 5, 2026.

**SECRETARY LYNN ALLISON MADE A MOTION TO APPROVE A RESOLUTION FOR THE FARE STRUCTURE, SUBJECT TO THE APPROVAL OF THE CORPUS CHRISTI METROPOLITAN PLANNING ORGANIZATION TRANSPORTATION POLICY COMMITTEE (TPC). DIRECTOR JEREMY COLEMAN SECONDED THE MOTION. ALLISON, BERLANGA, CHARO, COLEMAN, JIMENEZ, MUÑOZ, OWENS, SALAZAR, AND TORRES VOTING IN FAVOR. OPPOSED NONE. ABSENT CANALES.**

**Update on RCAT Activities**

Ms. Sharon Montez, presented the update from the RCAT meeting that was held on September 18<sup>th</sup>. Ms. Montez advised that she had presented the Unsung Hero Nomination and discussed items presented during the September Board of Directors Meeting along with Budget Workshop #2 overview. She announced the next RCAT meeting would be held on October 16<sup>th</sup>.

### Committee Chair Reports

- a) **Administration & Finance** – No report.
- b) **Operations & Capital Projects** – No report.
- c) **Rural & Small Cities** – No report.
- d) **Legislative** – Secretary Allison thanked Director Muñoz for participating in the trip to DC on behalf of CCRTA with the Chamber.

### Presentations

#### a) **August 2025 Financial Report**

Mr. Robert Saldaña, presented the August financials and noted the item aligns with the Board Priority of Public Image & Transparency. He presented the highlights for the month stating Passenger Service 100.60% of baseline, Bus Advertising 107.05% of baseline, Operating Grant Revenue was 111.03% of baseline, and total operating & non-operating revenue was 100.15% of baseline. He displayed the August 2025 Income Statement Snapshot. Total revenues amounted to \$8,423,556, while total expenses totaled \$8,300,919. He displayed the revenue categories. The operating vs. non-operating revenue was displayed and discussed. The year-to-date total operating and non-operating revenues and capital funding were \$39,504,184. Next, he discussed and displayed a pie chart of where the money went. Mr. Saldaña showed the expenses by object for August. The August month-end FRC is 2.54%. Next, he displayed the sales tax update for August in which \$3,630,992 was received. Mr. Saldaña discussed the Fund Balance as of August 31, 2025. The total designated and unrestricted balance was reported at \$33,213,208.

#### b) **October 2025 Procurement Update**

Mr. Saldaña presented the update, noting the Board Priority of Public Image & Transparency. The current procurements issued were discussed: long-term & short-term disability insurance with an estimated cost of \$579,106, life & accidental death and dismemberment insurance with an estimated cost of \$489,449, and power washing for the transfer stations with an estimated cost of \$640,939. These procurements were estimated to total \$1,709,494. The three-month future procurement outlook was displayed, which included the Texas Municipal League Intergovernmental Risk Pool with an estimated total of \$1,008,849. Next, the three-month outlook under the CEO's signature authority was displayed and discussed. All these items are \$50,000 or less. The items totaled \$242,273.

#### c) **August 2025 Operations Update**

Mr. Gordon Robinson, Managing Director of Operations, presented the report. He provided the highlights for the month of August 2025 vs. August 2024. The Passenger Trips were up 1.5%, the Revenue Service Hours were down 1.3% and the Revenue Service Miles were up 0.1%. He displayed the RTA System Monthly Ridership Trends and the System-Wide Monthly Ridership by Mode. He noted year-to-date, the system overall was up 1.5%. He displayed the Top Ten Route Total Ridership and Bottom Ten Route Ridership numbers for August 2025. Mr. Robinson reported the Passenger Per Revenue Hour (Weekday) for August 2025. He displayed a pie chart of student ridership for August 2025. Total student ridership came in at 38,934 or 13% of total ridership. Next, he discussed the fixed route bus

on-time performance and reported no issues. He presented the list of current and upcoming projects impacting fixed route services. The B-Line service passengers per hour came in at 2.56 for the month of August. Lastly, he presented the Fixed route customer assistance and B-Line customer assistance forms. The miles between road calls and the large bus fleet exceeded the standards.

### **CEO Report**

Mr. Majchszak presented the report and went over the operation and project updates. He discussed the Small Cities Committee of Mayors Board Appointment Panel Meeting. The APTA TRANSform conference and Coastal Bend to DC trip highlights were discussed. The monthly meetings and events for the month were highlighted. He announced that he was re-appointed as TTA's President-Elect, with the intention of transitioning to the President in the Fall of 2026. The winners of the CCRTA local Rodeo were announced, and photos were displayed. 40' Bus – Oscar Zamora (1<sup>st</sup>), James Brown (2<sup>nd</sup>), and Vinny De La Paz (3<sup>rd</sup>). 27' Cutaway Busses – Grace Osborne and Greg Galindo (both tied for 1<sup>st</sup>), and Jose Valenzuela (3<sup>rd</sup>). Maintenance – Rudy Lopez (1<sup>st</sup>), Michael Castillo (2<sup>nd</sup>), and Juan Hernandez (3<sup>rd</sup>). The participation in community events was displayed for the month. The upcoming calendar of events was displayed. Mr. Majchszak noted he hosted several townhall sessions where employees were welcome to join me in conversation and share their ideas, promoting open discussion and collaboration.

### **Reports from Board Chair and Board Members**

Chair Granado congratulated Mr. Majchszak on his leadership position with the TTA, thanked the Board for their support in his position as Board Chair, and thanked the Board Members who traveled to Boston for the conference and DC. Several Board Members congratulated Derrick on his TTA leadership position, newly appointed Director Owens, and re-appointed Director Charo, as well as the Board-elected positions. They thanked Director Gonzalez for his service to the RTA. Director Berlanga discussed the APTA Conference and noted he would like to see more staff travel to bring back the knowledge. Director Salazar said they may not all agree, but he has seen through the years that they all work together unified at the end of the day. He added that he will always advocate for small businesses. Vice-Chair Jimenez said it was a great experience attending the local rodeo and seeing the RTA team compete. Director Charo said she was happy to begin her new term, having learned a great deal during her prior terms and looking forward to continuing to do so. Director Owens said she was pleased to be on the Board and provided a brief overview of her transportation experiences. Director Coleman discussed his experience at the APTA conference.

### **Adjournment**

There being no further review of items, the meeting was adjourned at 10:57 a.m.

At this time, Mr. Robert Saldaña presented 2026 Budget Workshop #3 to the board, covering Expenses – Operations and Overview.

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Lynn Allison, Board Secretary

Submitted by: Marisa Montiel

**Subject:** Announcement of CCRTA Committee Chairs and Appointments by the Board Chair and Action to Confirm Committee Chairs and Appointments

**Background**

The Authority has four standing Committees; the Administration & Finance Committee, Operations & Capital Projects Committee, the Rural and Small Cities Transit Committee and the Legislative Committee. The Administration & Finance Committee and Operations & Capital Projects Committee meetings are scheduled to meet monthly to discuss and review in detail matters concerning the Authority. The Rural and Small Cities Transit Committee and the Legislative Committee meetings are scheduled to meet quarterly, or as required, to discuss and review in detail matters concerning the Authority.

**Identified Need**

Section 3.07 of the Bylaws states that “The members of all Board committees shall be appointed by the Chair, subject to confirmation by the Board. The Chair shall be a member of all such committees.”

**Recommendation**

The Board Chair will recommend Board Members, with the respective chairs, to participate in designated Committees.

Respectfully Submitted,

Submitted by: s /s Arthur Granado  
Arthur Granado  
Board Chair

## CURRENT CCRTA COMMITTEE APPOINTMENTS

### Administration & Finance Committee

Beatriz Charo - Committee Chair

David Berlanga

Gabi Canales

Anna Jimenez

**Vacant**

### Operations & Capital Projects Committee

Aaron Muñoz – Committee Chair

Lynn Allison

Jeremy Coleman

Eloy Salazar

Amanda Torres

### Rural and Small Cities Transit Committee

**Vacant – Committee Chair**

David Berlanga

Beatriz Charo

Anna Jimenez

Eloy Salazar

### Legislative Committee

Lynn Allison – Committee Chair

Gabi Canales

Jeremy Coleman

Aaron Muñoz

Amanda Torres



## RECOMMENDED CCRTA COMMITTEE APPOINTMENTS

### **Administration & Finance Committee**

Anna Jimenez - Committee Chair  
David Berlanga  
Gabi Canales  
Jeremy Coleman  
Aaron Muñoz

### **Operations & Capital Projects Committee**

Amanda Torres – Committee Chair  
Lynn Allison  
Beatriz Charo  
Beth Owens  
Eloy Salazar

### **Rural and Small Cities Transit Committee**

Beatriz Charo – Committee Chair  
David Berlanga  
Beth Owens  
Eloy Salazar  
— Amanda Torres

### **Legislative Committee**

Lynn Allison – Committee Chair  
Gabi Canales  
Jeremy Coleman  
Anna Jimenez  
Aaron Muñoz

**Subject:** Adopt the Fiscal 2026 Board and Committee Meetings Calendar

**Background**

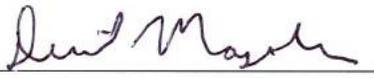
Each year, the Board adopts a meeting calendar for the upcoming year. The CCRTA monthly Board Meeting(s) are typically scheduled on the first (1<sup>ST</sup>) Wednesday of each month. The Administration & Finance Committee and Operations & Capital Projects Committee are typically held on the fourth (4<sup>TH</sup>) 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 Adopt the 2026 Board and Committee Meetings Calendar.

Respectfully Submitted,

Submitted by: Marisa Montiel  
Executive Administrative Assistant & Assistant Board Secretary

Final Approval by:   
Derrick Majchszak  
Chief Executive Officer

**DRAFT 2026 Meeting Calendar - CCRTA Board of Directors**

JANUARY						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

**January**

**7<sup>TH</sup> – BOARD Mtg.**  
8:30 a.m.

**28<sup>TH</sup> – COMMITTEE Mtgs.\***  
8:30 a.m. Admin. & Finance  
9:30 a.m. Ops.&Cap.Projects  
*(est. held after Admin. mtg.)*

**July**

**1<sup>ST</sup> – BOARD Mtg.**  
8:30 a.m.

**22<sup>ND</sup> – COMMITTEE Mtgs.\***  
8:30 a.m. Admin. & Finance  
9:30 a.m. Ops.&Cap.Projects  
*(est. held after Admin. mtg.)*  
*\*APTA Board Seminars (Detroit)*

JULY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

FEBRUARY						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

**February**

**4<sup>TH</sup> – BOARD Mtg.**  
8:30 a.m.

**25<sup>TH</sup> – COMMITTEE Mtgs.\***  
8:30 a.m. Admin. & Finance  
9:30 a.m. Ops.&Cap.Projects  
*(est. held after Admin. mtg.)*

**August**

**5<sup>TH</sup> – BOARD Mtg.**  
8:30 a.m.

**26<sup>TH</sup> – COMMITTEE Mtgs.\***  
8:30 a.m. Admin. & Finance  
9:30 a.m. Ops.&Cap.Projects  
*(est. held after Admin. mtg.)*

AUGUST						
S	M	T	W	T	F	S
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23	24	25	26	27	28	29
30	31					

MARCH						
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

**March**

**4<sup>TH</sup> – BOARD Mtg.**  
8:30 a.m.

**25<sup>TH</sup> – COMMITTEE Mtgs.\***  
8:30 a.m. Admin. & Finance  
9:30 a.m. Ops.&Cap.Projects  
*(est. held after Admin. mtg.)*

**September**

**2<sup>ND</sup> – BOARD Mtg.**  
8:30 a.m.

**23<sup>RD</sup> – COMMITTEE Mtgs.\***  
8:30 a.m. Admin. & Finance  
9:30 a.m. Ops.&Cap.Projects  
*(est. held after Admin. mtg.)*

SEPTEMBER						
S	M	T	W	T	F	S
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20	21	22	23	24	25	26
27	28	29	30			

APRIL						
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19	20	21	22	23	24	25
26	27	28	29	30		

**April**

**1<sup>ST</sup> – BOARD Mtg.**  
8:30 a.m.

**22<sup>ND</sup> – COMMITTEE Mtgs.\***  
8:30 a.m. Admin. & Finance  
9:30 a.m. Ops.&Cap.Projects  
*(est. held after Admin. mtg.)*  
*\*APTA Legislative (DC)*  
*\*TTA State Rodeo (Lubbock)*

**October**

**14<sup>TH</sup> – BOARD Mtg.**  
8:30 a.m.

**28<sup>TH</sup> – COMMITTEE Mtgs.\***  
8:30 a.m. Admin. & Finance  
9:30 a.m. Ops.&Cap.Projects  
*(est. held after Admin. mtg.)*  
*\*APTA Transform- Oct. 4-7 (Chicago)*

OCTOBER						
S	M	T	W	T	F	S
				1	2	3
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

MAY						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

**May**

**6<sup>TH</sup> – BOARD Mtg.**  
8:30 a.m.

**27<sup>TH</sup> – COMMITTEE Mtgs.\***  
8:30 a.m. Admin. & Finance  
9:30 a.m. Ops.&Cap.Projects  
*(est. held after Admin. mtg.)*  
*\*TTA State Rodeo Cont. (Lubbock)*  
*\*APTA Int. Rodeo- MAY 15-19 (Salt Lake City)*

**November**

**4<sup>TH</sup> – BOARD Mtg.**  
8:30 a.m.

**18<sup>TH</sup> – COMMITTEE Mtgs.\***  
8:30 a.m. Admin. & Finance  
9:30 a.m. Ops.&Cap.Projects  
*(est. held after Admin. mtg.)*

NOVEMBER						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

JUNE						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

**June**

**3<sup>RD</sup> – BOARD Mtg.**  
8:30 a.m.

**24<sup>TH</sup> – COMMITTEE Mtgs.\***  
8:30 a.m. Admin. & Finance  
9:30 a.m. Ops.&Cap.Projects  
*(est. held after Admin. mtg.)*

**December**

**2<sup>ND</sup> – BOARD Mtg.**  
8:30 a.m.

**No COMMITTEE Mtgs.**

DECEMBER						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

**Subject:** Award a Contract to 90 Degrees Benefit for Third-Party Administration for Employee Group Health, Vision and Dental Insurance

**Background**

The CCRTA has had the Third-Party Administration offered by 90 Degrees Benefits, for over 15 years. CCRTA employs approximately 240 full-time employees. These employees are provided with Health, Vision and Dental Benefits. We provide a self-funded benefit program with a variety of benefits for our employees to utilize. In this time, we have been able to enhance the benefits offered to our employees due to the relationship that we have built with their representatives.

Breakdown of Current Employee/Retiree Enrollment: 230

Status	# of Enrollees (Active Employees)	# of Enrollees (Retirees)	Total Enrollees
Employee Only	115	4	119
Family Only	109	2	111

**Identified Need**

The current contract for group health, vision and dental benefit program is currently administered by 90 Degrees Benefits and is scheduled to expire on December 31, 2025. It is important to have a Third-Party Administrator manage our self-insurance plan available for our employees and their dependents to ensure that their healthcare is being administered properly. We also find it of importance to meet the Affordable Care Act (ACA) requirements for organizations with large groups of employees to offer insurance. The Third-Party Administrator has provided support and guidance services regarding how to manage the plan and implementation process of various services which are offered.

**Analysis**

A Request for Proposals was issued on July 15<sup>th</sup>, the pre-proposal was held on July 29<sup>th</sup>, the proposals were due August 26<sup>th</sup>, and three (3) proposals were received. The proposer with the highest technical score is 90 Degrees Benefits. A Best and Final Offer was issued out to them on October 10<sup>th</sup> and the total estimated cost annually is \$225,513.68.

There was a total of seventeen (17) prospective proposers who downloaded the forms, but only three (3) proposals were received. The evaluation criteria consisted of the following:

- Scope of Services & Approach 35 pts
- Experience & Qualifications 30 pts
- Transition & Implementation Plan 5 pts
- Value-Added Services 5 pts
- Cost 25 pts

The table below represents the results of the evaluations:

Vendors	Scope of Services & Approach (35 points)	Experience & Qualifications (30 points)	Transition & Implementation Plan (5 points)	Value-Added Services (5 points)	Costs (25 points)	Total Score Maximum Points 100
90 Degree Benefits	30.4	27.6	5	5	18.59	86.59
Health Care Service Corporation (BCBS)	28.4	26.6	4	3.4	17.83	80.23
Multisurance	27.4	16	4.2	2.6	25.00	75.20

The table below lists the total costs:

Vendors	Total Five-Year Base Costs
90 Degree Benefits (BAFO)	\$1,127,568.40
Health Care Services Corporation (BCBS)	\$1,332,456.00
Multisurance	\$674,574.50

### Disadvantaged Business Enterprise

This item is not funded by federal funds.

### Financial Impact

The FY 2026 amount included the listed items below and is budgeted within the Human Resources departmental budget. The annual cost for FY2026 is estimated at \$225,513.68. This cost encompasses the administration for the self-funded insurance plan for medical, vision, dental, underwriting, plan compliance, and claim transactions fees which are all associated with the administration provided by the current incumbent, 90 Degrees Benefits.

### Services Provided:

- Administration of Plan Benefit (Provide call center, explain co-pay, benefit allowance information to requesting doctor offices)
- Case Management Services (Provides large claimants access to care issues to ensure in-network services are being utilized properly, provides access to medications that are needed)
- Audits for Stop-Loss Carrier (Conducts audits to ensure that reimbursements are performed properly and accurately)
- Fiduciary for Plan (Third-Party Administrator makes payments for claims on our behalf; also protect CCRTA from liability)

- Intermediary with Pharmacy Benefit Manager (Negotiate better deals to provide us with annual savings)

**Board Priority**

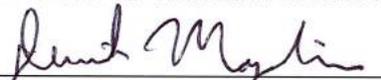
The Board Priority is Transparency.

**Recommendation**

Staff requests the Board of Directors to authorize the Chief Executive Officer (CEO) or designee to award a five-year contract to 90 Degrees Benefit for Third-Party Administration for Employee Group Health, Vision and Dental Insurance Benefits for an amount not to exceed \$1,127,568.40.

Respectfully Submitted,

Submitted &            Angelina Gaitan  
Reviewed by:        Director of Human Resources

Final Approval by:   
Derrick Majchszak  
Chief Executive Officer



**Subject:** Approve the Fiscal Year 2026 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 FY2026 Holidays and Service Levels.

**Financial Impact**

Costs associated with the FY2026 Holidays and Service Levels are included in the proposed FY2026 Operating Budget.

**Board Priority**

The Board Priority aligns with Ridership.

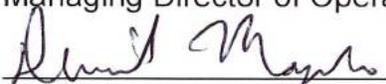
**Recommendation**

Staff recommends the Board of Directors approve the Fiscal Year 2026 Holidays and Service Levels.

Respectfully Submitted,

Submitted by: Liann Alfaro  
Director of Planning

Reviewed by: Gordon Robinson  
Managing Director of Operations

Final Approval by:   
Derrick Majchszak  
Chief Executive Officer



To: CCRTA & Contract Employees

**ATTACHMENT A**

From: Derrick Majchszak, Chief Executive Officer \_\_\_\_\_

Re: 2026 Holidays and Service Levels

The 2026 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
Thursday	January 1, 2026	New Year's Day *	Sunday Service Level	CCRTA Holiday: Administration and Customer Service Closed
Monday	January 19, 2026	Martin Luther King Jr. Day	Saturday Service Level	CCRTA Observed Holiday: Administration and Customer Service Closed
Friday	April 3, 2026	Good Friday (Administration Holiday)	Weekday Service Level	CCRTA Observed Holiday: Administration and Customer Service Closed
Sunday	April 5, 2026	Easter Sunday	No Service	CCRTA Holiday: All Facilities Closed
Monday	May 25, 2026	Memorial Day	Sunday Service Level	CCRTA Holiday: Administration and Customer Service Closed
Friday	June 19, 2026	Juneteenth	Weekday Service Level	CCRTA Holiday: Administration and Customer Service Closed
Saturday	July 4, 2026	Independence Day	Sunday Service Level	CCRTA Holiday: Administration and Customer Service Closed on July 3, 2026
Monday	September 7, 2026	Labor Day	Sunday Service Level	CCRTA Holiday: Administration and Customer Service Closed

<b>Day</b>	<b>Date</b>	<b>Holiday</b>	<b>Service Level</b>	<b>Comments</b>
Thursday	November 26, 2026	Thanksgiving	No Service	CCRTA Holiday: All Facilities Closed
Friday	November 27, 2026	Day after Thanksgiving (Administration Holiday)	Weekday Service Level	CCRTA Observed Holiday: Administration and Customer Service Closed
Thursday	December 24, 2026	Christmas Eve	Saturday Service Level	No CCRTA Holiday
Friday	December 25, 2026	Christmas	No Service	CCRTA Holiday: All Facilities Closed
Thursday	December 31, 2026	New Year's Eve	Weekday Service Level: Terminates in Early Evening	No CCRTA Holiday
Friday	January 1, 2027	New Year's Day	Sunday Service Level	CCRTA Holiday: Administration and Customer Service Closed

\* Approved in 2025 Holidays and Service Levels calendar

**Subject:** Award Multiple Two-Year Contracts to C.C. Freightliner, Crossline Supply, LLC, Cummins Southern Plains LLC, J. David White Associates, Inc. dba White Associates, and Muncie Transit Supply for Internal and External Engine Parts

**Background**

The CCRTA purchases most of the parts needed to maintain the fleet through bus and engine parts contracts. The replacement parts are distinct to meet or exceed Original Equipment Manufacturer (OEM) or approved equals. Although the Vehicle Maintenance Department may only purchase a portion of the parts, it's beneficial to secure favorable pricing and take advantage of volume discounts through these contracts, acquiring parts as needed.

**Identified Need**

With the current contract expiring, a new two-year contract is required to ensure product availability. This will allow us to meet demands and maintain competitive pricing. The contract will include parts for all specialized internal and external engine parts to keep the fleet in State of Good Repair and maintain any warranty coverages.

**Disadvantaged Business Enterprise**

There is no DBE requirement for this procurement.

**Financial Impact**

The estimated two (2) year contracts are \$900,200.00, with funds allocated in the Board approved annual operating budgets. The recommended contract award amounts per bidder are detailed in the table below.

**Estimated Parts Usage for Two (2) Year Contract Term**

Bidder	Estimated Year 1 and Year 2 Totals	Total Extended Cost for Years 1 and 2
C. C. Freightliner	526	\$90,000.00
Crossline Supply, LLC	224	\$5,000.00
Cummins Southern Plains LLC	4,688	\$764,200.00
J. David White Associates, Inc. dba White Associates	120	\$1,000.00
Muncie Transit Supply	1,508	\$40,000.00
<b>Totals</b>	<b>7,066</b>	<b>\$900,200.00</b>

Total expenditures will be determined based on actual parts usage. Funding historically includes a combination of Federal Transit Administration Preventative Maintenance formula funds and local funds.

**Board Priority**

The Board Priority aligns with Ridership.

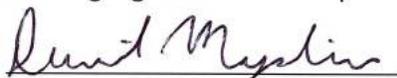
**Recommendation**

Staff requests the Board of Directors authorize the Chief Executive Officer (CEO) or designee to award multiple two-year contracts to C.C. Freightliner, Crossline Supply, LLC, Cummins Southern Plains LLC, J. David White Associates, Inc. dba White Associates, and Muncie Transit Supply for Internal and External Engine Parts, not to exceed a total amount of \$900,200.00.

Respectfully Submitted,

Submitted by: Bryan Garner  
Director of Maintenance

Reviewed by: Gordon Robinson  
Managing Director of Operations

Final Approval by:   
Derrick Majchszak  
Chief Executive Officer

**Subject:** Authorize the Purchase of Two (2) Lone Star ProMaster 3500 Vans from Model 1 Commercial Vehicles through the State of Washington Department of Enterprise Services Contract

### **Background**

The current fleet of fifty-seven (57) ARBOC Cutaway vans consists of fifty-five (55) Unleaded and two (2) Compressed Natural Gas (CNG) ARBOC Cutaway Vans. To maintain the fleet in a state of good repair while meeting daily service demands, the purchase of two (2) vehicles is necessary to replace an equal number of vehicles which have met their useful life.

With the passage of the 2021 Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law (BIL), the Federal Transit Administration (FTA) allows local transit agencies to purchase vehicles from state cooperatives, including the State of Washington Department of Enterprise Services Contract, that meet the FTA procurement guidelines. Model 1 Commercial Vehicles was founded in 1980 and has 23 locations nationwide including Irving, Texas.

### **Identified Need**

The purchase of two (2) Lone Star ProMaster 3500 Unleaded fueled vans will replace an equal number of CNG fueled ARBOC Cutaway vans that have met their useful life. This replacement aligns with FTA's State of Good Repair replacement cycle. This purchase will help prevent excessive maintenance costs, minimize potential disruptions to daily operations, and ensure fleet reliability for our customers. In addition, the use of these replacement vehicles will result in lower operating and fuel costs due to an increase in fuel efficiency as compared to the Cutaway vans fleet while providing easier access to serve locations with constrained roadways or driveways.

### **Disadvantaged Business Enterprise**

There is no DBE requirement for this procurement.

### **Financial Impact**

The Board of Directors approved a total of \$782,000.00 for two (2) Cutaway Van replacement vehicles within the FY2025 Capital Improvement Program (CIP). Replacing two (2) ARBOC vehicles with two (2) Lone Star ProMaster vans will result in an estimated cost savings of \$148,702.76 per vehicle or \$296,405.52 for two vehicles.

The estimated cost per Lone Star ProMaster van is \$212,178.24, for a total cost of \$424,356.48. This purchase is partially funded by FTA 5307 Formula Funds, with a 15% local match of \$63,653.47 and an 85% federal match of \$360,703.01.

### **Board Priority**

The Board Priority aligns with Ridership.

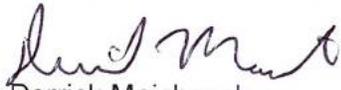
**Recommendation**

Staff requests the Board of Directors authorize the Chief Executive Officer (CEO) or Designee to authorize the purchase of two (2) Lone Star ProMaster 3500 vans from Model 1 Commercial Vehicles, through the State of Washington Department of Enterprise Services Contract, for a total not to exceed amount of \$424,356.48.

Respectfully Submitted,

Submitted by: Bryan Garner  
Director of Maintenance

Reviewed by: Gordon Robinson  
Managing Director of Operations

Final Approval by:   
Derrick Majchszak  
Chief Executive Officer

**Subject:** Discussion and Possible Action to Approve Excused Absences by Board Member Gabi Canales Concerning Attendance at Particular Board Meetings

### **Background**

Chapter 451 of the Texas Transportation Code provides that transit authority boards must have at least one regular meeting each month to transact the business of the authority. Special meetings may be called at other times by the presiding officer or the CEO. Board members are required to attend at least one-half of the regular meetings of the Board each year. No requirement is made for attendance at special meetings, committee meetings, retreats or workshops.

Under Section 451.510, a Board member may be removed from office, either by the RTA Board or the entity that appointed the Board member, in the event of:

- (6) absence, without having been excused by a majority vote of the board, from more than one-half of the regularly scheduled board meetings that the member is eligible to attend during a calendar year.

The statute does not impose any standards or requirements on excusing absences other than the requirement that they be approved by a “majority vote of the board.” For such approval to take place, the item must be properly posted on an agenda for a Board meeting identifying the nature and specific purpose of the action item.

Historically, the Board has not excused absences from regular Board meetings, and it has not adopted a policy on the issue. For some organizations, excused absences are granted routinely and others require specific information on the reason for the excuse or a specific timetable, such as at the following meeting. As a legal matter, the CCRTA Board may approve excused absences for any reason or no reason or require that a certain policy and procedure be followed. If the Board adopts a policy, however, the Board is required to follow the policy until it acts to change the policy.

### **Identified Need**

Board member Gabi Canales is requesting that some of her absences at regular meetings in 2025 be excused. The records of the regular Board meetings in 2025 reflect (7) seven absences at the following meetings, with the request for (3) three excused absences noted:

January 8, 2025	
February 5, 2025	
March 12, 2025	
June 4, 2025	Due a trial underway that could not be rescheduled
July 2, 2025	Due to illness of having COVID
August 6, 2025	Due a trial underway that could not be rescheduled
October 1, 2025	



**Financial Impact**

This agenda item has no financial impact.

**Board Priority**

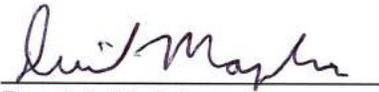
This agenda item does not involve any established Board Priorities.

**Recommendation**

Staff makes no recommendation concerning this agenda item as it solely is a matter for determination by the Board by State law.

Respectfully Submitted,

Submitted by: John D. Bell  
General Counsel

Final Approval by:   
Derrick Majchszak  
Chief Executive Officer

**Subject: September** Adopt the FY2026 CCRTA Operating and Capital Budget of \$52,571,008.

### **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 08, 2025, to be completed in time for the public hearing scheduled on October 22, 2025. The public notice was posted October 06, 2025, 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 with an opportunity to provide input prior to the adoption of the FY2026 Operating and Capital budget. The FY2026 Operating and Capital budget accounts for 332,829 hours of service covering 846 square miles and over 3.6 million passenger trips, maintaining 4 transfer stations, 3 park and rides and a fleet of 118 fixed and paratransit vehicle; as well as a fleet of support vehicles.

The CCRTA staff has conducted three (3) prior budget workshops detailing department line-item budgets:

Budget workshop #1 was conducted on August 06, 2025. The workshop reviewed Assumptions, Regional Economic Trends, FY2026 Projected Revenues and Administrative Support department's budget: MIS, Procurement, Finance and Accounting and Administration (Admin, Grants, and Budget & Capital Improvement Projects).

Budget workshop #2 was conducted on September 10, 2025. The workshop reviewed the following areas: CEO, Human Resources, Public Relations, Safety & Security, Customer Service, Facilities Management, Capital Programs and Staples Street Center.

Budget workshop #3 was conducted on October 1, 2025. The workshop reviewed the following Operational areas: Transportation, Purchased Transportation, Service Development, Vehicle Maintenance, Materials Management, Debt Service, Special Projects, Sub-recipient Agreements, Street Maintenance Allocation, Five-Year Service Plan, Five-Year CIP, FY2026 Budget Overview and Five-Year Financial Plan.

The CCRTA Management Staff also conducted the FY2026 Budget Public Hearing #1 on October 22, 2025, at 5:30pm. The Public Hearing is an overview of the FY2026 Operating and Capital budget.

**Financial Impact**

The CCRTA is projecting total revenues to come in at \$52,571,008. The following are the key revenue categories:

1. Projected Sales Tax - \$43,011,601
2. Projected Operating Grant revenue - \$5,365,031
3. Projected Capital Grant revenue - \$550,309
4. Projected Fare revenue - \$1,422,520
5. Other Projected revenue - \$2,221,547

Projected operating expenses are expected to come in at \$51,806,529 and capital expenses at \$764,479.

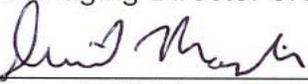
**Recommendation**

Staff recommends the Board of Directors adopt the proposed FY2026 Operating and Capital Budget of \$52,571,008.

Respectfully Submitted,

Submitted by: Alejandro Agustin  
Budget Analyst

Reviewed by: Robert M. Saldaña  
Managing Director of Administration

Final Approval by:   
Derrick Majchszak  
Chief Executive Officer



# Annual Comprehensive Financial Report

For the Fiscal Years Ended  
December 31, 2024 and 2023

Corpus Christi, Texas



# Corpus Christi Regional Transportation Authority

## Corpus Christi, Texas

### Annual Comprehensive Financial Report

For the Fiscal Years Ended December 31, 2024 and 2023



#### Mission

The Corpus Christi Regional Transportation Authority was created by the people to provide quality transportation and enhance the regional economy in a responsible manner consistent with its financial resources and the diverse needs of the people.

#### Vision

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.

*Prepared by the Finance Department*



**CORPUS CHRISTI REGIONAL  
TRANSPORTATION AUTHORITY**

# **2024**

## **Introductory Section**

Annual Comprehensive Financial Report

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY  
ANNUAL COMPREHENSIVE FINANCIAL REPORT**

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September 26, 2025

**To the Citizens of the CCRTA Transit Service Area and the Board of Directors:**

We are pleased to submit to you the Corpus Christi Regional Transportation Authority's (the Authority) Annual Comprehensive Financial Report (*ACFR*) for the fiscal year ended December 31, 2024. The ACFR is prepared annually in compliance with the Texas statute and Federal Single Audit Act requirements to have an annual audit of our basic financial statements performed by an independent certified public accountant or firm of independent certified public accountants. In accordance with Texas and Federal Statutes including Section 451.451, Subchapter J, of the Texas Transportation Code, this report is being published and submitted to fulfill these requirements.

Management assumes full responsibility for the accuracy, completeness and reliability of the information contained in this report, which is based upon a comprehensive framework of internal controls established specifically for this purpose. The internal controls are designed to provide reasonable, rather than absolute assurances that the financial statements presented are free of any material misstatements. We believe that the financial statements are presented accurate in all material aspects and in accordance with accounting principles generally accepted in the United States of American (GAAP) for local government units.

All disclosures necessary to enable its reader to gain an understanding of the Authority's financial affairs have been included. In addition, the Authority continues to prioritize transparency in all areas of the organization. We strive to be accountable to the citizens of the communities we serve by being good stewards, measuring fiscal performance, and cultivating integrity into all aspects of our culture, operations, and services.

This report is presented in four parts:

1. **The Introductory Section** includes this letter of transmittal, the 2023 Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting, an organizational chart and a listing of the Board of Directors and members of the management team.
2. **The Financial Section** presents the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), and the basic financial statements with accompanying notes.
3. **The Statistical Section** provides unaudited financial, economic and other miscellaneous information that is useful for indicating trends for comparative fiscal periods.

**4. The Single Audit Section** contains the independent auditor’s report on internal control of financial reporting and on compliance, along with the independent auditors’ report on compliance for each major federal program and on internal control over compliance required by the uniform guidance.

Management’s Discussion and Analysis (MD&A) immediately follows the Independent Auditors’ Report and provides a narrative introduction, overview and analysis of the basic financial statements. This transmittal letter complements the MD&A and should be read in conjunction with it.

The independent certified public accounting firm of Adamson & Company LLC has rendered an unmodified opinion on the Authority’s financial statements for the year ended December 31, 2024. The independent auditor’s report is presented as the first item in the financial section of this report.

## **PROFILE OF THE AUTHORITY**

The system’s legal name is Corpus Christi Regional Transportation Authority (Authority). In June 1984 the Authority was first created by ordinance from the City of Corpus Christi. It operated with a 5-member interim board appointed by the City of Corpus Christi until the confirmation election in August 1985. By majority vote of the taxpayers in Nueces and San Patricio counties, voters approved the funding of the Authority through a one-half cent sales tax levied in Corpus Christi and seven other unincorporated areas of Nueces County. Operations commenced January 1, 1986.

Located in Corpus Christi, Texas, on the coast of the Gulf of Mexico, the Authority is the regional operator of public transportation in Nueces County and part of San Patricio County. Nueces County includes the cities of Agua Dulce, Bishop, Corpus Christi, Driscoll, Port Aransas, Robstown, and unincorporated areas. San Patricio includes the cities of Gregory and San Patricio. Across a service area of 846 square miles with an estimated population of 353,125 of which 317,317 or 89.86% is from the Corpus Christi area, the transit system provides various modes of transportation to accommodate the needs of the public.

When the Authority was first formed, the letter “B” was chosen as a symbol that not only would uniquely identify the Authority but would simultaneously exemplify our mission. The “B” stands for “Bus”. The logo designed has since been rebranded, but the mission remains focused on providing affordable mobility access to employment, community resources, medical care, and recreational opportunities to every citizen.

Over the years, the services have transformed from a single fixed-route platform servicing only the urban areas of the City of Corpus Christi, to providing enjoyable and reliable options for connecting the rural suburban neighborhoods within the City and the surrounding areas. Paratransit services now supplement fixed routes and include demand-response curb-to-curb service to qualified individuals. In addition, the Authority assists people in creating vanpools and rideshare programs to promote a more affordable and convenient way to travel while increasing the Authority’s commitment to improve environmental quality.

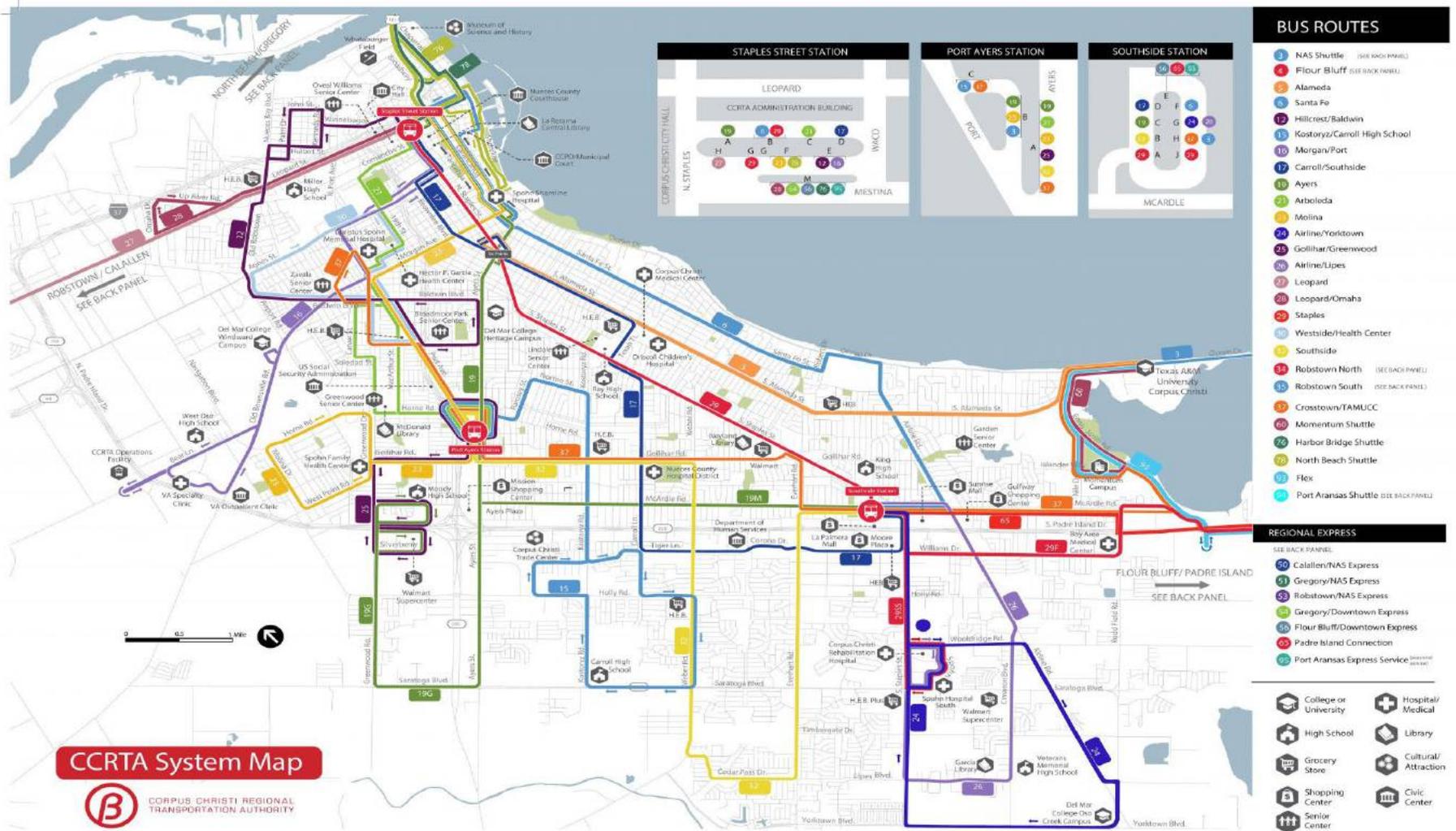
The Authority serves as a lifeline to our riders during normal conditions as well as in times of catastrophic events, the most recent being the unprecedented Coronavirus pandemic that first impacted the area in 2020 and continued its presence throughout 2025. The pandemic affected all sectors of the economy, but the Authority successfully overcame these challenges and continues to be the connecting force that links the community closer together, keeping its promise to connect residents to their destinations. In 2024, ridership increased by 407,624 or 12.37% from 2023 by ending the year with 3,711,098 passenger trips compared to 3,303,474. 2024 ridership represents 70.69% of the 5,249,866 pre-Covid levels, and the Authority continues to adjust its service plan to meet the changing needs of riders in the community.

With a fleet of 123 buses, the Authority provides a variety of services to meet different transportation needs using 88 buses for fixed-route services and 35 buses for paratransit services. The conventional fixed-route services are operated by the Authority and a third-party contractor, while paratransit services, which are more flexible and do not conform to a fixed schedule or route, are exclusively contracted out. Paratransit services provide on-demand curb-to curb response service which allowed passengers to book their trip during service operating hours along with Flexi-B routes which is a ride-sharing program that picks up and drops off passengers at any bus stop along the route. A vanpool program is also another mode of transportation services that currently operates 35 vehicles.

The Authority also serves in connecting tourists and vacationers to popular attractions. A seasonal express route to Padre Island complements the two year-round shuttles to downtown Corpus Christi and Port Aransas, Texas. Shuttles are buses equipped with ADA accessible wheelchair lifts, bicycle racks and complementary wi-fi. Accordingly, the Authority is instrumental in the success of public activities by providing special movement services during community events that include national and regional notables such as Buc Days Rodeo, Beach to Bay, Texas Jazz Fest, Fiesta de la Flor, Dia de los Muertos, and the American Cancer Society Walk.



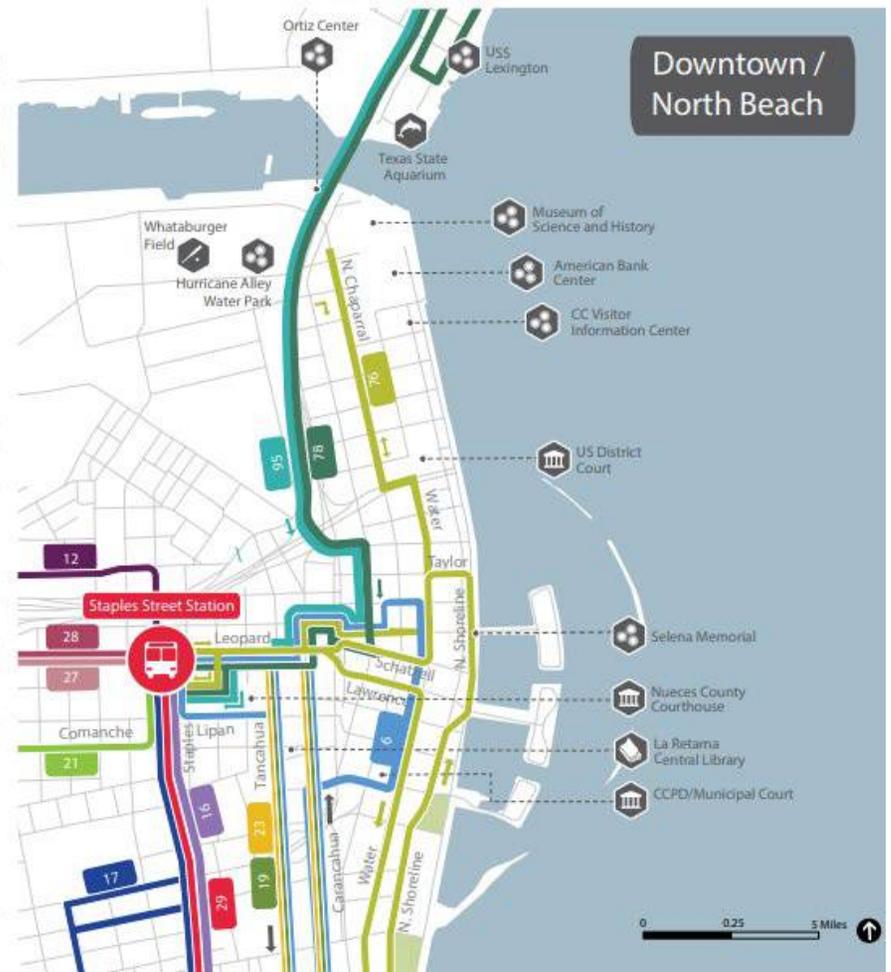
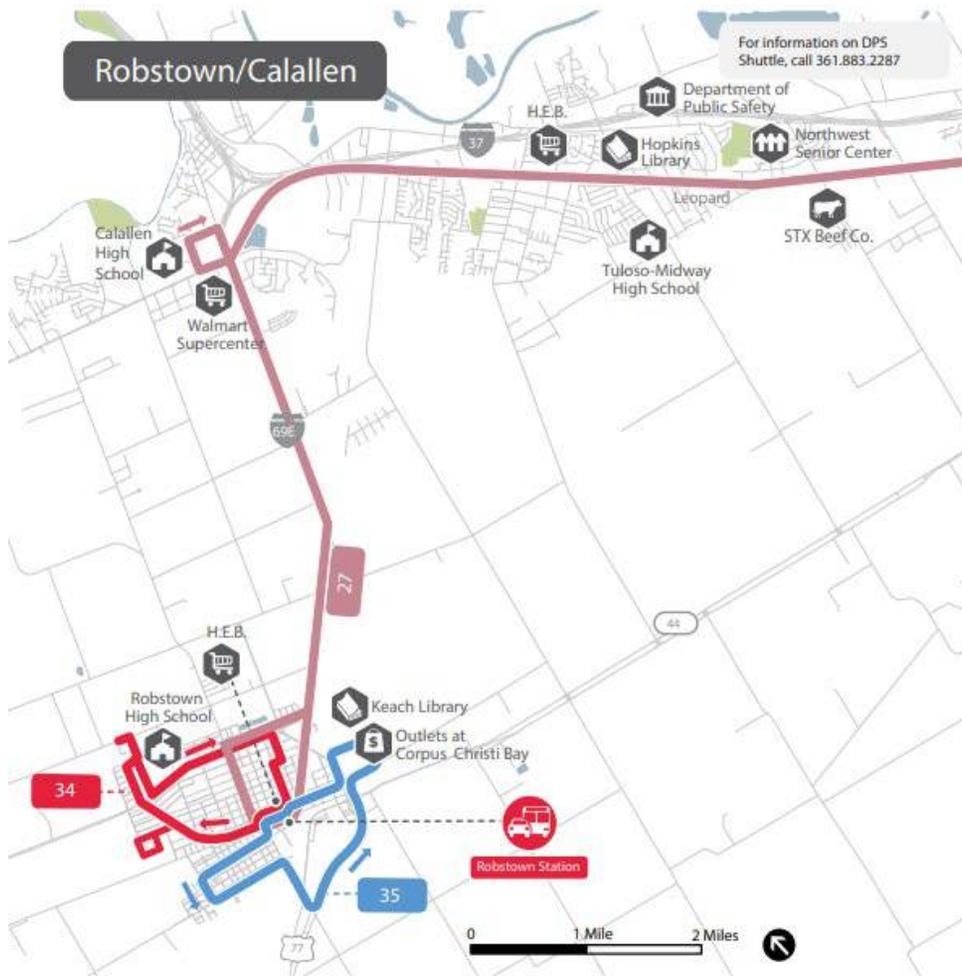
# Corpus Christi Regional Transportation Authority System Service Area Maps



# Corpus Christi Regional Transportation Authority System Service Area Maps



## Corpus Christi Regional Transportation Authority System Service Area Maps



# Corpus Christi Regional Transportation Authority System Service Area Maps



## LOCAL ECONOMY

The dynamic economy of Corpus Christi spans from aerospace and aviation, chemical and petroleum manufacturing, to energy-related industries. The resilience of the local economy is shown in the sales tax revenue growth during the pandemic. Sales tax revenue has continued to show growth trends as receipts in 2024 increased by \$847,541 or 2.08% from the \$40,792,893 receipts recognized in 2023. In addition, the favorable business climate of the area has promoted an ongoing influx of out-of-state businesses and skilled workers. This influx is further bolstered by the talent pool provided by Del Mar College and Texas A&M University-Corpus Christi.

Corpus Christi is the 8<sup>th</sup> largest city in Texas and has a total area of 460.2 square miles of which 124.3 are land and 327.9 are covered with water. Corpus Christi serves as the county seat for Nueces County with a population of 353,125 making it the 17<sup>th</sup> most populous county in the state. It is home to the Naval Air Station Corpus Christi and the Port of Corpus Christi.

The Naval Air Station, with approximately 5,000 employees, is the third-largest employer, supporting pilot training and operations since 1941. Also residing at this military installation is the Corpus Christi Army Depot which is the largest helicopter repair facility in the world employing more than 3,100 civilian employees and contractors. The combined direct economic impact is approximately \$6 billion. The Port of Corpus Christi began in 1926. Since then, it has become a major gateway to international and domestic maritime commerce. It is the third-largest port in the United States in total tonnage and has an estimate economic impact to the Corpus Christi area of approximately \$3 billion while supporting 98,000 jobs in the South Texas Coastal Bend region in various fields.

The diversification of public and private industries in the region helps to stabilize economic fluctuations. Corpus Christi's major employment segments include healthcare, educational services, accommodation and food services, construction, government, professional, scientific, technical services and tourism. Major employers include Christus Spohn Health Services, CCISD, City of Corpus Christi, Driscoll Children's Hospital, Texas A&M University Corpus Christi, American Electric Power – Texas, Nueces County, and H-E-B Grocery.

According to the 2024 Visit Corpus Christi economic impact report, Corpus Christi tourism contributed more than \$1.50 billion into the local economy in comparison to the \$1.48 billion accounted by tourism in 2023. The U.S. Bureau of Labor Statistics data shows employment in the Corpus Christi area's leisure and hospitality sector contracted by - 0.20% in 2024.

The Corpus Christi area's unemployment rate on December 2024 stands at 4.00%, up slightly from 3.70% at December 2023. According to Jim Lee, Texas A&M University-Corpus Christi Regents Professor of Economics and director for the South Texas Economic Development Center in the College of Business, economists typically consider a 5% unemployment rate to be full employment. The respective rates for the state and national were 3.7% and 3.8%.

## 2024 AT A GLANCE

The Authority continued in its efforts to improve rider experience and community perception of public transportation in 2024. At the direction of the Board of Directors, leadership and staff worked to implement substantive change across the system, including such initiatives as Operation “Deep Clean”, an effort to ensure the maintenance of vehicles, facilities, and amenities, as well as promote technological improvements such as on-board monitors and mobile ticketing, leading to improved rider experience and better performance tracking.

### 2024 A Year Of Progress

#### Capital Investments:

- Installed 215 bus benches and related amenities as part of an \$8,818,230 three-year plan funded by three (3) different grants, of which most funding coming from a 2022 American Rescue Plan (ARP) grant.
- Completed Phase VII of the Bus Stop Improvements project.
- Completed reconstruction of the Port Ayers Transfer Station, funded by the 5339(b) competitive FTA grant.
- In summary, 27 CIP projects completed totaling \$6,120,851, including seven paratransit buses, improvements to buildings and facilities, various pieces of maintenance equipment, and IT equipment.

#### Service Outlook:

- Completed customer focused service adjustments due to planned improvements and construction impacts.
  - Adjusted over 65 bus route schedule brochures.
  - Issued 34 Facility Maintenance work orders.
  - Coordinated 207 bus stop adjustments due to detours and other service interruptions.
- Provided 3.4 million passenger trips through 34 fixed routes.
- In coordination with recommendations within the Long-Range System Plan (LRSP), implemented service improvements within the 2024-28 Five-Year Service Plan.

#### Safety & Security:

- Successfully finalized the Public Transportation Agency Safety Plan (PTSAP) with subsequent adoption by the Board of Directors.
- Expanded training program to include new employee orientation and monthly safety training meetings for Facilities Maintenance department.
- Conducted de-escalation training for all bus operators and maintenance personnel
- Conducted active shooter training for all Authority staff and tenants.
- Hosted four Human Trafficking Awareness training sessions along with Human Trafficking Summits with national guest speakers.

**Public Relations:**

- PR Dept. completed more than 45 community outreach events, issued 25 press releases, received more than \$3.3 million in advertising value equivalency, and reached 140,000 individuals through social media.
  - 45+ Community Outreach events (City, County, Rural, TAMUCC, Del Mar College, Schools, and Other Community Stakeholders)
  - \$3.3 million in media value (advertising value equivalency) in 2024 through broadcasts, news stories, articles, and social media
  - +29 Total Social Media Mentions
  - 25 Press Releases
- Received:
  - APTA AdWheel Award for Print Media – Career Fair
  - APTA Gold Awards for Bus Security and Emergency Management – Human Trafficking Campaign
  - APTA Bus Safety Award – Active Shooter Training
  - SWTA Spotlight Awards
    - Spotlight Campaign – Know the Signs: Human Trafficking Awareness
    - Hit the Spot Electronic Media – Career Fair Radio Ad
    - Hit the Spot Event Promotion – Routes of Recognition
    - Hit the Spot Print Media – The Authority’s Port Aransas Express
  - TTA 2024 Awards
    - TTA Rising Star Award – Tyler Jackson
    - TTA Outstanding Staff Member Award – Jeremy Sirio
  - Buc Days 2024
    - Buc Days Night Parade – 1<sup>st</sup> Place, Miscellaneous Category
    - Buc Days Children’s Parade – 1<sup>st</sup> Place, Miscellaneous Category

**Governance – Officials**

The Authority is governed by an eleven-member board of directors. Chapter 451 of the Texas Transportation Code is the enabling legislation that sets forth the governing structure of the Authority. Because of the population size of the principal municipality, an eleven (11) member board is required to govern all the activities of the Authority. The staggered term system allows overlapping two-year terms but limits board membership to eight (8) years and reappointments to presiding officer to two (2) consecutive years.

The Board makes decisions, designates management, significantly influences operations and maintains primary fiscal accountability. The Board establishes policy and sets direction for the Authority. The Chair is appointed by the sitting Board members. A listing of Authority Board members is included on page xix.

**Governance – Executives**

A Chief Executive Officer (CEO) is responsible for the daily operations of the Authority. The CEO supervises three major divisions including Administration, Capital Programs, and Operations. These broad divisions are organized into numerous departments for operational

efficiency. The Authority staffed their operations in 2024 with 241 salaried and hourly positions and with approximately 95 staff members employed by various contractors. An organizational chart is shown on page xx.

## **Budget**

Texas Transportation Code Section 451.102 requires that transit authorities adopt an Annual Operating Budget and Capital Improvement Plan before the start of a new fiscal year. The board adopted budget serves as a policy document, an operations guide, a financial plan and a communication device. The Authority may not spend more than the board approved budgets and must approve increases in the budget with board approved amendments. Monthly budget reports identify variances that are reported to management and the governing body for budgetary control purposes.

Governing legislation further provides that the Board of Directors hold a public hearing on the proposed operating budget prior to its adoption and shall, at least fourteen days before the date of such hearing, make the proposed budget available to the public.

The process for developing the Authority's zero-based budgets typically begins with Board strategic planning that starts in April. Through a series of meetings and analysis a framework is developed that reflects the shared board and management vision and initiatives of the Authority's values and priorities for the budget year and for the next five years. It is the responsibility of each department manager to administer operations in such a manner as to ensure that the use of funds is consistent with the goals and objectives in the strategic plan, and that the department remains within budget.

The CEO may permit movement of funds within the approved operating budget after the original budget has been established without changing the total operating budget. If these reallocations are significant, board approval is obtained. Control of the budget is maintained at the department level with overview responsibility exercised by the Managing Director of Administration and the Director of Finance but the ultimate responsibility rests on the CEO.

## **Long-Term Financial Planning**

The Authority has a five and ten-year financial and capital plan that is updated annually during the budget development process. These plans are used to identify the financial resources necessary for future growth and to provide financial stability to achieve the Vision and Mission objectives of the Authority. The process starts with a year-end performance analysis of both revenues and expenses to identify patterns trends from seasonal events. The process then moves to evaluating historical trends over a defined period along with planned service changes. The process also includes evaluation of cash requirements and investment balances, fleet replacement schedules, proposed expenditures on capital facilities and equipment, projected availability and use of federal transit grants and the debt payment requirements.

## **Relevant Financial Policies**

### **Basis of Accounting**

As an enterprise fund, the Authority prepares its financial statements using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP) for local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

### **Cash and Investments**

The Authority's investment policy conforms to the regulations of the Texas Public Funds Investment Act. A minimum \$2,000,000 compensating balance is required by the Authority's depository Bank to be always maintained. All reserve balances that are designated by the Board are invested in short-term securities while the amount of the unrestricted portion of the fund balance is held in TexPool Prime.

### **Risk Management**

The Authority is partially self-insured for property damage claims and public liability and carries fire and extended coverage on scheduled buildings, facilities, and vehicles. The purchased coverage is to cover catastrophic losses more than the \$10,000 deductible carried. Risk Strategies are evaluated annually to ensure that reserve levels are adequate to remedy an unexpected loss.

Contractors are required to carry adequate insurance coverage and to add the Authority as an additional insured party. Monitoring these requirements is performed by the Procurement and the Safety and Security departments.

The Authority is also partially self-insured for its health insurance plans and pays medical and dental claims from a dedicated account specifically, for this purpose. To limit exposure to large dollar medical claims, the Authority maintains stop-loss insurance policies to cap claims for one individual per year at \$65,000. The Authority is reimbursed for expenses from claims over the cap.

## **Key Budget Objectives**

The 2024 Budget has two primary components: The Operating Budget and the Capital Budget. The Capital Budget represents the Authority's investments in facilities and infrastructure which are based on the first year of needs in the five-year Capital Improvement Program (CIP) Plan and supported by cost sharing grant programs. The five-year plan is revised annually to reflect progress changes and priorities aimed at helping ensure that the limited federal transit dollars available are directed to projects that are essential. Both budgets were guided by the strategic plan, outlining four key goal areas:



The Operating Budget includes personnel costs and annual facility operating costs funded primarily from sales tax revenue, operating federal grants and other operating and non-operating income. Operating cost activities are evaluated and analyzed to identify those activities with the highest priorities knowing that passenger fares are used to cover annual debt service requirements while sales tax revenues, operating assistance grants and lease income are used fund the operations.

Since sales tax revenue is the primary source for funding transit operations, accurate forecasting is important for avoiding both underfunding and excessive funding. Typically, sales tax revenue accounts for 65 to 75 percent of the Authority’s total income. However, based on the economic trends and indicators available at the time, the sales tax revenue budget was set at \$44,244,769 or 8.46% over 2023 actuals, representing 89.06% of the \$49,677,132 total revenues projected for 2024. Other revenue sources included \$1,200,152 from federal operating grants consisting of \$800,000 in preventive maintenance and \$400,152 earmarked for pass through reimbursements to sub-recipients. The balance of \$4,232,211 would be provided by passenger fares and other revenue sources. With total transit operation costs at \$49,677,132 and revenues at \$49,677,132, representing a balanced budget in accordance with state law.

The 2024 Capital Improvement Program (CIP) budget featured 38 projects including fleet replacements, improvements to bus shelters and facilities, maintenance equipment, and upgrades to IT and security infrastructure. The budget amount of \$17,934,229 included federally funded projects totaling \$11,971,405, with the remaining amount of \$5,962,824 paid for by local funds.



### **Accountability, Transparency and Responsibility**

The Authority recognizes its responsibility of stewardship of public funds and strives for both financial accountability and transparency. Transparency awards recognize the quality and completeness of information that the Authority makes available to the public and exemplifies outstanding financial management.

The Authority is proud to have received the following commendations in recognition of the dedication and commitment of its employees in obtaining these prestigious awards.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Corpus Christi Regional Transportation Authority for its annual comprehensive financial report (ACFR) for the year ended December 31, 2023. This marks the twentieth consecutive year that the Authority has received this award and its twenty-seventh lifetime award since 1986.

A Certificate of Achievement is valid for a period of one year only. The financial document is prepared by the Finance Department in conformity with the Certificate of Achievement Program requirements and submits it to GFOA on an annual basis.

In addition, our website transparency efforts have earned the *Traditional Finances Star* from the Texas State Comptroller.

### **Acknowledgements**

The preparation of these documents and reports would not have been possible without the dedication and hard work of the Finance Department. We give recognition to the various departments and project managers that contributed their time and efforts in providing the information for the preparation of these documents. Special thanks to the Marketing Department for their contributions in the field of graphics. And finally special appreciation

is extended to management and the Board of Directors for providing the leadership and support necessary to prepare these reports.

Sincerely,



---

Derrick Majchszak  
Chief Executive Officer



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Miguel Rendon  
Deputy CEO



---

Robert Saldaña  
Managing Director of Administration



---

Marie Roddel  
Director of Finance



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Corpus Christi Regional Transportation Authority  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2023

*Christopher P. Morill*

Executive Director/CEO

# BOARD OF DIRECTORS AND ADMINISTRATION

## BOARD OF DIRECTORS

### Terms of Office and Board Service

<u>MEMBER</u>	<u>APPOINTMENT</u>	<u>TERM EXPIRATION</u>	<u>BEGAN SERVICE</u>
Arthur Granado <b>(Board Chair)</b>	RTA Board	September 30, 2025	August 2, 2023
David Berlanga	City of Corpus Christi	June 30, 2026	July 10, 2024
Eloy H. Salazar	City of Corpus Christi	June 30, 2026	July 1, 2020
Gabi Canales	City of Corpus Christi*	June 30, 2026	May 5, 2021
Jeremy Coleman	City of Corpus Christi	June 30, 2026	July 6, 2022
Amanda Torres	City of Corpus Christi	June 30, 2026	July 10, 2024
Lynn B. Allison <b>(Board Secretary)</b>	Nueces County	September 30, 2025	October 2, 2019
Anna M. Jimenez <b>(Board Vice-Chair)</b>	Nueces County	September 30, 2025	October 2, 2019
Aaron Munoz	Nueces County	September 30, 2025	April 6, 2022
Armando B. Gonzalez	Committee of Mayors	September 30, 2025	October 6, 2021
Beatriz Charo	Committee of Mayors	September 30, 2025	October 6, 2021

\*Designated to represent Transportation Disadvantaged.

## ADMINISTRATION

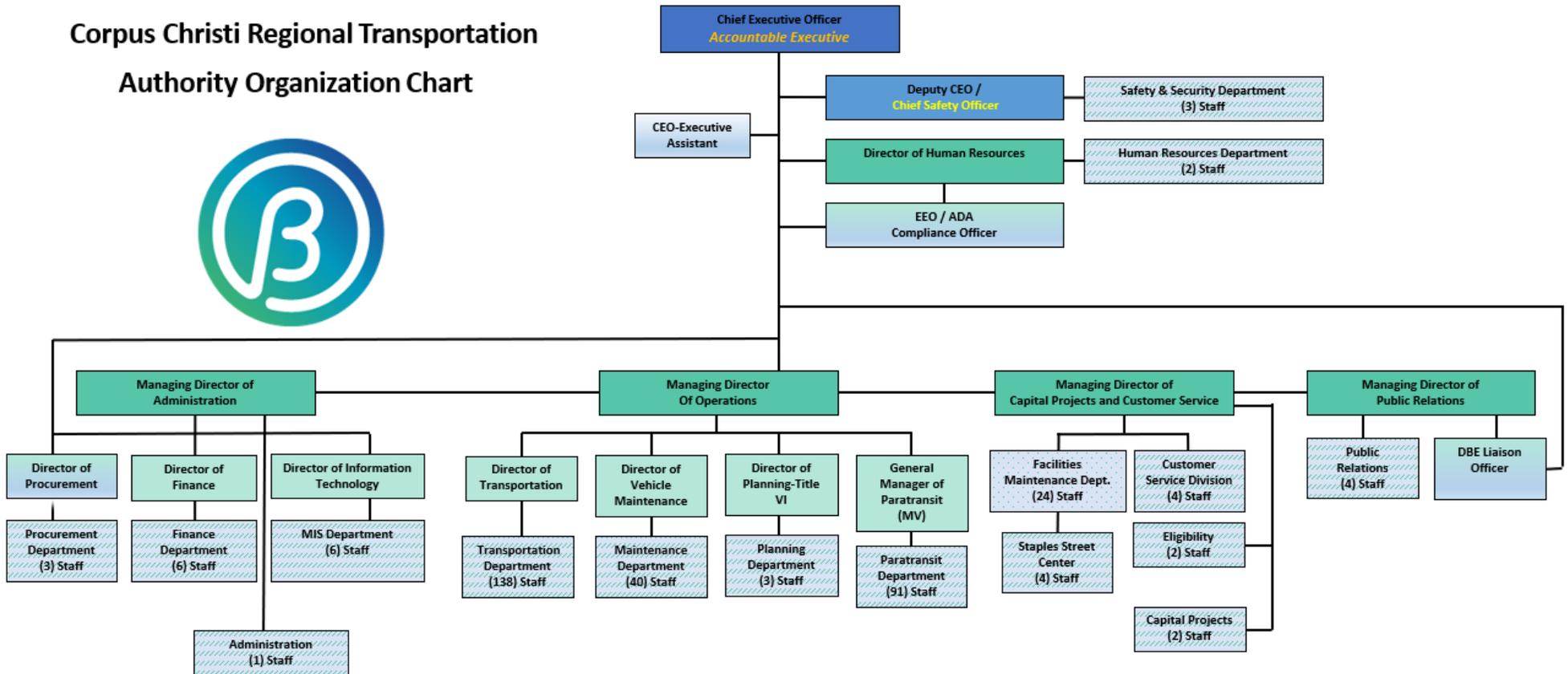
Chief Executive Officer  
 Deputy Chief Executive Officer  
 Managing Director of Administration  
 Managing Director of Capital Programs  
 Managing Director of Operations  
 Managing Director of Public Relations

Derrick Majchszak  
 Miguel Rendon  
 Robert M. Saldaña  
 Sharon Montez  
 Gordon Robison  
 Rita Patrick

Director of Finance  
 Director of Human Resources  
 Director of Information Technology  
 Director of Planning  
 Director of Procurement  
 Director of Transportation  
 Director of Vehicle Maintenance

Marie S. Roddel  
 Angelina Gaitan  
 David Chapa  
 Liann Alfaro  
 Christina Perez  
 Michael Ledesma  
 Bryan Garner

# Corpus Christi Regional Transportation Authority Organization Chart



Encompass essential responsibilities that require a direct line to CEO

Any CCRTA position can have a direct line to the Chief Executive Officer at their discretion.

# **2024**

## **Financial Section**

Annual Comprehensive Financial Report



Craig A. Adamson, CPA CFF-Partner  
Austin Adamson, CPA MAcc-Partner  
Jennifer M. Perales, CPA MBA-Partner  
Trevor R. Prewett, MAcc-Partner

Caitlin J. Chupe, CPA MAcc-Partner  
Adam R. Miller, CPA MBA-Partner  
Jeremy C. Moore, CPA MAcc-Partner  
Priyanka B. Desai, CPA MAcc-Partner

## INDEPENDENT AUDITOR'S REPORT

September 26, 2025

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of the Corpus Christi Regional Transportation Authority (the Authority), as of and for the year ended December 31, 2024, and the related notes to the financial statements which collectively comprise the Authority'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 respective financial position of the business-type activities and the aggregate remaining fund information of the Authority, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Prior Period Financial Statements**

The financial statements of the Authority as of December 31, 2023 were audited by other auditors whose report dated January 15, 2025, expressed an unmodified opinion on those statements.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's 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 auditor's report that includes our opinions. 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 and *Government 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 and *Government 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 Authority'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 Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charge 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 the other required supplementary information on pages 6 through 21 and 66 through 69 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The supplemental information and schedule of expenditures of federal financial awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, Cost Principles, and Audit Requirements for Federal Awards, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and schedule of expenditures of federal financial awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Adamson & Company, LLC



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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**INTRODUCTION**

Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to the accompanying basic financial statements in the form of Management’s Discussion and Analysis (MD&A). We encourage readers to consider this information in conjunction with the information provided in our transmittal letter found in the introductory section of this report and all other information presented in the Notes to the Financial Statements and other sections.

***FINANCIAL HIGHLIGHTS***

- *Net Position* was \$103,512,270 on December 31, 2024, a decrease of \$7,415,946 or 6.69% from \$110,928,216 as of December 31, 2023 (Table 1).
- *Net Capital Assets* of \$78,513,375 on December 31, 2024, increased by \$1,907,071 or 2.49% from \$76,606,304 as of December 31, 2023 (Table 1).
- *Total Liabilities* on December 31, 2024, of \$37,913,523 decreased by \$2,944,445 or 7.21% from \$40,857,968 as of December 31, 2023 (Table 1).
- *Total Revenues* for 2024 of \$46,100,584 decreased by \$330,315 or 0.71% in comparison to the 2023 revenue of \$46,430,899.
- *Passenger Service Revenue* for 2024 of \$1,132,006 was up \$48,112 or 4.44% from \$1,083,894 in 2023 (Table 3).
- *Other Operating Revenues* for 2024 of \$408,565 were down \$40,461 or 9.01% from \$449,026 in 2023 (Table 3).
- *Sales Tax Revenue* for 2024 of \$41,640,434 increased by \$847,541 or 2.08% from \$40,792,893 in 2023 (Table 3).
- *Federal and Other Grant assistance* for 2024 of \$39,249 decreased by \$1,222,309 or 96.89% from \$1,261,558 in 2023 (Table 3).
- *Total expenses* (including depreciation) increased by \$6,598,593 or 12.55% from \$52,560,075 in 2023 to \$59,158,668 in 2024.
- *Operating Expenses* (excluding depreciation) increased by \$5,471,511 or 13.26% from \$41,254,307 in 2023 to \$46,725,818 in 2024.

***OVERVIEW OF THE BASIC FINANCIAL STATEMENTS***

This discussion serves to introduce the Authority’s basic financial statements. These statements have two components: (1) government-wide financial statements and (2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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The Authority is structured as a stand-alone proprietary fund and presents its financial information using the accrual basis of accounting like the way private sector businesses present their financial information. Revenues are recognized in the financial statements when both earned and measurable, not when received in cash. Expenses are recognized when they are incurred, not when they are paid. The historical costs of capital assets are capitalized and depreciated over the estimated useful life of the assets.

The *Statement of Net Position* presents information on all the Authority’s assets, deferred outflows, liabilities, and deferred inflows; with the difference between them being reported as net position. This is a measure of financial position, which can indicate improvement or deterioration from year to year. The presentation of net position also distinguishes between those invested in capital assets, restricted by covenant, and those that are unrestricted by external parties or legal requirements.

The *Statement of Revenues, Expenses, and Changes in Net Position* accounts for the change in net position by showing the activities that caused the change. This statement measures the Authority’s operations and can also be used to determine whether the Authority has successfully recovered all its costs through fares and other user charges, sales taxes received, subsidies and other sources of funding available.

The *Statement of Cash Flows* provides details about the Authority’s sources of, uses of and the change in cash over a fiscal year. This information is categorized into operating, non-capital financing, capital and related financing and investing activities.

The Authority also has fiduciary responsibility for two employee retirement funds and presents two financial statements related to them: (a) Fiduciary Funds - Statement of Net Position and (b) Fiduciary Funds - Statement of Changes in Net Position, which follow the government-wide financial statements. There is also information concerning these plans in Note 7 in the notes to the financial statements.

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the data provided in the financial statements. These notes should be read as an integral part of the financial statements.

The Authority’s basic financial statements can be found beginning on page 23.

## ***FINANCIAL ANALYSIS***

### **Statement of Net Position:**

**Net Position:** Total net position may serve, over time, as a useful indicator of an entity’s financial position. Increases in net position indicate an improved financial position while decreases indicate deterioration of financial position. The Statement of Net Position provides the necessary information on which to base this determination. The net position is presented in three components: (1) the net investment in capital assets, (2) the restricted by bond covenants and other restrictions, and (3) the unrestricted and available for operations.

Table 1 provides summary multi-year comparative information about the Authority’s net position. The change in net position can be explained by looking at the other components of the Statement of Net Position.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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As of December 31, 2024, the Authority's *total net position* was \$103,512,270. Of the total net position, \$64,186,996 or 62.01% represents the net investment in capital assets. A significant portion of the Authority's total net position in all years reported is represented by capital assets used to provide public transportation services. The remaining net position consisted of \$575,308 in restricted funds and \$38,749,966 was unrestricted (Table 1).

As of December 31, 2023, the Authority's *total net position* was \$110,928,216. Of the total net position, \$58,741,350 or 52.95% represents the net investment in capital assets. The remaining net position consisted of \$575,308 in restricted funds and \$51,611,558 was unrestricted (Table 1).

*Total net position* decreased by \$7,415,946 from 2023 to 2024, as net investment in capital assets rose by \$5,445,646, coupled with a decrease of \$12,861,592 in Unrestricted Net Position (Table 1).

The decrease in *total net position* is due to the combined decrease of \$10,068,631 in *Total Assets and Deferred Outflows*, combined with a decrease of \$2,652,685 in *Total Liabilities and Deferred Inflows*.

*Current Assets* declined from \$67,232,373 in 2023 to \$49,409,953 in 2024, a decrease of \$17,822,420 that was mostly attributable to a decrease in the short-term investment portfolio of the Authority and lower receivables from federal grants, offset by an increase in Cash & Cash Equivalents.

Meanwhile, *Non-current Assets*, including *Capital Assets*, grew from \$78,336,777 in 2023 to \$88,022,369 in 2024, an increase of \$9,685,592. This increase is attributable to growth in the value of capital assets along with growth in the value of the long-term investment portfolio.

*Deferred Outflows of Resources* declined by \$1,931,803, dropping from \$7,461,826 in 2023 to \$5,530,023 in 2024. This decrease is mostly attributable to the positive performance of the RTA Employee Defined Benefit Plan in 2024 and a change in the actuarial assumptions of the Plan.

Meanwhile, *Current Liabilities* declined from \$11,685,335 in 2023 to \$8,929,263 in 2024, a decrease of \$2,756,072 that is attributable to a decline in Accounts Payable offset by an increase in Other Accrued Liabilities.

*Long-Term Liabilities* decreased from \$29,172,633 in 2023 to \$28,984,260 in 2024, a decrease of \$188,373 due to various nominal changes in noncurrent liabilities.

*Deferred Inflows of Resources* increased by \$291,760, from \$1,244,792 in 2023 to \$1,536,552 in 2024. The increase is mostly attributable to lower inflows related to pensions because of the positive performance of the RTA Defined Benefit Plan in 2024 and a change in the actuarial assumptions of the Plan.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Table 1**  
**Condensed Summary of Net Position**

	<u>At December 31</u>			<u>At December 31</u>		
	<u>2024</u>	<u>2023</u>	<u>Change</u>	<u>2023</u>	<u>2022</u>	<u>Change</u>
Current Assets	\$ 49,409,953	\$ 67,232,373	\$ (17,822,420)	\$ 67,232,373	\$ 61,785,983	\$ 5,446,390
Noncurrent Assets	9,508,994	1,730,473	7,778,521	1,730,473	8,007,773	(6,277,300)
Capital Assets	78,513,375	76,606,304	1,907,071	76,606,304	69,175,215	7,431,089
Total Assets	<u>137,432,322</u>	<u>145,569,150</u>	<u>(8,136,828)</u>	<u>145,569,150</u>	<u>138,968,971</u>	<u>6,600,179</u>
Deferred Outflows of Resources	<u>5,530,023</u>	<u>7,461,826</u>	<u>(1,931,803)</u>	<u>7,461,826</u>	<u>12,474,864</u>	<u>(5,013,038)</u>
Total Assets and Deferred Outflows	<u>142,962,345</u>	<u>153,030,976</u>	<u>(10,068,631)</u>	<u>153,030,976</u>	<u>151,443,835</u>	<u>1,587,141</u>
Current Liabilities	8,929,263	11,685,335	(2,756,072)	11,685,335	12,770,874	(1,085,539)
Long-Term Liabilities	<u>28,984,260</u>	<u>29,172,633</u>	<u>(188,373)</u>	<u>29,172,633</u>	<u>30,024,493</u>	<u>(851,860)</u>
Total Liabilities	<u>37,913,523</u>	<u>40,857,968</u>	<u>(2,944,445)</u>	<u>40,857,968</u>	<u>42,795,367</u>	<u>(1,937,399)</u>
Deferred Inflows of Resources	<u>1,536,552</u>	<u>1,244,792</u>	<u>291,760</u>	<u>1,244,792</u>	<u>4,575,312</u>	<u>(3,330,520)</u>
Total Liabilities and Deferred Inflows	<u>39,450,075</u>	<u>42,102,760</u>	<u>(2,652,685)</u>	<u>42,102,760</u>	<u>47,370,679</u>	<u>(5,267,919)</u>
Investment in Capital Assets Restricted for Pension Assets	64,186,996	58,741,350	5,445,646	58,741,350	52,662,681	6,078,669
Restricted for Debt Service or FTA Interest	-	-	-	-	-	-
Unrestricted	575,308	575,308	-	575,308	575,308	-
Total Net Position	<u>\$ 103,512,270</u>	<u>\$ 110,928,216</u>	<u>\$ (7,415,946)</u>	<u>\$ 110,928,216</u>	<u>\$ 104,073,156</u>	<u>\$ 6,855,060</u>

**Current Assets:** At the end of 2024, the Authority’s current assets decreased by \$17,822,420 from the end of 2023. Significant decreases in short-term investments and receivables from federal grants were offset by an increase in cash and cash equivalents.

Total receivables for 2024 declined by \$2,929,353 from 2023, with federal grants representing \$3,105,405 of the decrease. The decrease is due to the lower number of grant-funded invoices paid in 2024 and drawn down upon in 2025. Meanwhile, an increase of \$7,294,243 in cash and cash equivalents was offset by a decrease of \$22,132,188 in short-term investments, representing a change in the composition of the investment portfolio as the Authority sought to maintain liquidity in the midst of interest rate uncertainty.

At the end of 2023, the Authority’s current assets had increased by \$5,446,390 from the end of 2022. Most of the increase came from the combined change in Cash and Cash Equivalents and Short-Term Investments, which grew by \$12,092,541, as well as the increase of \$3,259,668 in federal receivables.

Additional details about the Authority’s current assets are presented in Note 2 of the notes to the financial statements.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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**Restricted Assets:** At the end of 2024 and 2023, the Authority held assets restricted in accordance with an agreement with the Federal Transit Administration (FTA) totaling \$575,308. The balance represents the remaining federal interest in assets that have been sold or disposed of by the Authority and will be used to reduce future federal project costs.

Additional details about the Authority’s restricted assets are presented in Note 2 of the notes to the financial statements.

**Capital Assets:** As of December 31, 2024, the Authority’s overall investment in capital assets (net of accumulated depreciation) totaled \$78,513,375, an increase of \$1,907,071 from December 31, 2023. During the year capital assets totaling \$10,090,303 were acquired. The acquisition costs of these assets were offset by the depreciation expense recorded for the year totaling \$8,183,232 resulting in an increase of investment in capital assets of \$1,907,071. The 2024 capital additions primarily occurred in two asset categories, Transit Stations & Bus Stops and Vehicles, Furniture, & Equipment. Some of the significant capital assets acquired include:

- ◆ 350 passenger shelters and amenities
- ◆ 7 Arboc paratransit buses
- ◆ Various units of vehicle and facility maintenance equipment
- ◆ Various units of information technology hardware
- ◆ Projects in-progress related to the reconstruction of the Port Ayers Transfer Station and additional passenger shelters and amenities

As of December 31, 2023, the Authority’s overall investment in capital assets (net of accumulated depreciation) totaled \$76,606,304, an increase of \$7,431,089 from December 31, 2022. During the year capital assets totaling \$14,373,256 were acquired. The acquisition costs of these assets were offset by the depreciation expense recorded for the year totaling \$6,942,167, and there were net disposals of \$15,974 resulting in an increase of investment in capital assets of \$7,431,089. The 2023 capital additions primarily occurred in two asset categories, Transit Stations & Bus Stops and Vehicles, Furniture, & Equipment. Some of the significant capital assets acquired include:

- ◆ Replacement of the roof at the Bear Lane Operations facility
- ◆ 150 passenger shelters and amenities
- ◆ Two Super stops for the Del Mar College Oso Creek campus
- ◆ 13 Arboc paratransit buses
- ◆ Various units of vehicle and facility maintenance equipment
- ◆ Various units of information technology hardware
- ◆ Projects in-progress related to the reconstruction of the Port Ayers Transfer Station and additional passenger shelters and amenities

Additional details about the Authority’s capital asset activities are presented in Note 3 of the notes to the financial statements.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Table 2**  
**Capital Assets**

	<b>Federal and Other Funding</b>		<b>Local Funding</b>		<b>Total</b>
At December 31, 2024:					
Capital Assets at Cost	\$ 100,012,711	\$	72,764,834	\$	172,777,545
Less: Accumulated Depreciation	<u>63,760,615</u>		<u>30,503,555</u>		<u>94,264,170</u>
Capital Assets, net	<u>\$ 36,252,096</u>	\$	<u>42,261,279</u>	\$	<u>78,513,375</u>
At December 31, 2023:					
Capital Assets at Cost	\$ 93,060,047	\$	72,913,509	\$	165,973,556
Less: Accumulated Depreciation	<u>61,035,422</u>		<u>28,331,830</u>		<u>89,367,252</u>
Capital Assets, net	<u>\$ 32,024,625</u>	\$	<u>44,581,679</u>	\$	<u>76,606,304</u>

**Liabilities:** The Authority’s total liabilities as of December 31, 2024, were \$37,913,523, a decrease of \$2,944,445 from \$40,857,968 in 2023. Of the 2024 combined obligations of \$37,913,523, the current portion stood at \$8,929,263, while the long-term portion was at \$28,984,260. Both categories combined to represent a decrease of 7.21% over 2023.

The balance of \$8,929,263 in current liabilities saw a decrease of \$2,756,072 compared to \$11,685,335 in 2023 and is primarily due to lower balances for vendor payables and other accrued liabilities. Meanwhile, the balance of \$28,984,260 in long-term liabilities saw a decrease of \$188,373 compared to \$29,172,633 in 2023 and is primarily due to the retirement of long-term debt offset by an increase in net pension liability.

The Authority’s total liabilities as of December 31, 2023, were \$40,857,968, a decrease of \$1,937,399 from \$42,795,367 in 2022. Of the 2023 combined obligations of \$40,857,968, the current portion stood at \$11,685,335, while the long-term portion was at \$29,173,633. Both categories combined to represent a decrease of 4.53% over 2022.

The balance of \$11,685,335 in current liabilities saw a decrease of \$1,085,539 compared to \$12,770,874 in 2022 and is primarily due to lower balances for vendor payables and other accrued liabilities. Meanwhile, the balance of \$29,172,633 in long-term liabilities saw a decrease of \$851,860 compared to \$30,024,493 in 2022 and is primarily due to the retirement of long-term debt offset by the implementation of GASB Statement No. 96 (*Subscription-Based Information Technology Arrangement*).

Additional details about the Authority’s long-term liability are presented in Note 4 of the notes to the financial statements.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

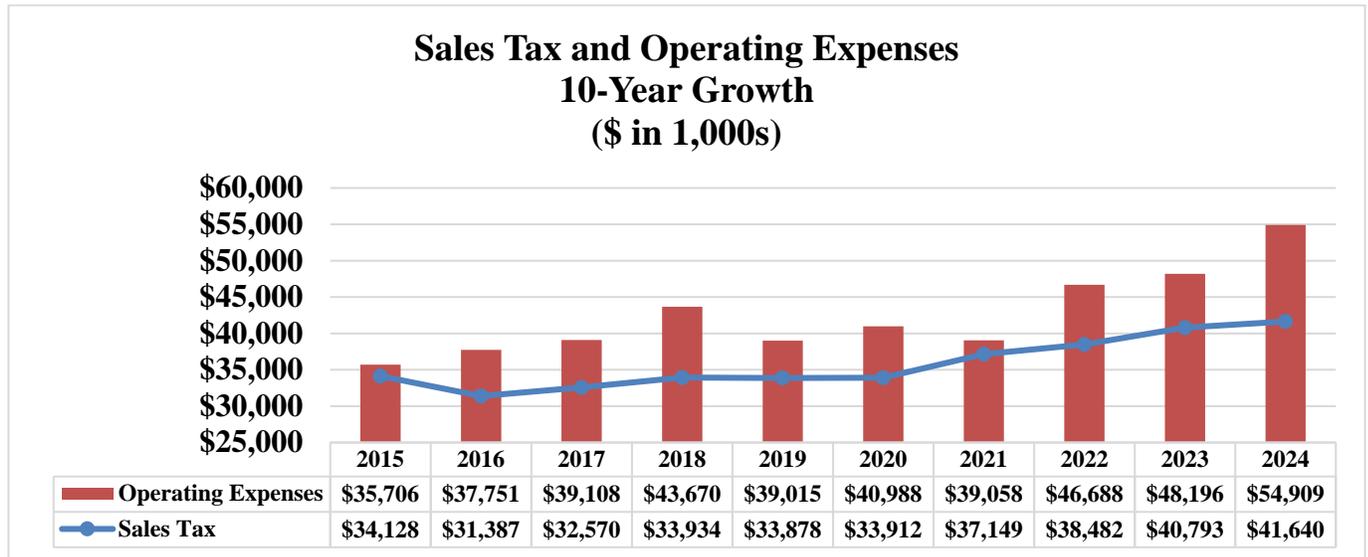
**Statement of Revenues, Expenses, and Changes in Net Position:**

**Change in Net Position:** While the Statement of Net Position focuses on financial position at a point in time, the Statement of Revenues, Expenses, and Changes in Net Position provides further details as to what specific activities took place during the year that led to the changes shown on the Statement of Net Position. The Authority’s activities are presented in Table 3.

As shown on the Statement of Revenues, Expenses, and Changes in Net Position, the Authority’s net position decreased by \$7,415,946 at the close of December 31, 2024. Of this amount, \$13,058,084 resulted from a net operating loss, which was offset by capital grant revenue of \$5,642,138.

The operating loss stems from revenues of \$46,100,584 versus expenses of \$59,158,668, resulting in an operating loss of \$13,058,084. Gains in sales tax revenue and passenger service were outpaced by the decline in federal operating grant revenue and investment income. Revenues declined by 0.71% from 2023 to 2024, while expenses increased by 12.55%.

The following chart illustrates the relative growth in sales taxes with respect to operating expenses for the ten-year period of 2015 through 2024.



Other revenues remained mostly flat in 2024 in comparison to 2023. Passenger service posted an increase of \$48,112, or 4.44% from 2023 to 2024. Bus advertising saw a decrease of \$8,593 or 3.78% in 2024, with \$218,956 compared to \$227,549 in 2023. Other operating revenues declined by \$40,461 or 9.01%, with 2024 ending at \$408,565 compared to \$449,026 in 2023.

In 2023, the Statement of Revenues, Expenses, and Changes in Net Position reflected an increase of \$4,468,574 to the Authority’s net position as of December 31. The increase is mostly due to the increase of \$12,358,459 in federal capital grants, \$2,310,726 in sales tax revenue, and \$2,019,340 in investment income, offset by a decline in federal operating grants of \$10,279,163 and growth in operating expenses, net of lease revenue, totaling \$1,725,980.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Table 3**  
**Condensed Summary of Revenue, Expenses, and Changes in Net Position**

	<u>At December 31</u>			<u>At December 31</u>		
	<u>2024</u>	<u>2023</u>	<u>Change</u>	<u>2023</u>	<u>2022</u>	<u>Change</u>
	<u>(Restated)</u>			<u>(Restated)</u>		
<b>Revenues</b>						
Passenger Service	\$ 1,132,006	\$ 1,083,894	\$ 48,112	\$ 1,083,894	\$ 991,329	\$ 92,565
Bus Advertising	218,956	227,549	(8,593)	227,549	176,907	50,642
Other Operating Revenues	408,565	449,026	(40,461)	449,026	474,543	(25,517)
<b>Non-Operating Revenues</b>						
Sales and Use Tax	41,640,434	40,792,893	847,541	40,792,893	38,482,167	2,310,726
Federal and Other Grants	39,249	1,261,558	(1,222,309)	1,261,558	11,540,721	(10,279,163)
Investment Income	2,600,334	2,859,182	(258,848)	2,859,182	839,842	2,019,340
Lease-Related Interest Income	60,525	76,182	(15,657)	76,182	72,509	3,673
Gain (Loss) on Asset Disposal	515	(319,385)	319,900	(319,385)	16,786	(336,171)
<b>Total Revenues</b>	<u>46,100,584</u>	<u>46,430,899</u>	<u>(330,315)</u>	<u>46,430,899</u>	<u>52,594,804</u>	<u>(6,163,905)</u>
<b>Expenses</b>						
<b>Operating Expenses</b>						
(net of lease revenue)	46,725,818	41,254,307	5,471,511	41,254,307	39,655,571	1,598,736
Depreciation	8,183,232	6,942,167	1,241,065	6,942,167	7,031,983	(89,816)
Distribution - Regional Entities	3,447,523	3,272,161	175,362	3,272,161	3,129,527	142,634
Subrecipients	39,249	387,767	(348,518)	387,767	302,809	84,958
Interest and Fiscal Charges	762,846	703,673	59,173	703,673	714,205	(10,532)
<b>Total Expenses</b>	<u>59,158,668</u>	<u>52,560,075</u>	<u>6,598,593</u>	<u>52,560,075</u>	<u>50,834,095</u>	<u>1,725,980</u>
<b>Net Income Before</b>						
Capital Grants and Donations	(13,058,084)	(6,129,176)	(6,928,908)	(6,129,176)	1,760,709	(7,889,885)
<b>Capital Grants and Donations</b>	<u>5,642,138</u>	<u>12,984,236</u>	<u>(7,342,098)</u>	<u>12,984,236</u>	<u>625,777</u>	<u>12,358,459</u>
<b>Change in Net Position</b>	<u>(7,415,946)</u>	<u>6,855,060</u>	<u>(14,271,006)</u>	<u>6,855,060</u>	<u>2,386,486</u>	<u>4,468,574</u>
<b>Net Position, Beginning of Year</b>	<u>110,928,216</u>	<u>104,073,156</u>	<u>6,855,060</u>	<u>104,073,156</u>	<u>101,686,670</u>	<u>2,386,486</u>
<b>Net Position, End of Year</b>	<u>\$ 103,512,270</u>	<u>\$ 110,928,216</u>	<u>\$ (7,415,946)</u>	<u>\$ 110,928,216</u>	<u>\$ 104,073,156</u>	<u>\$ 6,855,060</u>

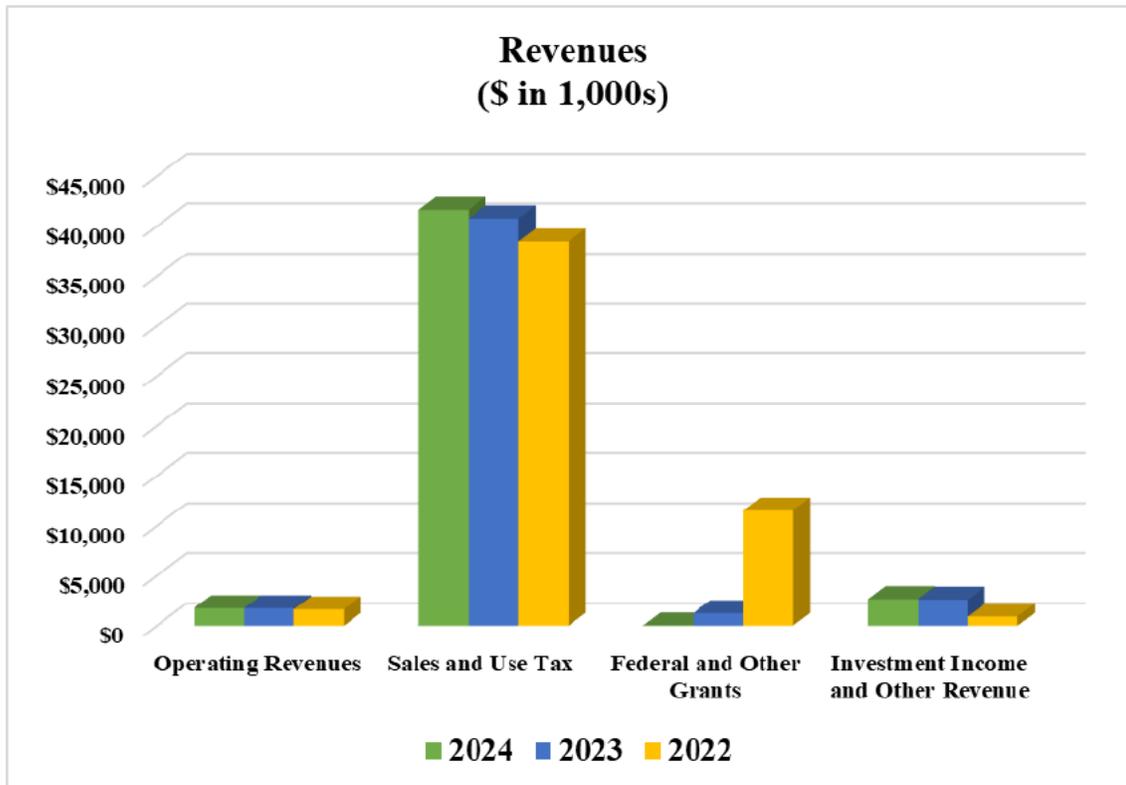
The discussion on the following pages provides details of the more significant aspects of the Authority’s operating activities that changed net position. Additionally, the ten-year history of the Authority’s changes in net position is included in Table 2 of the Statistical Section.

**Revenues:** The Authority’s revenues are from sources customary to the public mass transportation industry. Total revenues are made up primarily of sales and use taxes with the smaller share of overall revenues generated from user charges and other ancillary revenues, grants used for operating assistance, earnings from investing activities, and occasional gains from disposing of property owned by the Authority.

In 2024, the Authority’s total revenues decreased by \$330,315, going from \$46,430,899 in 2023 to \$46,100,584 in 2024. The decrease stems from receiving \$1,222,309 less in federal funding for operational expenses, offset by an increase of \$847,541 in sales tax revenue.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
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In 2023, the Authority’s total revenues decreased by \$6,163,905, going from \$52,594,804 in 2022 to \$46,430,899 in 2023. The decrease stems from receiving \$10,279,163 less in federal funding for operational expenses, with strong performance in sales tax revenue and investment income serving to offset a portion of this decline. Passenger Service and Bus Advertising grew by 9.34% and 28.63% respectively but have a proportionately lesser impact than the larger funding sources like sales taxes.



◆ Operating Revenues include user charges for transportation services, bus bench advertising, onboard advertising, and other ancillary operating revenues.

For 2024, revenues from operations totaled \$1,759,527 which represented 3.82% of total revenues, showed a decrease of \$942 from \$1,760,469 in 2023. Passenger fares increased by \$48,112 or 4.44% while revenue from bus advertising decreased by \$8,593 or 3.78% from 2023. Meanwhile, other operating revenues declined by \$40,461 or 9.01%.

For 2023, revenues from operations totaled \$1,760,469 which represented 3.79% of total revenues, showed an increase of \$117,690 from the \$1,642,779 in 2022. Passenger fares increased by \$92,565 or 9.34% while revenue from bus advertising increased by \$50,642 or 28.63% from 2022. Meanwhile, other operating revenues declined by \$25,517 or 5.38%.

◆ Sales and Use Tax is a dedicated ½ cent sales and use tax levied on certain goods and services sold within the region which provides the primary funding for the Authority’s operating budget.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
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For 2024, sales and use tax revenue totaled \$41,640,434, which represented 90.33% of total revenues, increased by 2.08% or \$847,541 from 2023.

For 2023, sales and use tax revenue totaled \$40,792,893, which represented 87.86% of total revenues, increased by 6.00% or \$2,310,726 from 2022.

◆ Operating Grant Assistance represents reimbursements to the Authority for preventative maintenance activities, the cost of certain work-related routes and regional mobility coordination, in addition to the CARES Act funding approved by Congress as part of the federal response to Covid-19. The Authority has the option of utilizing its annual “Formula” grants provided by the Federal Transit Administration (FTA) for operating assistance or to fund capital asset acquisitions.

In 2024, the income from federal grant assistance decreased by \$1,222,309 from 2023. With all eligible federal operating relief funds exhausted as of 2022, the only operating grants utilized were \$39,249 for subrecipient grants.

In 2023, the income from federal grant assistance decreased by \$10,279,163 from 2022. With all eligible federal operating relief funds exhausted as of 2022, the only operating grants utilized were \$873,791 for preventive maintenance and \$387,767 for subrecipient grants.

Additional details about the Authority’s federal grant programs are presented in the Schedule of Expenditure of Federal Financial Awards and their accompanying notes.

◆ Investment Income is income earned from the Authority’s investing activities.

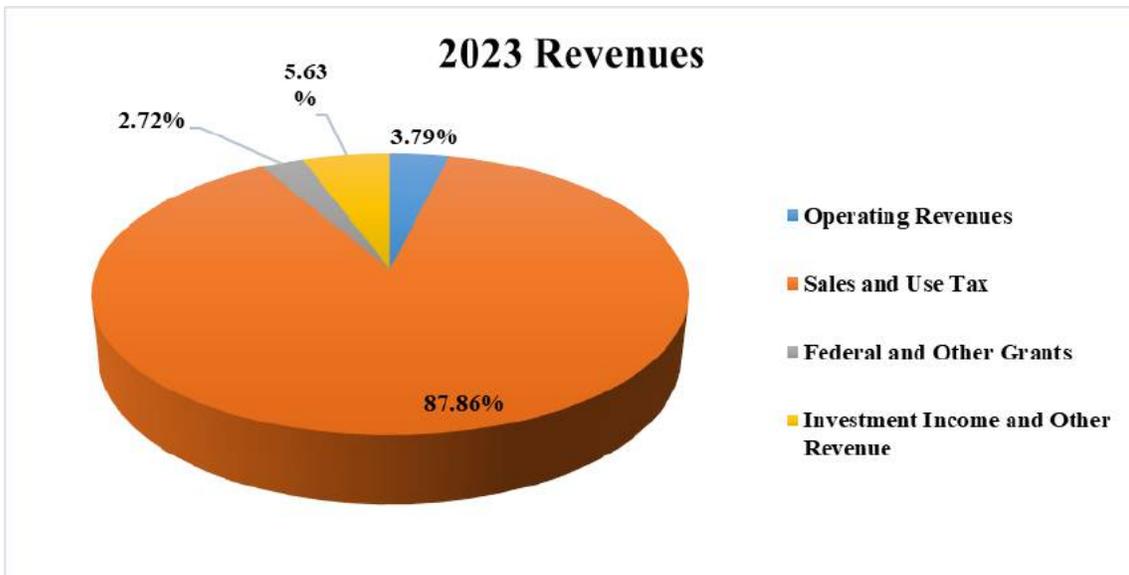
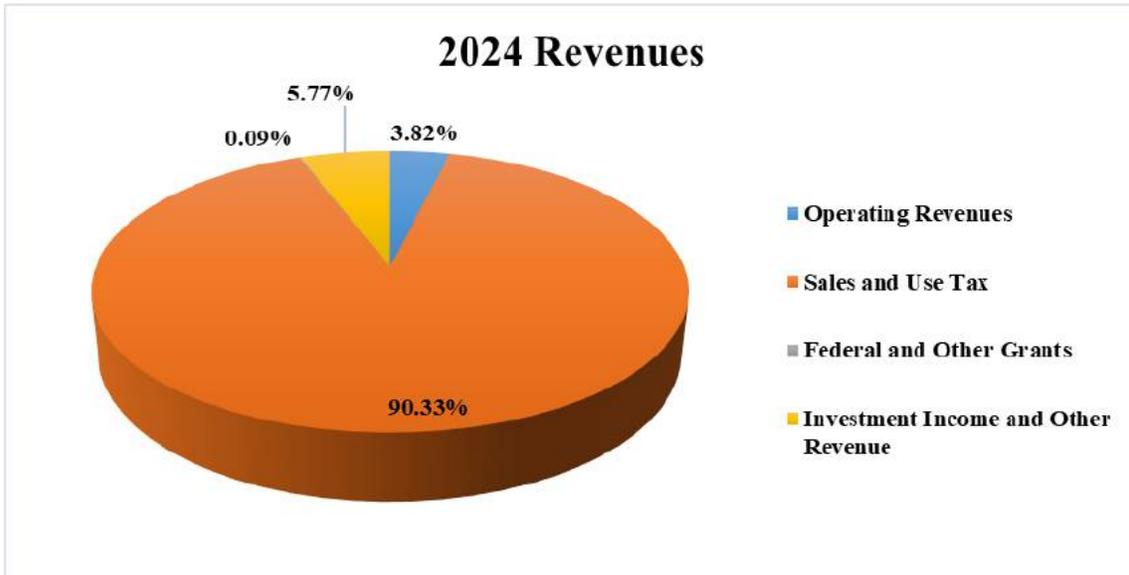
For 2024, income generated from the portfolio decreased by \$258,848 or 9.05% from 2023. The Federal Reserve engaged in cuts to the federal funds rate in September 2024, with an initial rate cut of 50 basis points followed by subsequent rate cuts of 25 basis points in October and December.

Accordingly, the federal funds rate at the end of 2024 fell in the range of 4.25% to 4.50%, or 100 basis points lower than the end of 2023. The combined impact of the decrease in rates and the lower value of the Authority’s holdings portfolio resulted in the decline in investment income.

For 2023, income generated from the portfolio increased by \$2,019,340 or 240.44% from 2022. The Federal Reserve continued to combat inflation in the wake of the pandemic, with the Federal Reserve setting a target range of 5.25% to 5.50% for the overnight rate. As a result, the Authority’s holdings in TexPool prime continued to experience strong returns in conjunction with longer-term holdings in commercial paper and federal agency notes.

The Federal Reserve continues to take steps to mitigate the impact of inflation, with three rate cuts projected in 2025 and additional rate cuts in 2026.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
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**Expenses:** The Authority’s expenses consist of two types of cost categories; operating expenses and non-operating expenses. Operating expenses are identified as the total cost of providing public transit services including depreciation of capital assets. Included are the costs incurred from directly operated services and those costs incurred from contracted services of a private transportation provider. In the transit industry the contracted service is commonly known as “Purchased Transportation”. Operating expenses also include all the indirect cost of planning and program development along with general administrative expenses.

Non-operating expenses involve costs that are not directly associated with core operations but are incurred in the normal course of providing services. Included are distributions to regional entities for the Authority’s Street improvement program, fiscal and interest charges, and payments for grant sub recipient programs.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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In 2024, total expenses were \$59,158,668, an increase of \$6,598,593 or 12.55% over total expenses of \$52,560,075 in 2023. Increases occurred in all expense categories with significant increases coming from operating expenses and depreciation.

In 2023, total expenses were \$52,560,075, an increase of \$1,725,980 or 3.40% over total expenses of \$50,834,095 in 2022. Increases occurred in all expense categories with significant increases coming from operating expenses.

The largest component of the Authority’s total expenses is operating expenses. These expenses, excluding depreciation expense, account for 78.98% and 78.49% of total expenses in 2024 and 2023, respectively.

**Operating Expenses:** 2024 operating expenses (including depreciation) of \$54,909,050 increased by 13.93% or \$6,712,576 from \$48,196,474 in 2023. Departments experiencing significant expenditure growth include Transportation (\$2,077,664 or 18.45%), Customer Programs (\$89,482 or 13.31%), Purchased Transportation (\$521,771 or 6.05%), Program & Service Development (\$133,630 or 20.58%), MIS (\$196,217 or 11.42%), Vehicle Maintenance (\$769,185 or 11.93%), Facilities Maintenance (\$501,516 or 12.52%), Administrative & General (\$845,418 or 12.73%), Marketing & Communications (\$305,992 or 33.08%), and Depreciation (\$1,241,065 or 17.88%).

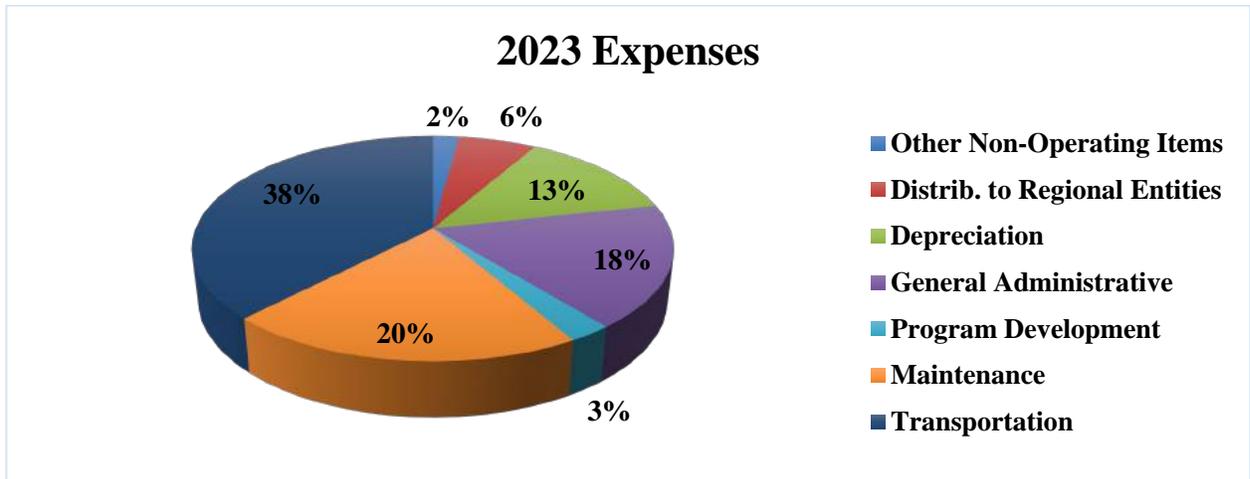
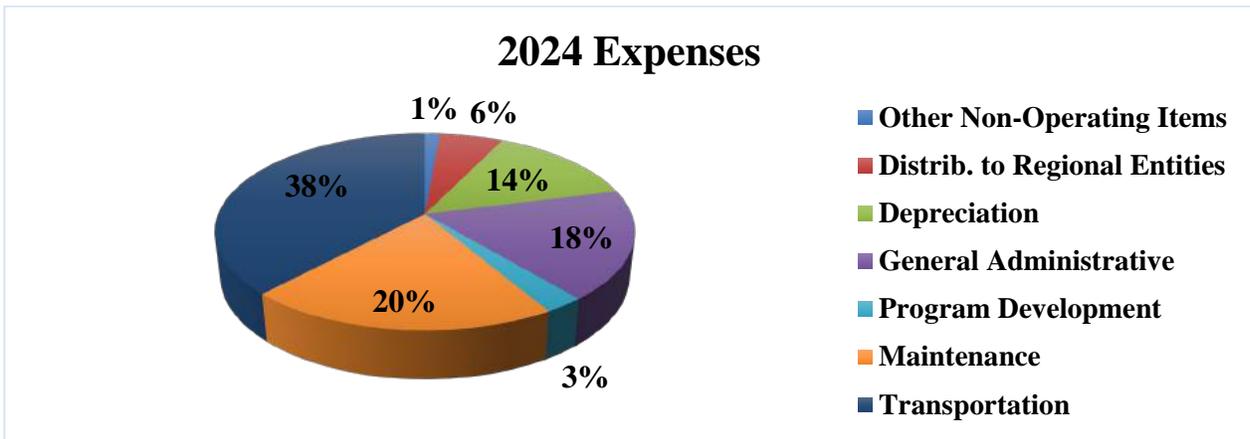
2023 operating expenses (including depreciation) of \$48,196,474 increased by 3.23% or \$1,508,920 from \$46,687,554 in 2022. Departments experiencing significant expenditure growth include Customer Programs (\$98,770 or 17.22%), MIS (\$287,425 or 20.10%), Administrative & General (\$778,228 or 13.27%), and Marketing & Communications (\$206,949 or 28.82%). Meanwhile, the Service Development department experienced a significant decline in expenditures (\$594,916 or 47.81%).



**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
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**Total Operating Expenses (Including Depreciation)**

<b>Department</b>	<b>2024</b>	<b>2023 (as restated)</b>	<b>Change in \$</b>
Transportation	\$ 13,340,609	\$ 11,262,945	\$ 2,077,664
Customer Programs	761,911	672,429	89,482
Purchased Transportation	9,139,535	8,617,764	521,771
Service Development	783,024	649,394	133,630
MIS	1,913,661	1,717,444	196,217
Vehicle Maintenance	7,216,611	6,447,426	769,185
Facilities Maintenance	4,507,064	4,005,548	501,516
Materials Management	343,296	312,660	30,636
Administrative & General	7,489,051	6,643,633	845,418
Marketing & Communications	1,231,056	925,064	305,992
Depreciation	8,183,232	6,942,167	1,241,065
<b>Total Operating Expenses</b>	<b>\$ 54,909,050</b>	<b>\$ 48,196,474</b>	<b>\$ 6,712,576</b>



**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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**Depreciation:** Depreciation expense was \$1,241,065 (17.88%) higher in 2024 than 2023 and was in line with expectations.

Depreciation expense was \$89,616 (1.28%) lower in 2023 than 2022 and was in line with projections.

Additional details about the Authority's accumulated depreciation of capital assets are presented in Note 3 of the notes to the financial statements.

**Distributions to Regional Entities:** The Authority, through collaborative efforts with the regional member government entities, maintains a street improvement program for the purpose of constructing, rebuilding and rehabilitating streets within its service region. These projects represent a major investment in enhancing mobility, reducing congestion and improving the overall service area. The streets are not the property of the Authority and, thus, the expenditures are reported as non-operating expenses in the Authority's financial statements. The level of funding is determined by a formula used to calculate the allocations for each of the member cities based on the sales tax receipts for a specific period. The funding is then allocated, in arrears, to each participating government.

In 2024, these costs increased by \$175,362 or 5.36%, going from \$3,272,161 to \$3,447,523 and is due to sales tax revenues growth from 2022 to 2023.

In 2023, these costs increased by \$142,634 or 4.56%, going from \$3,129,527 to \$3,272,161 and is due to sales tax revenues growth from 2021 to 2022.

**Fiduciary Funds:** Following the government-wide basic financial statements are similar financial statements for the Authority's two fiduciary funds. These statements provide financial information about the Authority's defined benefit pension and defined contribution retirement plans.

During 2024, the net position of the plans increased by \$4,430,445 or 7.07%, going from \$62,644,682 to \$67,075,127. The increase is due primarily to strong performance of the plan assets that led to appreciation in the value of the plan portfolios.

During 2023, the net position of the plans increased by \$7,419,972 or 13.45%, going from \$55,224,710 to \$62,644,682. The increase is due primarily to strong performance of the plan assets that led to appreciation in the value of the plan portfolios.

Additional details about the Authority's fiduciary funds activities are presented in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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***ECONOMIC FACTORS AND NEXT YEAR’S BUDGET***

The outlook for the local and regional economies remains strong as travel and tourism continue to be the main focus of localities. The objective is to boost sales tax revenues and increase job growth by capitalizing on the natural assets of the areas, which includes rebuilding water and beach front businesses.

The 2025 budget was developed with the following priorities:

- Provide service levels based on ridership demand
- Continue to improve and maintain public image
- Maintain transparency efforts
- Maximize collaboration between private sector and academia

Going into 2025, CCRTA plans to focus on improved service delivery by meeting riders where they are and by offering flexible transportation options. Additional improvements to service delivery will be achieved by recruiting and retaining quality staff. Ongoing initiatives include incentives to attract and retain employees with sign-on bonuses, employee retention bonuses, cost-of-living and merit increases along with a generous tuition reimbursement program. Safety and security continue to be fundamental to issues impacting quality of service, ridership retention, and retention and recruitment of front-line operating personnel.



The 2025 operating budget is estimating a 3.97% increase in revenue or \$1,971,965, from \$49,677,132 in 2024 to \$51,649,097. The 2025 Revenue projections are being estimated to sustain a balanced operating budget of \$51,649,097 with major funding coming from investment income, sales tax revenue, and federal preventive maintenance grant funding.

The Capital Budget is aimed at supporting 14 new projects with a total project cost of \$7,960,797 that is being funded by \$6,410,042 in federal grants and \$1,550,755 in local funds.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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The Authority is carefully assessing factors in the local economy and ways to optimize transit routes for efficiency by strategically planning the best possible path for transportation while ensuring reliable services and transportation access to its service area. A fare change analysis continues to be a priority for the Authority aimed at showing the impact of fare changes on our bus ridership. The topic of fee restructuring is expected to be revisited in 2025 with planned implementation of changes in 2026.

***REQUEST FOR INFORMATION***

This financial report is designed to provide a general overview of the Authority’s finances for those with an interest. Questions concerning any of the information in this report or requests for additional information should be addressed to Open Records Request, Attn: Marketing Dept., Corpus Christi Regional Transportation Authority, 602 N Staples St, Corpus Christi, Texas 78401-2802, (361) 289-2712. The Annual Comprehensive Financial Report will also be posted on the Authority's website: [www.ccrta.org](http://www.ccrta.org)

## **BASIC FINANCIAL STATEMENTS**

**Corpus Christi Regional Transportation Authority  
Statements of Net Position**

**Exhibit 1**

	<u>December 31,</u>	
	<u>2024</u>	<u>2023</u> <u>(Restated)</u>
<b>Assets and Deferred Outflows of Resources</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents (Note 2)	\$ 28,661,486	\$ 21,367,243
Short Term Investments (Note 2)	10,959,672	33,091,860
Receivables:		
Sales and Use Taxes	7,042,268	7,145,170
Federal Government	239,980	3,345,385
Other	1,057,892	778,938
Inventories	785,916	888,857
Prepaid Expenses	662,739	614,920
<b><i>Total Current Assets</i></b>	<u>49,409,953</u>	<u>67,232,373</u>
<b>Non-Current Assets:</b>		
Restricted Cash and Cash Equivalents (Note 2)	575,308	575,308
Long Term Investments (Note 2)	7,485,413	-
Lease Receivable (Note 5)	1,448,273	1,155,165
Capital Assets (Note 3):		
Land	5,191,477	4,882,879
Buildings	53,037,195	52,999,075
Transit Stations, Stops and Pads	33,462,556	31,754,022
Other Improvements	5,579,552	5,525,123
Vehicles, Furniture and Equipment	65,441,341	64,716,485
Right-To-Use Leased Equipment	636,942	499,627
Right-To-Use Software Subscriptions	1,594,044	1,011,325
Construction in Progress	7,834,438	4,585,020
Total Capital Assets	<u>172,777,545</u>	<u>165,973,556</u>
Less: Accumulated Depreciation	<u>(94,264,170)</u>	<u>(89,367,252)</u>
Net Capital Assets	<u>78,513,375</u>	<u>76,606,304</u>
<b><i>Total Non-Current Assets</i></b>	<u>88,022,369</u>	<u>78,336,777</u>
<b>Total Assets</b>	<u><b>137,432,322</b></u>	<u><b>145,569,150</b></u>
<b>Deferred Outflows of Resources</b>		
Deferred outflow related to pensions (Note 7)	2,865,013	4,600,705
Deferred outflow related to OPEB (Note 8)	95,005	107,544
Deferred outflow on extinguishment of debt	2,570,005	2,753,577
<b><i>Total Deferred Outflows of Resources</i></b>	<u>5,530,023</u>	<u>7,461,826</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u><b>\$ 142,962,345</b></u>	<u><b>\$ 153,030,976</b></u>

See Notes to the Financial Statements

**Corpus Christi Regional Transportation Authority  
Statements of Net Position, Continued**

**Exhibit 1**

	<u>December 31,</u>	
	<u>2024</u>	<u>2023</u> <u>(Restated)</u>
<b>Liabilities, Deferred Inflows of Resources, and Net Position</b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 936,307	\$ 4,012,376
Current Portion of Long-Term Liabilities (Note 4):		
Long-Term Debt	950,000	930,000
Compensated Absences	374,238	328,918
Total OPEB Liability - Current Portion	115,150	137,673
Leases Payable	110,839	93,237
Sales Tax Audit Funds Due	-	164,258
Subscription Based Information Technology Arrangement	92,800	118,798
Distributions to Regional Entities Payable	4,928,041	4,880,150
Other Accrued Liabilities	1,421,888	1,019,925
<b>Total Current Liabilities</b>	<u>8,929,263</u>	<u>11,685,335</u>
<b>Long-Term Liabilities, Net of Current Portion (Note 4):</b>		
Long-Term Debt	14,905,000	15,855,000
Compensated Absences	871,691	1,034,088
Leases Payable (Note 5)	168,074	147,605
Subscription Based Information Technology Arrangement (Note 6)	46,803	64,080
Net Pension Liability (Note 7)	12,314,109	11,426,175
Total OPEB Obligation (Note 8)	678,583	645,685
<b>Total Long-Term Liabilities</b>	<u>28,984,260</u>	<u>29,172,633</u>
<b>Total Liabilities</b>	<u><b>37,913,523</b></u>	<u><b>40,857,968</b></u>
<b>Deferred Inflows of Resources</b>		
Deferred inflow related to leases (Note 5)	1,448,273	1,155,165
Deferred inflow related to OPEB (Note 8)	88,279	89,627
<b>Total Deferred Inflows</b>	<u>1,536,552</u>	<u>1,244,792</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u><b>39,450,075</b></u>	<u><b>42,102,760</b></u>
<b>Net Position:</b>		
Restricted for Net Investment in Capital Assets	64,186,996	58,741,350
Restricted for FTA Interest	575,308	575,308
Unrestricted	38,749,966	51,611,558
<b>Total Net Position</b>	<u><b>\$ 103,512,270</b></u>	<u><b>\$ 110,928,216</b></u>

See Notes to the Financial Statements

Corpus Christi Regional Transportation Authority  
 Statements of Revenues, Expenses, and Changes in Net Position

Exhibit 2

	<u>Year Ended December 31,</u>	
	<u>2024</u>	<u>2023</u> <u>(Restated)</u>
<b>Operating Revenues:</b>		
Passenger Service	\$ 1,132,006	\$ 1,083,894
Bus Advertising	218,956	227,549
Other Operating Revenues	408,565	449,026
<b>Total Operating Revenues</b>	<u>1,759,527</u>	<u>1,760,469</u>
<b>Operating Expenses:</b>		
Transportation	13,340,609	11,262,945
Customer Programs	761,911	672,429
Purchased Transportation	9,139,535	8,617,764
Service Development	783,024	649,394
MIS	1,913,661	1,717,444
Vehicle Maintenance	7,216,611	6,447,426
Facilities Maintenance (net of lease revenue of \$449,161 and \$432,134 in 2024 and 2023)	4,507,064	4,005,548
Materials Management	343,296	312,660
Administrative and General	7,489,051	6,643,633
Marketing & Communications	1,231,056	925,064
Depreciation	8,183,232	6,942,167
<b>Total Operating Expenses</b>	<u>54,909,050</u>	<u>48,196,474</u>
<b>Operating Loss</b>	<b>(53,149,523)</b>	<b>(46,436,005)</b>
<b>Non-Operating Revenues (Expenses):</b>		
Sales and Use Tax Revenue	41,640,434	40,792,893
Federal and Other Grant Assistance	39,249	1,261,558
Investment Income	2,600,334	2,859,182
Lease-Related Interest Income	60,525	76,182
Gain (Loss) on Asset Disposal	515	(319,385)
Subrecipient Programs	(39,249)	(387,767)
Interest Expense and Fiscal Charges	(762,846)	(703,673)
Distributions to Regional Entities	(3,447,523)	(3,272,161)
<b>Net Non-Operating Revenues (Expenses)</b>	<u>40,091,439</u>	<u>40,306,829</u>
<b>Net Income (Loss) Before Capital Grants &amp; Donations</b>	(13,058,084)	(6,129,176)
<b>Capital Grants &amp; Donations</b>	<u>5,642,138</u>	<u>12,984,236</u>
<b>Change in Net Position</b>	(7,415,946)	6,855,060
<b>Net Position, Beginning of Year, As Restated (Note 1)</b>	<u>110,928,216</u>	<u>104,073,156</u>
<b>Net Position, End of Year, As Restated</b>	<u>\$ 103,512,270</u>	<u>\$ 110,928,216</u>

See Notes to the Financial Statements

**Corpus Christi Regional Transportation Authority**  
**Statements of Cash Flows**

**Exhibit 3**

	<b>Year Ended December 31,</b>	
	<b>2024</b>	<b>2023 (Restated)</b>
<b>Cash Flows From Operating Activities:</b>		
Cash Received from Customers	\$ 1,130,926	\$ 1,081,482
Cash Received from Bus Advertising and Other Ancillary	460,095	1,434,361
Cash Payments to Suppliers for Goods and Services	(23,374,548)	(16,741,301)
Cash Payments to Employees for Services	(16,367,580)	(14,764,013)
Cash Payments for Employee Benefits	(7,434,094)	(6,277,331)
Net Cash Used for Operating Activities	<u>(45,585,201)</u>	<u>(35,266,802)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>		
Sales and Use Taxes Received	41,743,336	40,539,997
Grants and Other Reimbursements	39,249	1,261,558
Distributions to Subrecipient Programs	(39,249)	(387,767)
Distributions to Regional Entities	(3,399,632)	(5,915,226)
Net Cash Provided by Non-Capital Financing Activities	<u>38,343,704</u>	<u>35,498,562</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Federal and Other Grant Assistance	8,706,495	9,765,616
Retirement of Long-Term Debt	(930,000)	(905,000)
Interest and Fiscal Charges	(504,999)	(521,297)
Purchase and Construction of Capital Assets	(10,489,047)	(15,229,918)
Proceeds from the Sale of Capital Assets	515	-
Net Cash Used for Capital and Related Financing Activities	<u>(3,217,036)</u>	<u>(6,890,599)</u>
<b>Cash Flows from Investing Activities:</b>		
Investment Income	2,709,093	2,800,212
Purchases of Investments	(18,600,000)	(39,000,000)
Maturities and Redemptions of Investments	33,500,000	38,575,000
Premiums/Discounts on Investments	143,683	113,979
Net Cash Provided by Investing Activities	<u>17,752,776</u>	<u>2,489,191</u>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>7,294,243</b>	<b>(4,169,648)</b>
<b>Cash and Cash Equivalents (Including Restricted Accounts), January 1</b>	<b>21,942,551</b>	<b>26,112,199</b>
<b>Cash and Cash Equivalents (Including Restricted Accounts), December 31</b>	<b>\$ <u>29,236,794</u></b>	<b>\$ <u>21,942,551</u></b>

See Notes to the Financial Statements

**Corpus Christi Regional Transportation Authority**  
**Statements of Cash Flows (continuation)**

**Exhibit 3**

**Reconciliation of Operating Loss to Net Cash  
Used for Operating Activities:**

	<u>Year Ended December 31,</u>	
	<u>2024</u>	<u>2023</u> <u>(Restated)</u>
Operating Loss	\$ (53,149,523)	\$ (46,436,005)
Adjustments to Reconcile Operating Loss to Net Cash		
Provided (Used) by Operating Activities:		
Depreciation	8,183,232	7,127,509
Disposal of Inventory	-	(319,385)
Changes in Assets, Deferred Inflows & Outflows of Resources, and Liabilities:		
Inventories	102,940	315,314
Lease Receivable	(293,109)	326,131
Other Receivables	(278,954)	(143,329)
Prepaid Expenses	(59,341)	9,522
Accounts Payable and Accrued Liabilities	(2,906,465)	1,356,236
Compensated Absences	(117,078)	85,898
Leases Payable	38,070	(97,896)
Total OPEB Obligation	10,375	(51,482)
Net Pension Liability	887,934	398,700
Subscription Software Liability	(43,275)	663,039
Deferred Outflows of Resources	1,748,231	1,200,506
Deferred Inflows of Resources	291,761	298,440
Net Cash Used for Operating Activities	<u>\$ (45,585,201)</u>	<u>\$ (35,266,802)</u>

**Non-Cash Investing, Capital and Financing Activities:**

Change in:

Accrued Interest Payable	\$ 3,753	\$ (30,141)
Deferred Outflows of Extinguishment of Debt	(183,572)	(183,572)
Distribution to Regional Entities Payable	47,891	(2,643,065)
Long Term Investments	7,485,413	(5,951,169)
Other Prepaid Expenses (Non-Operating)	(11,522)	(11,522)
Receivable from Federal Government Capital	(3,066,544)	3,284,525
Receivable from Federal Government Operating	(38,861)	(24,857)
Right-to-use Subscription Software	582,718	373,274
Sales and Use Tax Receivable	(102,902)	252,896
Sales Tax - Audit Funds Due	(164,258)	(328,488)
Short Term Investments	(22,132,189)	6,262,190

See Notes to the Financial Statements

**Corpus Christi Regional Transportation Authority  
Fiduciary Funds - Statements of Net Position**

**Exhibit 4**

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
Investments (Note 2)		
Money Market Funds	\$ 1,995,338	\$ 1,631,682
Mutual Funds	10,322,367	10,135,988
Collective Investment Funds	54,753,147	50,874,343
Total Investments, at Fair Value	<u>67,070,852</u>	<u>62,642,013</u>
Receivables		
Accrued Interest Receivable	34,663	19,538
<b>TOTAL ASSETS</b>	<u>67,105,515</u>	<u>62,661,551</u>
<b>LIABILITIES</b>		
Due to Broker for Securities Purchased	30,388	16,869
<b>TOTAL LIABILITIES</b>	<u>30,388</u>	<u>16,869</u>
<b>FIDUCIARY NET POSITION</b>		
Held in Trust for Pension Benefits	<u>\$ 67,075,127</u>	<u>\$ 62,644,682</u>

See Notes to the Financial Statements

**Corpus Christi Regional Transportation Authority  
Fiduciary Funds - Statements of Changes in Net Position**

**Exhibit 5**

	<b>Year Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
Additions:		
Investment Income / (Loss)	\$ 6,518,479	\$ 7,932,772
Employee Contributions	1,406,024	1,308,921
Employer Contributions	2,317,966	1,952,572
<b>Total Additions</b>	<u>10,242,469</u>	<u>11,194,265</u>
Deductions:		
Benefits Paid	5,638,018	3,642,722
Administrative Expenses	174,006	131,571
<b>Total Deductions</b>	<u>5,812,024</u>	<u>3,774,293</u>
Increase (Decrease) in Net Position	4,430,445	7,419,972
Net Position, January 1	62,644,682	55,224,710
Net Position, December 31	<u>\$ 67,075,127</u>	<u>\$ 62,644,682</u>

See Notes to the Financial Statements

## **NOTES TO THE FINANCIAL STATEMENTS**

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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**1) Summary of Significant Accounting Policies**

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.

The Corpus Christi Regional Transportation Authority (the Authority) was established by referendum on August 10, 1985, as a political subdivision of the State of Texas, to develop, maintain and operate a public mass transportation system, principally within Nueces County, Texas and certain neighboring communities. The Authority commenced operations on January 1, 1986.

Under state law, the Authority is authorized to levy ½-cent sales and use tax for transit purposes, including both capital improvement and operating expenses. The Authority is not authorized to levy property taxes. The Authority may issue bonds backed by operating revenues. Subject to referendum, the Authority may also issue bonds backed by sales taxes. The Authority is not subject to federal income taxes.

**Reporting Entity:** “The Financial Reporting Entity,” as defined in Section 2100 of GASB Codification of Governmental Accounting and Financial Reporting Standards, is comprised of the primary government and its component units. The primary government includes all departments and operations of the Authority that are not legally separate organizations. Component units are legally separate organizations that are fiscally dependent on the Authority or for which the Authority is financially accountable. An organization is fiscally dependent if it must receive the Authority’s approval for its budget, the levying of taxes or the issuance of debt. The Authority is financially responsible for an organization if it appoints a majority of the organization’s board and either (a) has the ability to impose its will on the organization or (b) there is a potential for the organization to provide a financial benefit to or impose a financial burden on the Authority. The reporting entity of the Authority consists only of the primary government. There are no component units. The Authority is not included as part of another governmental reporting entity.

**Measurement Focus, Basis of Accounting and Financial Statements:** The accounts of the Authority are organized as a proprietary fund. Proprietary funds account for operations that are financed and operated in a manner like a private business enterprise, where the intent is that costs of providing services to the public on a continuing basis are financed or recovered through user charges. The Authority’s accounts are used for all Authority assets, liabilities, equities, revenues and expenses and are maintained on the accrual basis of accounting. Revenues from operations, investments and other sources are recorded when earned and expenses, including depreciation and amortization, of providing services to the public are accrued when incurred. Operating revenues include charges for transportation services and related ancillary revenues. Operating expenses include costs of operating the Authority, including fixed route, purchased services, service planning, customer service, vehicle and facilities maintenance net of Staples Street Center leases, and administrative functions. All revenues and expenses that do not meet these definitions are classified as non-operating.

Non-operating revenues are non-exchange transactions, in which the Authority receives value without directly giving something of equal value in return, including sales taxes and grants. Sales

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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tax is recognized when taxable sales occur. Grants are recognized on a reimbursement basis when all grant requirements have been satisfied.

**Fiduciary Funds:** Fiduciary funds are used to account for pension and defined contribution activities for which the Authority is financially accountable. Since these assets are being held for the benefit of other parties and cannot be used to finance the activities of the Authority, they are separately presented funds.

**Cash and Cash Equivalents:** The Authority considers all cash on hand, demand deposits and short-term investments with original maturities of less than 90 days to be cash and cash equivalents.

**Investments:** The Authority’s investments are stated at fair value, except for money market funds and investments with a remaining maturity of one year or less when purchased and non-participating interest earning investment contracts, which are carried at cost. Fair value fluctuates with interest rates and increasing rates may cause the fair value to decline below cost. The calculation of realized gains and losses is independent of a calculation of the net change in the fair value of investments. Net change in the fair value of investments is recognized and reported as investment income in the financial statements. The Authority’s local government investment pools are recorded at amortized costs as permitted by GASB Statement No. 79, *Certain Investment Pools and Pool Participants*. The Authority’s investment policy focuses on strategies that attain preservation of principal primarily and maximizing earnings secondarily. Policy considers all cash on hand, demand deposits, and short-term investments with original maturities of less than 90 days to be cash and cash equivalents.

**Capital Assets:** The Authority defines capital assets as items with an initial cost of at least \$5,000 for all items and an estimated life of at least two years. Capital assets, which include property, facilities, and equipment, are stated at historical cost. Donated assets are valued at their estimated acquisition value on the date received. Leasehold improvements are amortized over the shorter of the lease term or lives of related improvements. All costs of normal maintenance and repairs are expensed to operations as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Standard useful life estimates by asset types are as follows:

Asset Type	Years
Buildings	20-50
Transit Stations, Bus Stops, Street Pads & Other Improvements	2-15
Improvements other than buildings	2-5
Vehicles	3-12
Furniture & Equipment	2-12

Upon disposal, the costs of assets, including accumulated depreciation, are removed with the resulting gain or loss being reflected as a non-operating revenue/expense in the statement of revenues, expenses, and changes in net position. A portion of the proceeds from the sale of property and equipment acquired with federal grants must be remitted to the granting federal agency under certain circumstances.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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**Right to Use Asset:** A right to use asset conveys control of the right to use another entity's non-financial asset over the duration of an agreed-upon lease term or other arrangement in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment.

**Subscription Asset:** A subscription asset derives from subscription-based information technology arrangements (SBITAs) that convey control of the right to use another entity's information technology software, alone or in a combination with tangible capital assets, for a specified period in an exchange or exchange-like transaction.

**Compensated Absences:** Employees of the Authority are compensated for personal, holiday, and health leave and other qualifying absences. The number of days compensated for these absences is based generally on length of service. It is the Authority's policy to permit employees to accumulate earned but unused personal leave. The amount of unused time that can be carried over to the next year is limited to 80 hours. Sick leave can be carried over indefinitely and up to 720 hours paid out if the employee retires from the Authority. Compensated absences are reflected in the financial statements when earned and available to the employee.

**Restricted and Unrestricted Funds:** In the financial statements, the net position is reported in three categories: Restricted for Net Investment in Capital Assets; Restricted for Debt Service or Federal Transit Administration (FTA) Interest, and Unrestricted. From these three categories the only funds available for spending is the amount reported as Unrestricted.

The Restricted for Net Investment in Capital Assets represents the total costs that the Authority has invested over the years in acquiring capital assets less accumulated depreciation and the outstanding principal balance of the related debt. In the Authority's case, the capital investment is also further decreased by the extinguishment of debt related to the 2019 bond refunding.

The restricted net position represents the amount that has been restricted by parties outside of the Authority such as creditors, grantors, laws, and regulations of other governments. Since the refunding of the bonds, the restriction under the old bond covenant has been removed and replaced with an insurance policy that guarantees the repayment of the principal and all associated interest payments to the bondholders in the event of default. As of 2024, the only amount restricted represents the FTA interest in the disposition of an asset that was no longer needed for the original authorized purpose. The reduction in the amount of the FTA's interest will apply to a future project eligible for grant funding.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the Authority assumes all unrestricted funds are spent first then until the funds are reconciled at the end of the month at which time reallocations to the three components are recomputed.

When an expenditure is incurred for which assigned funds balances are available, then assigned funds will be spent first and finally unassigned funds.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Deferred Outflows/Inflows:** In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until that point.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**Pension Plans:** It is the Authority's policy to fund pension costs annually. For purposes of measuring the net pension asset/liability, deferred outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Authority's Defined Benefit and Defined Contributions Plan (the Plans) and additions to/deductions from the Authority's plans fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when they are due and payable in accordance with the benefit terms. Investments are reported at fair value. For more information on the Plans, see Note 7 of the Notes to the Financial Statements.

**Estimates:** Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

**Reclassifications:** Certain reclassifications were made to prior year balances to confirm with current year presentation. The reclassifications have no impact on overall net position.

**Prior Year Restatement:** During the course of evaluating contracts subject to the scope of GASB 96, *Subscription-Based Information Technology Information Arrangements*, it was determined that previously recognized subscriptions assets and liabilities were overstated. Accordingly, the Authority was required to restate ending net position for 2023. The net impact of the restatement resulted in an increase in net position of \$163,972 on December 31, 2023, presented as follows:

F/S*	Category	December 31,		December 31,
		Originally Stated	Restatement	2023, As Restated
SNP	Subscription Assets	\$1,852,015	\$(840,690)	\$1,011,325
SNP	Subscription Assets, Accumulated Depreciation	(465,851)	185,342	(280,509)
SNP	Subscription Liability, Current Portion	(320,894)	202,096	(118,798)
SNP	Subscription Liability, Noncurrent Portion	(620,319)	556,239	(64,080)
SNP	Accrued Interest, Nondebt	(32,016)	26,671	(5,345)
SNP	Prepaid Expenses	580,606	34,314	614,920
	<b>Total Assets &amp; Liabilities</b>	<b>\$993,541</b>	<b>\$163,972</b>	<b>\$1,157,513</b>
SRECNP	Interest Expenses, SBITA-Related	35,087	(26,671)	8,416
SRECNP	Depreciation Expense, Right-to-Use Software	418,637	(185,342)	233,295
SRECNP	Dept 07, MIS	1,669,404	48,041	1,717,445
	<b>Total Revenue &amp; Expenses</b>	<b>\$2,123,128</b>	<b>\$(163,972)</b>	<b>\$1,959,156</b>

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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F/S\*

SNP – Statement of Net Position

SRECNP – Statement of Revenues, Expenses, and Changes in Net Position

**Recent Accounting Pronouncements:**

For the year ended December 31, 2024, the Authority implemented the following recent accounting pronouncements:

- GASB Statement No. 99, *Omnibus 2022 (GASB 99)*, establishes the requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of non-monetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63, which are effective upon issuances. Additionally, requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022. Last, requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023.
- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62 (GASB 100)*, has the objective of enhancing the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions and assessing accountability. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023.
- GASB Statement No. 101, *Compensated Absences (GASB 101)*, has the objective to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

The statement requires that liability for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used by not yet paid in cash or settled through noncash means. This statement requires that a liability for certain types of compensated absences – including parental leave, military leave, and jury duty leave – not be recognized until the leave commences. This statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements.

The statement amends the existing requirements to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which government funds typically have been used to liquidate the liability for compensated absences. The requirements of this statement are effective for fiscal years beginning after December 15, 2023.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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**Future Accounting Pronouncements:**

GASB Statement No. 102, *Certain Risk Disclosures* (GASB 102), improves financial reporting by providing users of financial statements with essential information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The requirements of this statement are effective for reporting periods beginning after June 15, 2024, with earlier application encouraged. GASB 102 will be implemented in the Authority's fiscal year 2025 financial statements, and the impact has not yet been determined.

GASB Statement No. 103, *Financial Reporting Model Improvements* (GASB 103), improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 103 will be implemented in the Authority's fiscal year 2026 financial statements, and the impact has not yet been determined.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* (GASB 104), establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 104 will be implemented in the Authority's fiscal year 2026 financial statements, and the impact has not yet been determined.

**(2) Cash and Cash Equivalents**

As of December 31, 2024, current assets totaling \$28,661,486 were held in bank deposits or in the TexPool local government investment pool (LGIP). An additional balance of \$575,308 in non-current restricted cash associated with the FTA's interest in the sale of property was held in bank deposits.

As of December 31, 2023, current assets totaling \$21,367,243 were held in bank deposits or in the TexPool local government investment pool (LGIP). An additional balance of \$575,308 in non-current restricted cash associated with the FTA's interest in the sale of property was held in bank deposits.

The Authority's cash equivalents managed through LGIPs are recorded at amortized cost in accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

<u>Type</u>	<u>2024</u>	<u>Weighted Average Maturity (Years)</u>	<u>2023</u>	<u>Weighted Average Maturity (Years)</u>
<b>Cash and Cash Equivalents</b>				
Deposits in Bank (Unrestricted)	\$ 1,739,399	0	\$ 466,448	0
Deposits in Bank (Restricted)	575,308	0	575,308	0
TexPool Local Government Investment Pool -				
Overnight	26,920,737	0	20,899,445	0
Cash Funds	1,350	0	1,350	0
<b>Total Cash and Cash Equivalents</b>	<b>\$ <u>29,236,794</u></b>		<b>\$ <u>21,942,551</u></b>	

**Fair Value Measurements** – GASB Statement No. 72, *Fair Value Measurement and Application*, provides the framework for determining a fair value measurement for financial reporting purposes. The Authority categorizes its investments measured at fair value within the hierarchy established by generally accepted accounting principles.

Investments valued at fair value are categorized based on inputs to valuation techniques as follows:

Level 1 input – Quotes prices for identical assets or liabilities in an active market that an entity can access.

Level 2 input – Quoted prices for similar assets or liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 input – Inputs that are unobservable for the asset or liability which are typically based upon the Authority’s own assumptions as there is little, if any, related market activity.

Because the investments are restricted by Board policy and state law to active secondary market, the *market approach* is being used for valuation. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities.

The *exit* or fair market prices used for these fair market valuations of the portfolio are all Level 1 and represent unadjusted quoted prices in active markets for identical assets and liabilities that have been accessed at the measurement date. U.S. Governmental Treasury obligations and U.S. Governmental Agencies are classified in Level 1 on the fair value hierarchy and are valued within a multi-dimensional relational model and prices from an independent market pricing service and reported trades. Commercial paper is categorized in Level 2 and is valued using a matrix pricing technique utilizing an independent pricing service and price/ratings updates.

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As of December 31, 2024, the Authority's securities to be priced in the portfolio were as follows:

<b>Investments</b>	<b>Fair Value as of December 31, 2024</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Quoted Prices in Active Markets for Similar Assets (Level 2)</b>
Commercial Paper	\$ 10,959,672	\$ -	\$ 10,959,672
U.S. Government Agencies	3,993,890	3,993,890	-
U.S. Government Treasuries	3,491,523	3,491,523	-
<b>Total Investments</b>	<b>\$ 18,445,085</b>	<b>\$ 7,485,413</b>	<b>\$ 10,959,672</b>
<b>Statement of Net Position</b>			
Short Term Investments	\$ 10,959,672		
Long Term Investments	7,485,413		
	<b>\$ 18,445,085</b>		

As of December 31, 2024, the Authority classified investments totaling \$7,485,413 as long-term. The classification is based on the contractual maturity dates of the underlying investments, which extend beyond one year from the financial statement date. The Authority has both the ability and intent to hold these investments to maturity.

As of December 31, 2023, the Authority's securities to be priced in the portfolio were as follows:

<b>Investments</b>	<b>Fair Value as of December 31, 2023</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Quoted Prices in Active Markets for Similar Assets (Level 2)</b>
Commercial Paper	\$ 18,090,850	\$ -	\$ 18,090,850
U.S. Government Agencies	15,001,010	15,001,010	-
<b>Total Investments</b>	<b>\$ 33,091,860</b>	<b>\$ 15,001,010</b>	<b>\$ 18,090,850</b>
<b>Statement of Net Position</b>			
Short Term Investments	\$ 33,091,860		
Long Term Investments	-		
	<b>\$ 33,091,860</b>		

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The fiduciary fund holding the investment portfolio for the RTA Employee Defined Benefit Plan held the following securities subject to fair value measurement on December 31, 2024:

<u>Investments</u>	<u>Fair Value as of December 31, 2024</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Quoted Prices in Active Markets for Similar Assets (Level 2)</u>
Mutual Funds	\$ 9,917,000	\$ 9,917,000	\$ -
Collective Investment Trusts	40,350,013	-	40,350,013
<b>Total Investments</b>	<b>\$ 50,267,013</b>	<b>\$ 9,917,000</b>	<b>\$ 40,350,013</b>

**Note 7**

Mutual Funds	\$ 9,917,000
Collective Investment Trusts	40,350,013
	<b>\$ 50,267,013</b>

The fiduciary fund holding the investment portfolio for the RTA Employee Defined Benefit Plan held the following securities subject to fair value measurement on December 31, 2023:

<u>Investments</u>	<u>Fair Value as of December 31, 2023</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Quoted Prices in Active Markets for Similar Assets (Level 2)</u>
Mutual Funds	\$ 9,753,290	\$ 9,753,290	\$ -
Collective Investment Trusts	37,183,993	-	37,183,993
<b>Total Investments</b>	<b>\$ 46,937,283</b>	<b>\$ 9,753,290</b>	<b>\$ 37,183,993</b>

**Note 7**

Mutual Funds	\$ 9,753,290
Collective Investment Trusts	37,183,993
	<b>\$ 46,937,283</b>

**Interest Rate Risk:** This is the risk that changes in the interest rates will negatively impact the fair value of the Authority's investments. As market interest rates rise, the fair value of an investment held decreases. By policy, the Authority's strategy for managing this risk is to limit the weighted average maturity for the portfolio to one year. The maximum maturity for any one investment is three years.

For the Enterprise Fund as of December 31, 2024,

- holdings in the portfolio had maturity dates ranging between 24 and 835 days,
- the dollar weighted average maturity of the portfolio was 0.84 years.

For the Enterprise Fund as of December 31, 2023,

- no holding in the portfolio had a maturity date beyond 174 days,
- the dollar weighted average maturity of the portfolio was 0.26 years.

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**Credit Risk - Investments:** This is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the Authority. The primary stated objective of the Authority’s adopted Investment Policy is the safety of principal and the avoidance of principal loss. Credit risk within the Authority’s portfolio among the authorized investments in the Policy is represented in time and demand deposits, repurchase agreements, state and local government obligations, local government pools, banker’s acceptances, commercial paper and non-rated SEC registered money market mutual funds. All other investments are rated AAA, or equivalent, by at least one nationally recognized rating organization (NRSRO).

**Concentration of Credit Risk:** This is the risk of investing predominantly in any one type of investment or entity. The Authority recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The Authority’s adopted investment policy establishes 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. As of December 31, 2024, and 2023, the limits on the various types of authorized investments as a percent of the portfolio were:

<b>Investment Type</b>	<b>Allowable</b>	<b>Actual as of 12/31/2024</b>	<b>Actual as of 12/31/2023</b>
US Treasury Obligations	80.00%	0.00%	0.00%
US Agency Instrumentalities	80.00%	15.70%	27.26%
State Government Obligations	45.00%	0.00%	0.00%
Local Government Obligations	45.00%	0.00%	0.00%
Certificates of Deposit (Depository)	50.00%	0.00%	0.00%
Brokered Certificates of Deposit	30.00%	0.00%	0.00%
Repurchase Agreements	50.00%	0.00%	0.00%
Flex in CIP Funds	100.00%	0.00%	0.00%
Local Government Investment Pools	80.00%	56.46%	37.98%
Money Market Funds / Demand Deposits	100.00%	4.86%	1.90%
Commercial Paper	35.00%	22.98%	32.86%
Bankers Acceptances	20.00%	0.00%	0.00%

**Custodial Credit Risk – Deposits and Investments:** For deposits, this is the risk that if a bank fails, the Authority may not recover its deposits. The Authority contractually requires that all demand deposits held in the bank overnight and repurchase agreements be fully insured or collateralized at 102% under a written agreement. Collateral is held in safekeeping by an independent third party. On December 31, 2024 and 2023, bank funds on deposit in excess of FDIC insurance were collateralized at more than 102%.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority may not recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority requires that all securities must be cleared on a delivery versus payment (DVP) basis and Authority ownership documented by original clearing confirmations and safekeeping receipts. On December 31, 2024 and 2023, all Authority’s securities were handled in this manner.

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**Fiduciary Funds:** Funds in the Authority’s Defined Benefit and Defined Contribution plans are invested through trust plans managed by Principal Financial Services (formerly managed by Wells Fargo). These funds are invested under separate investment policies which allow for investments in money market accounts, mutual funds, stocks and bonds. Through adherence to the Plans’ investment policies, management attempts to limit or mitigate certain risks. The Authority is responsible for the Plans’ assets.

**Defined Benefit Plan:** The primary investment objective is to earn a rate of return sufficient to match or exceed the long-term growth of the Plan’s liabilities through a combination of income and capital appreciation in a manner consistent with the fiduciary standards of ERISA and with sound investment practices. Assets are invested to minimize the chance of suffering market value losses. Assets are diversified into different styles with a prudent number of individual issues within each style to mitigate concentration risk.

**Defined Contribution Plan:** The overall objective is to enable eligible employees to save for retirement by providing a tax-deferred savings plan and offering enough funds from distinct asset classes to accommodate a broad range of individual investment goals. The Plan provides multiple investment alternatives, each with different risk and return characteristics, so that each participant can choose the potential return and risk levels as well as attain diversification among the alternatives. The Authority employs certain qualitative and quantitative measures to evaluate potential investment alternatives.

**(3) Capital Assets**

The Authority’s capital assets represent investments in land, buildings, transit stations, infrastructure improvements, bus stops, street pads, bus turn-ins, motor coaches, trolleys, paratransit vehicles, sedans, vans, cars and trucks, garage equipment, facilities maintenance equipment, office equipment and information technology needed to conduct the Authority’s operations.

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Capital asset activities for the year ended December 31, 2024, are as follows:

	<b>Balance at 12/31/2023 (Restated)</b>	<b>Additions / Transfers</b>	<b>Retirements</b>	<b>Balance at 12/31/2024</b>
<b>Assets Not Being Depreciated:</b>				
Land	\$ 4,882,879	\$ 308,598	\$ -	\$ 5,191,477
Construction in Progress	4,585,020	3,249,418	-	7,834,438
	<u>9,467,899</u>	<u>3,558,016</u>	<u>-</u>	<u>13,025,915</u>
<b>Assets Being Depreciated</b>				
Buildings	52,999,075	38,120	-	53,037,195
Transit Stations, Bus Stops, Street Pads & Other Improvements	31,754,022	1,708,534	-	33,462,556
Improvements other than Buildings	5,525,123	54,429	-	5,579,552
Vehicles, Furniture and Equipment	64,716,485	4,011,170	(3,286,314)	65,441,341
Right-to-Use Equipment	499,627	137,315	-	636,942
Right-to-Use Subscription Asset	1,011,325	582,719	-	1,594,044
	<u>156,505,657</u>	<u>6,532,287</u>	<u>(3,286,314)</u>	<u>159,751,630</u>
<b>Total Capital Assets</b>	<b><u>165,973,556</u></b>	<b><u>10,090,303</u></b>	<b><u>(3,286,314)</u></b>	<b><u>172,777,545</u></b>
<b>Less: Accumulated Depreciation:</b>				
Buildings	19,515,075	1,149,441	-	20,664,516
Transit Stations, Bus Stops, Street Pads & Other Improvements	19,812,463	1,308,255	-	21,120,718
Improvements other than Buildings	4,628,366	219,185	-	4,847,551
Vehicles, Furniture and Equipment	44,852,227	5,087,946	(3,286,314)	46,653,859
Right-to-Use Equipment	278,612	98,650	-	377,262
Right-to-Use Subscription Asset	280,509	319,755	-	600,264
<b>Total Accumulated Depreciation</b>	<u>89,367,252</u>	<u>8,183,232</u>	<u>(3,286,314)</u>	<u>94,264,170</u>
<b>Total Capital Assets, Net</b>	<b><u>\$ 76,606,304</u></b>	<b><u>\$ 1,907,071</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 78,513,375</u></b>

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Capital asset activities for the year ended December 31, 2023, are as follows:

	<b>Balance at 12/31/2022</b>	<b>Additions / Transfers</b>	<b>Retirements</b>	<b>Balance at 12/31/2023 (Restated)</b>
<b>Assets Not Being Depreciated:</b>				
Land	\$ 4,882,879	\$ -	\$ -	\$ 4,882,879
Construction in Progress	1,031,486	3,553,534	-	4,585,020
	<u>5,914,365</u>	<u>3,553,534</u>	<u>-</u>	<u>9,467,899</u>
<b>Assets Being Depreciated</b>				
Buildings	52,705,304	293,771	-	52,999,075
Transit Stations, Bus Stops, Street Pads & Other Improvements	28,574,474	5,595,289	(2,415,741)	31,754,022
Improvements other than Buildings	5,525,123	-	-	5,525,123
Vehicles, Furniture and Equipment	62,634,935	4,573,362	(2,491,812)	64,716,485
Right-to-Use Equipment	499,627	-	-	499,627
Right-to-Use Subscription Asset	638,051	373,274	-	1,011,325
	<u>150,577,514</u>	<u>10,835,696</u>	<u>(4,907,553)</u>	<u>156,505,657</u>
<b>Total Capital Assets</b>	<b><u>156,491,879</u></b>	<b><u>14,389,230</u></b>	<b><u>(4,907,553)</u></b>	<b><u>165,973,556</u></b>
<b>Less: Accumulated Depreciation:</b>				
Buildings	18,375,256	1,139,819	-	19,515,075
Transit Stations, Bus Stops, Street Pads & Other Improvements	21,241,881	986,323	(2,415,741)	19,812,463
Improvements other than Buildings	4,410,173	218,193	-	4,628,366
Vehicles, Furniture and Equipment	43,065,489	4,262,576	(2,475,838)	44,852,227
Right-to-Use Equipment	176,651	101,961	-	278,612
Right-to-Use Subscription Asset	47,214	233,295	-	280,509
	<u>87,316,664</u>	<u>6,942,167</u>	<u>(4,891,579)</u>	<u>89,367,252</u>
<b>Total Accumulated Depreciation</b>	<b><u>87,316,664</u></b>	<b><u>6,942,167</u></b>	<b><u>(4,891,579)</u></b>	<b><u>89,367,252</u></b>
<b>Total Capital Assets, Net</b>	<b><u>\$ 69,175,215</u></b>	<b><u>\$ 7,447,063</u></b>	<b><u>\$ (15,974)</u></b>	<b><u>\$ 76,606,304</u></b>

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**(4) Long-Term Liabilities:**

**Change in Long-Term Liabilities**

2024	12/31/2023 As Restated	Additions	Retirements	12/31/2024	Due within One Year
Refunding Bonds	\$ 16,785,000	\$ -	930,000	\$ 15,855,000	\$ 950,000
Net Pension Liability	11,426,175	12,314,109	11,426,175	12,314,109	-
Total OPEB Obligation	783,358	10,375	-	793,733	115,150
Compensated Absences	1,363,006	1,245,929	1,363,006	1,245,929	374,238
Sales Tax Audit Funds	164,258	-	164,258	-	-
Leases Payable	240,842	137,316	99,245	278,913	110,839
Software Subscriptions Payable	182,878	124,846	168,121	139,603	92,800
Total Long-Term Liabilities	<u>\$ 30,945,517</u>	<u>\$ 13,832,575</u>	<u>\$ 14,150,805</u>	<u>\$ 30,627,287</u>	<u>\$ 1,643,027</u>

2023	12/31/2022	Additions	Retirements	12/31/2023 As Restated	Due within One Year
Refunding Bonds	\$ 17,690,000	\$ -	\$ 905,000	\$ 16,785,000	\$ 930,000
Net Pension Liability	11,027,475	11,426,175	11,027,475	11,426,175	-
Total OPEB Obligation	834,840	-	51,482	783,358	137,673
Compensated Absences	1,277,107	1,363,006	1,277,107	1,363,006	328,918
Sales Tax Audit Funds	492,746	-	328,488	164,258	164,258
Leases Payable	338,738	-	97,896	240,842	93,237
Software Subscriptions Payable	278,173	34,104	129,399	182,878	118,798
Total Long-Term Liabilities	<u>\$ 31,939,079</u>	<u>\$ 12,823,285</u>	<u>\$ 13,816,847</u>	<u>\$ 30,945,517</u>	<u>\$ 1,772,884</u>

**Long-Term Debt:**

On October 8, 2019, in a historically low-interest rate environment, the Authority entered the taxable municipal bond market and successfully refinanced two Series 2013 bond issues. The refinancing decreased the original interest rate from 5.53% to 3.01%, generating interest cost savings of \$3,778,208 over a 20-year period. The Present Value Savings Ratio is 6.31%, which well exceeded the Board's minimum threshold of 3.00%, indicating a healthy and prudent refinancing transaction. The new bond covenants from the Series 2019 bonds allowed the Authority to purchase a reserve fund insurance for \$28,183. The one-time insurance policy further allowed the Authority to release an existing cash reserve amount of \$1.6 million for the reduction of bond principal.

The Authority recognized deferred outflows of \$3,487,864 associated with the extinguishment of the original debt, as well as prepaid insurance and a bond discount to be amortized in the amounts of \$79,054 and \$139,854, respectively. Additional costs of refunding included fees for bond counsel, credit rating services, and advisory fees totaled \$248,442. The issuance of these bonds resulting in a gross debt service savings of \$3,778,208 and net present value savings of \$1,214,593 (6.311% of the principal amount of the refunding bonds).

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The bonds are first lien revenue bonds and will be repaid from the pledged revenues of the Authority. Pledged revenues, as defined by the bond resolution, include the net operating revenues, plus any additional revenues, income, receipts, or other revenues which are pledged by the Issuer.

The original debt stemmed from the November 20, 2013, issue with a combined debt totaling \$22,025,000. The debt consisted of non-taxable revenue bonds, Series 2013 (AMT) in the amount of \$11,525,000 and tax-exempt bonds, Series 2013 in the amount of \$10,500,000. As of December 31, 2018, all bond proceeds were expended along with the reconstruction of the existing bus transfer station located adjacent to the new building.

**\$20,265,000 System Revenue Refunding Bonds**  
**Taxable Series 2019**

<b>Years Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Requirements</b>
2025	\$ 950,000	\$ 461,460	\$ 1,411,460
2026	970,000	439,543	1,409,543
2027	990,000	416,195	1,406,195
2028	1,020,000	391,574	1,411,574
2029	1,045,000	365,187	1,410,187
2030-2034	5,670,000	1,368,650	7,038,650
2035-2038	5,210,000	431,593	5,641,593
	<b>\$ 15,855,000</b>	<b>\$ 3,874,202</b>	<b>\$ 19,729,202</b>

**Compensated Absences:**

Authority employees are allowed to carry a maximum of 80 hours of accrued but unused personal leave as of December 31 next year. Unused personal leave of more than 80 hours is forfeited. Sick leave can be carried over indefinitely and up to 720 hours can be paid to an employee retiring from the RTA.

**(5) Leases**

**Right-To-Use Leases**

In 2020, the Authority (Lessee) entered into a Right-To-Use lease agreement, as defined by GASB *Statement No. 87, Leases* (GASB 87), with De Lage Landen Financial Services Inc. (Lessor). The estimated useful life of the Toshiba copy equipment is the same as the lease term. The following table includes the leased equipment asset and liability amounts recorded, along with the term and interest rate of the lease agreement:

<b>Lease Description</b>	<b>Asset Cost Basis</b>	<b>Accumulated Depreciation 12/31/2024</b>	<b>Lease Term (months)</b>	<b>Interest Rate</b>	<b>Original Lease Liability</b>	<b>Liability Outstanding 12/31/2024</b>	<b>Monthly Principal &amp; Interest Payments</b>
Copiers	\$ 111,935	\$ 111,935	60	5.50%	\$ 111,935	\$ -	\$ -

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No future payments remain on this lease as it concluded in 2024.

In 2021, The Authority (Lessee) entered into a Right-To-Use lease agreement, as defined by GASB 87 with Bridgestone Americas Inc. (Lessor). The estimated useful life of the tires is the same as the lease term. The following table includes the leased equipment asset and liability amounts recorded along with the term and interest rate of the lease agreement:

<b>Lease Description</b>	<b>Asset Cost Basis</b>	<b>Accumulated Depreciation 12/31/2024</b>	<b>Lease Term (months)</b>	<b>Interest Rate</b>	<b>Original Lease Liability</b>	<b>Liability Outstanding 12/31/2024</b>	<b>Monthly Principal &amp; Interest Payments</b>
Tires	\$ 387,692	\$ 258,461	60	5.50%	\$ 387,692	\$ 147,605	\$ 7,563

The future minimum lease payment requirements are as follows:

<b>Year Ending December 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	85,965	5,995	91,960
2026	61,640	1,278	62,918
	<b>\$ 147,605</b>	<b>\$ 7,273</b>	<b>\$ 154,878</b>

In 2024, the Authority (Lessee) entered into a Right-To-Use lease agreement, as defined by GASB *Statement No. 87, Leases* (GASB 87), with De Lage Landen Financial Services Inc. (Lessor). The estimated useful life of the Toshiba copy equipment is the same as the lease term. The following table includes the leased equipment asset and liability amounts recorded, along with the term and interest rate of the lease agreement:

<b>Lease Description</b>	<b>Asset Cost Basis</b>	<b>Accumulated Depreciation 12/31/2024</b>	<b>Lease Term (months)</b>	<b>Interest Rate</b>	<b>Original Lease Liability</b>	<b>Liability Outstanding 12/31/2024</b>	<b>Monthly Principal &amp; Interest Payments</b>
Copiers	\$ 137,316	\$ 6,866	60	5.50%	\$ 137,316	\$ 131,308	\$ 2,623

The future minimum lease payment requirements are as follows:

<b>Year Ending December 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	24,874	6,601	31,475
2026	26,277	5,198	31,475
2027	27,759	3,716	31,475
2028	29,325	2,150	31,475
2029	23,073	532	23,605
	<b>\$ 131,308</b>	<b>\$ 18,197</b>	<b>\$ 149,505</b>

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**Lease Agreements – CCRTA as Lessor**

In December 2014, the Authority (Lessor) entered into an office space lease agreement commencing August 1, 2016 with Greyhound Lines Inc. (Lessee) for 1,667 square feet at the Staples Street Center. The lease term was for 10 years, or 120 months, with renewal being upon written notice given by Greyhound Lines, Inc. to the Authority before or after the expiration of the existing term of this lease.

In January 2015, the Authority (Lessor) entered into an office space lease agreement with Corpus Christi Metropolitan Planning Organization (CCMPO) for 2,333 square feet at the Staples Street Center. The initial lease term was for 5 years, or 60 months, and was renewed for an additional 5-year term upon completion in May 2021.

In January 2015, the Authority (Lessor) entered into an office space lease agreement with the County of Nueces (Lessee) for 4,077 square feet at the Staples Street Center. The initial lease term was for 5 years, or 60 months, and was renewed for an additional 2-year term, with three 1-year options. In July 2024, instead of exercising the second option, the County requested a two-month lease after which they vacated their space at the Staples Street Center.

In November 2015, the Authority (Lessor) entered into an office space lease agreement with South Texas Substance Abuse Recovery Services (STSARS – Lessee) for 4,000 square feet at the Staples Street Center. The lease term was for 10 years, or 120 months, with renewal being upon written notice given by STSARS to the Authority before or after the expiration of the existing term of this lease.

In November 2016, the Authority (Lessor) entered into an office space lease agreement with the Texas Senate (Lessee) for 1,710 square feet at the Staples Street Center to be occupied by the Office of Senator Juan “Chuy” Hinojosa. The initial lease term was for 4 years and one month, or 49 months, and was renewed for an additional 2-year term upon completion in January 2023. The Senator’s office opted to renew this lease for an additional term of four years running from January 11, 2025 to January 10, 2029.

In November 2016, the Authority (Lessor) entered into an office space lease agreement with United Corpus Christi Chamber of Commerce (UCCCC – Lessee) for 2,733 square feet at the Staples Street Center. The initial lease term was for 10 years, or 120 months, with renewal being upon written notice given by UCCCC to the Authority on or after the expiration of the existing term of this lease.

In November 2016, the Authority (Lessor) entered into an office space lease agreement with Endeavors, Inc., formerly Family Endeavors, Inc. (Lessee) for 2,796 square feet at the Staples Street Center. The lease term was for 7 years, or 84 months, with renewal being upon written notice given by Endeavors, Inc. to the Authority on or after the expiration of the existing term of this lease. Endeavors opted to renew this lease for an additional term of five years running from March 1, 2024 to February 28, 2029.

In August 2016, the Authority (Lessor) entered into an office space lease agreement with the State of Texas (Lessee) for 3,141 square feet at the Staples Street Center to be occupied by the Texas

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Department of Motor Vehicles. The lease term was for 10 years, or 120 months, with renewal being upon written notice given by the State of Texas to the Authority on or after the expiration of the existing term of this lease.

In January 2017, the Authority (Lessor) entered into an office space lease agreement with the State of Texas (Lessee) for 7,125 square feet at the Staples Street Center to be occupied by the Texas General Land Office. The lease term was for 7 years and four months, or 88 months, with renewal being upon written notice given by the State of Texas to the Authority on or after the expiration of the existing term of this lease. The State of Texas opted to renew this lease for an additional period of five years, running from July 1, 2025 through June 30, 2030.

In August 2024, the Authority (Lessor) entered into an office space lease agreement with Cornerstone Caregiving (Lessee) for 1,700 square feet at the Staples Street Center. The lease term was for five years, or 60 months, with one five-year renewal option available upon written notice. Cornerstone Caregiving’s occupancy fills the vacancy left by the Nueces River Authority (NRA) in February 2023.

Inflows of resources on December 31, 2024 and 2023 were recorded as lease revenue of \$449,161 and \$432,134, and interest income of \$60,525 and \$72,182, respectively.

The schedule of future payments for the lease receivable for the various Staples Street Center tenants for the next six years are summarized below:

<b><u>Year Ending</u></b> <b><u>December 31</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2025	\$ 427,797	\$ 57,646	\$ 485,443
2026	384,757	51,847	436,604
2027	226,553	30,528	257,081
2028	218,972	29,507	248,479
2029	135,227	18,222	153,449
2030	54,967	7,407	62,374
<b>Total 12/31/2024</b>	<b><u>\$ 1,448,273</u></b>	<b><u>\$ 195,157</u></b>	<b><u>\$ 1,643,430</u></b>

**(6) Subscription-Based Information Technology Arrangements (SBITAs)**

The Authority has several existing arrangements and some new arrangements subject to the requirements of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA). These arrangements can be described in groups – those related to the operation of daily transportation services, and those used for administrative purposes. The Authority makes monthly, quarterly, or annual payments and the agreements are for varying terms. The SBITA liability is the present value of these payments using the Authority’s incremental borrowing rate. The liability is amortized providing the principal and interest components of the payments over the SBITA term. The SBITA asset is measured as the SBITA liability plus any capitalized

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expenditures/expenses incurred in the initial implementation stage. The SBITA asset is depreciated (amortized) using a straight-line depreciation method over the term of the SBITA arrangement.

Total Amount of Subscription Assets and Accumulated Amortization:

	<b>Term in Months</b>	<b>Total Asset Amounts</b>	<b>Total Accumulated Depreciation</b>
Administrative Software	24 - 60	\$ 783,312	\$ 396,919
Transportation Services	24 - 60	810,732	203,345
		<b>\$ 1,594,044</b>	<b>\$ 600,264</b>

SBITA Liabilities and Associated Principal and Interest Requirements:

	<b>Interest Rate</b>	<b>Beginning Liability</b>	<b>Term in Months</b>	<b>Ending Balance</b>
Administrative Software	5.5%	\$ 109,574	24 – 60	\$ 100,168
Transportation Services	5.5%	73,304	24 – 60	39,435
		<b>\$ 182,878</b>		<b>\$ 139,603</b>

The future principal and interest SBITA arrangement payments as of fiscal year-end are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Year Ended December 31			
2025	\$ 92,800	\$ 7,562	\$ 100,362
2026	13,963	2,574	16,537
2027	15,558	1,806	17,364
2028	17,282	951	18,233
	<b>\$ 139,603</b>	<b>\$ 12,893</b>	<b>\$ 152,496</b>

Commitments and Impairments:

There were no additional commitments made before the commencement of the SBITA term(s).

As explained in Note 1, the values of the assets and liabilities related to SBITAs were evaluated when reviewing the related contracts. As a result, SBITA assets were reduced by \$840,690, accumulated depreciation was reduced by \$185,342, and prepaid expenses were increased by \$34,314. Meanwhile, SBITA liabilities were reduced by \$758,335 and accrued interest was reduced by \$26,671. The total impact of the restatement of SBITA assets and liabilities was an increase in net position of \$163,972 as of December 31, 2023.

**(7) Retirement Plans**

The Authority does participate in a retirement system in lieu of Social Security. Two retirement plans are sponsored by the Authority to assist employees in achieving retirement security: *A Defined*

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*Benefit Plan (DB Plan)* and a 401(a) *Defined Contribution Plan (DC Plan)*. Both plans are currently administered under a trust agreement with The Principal Financial Group, formerly Wells Fargo Institute Retirement & Trust Business.

The DB Plan is considered a pension because it offers guaranteed benefits at retirement to retirees and surviving spouses. As a public retirement plan, it is subject to various reporting requirement provisions of the Texas Government Code. Compliance oversight rests with The Texas Pension Review Board (PRB). The required disclosures related to certain pension investment expenses are shown on pages 66-67 of the Required Supplemental Information section of this report.

Since the DC Plan payouts are not guaranteed it is not subject to the provisions of the Texas Government Code.

**Defined Benefit Plan**

**Plan Description:** The *RTA Employees Defined Benefit Plan and Trust (DB Plan)* is a single-employer formula-based defined benefit pension plan established by the applicable sections of the Internal Revenue Code. A disability feature is also included with the monthly benefits. Unlike Social Security, employees do not contribute to this Plan because it is totally funded by the Authority. Annual contributions are required each year in an amount equal to actuarially fund expected future obligations.

The Authority Board may periodically amend the DB 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, December 2014 and July 2016.

Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The DB Plan assets are maintained under a trust agreement with Principal Financial Services (Trustee). The trustee carries out an investment policy established by the Authority Board consistent with the purposes of the plan and all applicable laws. Administration costs are paid by the Plan. The current vesting schedule is presented below for all full-time employees:

<b>Years of Service</b>	<b>Vested Percentage</b>
Less than 3 years	0%
3 Years	20%
4 Years	40%
5 Years	60%
6 Years	80%
7 or More Years	100%

Employees who retire on or after age 62 are entitled to an annual retirement benefit equal to 2% of average compensation for the final three consecutive years of employment times their number of years of service for the Authority. Reduced retirement benefits are available at age 55 with ten years of service. In December 2014, the Plan was amended to allow those eligible for early retirement

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during a specified window without incurring the normal reduction in benefits. In June 2016, the Plan was amended to allow for periodic cost of living adjustments for participants receiving monthly benefits in amounts solely within the discretion of the Board. The plan is not indexed for inflation.

As of December 31, 2024 and 2023, there were 677 and 662 participants respectively in this plan as follows:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Retirees or beneficiaries currently receiving payments	268	241
Inactive employees entitled to but not yet receiving benefits	172	189
Active employees	237	232
<b>Total Participants</b>	<b>677</b>	<b>662</b>

**Contributions:** The Authority funds contributions which are determined annually based on actuarial studies as of the valuation date. The contributions consist of a normal annual pension cost and amortization of any unfunded actuarial accrued liability (UAAL). The actuarially determined rate for contributions as a percent of covered payroll for 2024 and 2023 respectively, was 15.8% and 14.4%.

**Actuarial Assumptions:** The actuarial assumptions that determined the total net pension liability as of December 31, 2024, are as follows:

<i>Valuation Date</i>	<i>December 31, 2024</i>
<i>Actuarial Cost Method</i>	<i>Entry-Age Normal Cost Actuarial Method</i>
<i>Amortization Method</i>	<i>Level dollar</i>
<i>Asset Valuation Method</i>	<i>Fair Value Market Value based on quoted market prices</i>
<i>Actuarial Assumptions:</i>	
<i>Investment rate of return</i>	<i>6.75%</i>
<i>Projected Salary Increase</i>	<i>5.0% for 5 years and then 3.5% thereafter</i>
<i>Mortality Rate</i>	<i>Pri-2012 Blue Collar Base Mortality Table, Healthy Lives, Separate for Males and Females, and projected using scale MP-2021</i>
<i>Normal Retirement</i>	<i>First of month after attaining age 62</i>

**Prior Year Actuarial Assumptions:** The actuarial assumptions that determined the total net pension liability as of December 31, 2023, are as follows:

<i>Valuation Date</i>	<i>December 31, 2023</i>
<i>Actuarial Cost Method</i>	<i>Entry-Age Normal Cost Actuarial Method</i>
<i>Amortization Method</i>	<i>Level dollar</i>
<i>Asset Valuation Method</i>	<i>Fair Value Market Value based on quoted market prices</i>
<i>Actuarial Assumptions:</i>	
<i>Investment rate of return</i>	<i>6.75%</i>

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<i>Projected Salary Increase</i>	3.5%
<i>Mortality Rate</i>	<i>RP-2014 Blue Collar Generational Mortality Table adjusted to 2006 and projected using scale MP-2021</i>
<i>Normal Retirement</i>	<i>First of month after attaining age 62</i>

**Discount Rate:** The discount rate used to determine the total pension liability was 6.75%. Pursuant to Paragraph 43 of GASB No. 67, an alternative analysis is performed to compare the plan's net fiduciary position to projected benefit payments.

- a. The Normal Cost represents the annual cost of benefit payments arising from future service increases for active employees.
- b. 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.
- c. RTA'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 UAAL coming as a result of the plan amendment is recognized immediately.
- d. A review of actual contributions over the past five years shows the RTA 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 6.75%.

**Prior Year Discount Rate:** The discount rate used to determine the total pension liability was 6.75%. Pursuant to Paragraph 43 of GASB No. 67, an alternative analysis is performed to compare the plan's net fiduciary position to projected benefit payments.

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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 6.75%.

**Discount Rate Sensitivity Analysis:** The following presents the net pension liability, calculated using a discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
December 31, 2024	(5.75%)	(6.75%)	(7.75%)
Net Pension Liability	\$20,186,130	\$12,314,109	\$5,757,148

**Prior Year Discount Rate Sensitivity Analysis:** The following presents the net pension liability, calculated using a discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
December 31, 2023	(5.75%)	(6.75%)	(7.75%)
Net Pension Liability	\$18,445,638	\$11,426,175	\$5,560,278

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**Net Pension Liability:** The net change in pension liability for the measurement date of December 31, 2024, based on the actuarial date of December 31, 2024, is reflected below:

<b>Change in Net Pension Liability</b>	<b>Increase/Decrease</b>		
	<b>Total Pension Liability</b>	<b>Fiduciary Net Position</b>	<b>Net Pension Liability</b>
Balances as of December 31, 2023	\$ 59,043,802	\$ 47,617,627	\$ 11,426,175
Changes for the Year:			
Service Cost	1,206,258	-	1,206,258
Interest on total pension liability	3,969,060	-	3,969,060
Benefit changes	-	-	-
Differences between expected and actual experience	972,510	-	972,510
Changes of assumptions	1,536,802	-	1,536,802
Benefit payments	(2,946,449)	(2,946,449)	-
Contributions – Employer	-	2,317,966	(2,317,966)
Net investment income	-	4,626,254	(4,626,254)
Administrative expenses	-	(147,524)	147,524
Net Changes	<u>4,738,181</u>	<u>3,850,247</u>	<u>887,934</u>
Balances as of December 31, 2024	<u>\$ 63,781,983</u>	<u>\$ 51,467,874</u>	<u>\$ 12,314,109</u>

The net change in pension liability for the measurement date of December 31, 2023, based on the actuarial date of December 31, 2023, is reflected below:

<b>Change in Net Pension Liability</b>	<b>Increase/Decrease</b>		
	<b>Total Pension Liability</b>	<b>Fiduciary Net Position</b>	<b>Net Pension Liability</b>
Balances as of December 31, 2022	\$ 53,564,918	\$ 42,537,443	\$ 11,027,475
Changes for the Year:			
Service Cost	1,108,344	-	1,108,344
Interest on total pension liability	3,738,299	-	3,738,299
Benefit changes	-	-	-
Differences between expected and actual experience	1,649,414	-	1,649,414
Changes of assumptions	1,564,460	-	1,564,460
Benefit payments	(2,581,633)	(2,581,633)	-
Contributions – Employer	-	1,952,572	(1,952,572)
Net investment income	-	5,837,507	(5,837,507)
Administrative expenses	-	(128,262)	128,262
Net Changes	<u>5,478,884</u>	<u>5,080,184</u>	<u>398,700</u>
Balances as of December 31, 2023	<u>\$ 59,043,802</u>	<u>\$ 47,617,627</u>	<u>\$ 11,426,175</u>

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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For the year ended December 31, 2024, the Authority recognized pension expenses:

Service cost	\$ 1,206,258
Interest on total pension liability	3,969,060
Expected investment return	(3,267,936)
Recognition for Current Year	
Economic/demographic gains or losses	324,170
Investment gains or losses	(271,664)
Assumption changes or inputs	512,267
Recognition of Deferred Inflows/Outflows of Resources	
Economic/demographic gains or losses	824,707
Investment gains or losses	714,976
Assumption changes or inputs	782,230
Plan administrative expenses	147,524
Pension Expense	<u>\$ 4,941,592</u>

For the year ended December 31, 2023, the Authority recognized pension expenses:

Service cost	\$ 1,108,344
Interest on total pension liability	3,738,299
Expected investment return	(3,021,059)
Recognition for Current Year	
Economic/demographic gains or losses	824,707
Investment gains or losses	2,207,576
Assumption changes or inputs	782,230
Recognition of Deferred Inflows/Outflows of Resources	
Economic/demographic gains or losses	363,278
Investment gains or losses	(2,274,652)
Assumption changes or inputs	281,931
Plan administrative expenses	128,262
Pension Expense	<u>\$ 4,138,916</u>

For the year ended December 31, 2024, the Authority recorded deferred outflows of resources and deferred inflows related to the pension as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Experience losses	\$ 648,340	\$ -
Net difference between projected and actual earnings on pension plan investments	1,192,138	-
Changes of assumptions	<u>1,024,535</u>	<u>-</u>
<b>Deferred Outflows and Inflows of Resources</b>	<b><u>\$ 2,865,013</u></b>	<b><u>\$ -</u></b>

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Amounts currently reported as deferred outflows of resources related to pensions, including contributions made after the measurement date, will be recognized in pension expenses as follows:

Year Ended December 31,	
2025	\$ 1,762,570
2026	2,209,061
2027	(834,956)
2028	(271,662)
Thereafter	-

For the year ended December 31, 2023, the Authority recorded deferred outflows of resources and deferred inflows related to the pension as follows:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Experience losses	\$ 824,707	\$ -
Net difference between projected and actual earnings on pension plan investments	2,993,768	-
Changes of assumptions	782,230	-
<b>Deferred Outflows and Inflows of Resources</b>	<b>\$ 4,600,705</b>	<b>\$ -</b>

**Financial Statements:** The DB Plan issues a separate stand-alone financial report which can be viewed on the CCRTA website at [www.ccrta.org/financial-transparency](http://www.ccrta.org/financial-transparency).

**Defined Contribution Plan**

**Plan Description:** The *RTA Employees' Defined Contribution Plan* (DC Plan) covers all employees. This defined contribution plan has a plan document in compliance with the Internal Revenue Code and adopted by the Board, who may amend it. Benefits depend on amounts contributed to the plan plus investment earnings. Employees are fully vested in their contributions. Employees direct their investments.

**Funding Policy:** Employees are required to contribute 7.51% of gross remuneration and may make additional contributions of up to 10%.

The Authority may make contributions but has made none to date. Total covered payrolls were \$14,667,300 in 2024 and \$13,534,620 in 2023. Employee contributions were \$1,406,024 in 2024 and \$1,308,921 in 2023. Employees may make selections from money market, debt and equity mutual funds approved by the investment committee.

**Financial Statements:** The DC Plan does not issue a separate stand-alone financial report, and so they are presented here.

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**RTA Employee Defined Contribution Plan**  
**Fiduciary Funds - Statement of Net Position**  
**December 31, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
Investments (Note 2)		
Money Market Funds	\$ 798,752	\$ 954,007
Mutual Funds	405,367	382,698
Collective Investment Funds	14,403,134	11,690,350
Total Investments, at Fair Value	15,607,253	15,027,055
<b>TOTAL ASSETS</b>	<b>15,607,253</b>	<b>15,027,055</b>
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>
<b>FIDUCIARY NET POSITION</b>		
Held in Trust for Pension Benefits	\$ <b>15,607,253</b>	\$ <b>15,027,055</b>

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**RTA Employee Defined Contribution Plan**  
**Fiduciary Funds - Statements of Changes in Net Position**  
**Years ended December 31, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
Additions:		
Investment Income / (Loss)	\$ 1,892,225	\$ 2,095,266
Employee Contributions	1,406,024	1,308,921
<b>Total Additions</b>	<b>3,298,249</b>	<b>3,404,187</b>
Deductions:		
Benefits Paid	2,691,569	1,061,090
Administrative Expenses	26,482	3,309
<b>Total Deductions</b>	<b>2,718,051</b>	<b>1,064,399</b>
Increase (Decrease) in Net Position	580,198	2,339,788
Net Position, January 1	15,027,055	12,687,267
Net Position, December 31	\$ <b>15,607,253</b>	\$ <b>15,027,055</b>

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**(8) Postemployment Benefits Other Than Pensions (OPEB)**

*General Information about the OPEB Plan*

**Plan Description:** The Authority administers a single employer defined benefit healthcare plan that allows access to medical benefits by eligible retirees and their families until the retiree reaches age 65. The Authority Board establishes benefit provisions. The Authority indirectly subsidizes the medical insurance premiums paid by retirees, since premiums are calculated with active workers and retirees pooled together. The plan is not accounted for as a fiduciary fund, as an irrevocable trust has not been established to fund the plan, but rather is funded on a pay-as-you-go basis. The plan does not issue a financial report.

**Funding Policy:** The Authority requires retirees to pay a portion of the monthly “blended” rates that apply to the group. Since retiree health care costs are generally higher than active employee healthcare costs, there is an implicit subsidy higher than the stated subsidy of the Authority. For 2024, \$763.63 was the required monthly contribution for retiree family coverage and \$293.55 for retiree single coverage. The stated subsidy did not change from 2023. The Authority’s contributions are on a pay-as-you-go basis. No assets have been segregated and restricted to provide for post-retirement benefits. Retirees must pay the full COBRA rate for dental coverage, so it is not valued in this report.

**Benefits Provided:** The Authority provides medical, dental, and vision benefits for participating retirees and their dependents. The benefits terms require non-Medicare-eligible retirees pay the monthly “blended” rate in accordance with the *Funding Policy*.

**Participants Covered by Benefit Terms:** On December 31, 2024 and 2023, the following employees were covered by the benefit terms:

	December 31, 2024	December 31, 2023
Active employees (with medical coverage)	222	204
Active employees (without medical coverage)	-	-
Retirees (with medical coverage)	5	6
Spouses of Retirees (with medical coverage)	1	1
Total	228	211

**Current Year Total OPEB Liability**

The Authority’s Total OPEB liability of \$793,733 was measured as of December 31, 2024, and was determined by an actuarial valuation as of that date.

**Actuarial Assumptions and Other Inputs:** The Total OPEB liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

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Plan participation	25% of future eligible retirees are assumed to elect the medical and vision benefit at retirement.
Marital status	Actual spouse participation and dates of birth were used for retirees. For actives, it was assumed that 30% will cover a spouse, and males were assumed to be 2 years older than female spouses.
Salary increases	3.50% per annum
Discount rate	4.00% per annum
Healthcare cost trend rates	
<i>Medical:</i>	7.00% graded uniformly to 5.60% over 3 years and following the Getzen model thereafter to an ultimate rate of 4.04% in the year 2075
<i>Vision:</i>	5.0% per annum
<i>Administrative expenses:</i>	2.5% per annum
Retirees' share of benefit-related costs	
<i>Single Coverage:</i>	\$293.55
<i>Family Coverage:</i>	\$763.63

**Changes in Plan Provisions, Actuarial Assumptions, and Actuarial Methods**

The discount rate was based on the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2023, compared to the 2022 rate of 4.31%. The assumed medical trend rate changed to 7.00% in 2024 grading uniformly to 5.60% over 3 years and following the Getzen model thereafter until reaching an ultimate rate of 4.04% in the year 2075.

**Prior Year Total OPEB Liability**

The Authority's Total OPEB liability of \$783,358 was measured as of December 31, 2023, and was determined by an actuarial valuation as of that date.

**Prior Year Actuarial Assumption:** The Total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Plan participation	25% of future eligible retirees are assumed to elect the medical and vision benefit at retirement.
Marital status	Actual spouse participation and dates of birth were used for retirees. For actives, it was assumed that 30% will cover a spouse, and males were assumed to be 2 years older than female spouses.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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Salary increases	3.50% per annum
Discount rate	4.31% per annum
Healthcare cost trend rates	
<i>Medical:</i>	6.25% graded uniformly to 5.20% over 2 years and following the Getzen model thereafter to an ultimate rate of 3.94% in the year 2075
<i>Vision:</i>	5.0% per annum
<i>Administrative expenses:</i>	2.5% per annum
Retirees' share of benefit-related costs	
<i>Single Coverage:</i>	\$293.55
<i>Family Coverage:</i>	\$763.63

**Changes in Plan Provisions, Actuarial Assumptions, and Actuarial Methods**

The discount rate was based on the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2023, compared to the 2022 rate of 2.25%. The assumed medical trend rate changed to 6.25% in 2023 grading uniformly to 5.20% over 2 years and following the Getzen model thereafter until reaching an ultimate rate of 3.94% in the year 2075.

All actuarial assumptions are made by the Authority, who is the plan sponsor. Statement No. 75 mandates the use of the Entry Age Normal actuarial funding method for the purposes of the reporting statements. Although the deviation of the actual future plan experience and the expected experience inherently creates some uncertainty with results reported by the actuarial valuation report, the actuarial assumptions reasonably reflect the expected future experience of the plan.

**Changes in the Total OPEB Liability**

For the plan year 2024, the Authority recognized changes in Total OPEB liability as follows:

	Total OPEB Liability
Balance at 12/31/2023	\$ 783,358
Changes for the year	
Service Cost	57,177
Interest	32,745
Experience losses (gains)	(39,052)
Changes of assumptions	40,295
Benefits paid	(80,790)
Net changes	10,375
Balance at 12/31/2024	\$ 793,733

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

For the plan year 2023, the Authority recognized change in Total OPEB liability as follows:

	Total OPEB Liability
Balance at 12/31/2022	\$ 834,840
Changes for the year	
Service Cost	69,342
Interest	17,795
Experience losses (gains)	88,102
Changes of assumptions	(113,412)
Benefits paid	(113,309)
Net changes	(51,482)
Balance at 12/31/2023	\$ 783,358

**Sensitivity of the Total OPEB liability to changes in the discount rate.** The following presents the Total OPEB liability of the Authority for plan year 2024, as well as what the Authority's Total OPEB liability would be if it were calculated using a discount rate that is 1- percentage point lower (3.00%) or 1-percentage point higher (5.00%) than the current discount rate (4.00%):

	1% Decrease (3.00%)	Discount Rate (4.00%)	1% Increase (5.00%)
Total OPEB Liability	\$846,740	\$793,733	\$744,433

For the plan year 2023, the sensitivity analysis related to changes in the discount rate is as follows:

	1% Decrease (3.31%)	Discount Rate (4.31%)	1% Increase (5.31%)
Total OPEB Liability	\$831,832	\$783,358	\$738,252

**Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates.** The following presents the Total OPEB liability of the Authority for plan year 2024, as well as what the Authority's Total OPEB liability would be if it were calculated using a discount rate that is 1- percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current discount rate (7.00%):

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Total OPEB Liability	\$721,328	\$793,733	\$877,992

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

For the plan year 2023, the sensitivity analysis related to changes in the discount rate is as follows:

	1% Decrease (5.25%)	Discount Rate (6.25%)	1% Increase (7.25%)
Total OPEB Liability	\$717,290	\$783,358	\$860,016

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2024, the Authority recognized OPEB expense of \$102,356.

For the year ended December 31, 2024, the Authority recorded deferred outflows of resources related to the pension as follows:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Experience losses	\$ 44,050	\$ 31,573
Changes of assumptions	50,955	56,706
<b>Deferred Outflows and Inflows of Resources</b>	<b>\$ 95,005</b>	<b>\$ 88,279</b>

Changes of assumptions and experience losses (gains) are amortized over the average remaining service period of active and inactive employees (no future service is assumed for inactive employees for this calculation).

Amounts reported as deferred outflows (inflows) of resources related to OPEBs will be recognized in OPEB expense as follows:

Years Ending December 31:

2025		\$ 12,434
2026		(6,018)
2027		310
2028		-
2029		-
Thereafter		-

For the year ended December 31, 2023, the Authority recognized OPEB expense of \$99,260.

For the year ended December 31, 2023, the Authority recorded deferred outflows of resources related to the pension as follows:

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Experience losses	\$ 66,076	\$ 4,568
Changes of assumptions	41,468	85,059
<b>Deferred Outflows and Inflows of Resources</b>	<b>\$ 107,544</b>	<b>\$ 89,627</b>

**(9) Risk Management and Insurance**

The Authority is exposed to various risks of loss related to third party liability claims; theft of, damage to, and destruction of assets; errors and omissions and injuries to employees. The Authority has an inter-local agreement with the Texas Municipal League for the purpose of providing all-risk property coverage with various limits on property and equipment of the Authority.

As a governmental unit, the Authority’s general and automobile liability is limited by the Texas Tort Claims Act to \$100,000 for each person and \$300,000 for each occurrence for bodily injury or death and \$100,000 for each occurrence for injury to or destruction of property.

The Authority operated a self-insurance program for workers’ compensation claims until 2004, at which point the Authority became fully insured through the Texas Municipal League. There are no outstanding claims from self-insurance.

The Authority is self-funded for employee dental and healthcare benefits, which include medical, drug and vision. These benefits are provided through a contract with a third-party administrator, 90 Degree Benefits. The coverage in force during 2024 and 2023 includes specific deductibles for up to \$65,000 per individual claim and an annual aggregate estimated at \$1,600,000. Claims are normally paid within ninety days and considered current liabilities.

The Authority maintains stop-loss insurance coverage for its self-insured health plan. Under this arrangement, the stop-loss policy limits the Authority’s exposure to individual claims that exceed a specific threshold, with amounts above that threshold reimbursed to the Authority by the insurance carrier in accordance with the terms of the policy.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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Changes in liabilities for self-funded health insurance liabilities for the years ended December 31, 2021, 2022, 2023, and 2024 are as follows:

	<b>Health &amp; Dental Benefits</b>
Balance at 12/31/2021	\$ 174,012
Incurred Claims	3,625,417
Claims Paid	(3,088,501)
Balance at 12/31/2022	710,928
Incurred Claims	3,410,732
Claims Paid	(3,855,189)
Balance at 12/31/2023	266,471
Incurred Claims	4,591,841
Claims Paid	(4,151,213)
Balance at 12/31/2024	\$ 707,099

**(10) Commitments and Contingencies**

Expenditures financed by federal grants are subject to audit by the granting agencies. In the event of any such audits, management is of the opinion that no significant liability will arise.

As of December 31, 2024, the Authority has commitments totaling \$1,327,077 in ADA Bus Stop improvements.

As of December 31, 2023, the Authority has commitments totaling \$2,641,017 in ADA Bus Stop improvements.

**(11) Concentrations**

During 2024, the Authority received \$41,640,434 from the Texas State Comptroller’s Office for revenue generated by the ½ cent sales and use tax levied upon purchases in the service area.

During 2023, the Authority received \$40,792,893 from the Texas State Comptroller’s Office for revenue generated by the ½ cent sales and use tax levied upon purchases in the service area.

Changes in the Authority’s ability to levy and collect these sales tax funds could ultimately affect the operating results of the Authority.

During 2024, the Authority received \$5,642,138 for capital assistance and \$39,249 for other projects from the Federal Transportation Administration.

During 2023, the Authority received \$12,984,236 for capital assistance and \$1,261,558 for other projects from the Federal Transportation Administration.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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Changes in the Authority's relationship with the FTA could ultimately affect the operating results of the Authority. The Single Audit Section provides further details on FTA and another federal grant funding received.

**(12) Purchased Transportation Services**

The Authority had a contract with MV Transportation, Inc. through 2024 to provide paratransit services for the elderly and persons with disability and certain fixed route services. Expenses under the contract amounted to \$8,066,521 in 2024 and \$7,793,201 in 2023. All passenger fares related to these transit services are recorded by the Authority as operating revenue.

**(13) Significant Effects of Subsequent Events**

Management has evaluated the events or transactions that occurred subsequent to the financial statement date of December 31, 2024, but prior to the issuance of the date of the most recent statement of net position, to determine if they had a material effect that would require an adjustment or disclosure to the financial statements. As of September 26, 2025, which is the date the financial statements were available, there are no events or transactions that require adjustments or restatements of the Statement of Net Position date of December 31, 2024.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Corpus Christi Regional Transportation Authority**  
**Defined Benefits Pension Plan**  
**Schedule of Changes to Net Pension (Asset) Liability & Related Ratios**  
**Last 10 Fiscal Years**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b><u>Total Pension Liability</u></b>										
Service Cost	\$ 876,806	\$ 941,470	\$ 980,740	\$ 1,066,449	\$ 879,904	\$ 926,286	\$ 990,244	\$ 988,099	\$ 1,108,344	\$ 1,206,258
Interest on Total Pension Liability	2,396,547	2,521,413	2,620,680	2,780,193	2,987,293	3,257,661	3,404,718	3,546,868	3,738,299	3,969,060
Effect of Plan Changes	115,478	-	-	313,503	-	-	-	-	-	-
Difference between expected and actual experience	(260,046)	(465,534)	335,013	(241,238)	1,943,344	336,157	162,958	726,557	1,649,414	972,510
Change of assumptions	-	-	-	1,189,575	373,385	361,060	601,314	563,863	1,564,460	1,536,802
Benefit Payments	(1,493,324)	(1,561,905)	(1,833,510)	(1,808,898)	(1,927,249)	(2,218,914)	(2,292,357)	(2,415,094)	(2,581,633)	(2,946,449)
Net Change in Total Pension Liability	1,635,461	1,435,444	2,102,923	3,299,584	4,256,677	2,662,250	2,866,877	3,410,293	5,478,884	4,738,181
Total Pension Liability, Beginning	31,895,409	33,530,870	34,966,314	37,069,237	40,368,821	44,625,498	47,287,748	50,154,625	53,564,918	59,043,802
Total Pension Liability, Ending	<u>\$33,530,870</u>	<u>\$34,966,314</u>	<u>\$37,069,237</u>	<u>\$40,368,821</u>	<u>\$44,625,498</u>	<u>\$47,287,748</u>	<u>\$50,154,625</u>	<u>\$53,564,918</u>	<u>\$59,043,802</u>	<u>\$63,781,983</u>
<b><u>Fiduciary Net Position</u></b>										
Employer Contributions	\$ 985,175	\$ 1,503,736	\$ 1,383,969	\$ 1,425,533	\$ 3,691,087	\$ 1,227,724	\$ 1,382,108	\$ 1,382,108	\$ 1,952,572	\$ 2,317,966
Employee Contributions	-	-	-	-	-	-	-	-	-	-
Investment Income, net	(348,950)	2,523,595	4,409,016	(2,046,180)	6,617,918	5,498,173	5,597,624	(7,400,557)	5,837,507	4,626,254
Benefit Payments/Contribution Refunds	(1,493,324)	(1,561,905)	(1,833,510)	(1,808,898)	(1,927,249)	(2,218,914)	(2,292,357)	(2,415,094)	(2,581,633)	(2,946,449)
Administrative Expenses	(94,874)	(92,810)	(102,228)	(110,600)	(111,886)	(122,875)	(145,369)	(125,177)	(128,262)	(147,524)
Net Change in Fiduciary Net Position	\$ (951,973)	\$ 2,372,616	\$ 3,857,247	\$(2,540,145)	\$ 8,269,870	\$ 4,384,108	\$ 4,542,006	\$(8,558,720)	\$ 5,080,184	\$ 3,850,247
Fiduciary Net Position, Beginning	31,162,434	30,210,461	32,583,077	36,440,324	33,900,179	42,170,049	46,554,157	51,096,163	42,537,443	47,617,627
Fiduciary Net Position, Ending	<u>\$30,210,461</u>	<u>\$32,583,077</u>	<u>\$36,440,324</u>	<u>\$33,900,179</u>	<u>\$42,170,049</u>	<u>\$46,554,157</u>	<u>\$51,096,163</u>	<u>\$42,537,443</u>	<u>\$47,617,627</u>	<u>\$51,467,874</u>
Net Pension Liability (Asset)	<u>\$ 3,320,409</u>	<u>\$2,383,237</u>	<u>\$628,913</u>	<u>\$6,468,642</u>	<u>\$2,455,449</u>	<u>\$733,591</u>	<u>\$ (941,538)</u>	<u>\$11,027,475</u>	<u>\$11,426,175</u>	<u>\$12,314,109</u>
Fiduciary Net Position as a Percentage of Total Pension Liability	90.1%	93.2%	98.3%	84.0%	94.5%	98.4%	101.9%	79.4%	80.6%	80.7%
Annual Covered Payroll	\$ 8,818,232	\$ 9,178,411	\$ 9,773,977	\$10,677,430	\$10,668,048	\$10,975,562	\$11,696,475	\$12,603,883	\$13,534,620	\$14,667,300
Net Pension Liability (Asset) as a Percentage of Covered Payroll	37.7%	26.0%	6.4%	60.6%	23.0%	6.7%	-8.0%	87.5%	84.4%	84.0%

**Corpus Christi Regional Transportation Authority  
Defined Benefits Pension Plan  
Schedule of Contributions  
Last 10 Fiscal Years**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Actuarially determined contribution	\$ 983,696	\$ 1,468,804	\$ 1,399,307	\$ 1,191,087	\$ 1,227,724	\$ 1,306,947	\$ 1,382,108	\$ 1,330,108	\$ 1,952,572	\$ 2,317,966
Contributions in relation to the actuarially determined contribution	985,175	1,503,736	1,383,969	1,425,533	3,691,087	1,227,724	1,382,108	1,382,108	1,952,572	2,317,966
Contribution deficiency (excess)	\$ (1,479)	\$ (34,932)	\$ 15,338	\$ (234,446)	\$ (2,463,363)	\$ 79,223	\$ -	\$ (52,000)	\$ -	\$ -
Annual Covered Payroll	\$8,818,232	\$9,178,411	\$9,773,977	\$10,677,430	\$10,668,048	\$10,975,562	\$11,696,475	\$12,603,883	\$13,534,620	\$14,667,300
Contributions as a percentage of Annual Covered Payroll	11.2%	16.4%	14.2%	13.4%	34.6%	11.2%	11.8%	11.0%	14.4%	15.8%

Notes to Schedule

Valuation Date - Actuarially determined contribution rates are calculated as of January 1 for the respective year of contributions

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method - Entry Age Normal

Amortization Method - Closed-Level dollar amount over 15 years from January 1, 2009, Remaining Amortization Period - 5 Years

Asset Valuation Method – Fair Value

Inflation Rate – 2.25% Annually

Salary Increases – 5.00% Annually for the first 5 years and then 3.50% per year thereafter

Investment Rate of Return – 6.75% Annually

Retirement Age - All participants were assumed to retire at age 62

Mortality Rates – Pri-2012 Blue Collar Base Mortality, Healthy Lives, Separate for Males and Females, and projected using scale MP-2021

The following changes were made to the actuarial assumptions and methods effective December 31, 2024:

- Salary increases are estimated to be 5.00% per annum for the first 5 years and then 3.50% per annum thereafter
  - Rationale: To better reflect the Plan's expected long-term pension liability
- Mortality rates changed to Pri-2012 Blue Collar Base Mortality table and projected using scale MP-2021
  - Rationale: Set by CCRTA; most recent table available based on a similar population

**Corpus Christi Regional Transportation Authority**  
**Schedule of Changes in Total OPEB Liability & Related Ratios**  
**Last Seven Fiscal Years\***

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b><u>Total OPEB Liability</u></b>							
Service Cost	\$ 36,236	\$ 38,048	\$ 39,950	\$ 43,344	\$ 44,891	\$ 58,694	\$ 57,177
Interest	38,682	34,073	31,661	23,079	14,410	17,555	32,745
Difference between expected and actual experience	-	-	(78,803)	72,887	(9,136)	(54,717)	(39,052)
Changes of Assumptions	-	-	26,826	12,648	82,936	40,295	40,295
Benefit Payments	(189,167)	(203,354)	(140,276)	(148,360)	(151,351)	(113,309)	(80,790)
Net Change in Total OPEB Liability	(114,249)	(131,233)	(120,642)	3,598	(18,250)	(51,482)	10,375
Total OPEB Liability, Beginning	1,215,616	1,101,367	970,134	849,492	853,090	834,840	783,358
Total OPEB Liability, Ending (a)	<u>\$ 1,101,367</u>	<u>\$ 970,134</u>	<u>\$ 849,492</u>	<u>\$ 853,090</u>	<u>\$ 834,840</u>	<u>\$ 783,358</u>	<u>\$ 793,733</u>
<b><u>Plan Fiduciary Net Position**</u></b>							
Employer Contributions	\$ 189,167	\$ 203,354	\$ 140,276	\$ 148,360	\$ 151,351	\$ 113,309	\$ 80,790
Benefit Payments/Contribution Refunds	(189,167)	(203,354)	(140,276)	(148,360)	(151,351)	(113,309)	(80,790)
Net Change in Plan Fiduciary Net Position	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-							
Plan Fiduciary Net Position, Beginning	-	-	-	-	-	-	-
Plan Fiduciary Net Position, Ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability (a) – (b)	<u>\$ 1,101,367</u>	<u>\$ 970,134</u>	<u>\$ 849,492</u>	<u>\$ 853,090</u>	<u>\$ 834,840</u>	<u>\$ 783,358</u>	<u>\$ 793,733</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Annual Covered-Employee Payroll	\$11,667,509	\$12,134,143	\$13,257,370	\$13,269,291	\$11,697,254	\$12,604,717	\$13,918,133
Total OPEB Liability as a Percentage of Annual Covered-Employee Payroll	9.4%	8.0%	6.4%	6.4%	7.1%	6.2%	5.7%

\*This schedule is required to present information for ten years; however, prior years' information is not available. Therefore, we have shown only the years in which GASB 75 was implemented, as well as the subsequent years.

\*\*The Authority does not maintain assets in a trust for the OPEB plan but rather funds the plan on a pay-as-you-go basis.

**Corpus Christi Regional Transportation Authority**  
**Total OPEB Liability**  
**Schedule of Contributions**  
**Last Seven Fiscal Years\***

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Actuarially determined contribution	\$ 202,742	\$ 206,160	\$ 207,944	\$ 211,800	\$ 224,227	\$ 224,902	\$ 232,190
Contributions in relation to the actuarially determined contribution	(189,167)	(203,354)	(140,276)	(148,360)	(151,351)	(113,309)	(80,790)
Contribution deficiency (excess)	<u>13,575</u>	<u>2,806</u>	<u>67,668</u>	<u>63,440</u>	<u>72,876</u>	<u>111,593</u>	<u>151,400</u>
Annual covered-employee payroll	\$11,667,509	\$12,134,143	\$13,257,370	\$13,269,291	\$11,697,254	\$12,604,717	\$13,918,133
Contributions as a percentage of annual covered-employee payroll	1.6%	1.7%	1.1%	1.1%	1.3%	0.9%	0.6%

**Notes to the Schedule**

Valuation Date:

Actuarial determined contribution rates calculated as of January 1, 2024.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal
Amortization Method	Level Dollar
Amortization Period	Experience gains or loss are amortized over the average working lifetime of all participants, which for the current period is 4 years. Plan amendments are recognized immediately. Investment gains or loss are amortized over a 5-year period. Changes in actuarial assumptions are amortized over the average working lifetime of all participants.
Asset Valuation Method	Not applicable
Inflation	Not applicable
Healthcare Cost Trend Rates	Medical: 7.00% graded uniformly to 5.60% over 3 years and following the 2020 Getzen model thereafter to an ultimate rate of 4.04% in the years 2075. Vision: 5.00% per annum Administrative: 2.5% per annum
Salary Increases	3.5% per annum
Investment Rate of Return	Not applicable
Retirement Age	Age 62 or age 55 and have ten years of service with the Authority, and be an active employee of the Authority at the time of retirement
Mortality	PubG-2010 Headcount Weighted Mortality Tables projected with Improvement Scale MP-2021.

\*This schedule is required to present information for ten years; however, prior years' information is not available. Therefore, we have shown only the years in which GASB 75 was implemented, as well as the subsequent years.

## **SUPPLEMENTARY INFORMATION**



**Corpus Christi Regional Transportation Authority**  
**Schedule of Revenues and Expenses - Actual and Budget by Function**  
**Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance Final Budget versus Actual
<b>Operating Revenues</b>				
Passenger Service	\$ 1,105,459	\$ 1,105,459	\$ 1,132,006	\$ 26,547
Bus Advertising	213,251	213,251	218,956	5,705
Other Operating Revenues	362,651	362,651	408,565	45,914
<b>Total Operating Revenues</b>	<b>1,681,361</b>	<b>1,681,361</b>	<b>1,759,527</b>	<b>78,166</b>
<b>Operating Expenses</b>				
Transportation	11,057,418	11,057,418	13,340,609	(2,283,191)
Customer Programs	771,857	771,857	761,911	9,946
Purchased Transportation	9,449,581	9,449,581	9,139,535	310,046
Program & Service Development	682,410	682,410	783,024	(100,614)
MIS	1,957,895	1,957,895	1,913,661	44,234
Vehicle Maintenance	6,824,194	6,824,194	7,216,611	(392,417)
Facilities Maintenance (net)*	3,984,641	3,984,641	4,507,064	(522,423)
Materials Maintenance	294,160	294,160	343,296	(49,136)
Administrative & General	7,365,524	7,365,524	7,489,051	(123,527)
Marketing & Communications	1,247,108	1,247,108	1,231,056	16,052
Depreciation	60,978	60,978	8,183,232	(8,122,254)
<b>Total Operating Expenses</b>	<b>43,695,766</b>	<b>43,695,766</b>	<b>54,909,050</b>	<b>(11,213,284)</b>
<b>Operating Loss</b>	<b>(42,014,405)</b>	<b>(42,014,405)</b>	<b>(53,149,523)</b>	<b>(11,135,118)</b>
<b>Non-Operating Revenues (Expenses)</b>				
Sales and Use Tax Revenue	44,244,769	44,244,769	41,640,434	(2,604,335)
Federal and Other Grant Assistance	1,200,152	1,200,152	39,249	(1,160,903)
Investment Income	2,025,000	2,025,000	2,600,334	575,334
Lease-Related Interest Income	-	-	60,525	60,525
Gain (Loss) on Asset Disposal	-	-	515	515
Subrecipient Programs	(400,152)	(400,152)	(39,249)	360,903
Interest Expense and Fiscal Charges	(1,607,841)	(1,607,841)	(762,846)	844,995
Distributions to Regional Entities	(3,447,523)	(3,447,523)	(3,447,523)	-
<b>Net Income/(Loss) Before Capital Grant Contributions</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (13,058,084)</b>	<b>\$ (13,058,084)</b>

\* **Note:** The budget amounts have been reclassified to agree with the actual reported amounts. The main changes are the Staples Street Center net of related lease income is included in facilities maintenance.

**Corpus Christi Regional Transportation Authority**  
**Fiduciary Funds – Combined Statements of Net Position**  
**December 31, 2024, with Comparative Total for December 31, 2023**

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	<b>2024</b>			<b>2023</b>
	<b>Defined Benefit Pension Plan</b>	<b>Defined Contribution Pension Plan</b>	<b>Total</b>	
<b>ASSETS</b>				
Investments (Note 2)				
Money Market Funds	\$ 1,196,586	\$ 798,752	\$ 1,995,338	\$ 1,631,682
Mutual Funds	9,917,000	405,367	10,322,368	10,135,988
Collective Investments Funds	40,350,013	14,403,134	54,753,146	50,874,343
	51,463,599	15,607,253	67,070,852	62,642,013
Receivables				
Accrued Interest Receivable	34,663	-	34,663	19,538
<b>TOTAL ASSETS</b>	51,498,262	15,607,253	67,105,515	62,661,551
<b>LIABILITIES</b>				
Due to Broker for				
Securities Purchased	30,388	-	30,388	16,869
<b>TOTAL LIABILITIES</b>	30,388	-	30,388	16,869
<b>NET POSITION</b>				
Restricted for Pension Benefits	\$ 51,467,874	\$ 15,607,253	\$ 67,075,127	\$ 62,644,682

See Notes to the Financial Statements

**Corpus Christi Regional Transportation Authority**  
**Fiduciary Funds – Combined Statements of Changes in Net Position**  
**Year Ended December 31, 2024, with Comparative Total for December 31, 2023**

	2024			2023
	Defined Benefit Pension Plan	Defined Contribution Pension Plan	Total	
<b>Additions:</b>				
Investment Income (Loss)	\$ 4,626,254	\$ 1,892,225	\$ 6,518,479	\$ 7,932,772
Employee Contributions	-	1,406,024	1,406,024	1,308,921
Employer Contributions	2,317,966	-	2,317,966	1,952,572
<i>Total Additions</i>	6,944,220	3,298,249	10,242,469	11,194,265
<b>Deductions</b>				
Benefits Paid	2,946,449	2,691,569	5,638,018	3,642,722
Administrative Expenses	147,524	26,482	174,006	131,571
<i>Total Deductions</i>	3,093,973	2,718,051	5,812,024	3,774,293
<b>Increase (Decrease) in Net Position</b>	3,850,247	580,198	4,430,445	7,419,972
<b>Net Position, January 1</b>	47,617,627	15,027,055	62,644,682	55,224,710
<b>Net Position, December 31</b>	\$ 51,467,874	\$ 15,607,253	\$ 67,075,127	\$ 62,644,682

See Notes to the Financial Statements

**Corpus Christi Regional Transportation Authority  
Schedule of Long-Term Debt Amortization  
Year Ended December 31, 2024**

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**\$20,265,000 System Revenue Refunding Bonds  
Taxable Series 2019**

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<b>Years Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Requirements</b>
2025	\$ 950,000	\$ 461,460	\$ 1,411,460
2026	970,000	439,543	1,409,543
2027	990,000	416,195	1,406,195
2028	1,020,000	391,574	1,411,574
2029	1,045,000	365,187	1,410,187
2030-2034	5,670,000	1,368,650	7,038,650
2035-2038	5,210,000	431,593	5,641,593
	<u>\$ 15,855,000</u>	<u>\$ 3,874,202</u>	<u>\$ 19,729,202</u>



**Corpus Christi Regional Transportation Authority  
 Schedule of Pension Plan Investment Expenses (continued)  
 Year Ended December 31, 2024**

<b>List of Investment Manager Names*</b>			
1	MFS Investment Management	9	Causeway Capital Mgmt. LLC
2	T. Rowe Price Group	10	Allspring
3	BlackRock, Inc.	11	Acadian Asset Mgmt.
4	Alliance Bernstein	12	Dodge & Cox
5	JP Morgan Asset Mgmt.	13	Federated Hermes, Inc.
6	Invesco Ltd	14	TCW Metropolitan West Funds
7	Goldman Sachs Asset Mgmt.	15	Core Commodity Mgmt.
8	Cap Group / American Funds	16	Cohen & Steers
<p>* The tables may be used by systems to report investments categorized as Alternative/Other, as required by 40 TAC, Section 609.111(I), as well as include the names of investment managers engaged by the system per Government Code Section 802.103(a)(4).</p>			

<b>List of Alternative/Other Investments*</b>
NA



# **2024**

## **Statistical Section**

Annual Comprehensive Financial Report

## ABOUT THE AUTHORITY'S STATISTICAL TABLES

This section of the Authority's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial situation.

<b><u>Contents</u></b>	<b><u>Page</u></b>
Financial Trends.....	81
<i>These schedules contain trend information to help the reader understand how the Authority's financial performance has changed over time.</i>	
Revenue Capacity .....	85
<i>These schedules contain information to help the reader assess the Authority's most significant revenue source, sales and use tax.</i>	
Debt Capacity.....	87
<i>These schedules present information to help the reader assess the affordability of the Authority's current level of outstanding debt.</i>	
Demographic & Economic Data .....	89
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.</i>	
Operating Information .....	92
<i>These schedules contain service data to help the reader understand how the information in the Authority's financial report relates to the services that the Authority provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 1**  
**Net Position by Component**  
**Fiscal Years 2015 to 2024**  
(unaudited)

For the Fiscal Year Ended December 31,

(in thousands)

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Net investment in capital assets	\$ 66,725	\$ 59,298	\$ 66,265	\$ 59,126	\$ 55,072	\$ 49,934	\$ 55,274	\$ 52,663	\$ 58,741	\$ 64,187
Restricted	1,611	1,611	1,611	1,611	-	474	1,721	575	575	575
Unrestricted	23,481	25,612	27,299	27,703	26,040	38,700	44,691	50,835	51,612	38,750
<b>Total</b>	<b>\$ 91,817</b>	<b>\$ 86,521</b>	<b>\$ 95,175</b>	<b>\$ 84,440</b>	<b>\$ 81,112</b>	<b>\$ 89,108</b>	<b>\$ 101,686</b>	<b>\$ 104,073</b>	<b>\$ 110,928</b>	<b>\$ 103,512</b>

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 2**  
**Changes in Net Position**  
**Fiscal Years 2015 to 2024**  
(unaudited)

For the Fiscal Year Ended December 31,

(in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Operating Revenues</b>										
Passenger Service	\$ 1,853	\$ 1,735	\$ 1,697	\$ 1,689	\$ 1,858	\$ 1,141	\$ 987	\$ 991	\$ 1,084	\$ 1,132
Other Operating	430	665	805	757	1,360	851	639	652	676	627
<b>Total Operating Revenues</b>	<b>2,283</b>	<b>2,400</b>	<b>2,502</b>	<b>2,446</b>	<b>3,218</b>	<b>1,992</b>	<b>1,626</b>	<b>1,643</b>	<b>1,760</b>	<b>1,759</b>
<b>Operating Expenses</b>										
Transportation	12,848	12,426	12,679	13,376	14,015	16,286	16,001	19,455	19,881	22,480
Vehicle/Facilities Maintenance (net of SSC leases)	7,320	6,722	7,062	6,652	6,737	8,289	8,844	10,369	10,765	12,067
Program Development	1,147	1,605	1,347	1,153	1,226	1,548	1,599	2,536	2,247	2,776
Administrative & General	7,798	9,456	9,748	13,557	9,050	7,400	6,158	7,296	8,361	9,403
Depreciation	6,593	7,542	8,272	8,932	7,987	7,465	6,456	7,032	6,942	8,183
<b>Total Operating Expenses</b>	<b>35,706</b>	<b>37,751</b>	<b>39,108</b>	<b>43,670</b>	<b>39,015</b>	<b>40,988</b>	<b>39,058</b>	<b>46,688</b>	<b>48,196</b>	<b>54,909</b>
<b>Operating Loss</b>	<b>(33,423)</b>	<b>(35,351)</b>	<b>(36,606)</b>	<b>(41,224)</b>	<b>(35,797)</b>	<b>(38,996)</b>	<b>(37,432)</b>	<b>(45,045)</b>	<b>(46,436)</b>	<b>(53,150)</b>
<b>Non-Operating Revenues Or (Expenses):</b>										
Sales and Use Tax	34,128	31,387	32,570	33,934	33,878	33,912	37,149	38,482	40,793	41,640
Grant Assistance	2,512	1,185	4,619	58	954	15,985	8,359	11,541	1,262	39
Investment Income	125	69	85	409	552	181	35	840	2,859	2,600
Lease-Related Interest	-	-	-	-	-	-	-	72	76	61
Other Non-Operating Items	(488)	(677)	(1,416)	(1,075)	(645)	(1,411)	(808)	(1,000)	(1,411)	(801)
Distributions to Region Entities	(3,301)	(3,170)	(3,003)	(2,807)	(3,013)	(3,369)	(3,084)	(3,129)	(3,272)	(3,447)
<b>Net Gain (Loss) before Capital Contributions</b>	<b>(447)</b>	<b>(6,557)</b>	<b>(3,751)</b>	<b>(10,705)</b>	<b>(4,071)</b>	<b>6,302</b>	<b>4,219</b>	<b>1,761</b>	<b>(6,129)</b>	<b>(13,058)</b>
Capital Contributions	9,763	1,289	12,404	1,185	948	1,695	8,289	625	12,984	5,642
Change in Accounting Principle	871	-	-	(1,215)	-	-	-	-	-	-
<b>Total Change in Net Position</b>	<b>\$ 10,187</b>	<b>\$ (5,268)</b>	<b>\$ 8,653</b>	<b>\$ (10,735)</b>	<b>\$ (3,123)</b>	<b>\$ 7,997</b>	<b>\$ 12,508</b>	<b>\$ 2,386</b>	<b>\$ 6,855</b>	<b>\$ (7,416)</b>

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 3**  
**Revenues by Source**  
**Fiscal Years 2015 to 2024**  
(unaudited)

Year	Operating Revenues (1)	Sales And Use Tax	Federal Operating Grants and Reimbursements	Investment Income	Other (2)	Total
2015	\$ 2,283,647	\$ 34,127,803	\$ 2,512,070	\$ 125,143	\$ -	\$ 39,048,663
2016	2,400,444	31,387,198	1,185,650	69,049	32,007	35,074,348
2017	2,502,422	32,570,355	4,618,731	85,535	(269,101)	39,507,942
2018	2,445,905	33,934,640	58,410	409,036	-	36,847,991
2019	3,217,930	33,878,046	954,573	552,566	-	38,603,115
2020	1,992,308	33,912,489	15,985,553	181,431	68,263	52,140,044
2021	2,122,093	37,149,496	8,358,878	35,305	69,632	47,735,404
2022	1,642,779	38,482,167	11,540,721	839,842	89,295	52,594,804
2023	1,760,469	40,792,893	1,261,558	2,859,182	(243,203)	46,430,899
2024	1,759,527	41,640,434	39,249	2,600,334	61,040	46,100,584

(1) Fares, bus bench advertising, on-board advertising, and other ancillary revenues.

(2) Includes rental income from leasing office space at the former Six Points location, gain on sales of buses and other property, and lease-related interest income.

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 4**  
**Revenues and Operating Assistance**  
**Comparison to Industry Trend Data**  
**Fiscal Years 2015 to 2024**  
(unaudited)

Year	Operating and Other Miscellaneous	Sales And Use Tax	Operating Grants and Reimbursements	Operating and Other Miscellaneous	Directly Generated Tax	Other Grants and Assistance
	<b>Corpus Christi RTA</b>			<b>Transportation Industry <sup>(1)</sup></b>		
2015	6.2%	93.5%	0.3%	36.3%	6.8%	56.9%
2016	6.2%	87.4%	6.4%	36.3%	6.9%	56.8%
2017	7.1%	89.5%	3.4%	36.0%	6.1%	57.9%
2018	5.9%	82.4%	11.7%	34.0%	8.2%	57.8%
2019	7.7%	92.1%	0.2%	20.7%	6.1%	73.2%
2020	9.8%	87.7%	2.5%	15.5%	6.6%	77.9%
2021	4.3%	65.0%	30.7%	19.0%	6.9%	74.1%
2022	4.3%	73.6%	22.1%	*	*	*
2023	9.4%	87.9%	2.7%	*	*	*
2024	9.6%	90.3%	0.1%	*	*	*

(1) Source: The American Public Transportation Association, 2024 Public Transportation Fact Book, Appendix A: Historical Tables, Table 87, *Operating Funding Sources*.  
[APTA Fact Book Appendix A](#)

\* Not Available

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 5**  
**Passenger Fee Capacity**  
**Fiscal Years 2015 to 2024**  
(unaudited)

<b>Year</b>	<b>Total Unlinked Trips</b>	<b>Passenger Revenues</b>
2015	5,764,797	\$ 1,853,246
2016	5,456,925	1,735,001
2017	5,373,324	1,696,742
2018	5,366,985	1,688,643
2019	5,249,776	1,857,989
2020	2,984,594	1,140,636
2021	2,382,393	986,544
2022	2,814,240	991,329
2023	3,303,048	1,083,894
2024	3,710,197	1,132,006

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 6**  
**Miscellaneous Revenue Information**  
(unaudited)

**Sales Tax:**

The Authority's Sales and Use Tax rate has remained the same since it began in 1985. The overall local sales and use tax rate is limited to 8.25%. The local rate is currently at the maximum.

0.50% Corpus Christi MTA 3178998 (Rate 1/2%) Eff: 01/01/86

- Aqua Dulce
- Bishop
- Corpus Christi
- Driscoll Gregory
- Unincorporated Nueces County (Excluding Petronila)
- Port Aransas
- Robstown
- San Patricio

Source: Texas Comptroller of Public Accounts

**Farebox Recovery Ratio:**

Definition: Ratio of passenger service revenues to transit operating costs, excluding depreciation.

Significance: Indicates how much of cost-of-service provision is supported by user fees.

2015	.....	6.37%
2016	.....	5.75%
2017	.....	5.50%
2018	.....	4.86%
2019	.....	5.99%
2020	.....	3.40%
2021	.....	3.03%
2022	.....	2.50%
2023	.....	2.63%
2024	.....	2.42%

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 7**  
**Ratio of Outstanding Debt**  
**Fiscal Years 2015 to 2024**  
(unaudited)

<b>Year</b>	<b>Revenue Bonds</b>	<b>Refunding Bonds</b>	<b>Leases Payable</b>	<b>SBITA* Payable</b>	<b>Total Debt</b>	<b>Per Capital Income**</b>	<b>Percent of Personal Income</b>
2015	\$20,915,000	\$ -	\$ -	\$ -	\$20,915,000	\$ 42,963	0.21%
2016	20,375,000	-	-	-	20,375,000	40,762	0.20%
2017	19,820,000	-	-	-	19,820,000	42,766	0.22%
2018	19,245,000	-	-	-	19,245,000	43,618	0.23%
2019	-	20,265,000	-	-	20,265,000	47,023	0.23%
2020	-	19,450,000	89,855	-	19,539,855	48,875	0.25%
2021	-	18,580,000	431,407	-	19,011,407	52,612	0.28%
2022	-	17,690,000	338,738	278,173	18,306,911	54,916	0.30%
2023	-	16,785,000	240,842	182,878	17,208,720	***	***
2024	-	15,855,000	278,913	139,603	16,273,516	***	***

\*SBITA – Subscription Based Information Technology Arrangements

\*\*Source: Bureau of Economic Analysis

CAINC1 Personal Income Summary: Personal Income, Population, Per Capital Personal Income

Metropolitan Statistical Area = Corpus Christi, TX

<https://apps.bea.gov/itable/index.cfm>

\*\*\*Not available

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 8**  
**Revenues Bond Coverage**  
**Fiscal Years 2015 to 2024**  
(unaudited)

Year	Pledged Revenues (1)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2015	\$ 2,283,647	\$ 535,000	\$ 1,073,365	\$ 1,608,365	1.42
2016	2,400,445	540,000	1,064,246	1,604,246	1.50
2017	2,502,422	555,000	1,048,026	1,603,026	1.56
2018	2,445,905	575,000	1,029,908	1,604,908	1.52
2019	3,217,930	595,000	1,009,770	1,604,770	2.01
2020	1,992,308	815,000	589,915	1,404,915	1.42
2021	2,122,093	870,000	537,631	1,407,631	1.51
2022	1,642,779	890,000	519,483	1,409,483	1.17
2023	1,760,469	905,000	500,980	1,405,980	1.25
2024	1,759,527	930,000	481,948	1,411,948	1.25

(1) Pledged revenues (effective starting in 2014) represent all system revenues, which include passenger service, bus advertising, and other operating revenues.

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 9**  
**Demographic Statistics**  
**Fiscal Years 2015 to 2024**  
(unaudited)

<b>Year</b>	<b>Population</b> <b>(1)</b>	<b>Personal</b> <b>Income (in thousands)</b> <b>(1)</b>	<b>Mean Per</b> <b>Capita</b> <b>Income</b> <b>(1)</b>	<b>Public</b> <b>School</b> <b>Enrollment</b> <b>(2)</b>	<b>Unemployment</b> <b>Rate</b> <b>(3)</b>
2015	423,451	\$18,375,779	\$ 42,963	61,563	4.90%
2016	423,993	17,490,070	40,762	61,485	5.60%
2017	422,659	18,327,228	42,766	61,350	5.40%
2018	422,025	18,701,345	43,618	61,075	4.60%
2019	421,457	19,878,240	46,336	60,516	3.90%
2020	421,862	20,676,103	48,060	60,143	8.96%
2021	422,778	22,243,036	52,612	57,333	5.80%
2022	421,628	23,154,024	54,916	55,736	4.70%
2023	422,949	23,796,989	56,264	56,270	3.70%
2024	Not Available	Not Available	Not Available	N/A	4.00%

- (1) Metropolitan Statistical Area = Corpus Christi, TX  
Source: US Dept. of Commerce Bureau of Economic Analysis  
<https://apps.bea.gov/itable/>
- (2) Nueces County - Source: Nueces County/Texas Education Agency/PEIMS  
[2023 Nueces County Annual Comprehensive Financial Report](#)
- (3) Source: Texas Labor Market Information/Nueces County  
[Local Area Unemployment Statistics](#)

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 10**  
**Top Ten Employers by Size of Employment**  
**Fiscal Years 2015 to 2024**  
(unaudited)

Business	2024			2015		
	Employees	Rank	% of Total Employment	Employees	Rank	% of Total Employment
Christus Spohn Health Services	7,866	1	3.85%	5,144	3	2.23%
Corpus Christi Independent School District	5,795	2	2.83%	5,178	2	2.24%
Naval Air Station Corpus Christi	5,000	3	2.44%	2,822	6	1.22%
Corpus Christi Army Depot	3,100	4	1.52%	5,800	1	2.51%
City of Corpus Christi	3,062	5	1.50%	3,171	5	1.37%
Driscoll Children's Hospital	2,609	6	1.28%	1,800	8	0.78%
Texas A&M University – Corpus Christi	2,363	7	1.16%	N/A	-	0.00%
American Electric Power – Texas	2,133	8	1.04%	N/A	-	0.00%
Nueces County	2,031	9	0.99%	N/A	-	0.00%
H.E.B. Stores & Bakery	2,019	10	0.99%	5,000	4	2.17%
<b>Total</b>	<b>35,978</b>		<b>17.60%</b>	<b>28,915</b>		<b>12.52%</b>
 Total Employed in the Service Area <sup>(1)</sup>	 204,556			 230,673		

Source: Corpus Christi Regional Economic Development Corp.

(1) Texas Labor Market Information (LMI) Report, December 2024

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 11**  
**Full-Time Equivalent Positions**  
**Fiscal Years 2015 to 2024**  
(unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Transportation</b>										
Transportation – Directly Operated	169.00	154.50	145.00	132.50	125.25	118.50	114.50	120.00	121.00	135.00
Purchased Transportation	3.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	172.00	156.50	145.00	132.50	125.25	118.50	114.50	120.00	121.00	135.00
<b>Maintenance</b>										
Vehicle Maintenance	41.00	36.00	37.00	33.00	32.00	36.00	35.00	35.00	35.00	35.00
Facilities Maintenance	15.00	12.50	14.50	14.50	16.00	20.00	17.00	19.00	21.00	21.00
Materials Management	3.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
	59.00	52.50	54.50	50.50	51.00	59.00	55.00	57.00	59.00	59.00
<b>Program Development</b>										
Customer Programs	4.80	5.50	6.00	6.50	6.00	6.00	6.00	6.00	6.00	6.00
Service Development	3.00	4.00	4.00	4.00	3.00	4.00	4.00	4.00	4.00	3.00
Program Management	2.00	3.00	3.00	1.00	1.00	2.00	2.00	2.00	3.00	3.00
Marketing & Communications	3.00	2.50	3.00	3.00	3.00	3.00	2.00	3.00	4.00	5.00
	12.80	15.00	16.00	14.50	13.00	15.00	14.00	15.00	17.00	17.00
<b>General Administrative</b>										
MIS	3.00	6.00	6.00	6.00	6.00	5.00	5.00	7.00	7.00	6.00
Contracts & Grants	5.00	1.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
CEO's Office	1.00	2.00	1.00	1.00	3.00	3.00	3.00	3.00	2.00	2.00
Finance & Accounting	5.55	6.55	5.50	6.00	6.00	6.00	6.00	5.00	6.00	6.00
Human Resources	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00
Administration	5.00	5.00	6.00	6.00	3.00	3.00	3.00	3.00	2.00	2.00
Safety & Security	2.00	2.50	2.50	2.00	3.00	3.00	3.00	3.00	4.00	4.00
Staples Street Center	-	3.50	4.00	4.00	3.00	4.00	4.00	4.00	4.00	3.00
	24.55	29.55	31.00	31.00	30.00	30.00	31.00	32.00	32.00	30.00
<b>Totals</b>	268.35	253.55	246.50	228.50	219.25	222.50	214.50	224.00	229.00	241.00

\*The Authority has about 95 additional contracted staff under various purchased transportation contracts

\*\*Effective 2016, the Authority reported actual FTE positions as of year-end. Prior years reported budgeted positions. This change is in accordance with GASB Statement 44, *Economic Condition Reporting: The Statistical Section-An Amendment of NCGA Statement 1*.

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 12**  
**Operating Statistics & Assets Utilized**  
**Fiscal Years 2015 to 2024**  
(unaudited)

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>System Ridership</b>											
Motor Bus	a	5,472,836	5,252,466	5,168,421	5,153,005	4,975,242	2,810,165	2,181,460	2,563,876	3,024,117	3,412,177
Demand Response	b	198,652	204,459	195,101	197,978	211,103	129,088	136,086	161,260	180,961	194,493
Ferry Boat	b	76,870	-	-	-	-	-	-	-	-	-
VanPool	c/e	16,439	-	9,802	16,002	63,521	45,341	64,847	89,104	97,970	103,527
<b>System Hours</b>											
Motor Bus	a	259,377	269,711	267,036	275,532	272,402	209,207	197,310	202,353	205,839	224,878
Demand Response	b	78,850	81,258	77,501	78,319	81,658	76,954	61,862	67,657	73,171	79,384
Ferry Boat	b	805	-	-	-	-	-	-	-	-	-
VanPool	c/e	7,686	9,027	3,457	1,935	8,856	8,680	15,037	17,325	18,679	20,921
<b>System Miles</b>											
Motor Bus	a	3,414,445	3,546,503	3,864,934	3,721,249	4,223,566	2,905,938	2,772,308	2,864,529	3,255,738	3,082,474
Demand Response	b	1,349,727	1,401,147	1,332,822	1,350,787	1,572,140	1,060,115	952,949	1,091,848	1,386,203	1,327,397
Ferry Boat	b	1,886	-	-	-	-	-	-	-	-	-
VanPool	c/e	181,220	184,532	75,406	82,942	401,872	487,589	889,049	1,006,399	1,091,955	1,210,759
<b>Vehicles in Service</b>											
Motor Bus	a	66	67	92	88	89	89	100	87	88	104
Demand Response	b	28	28	41	36	36	36	54	34	34	35
Ferry Boat	b	1	-	-	-	-	-	-	-	-	-
VanPool	c/e	5	6	5	10	24	22	22	34	34	40
<b>Use of Capital Funds</b>											
Vehicles	d	\$17,966,141	\$ 139,358	\$ 8,119,989	\$ 244,460	\$ 658,196	\$ 651,166	\$ 9,097,765	\$ 274,050	3,140,623	2,407,379
Communications & IT		196,394	906,221	477,613	59,904	269,015	406,426	149,349	340,339	532,352	1,203,970
Facilities & Station		1,273,498	8,680,069	5,718,703	118,531	292,985	1,142,874	1,348,451	909,248	5,934,678	750,313
Other		1,159,287	276,415	827,638	795,066	245,905	-	-	3,451,887	5,389,029	5,302,073
<b>Operating Expenses by Mode</b>											
Motor Bus	a	\$20,495,063	\$24,357,254	\$25,939,360	\$25,928,435	\$26,196,995	\$25,799,965	\$27,558,408	\$33,464,780	35,242,276	36,727,073
Demand Response	b	5,278,853	5,353,867	4,954,285	4,934,149	5,138,058	5,480,345	5,261,121	6,431,421	6,737,303	7,624,176
Ferry Boat	b	766,082	-	-	-	-	-	-	-	-	-
VanPool	c/e	152,825	163,054	102,522	92,839	238,653	220,016	318,483	433,951	458,541	550,299

Source: National Transit Database

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 12**  
**Operating Statistics & Assets Utilized (continued)**  
**Fiscal Years 2015 to 2024**  
(unaudited)

**Data Element Legend**

- a - Directly Operated (Transportation Department) and Purchased Transportation (oversees contractors)
- b - Purchased Transportation (contractors overseen by the Purchased Transportation Department)
- c - Directly Operated - Customer Programs Department oversees operation of vanpools (through 2011)
- d - May not agree with GAAP-basis financial statements due to differences in NTD accounting methodologies
- e - Van Pool operations did not meet FTA guidelines from 2012 - 2014 and were not reported on the NTD report, however in 2015 Van Pool operations qualified and are included

Source: National Transit Database

**Corpus Christi Regional Transportation Authority**  
**Statistical Supplement 13**  
**Miscellaneous Statistics**  
(unaudited)

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Date Authority Created	August 10, 1985
Date Authority Began Operations	January 1, 1986
Form of Government	Board of Directors, CEO
Board of Directors	11
Service Area Square Miles <sup>1</sup>	846
Population in Service Area <sup>2</sup>	353,125
Type of Tax Support	Sales and Use Tax
Sales Tax Rate	0.50%
Base Fare	\$0.75
Number of Routes <sup>3</sup>	33
Number of Transfer Stations <sup>3</sup>	4
Number of Bus Stops <sup>3</sup>	1,375

<sup>1</sup> Source: 2024 NTD Report

<sup>2</sup> Source: U.S. Census Bureau QuickFacts

<sup>3</sup> Historical trend information is not available. See Table 12 for utilization and level of capital investment trends.

**2024**

**Single Audit Section**

Annual Comprehensive Financial Report



Craig A. Adamson, CPA CFF-Partner  
Austin Adamson, CPA MAcc-Partner  
Jennifer M. Perales, CPA MBA-Partner  
Trevor R. Prewett, MAcc-Partner

Caitlin J. Chupe, CPA MAcc-Partner  
Adam R. Miller, CPA MBA-Partner  
Jeremy C. Moore, CPA MAcc-Partner  
Priyanka B. Desai, CPA MAcc-Partner

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

September 26, 2025

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Corpus Christi Regional Transportation Authority (the Authority), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated September 26, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Adamson & Company, LLC



Craig A. Adamson, CPA CFF-Partner  
Austin Adamson, CPA MAcc-Partner  
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Priyanka B. Desai, CPA MAcc-Partner

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

September 26, 2025

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

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Corpus Christi Regional Transportation Authority's compliance with the types of compliance requirements identified as subject to the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2024. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit
- Identify and assess the risks of material noncompliance, 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 Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a significant deficiency.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Authority's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Authority's response was not subject to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Adamson & Company, LLC



CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2024

Section I:  
Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness identified?	No
• Significant deficiencies identified not considered to be material weaknesses?	Yes
• Noncompliance material to the financial statements noted?	No

Federal Awards:

Type of auditor's report on compliance for major federal programs:	Unmodified
Internal control over major programs:	
• Material weakness identified?	No
• Significant deficiencies identified not considered to be material weaknesses?	Yes
Any audit findings required to be reported in accordance with the Uniform Guidance?	No

The programs tested as major programs include:

U.S. Department of Transportation:

    Federal Transit Cluster:

- 20.500 Federal Transit – Capital Investment Grants (Fixed Guideway Capital Investment Grants)
- 20.507 Federal Transit – Formula Funds (Urbanized Area Formula Program)
- 20.526 Bus and Bus Facilities Formula & Discretionary Programs (Bus Program)

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee:	No

Section II:  
Findings – Financial Statement Audit

Significant Deficiency in Internal Control Over Financial Reporting

2024-001 – Pension Census Data

*Condition:* Wages and hours reported for the year in the pension census did not agree to the underlying payroll records.

*Criteria:* Internal controls should be in place to provide reasonable assurance that census data submitted to the actuary is complete and accurate.

*Cause:* Management performs reconciliations of payroll to census data and identifies discrepancies; however, the trustee did not incorporate those corrections into the version of the census that was sent to the actuary. Ultimately, the plan sponsor remains responsible for ensuring the census used for actuarial purposes is complete and accurate.

*Effect:* Inaccuracies of the census data can result in inaccurate benefit calculations for participants, errors in the actuarial valuation of the total pension liability, and misstatement of the Authority’s financial statements and disclosure pertaining to the pension plan.

*Recommendation:* Procedures should be implemented to ensure that the reconciled census data reviewed by management is the same version provided to the actuary. This could include establishing a formal process for the plan sponsor to obtain, review and sign off on the final census before submission. Implementing this step will help confirm that corrections identified through payroll reconciliations are incorporated, reducing the risk of incomplete or inaccurate data being used in actuarial valuations.

*Views of Responsible Officials and Planned Corrective Actions:* The Authority agrees with the finding and will work with the trustee to implement a process requiring the plan sponsor's review and sign-off on the final census before it is provided to the actuary.

Section III:  
Findings and Questioned Costs – Major Federal Award Programs

2024-002 – Internal Controls Over Compliance – Federal Transit Administration Programs

*Repeat Finding:* This finding was first reported in 2023 (Finding 2023-001). See Section IV: Prior Year Findings for management’s status update.

*Assistance Listing Numbers:* 20.500, 20.507

*Program Name:* Federal Transit – Capital Investment Grants (Fixed Guideway Capital Investment Grants); Federal Transit – Formula Funds (Urbanized Area Formula Program)

*Federal Agency:* Federal Transit Administration

*Criteria:* In accordance with 2 CFR 200.303(a), non-Federal entities are required to establish and maintain effective internal controls over Federal awards. In addition, 2 CFR 180 Subpart C prohibits participants in Federal awards from entering into covered transactions with suspended

or debarred parties. Entities must verify vendors against sam.gov (or collect a certification) prior to entering into covered transactions.

*Condition:* The Authority maintains a system to review vendors against the sam.gov website for suspension or debarment. However, during our testing we noted this verification was not performed or documented for vendors selected through cooperative purchasing agreements.

*Effect:* Failure to consistently document suspension and debarment checks creates a risk that vendors procured through cooperative purchasing agreements could include parties that are suspended or debarred, resulting in potential noncompliance with Federal requirements.

*Questioned Costs:* None Noted

*Recommendation:* The Authority should ensure that suspension and debarment verification is performed and documented for all vendors, including those selected through cooperative purchasing agreements.

*Views of Responsible Officials and Planned Corrective Actions:* The Procurement Department adopted corrective actions effective January 8, 2025. The revised process requires documentation of sam.gov verification for all vendors, including those obtained through cooperative purchasing agreements, prior to entering into covered transactions.

#### Section IV:

#### Prior Year Findings:

#### Significant Deficiency in Internal Controls Over Compliance

#### 2023-001 – Internal Controls Over Compliance – Federal Transit Administration Federal Awards

*Condition:* The Authority did not frequently review the vendors and did not maintain documentation that the vendors were checked against the sam.gov website for suspension or debarment.

*Original Recommendation:* It is recommended that the client establish controls in order to ensure that vendors are reviewed and documentation is maintained through sam.gov or similar to verify that they are not suspended or debarred.

*Current Status:* The Procurement Department adopted corrective actions to address the noted control deficiency. Due to the date of issuance of the 2023 Annual Comprehensive Financial Report on January 15, 2025, the nature of the finding and the Authority's implementation of corrective action occurred January 8, 2025. No further corrective actions are required.

**Corpus Christi Regional Transportation Authority  
Schedule of Expenditures of Federal Financial Awards  
Year Ended December 31, 2024**

<b>Grantor</b>	<b>Assistance Listing Number</b>	<b>Grant Number</b>	<b>Passed through to Subrecipients</b>	<b>Expenditures, Indirect Costs, and Refunds</b>
<b><u>Department of Transportation</u></b>				
<i>Federal Transportation Administration (FTA):</i>				
Federal Transit Cluster				
Federal Transit – Capital Investment Grants (Fixed Guideway Capital Investment Grants)	20.500	TX04-0114	\$ -	\$ 34,108
			-	34,108
Federal Transit – Formula Funds (Urbanized Area Formula Program)	20.507	TX18-0074	-	483,331
Federal Transit – Formula Funds (Urbanized Area Formula Program)	20.507	TX21-0066	-	1,710,537
Covid-19 Federal Transit – Formula Grants (Urbanized Area Formula Program)	20.507	TX22-0032	-	210,425
			-	2,404,293
Bus and Bus Facilities & Discretionary Programs (Bus Program)	20.526	TX18-0074	-	8,451
Bus and Bus Facilities & Discretionary Programs (Bus Program)	20.526	TX21-0038	-	2,222,307
Bus and Bus Facilities & Discretionary Programs (Bus Program)	20.526	TX21-0066	-	972,979
			-	3,203,737
Total Federal Transit Cluster			-	5,642,138
Transit Service Program Cluster				
Enhanced Mobility of Seniors & Individuals with Disabilities	20.513	TX21-0123	39,249	39,249
Total Federal Transit Services Program Cluster			39,249	39,249
<b>Total Department of Transportation</b>			<b>\$ 39,249</b>	<b>\$ 5,681,387</b>

See Notes to the Schedule of Expenditures of Federal Awards

**Corpus Christi Regional Transportation Authority**  
**Notes to Schedule of Expenditures of Federal Financial Awards Year**  
**Ended December 31, 2024**

(1) General

The accompanying Schedule of Expenditures of Federal Financial Awards presents the activity of all Federal financial assistance programs of the Authority. The Authority's organization is defined in Note 1 to the Authority's Basic Financial Statements.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Financial Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Authority's Basic Financial Statements.

(3) Relationship to Basic Financial Statements

Federal financial capital and operating assistance is reported in the Authority's basic financial statements as follows:

Federal and Other Grant Assistance	\$	39,249
Less: State & Local Grants		-
Capital Grants & Donations		<u>5,642,138</u>
Total Federal Grants	\$	<u>5,681,387</u>

(4) Relationship to Federal Financial Reports

Amounts reported in the Schedule of Expenditures of Federal Financial Awards may not agree with amounts reported in the related Federal financial reports filed with the grantor agency because of accruals which would be included in the next reports filed with the agencies.

(5) Indirect Costs

The Authority has not elected to use the 10 percent de minimus indirect cost rate allowed under the Uniform Guidance.

(6) Non-cash Assistance

The Authority has not received any non-cash assistance for the fiscal year ended December 31, 2024.

(7) Loan and Loan Guarantees

The Authority has not received any loan or loan guarantees for the fiscal year ended December 31, 2024.

(8) Federally Funded Insurance

The Authority has not received any federally funded insurance for the fiscal year ended December 31, 2024.

(9) Contingencies

Grant monies received and disbursed by the Authority are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon experience, the Authority does not believe that such disallowance, if any, would have a material effect on the financial position of the Authority.

(10) Sub recipients

During the year ended December 31, 2024, the Authority expended \$39,249 to subrecipients.

(11) Federal Pass-Through Funds

The Authority was not the subrecipient of any federal funds for the year ended December 31, 2024.



**CORRECTIVE ACTION PLAN  
For the Fiscal Year Ended December 31, 2024**

**Finding:** 2024-001 – Pension Census Data

**Name of Contact Person:** Marie S. Roddel, Director of Finance

**Corrective Action:** The Finance Department will implement the following corrective action to address the identified deficiency.

- Policy and Standard Operating Procedure (SOP) revision:
  - The Finance Department has revised the policy and the SOP to add additional checks and balances addressing the reconciliation of census data to the payroll records.
  - Specifically, the same version provided to the actuary will be used to perform the reconciliations that will include review and sign off on the final census before submission to the Actuary.
- Training and Communication:
  - The Finance Department will conduct the mandatory training for personnel involved in the formal review process.
  - An audit trail will be established to account for all the corrective changes to the census data that leads to the final review and sign off on the final census before submission.
  - The Director of Finance will review the new requirements with the Trustee in order to ensure compliance.
- Process Improvement:
  - The Director of Finance will implement the additional reconciliation requirement immediately and will retroactively reconcile from January 1, 2025.
- Monitoring and Review
  - The Finance Department will establish a monitoring process to ensure the census reconciliation is performed after each payroll cycle.

**Proposed Completion Date:**

**October 30, 2025**





**CORPUS CHRISTI REGIONAL  
TRANSPORTATION AUTHORITY**

[ccrta.org](http://ccrta.org)

**Subject:** September 2025 Financial Report

**Overview:** The **September Operating Budget** ended the month with revenue coming in greater than expenses by **\$568,509**, as **Operating Revenue** totaled **\$4,372,732** and **Operating Expenses** **\$3,804,223**.

Four revenue sources fell short of the budget expectation. Fare revenue from customers of **\$94,866** reached **97.87%** or \$2,067 short of budget, federal grant assistance of \$365,806 reached **98.12%** or **\$6,992** short of budget, lease revenue from tenants of **\$40,845** reached **91.33%** or \$3,875 short of budget due to a vacancy, and investment income of **\$138,658** fell short of expectation by **18.18%** or **\$30,819** due to external factors.

The **year-to-date Operating Budget** produced a surplus of **\$1,163,274** as total revenues of **\$37,851,223** reached **98.87% of baseline** while expenses of **\$36,687,949** finished at **95.87%**.

The **CIP budget for the month** resulted in expenditures exceeding revenues by **\$55,688** and include grant revenues of \$7,948 for the CAD/AVL Radio Pigtail project.

Expenditures of \$140,630 include the federal share of the CAD/AVL Radio Pigtail project, along with the depreciation expense of \$132,682 which resulted in expenses exceeding funding sources by \$55,688 after factoring the transfer in of \$76,994. Since transfer-in from fund balance is not considered revenues, the loss for the month from the CIP Budget is \$132,682.

**Year-to-date** CIP funding sources totaled **\$5,865,476** while total expenditures finished at **\$6,340,200** resulting in **expenditures** exceeding funding sources by **\$474,724**. Funding sources include the budgeted transfer-in from fund balance of **\$692,943**. However, since the budgeted transfer-in is not considered revenue, the YTD loss from the CIP Budget is \$1,167,667.

For the month, the overall performance resulted in an initial increase of **\$512,821** to the fund balance with an increase of **\$568,509** attributable to the operating budget, and a decrease of **\$55,688** related to the CIP budget. However, since the budgeted transfer-in of \$76,994 from the CIP budget is not considered revenue, the combined increase to the fund balance is \$435,827.

The overall performance for the **year-to-date** results in an initial increase of **\$688,550** to the fund balance, with an increase of **\$1,163,274** from the operating budget, and a decrease of **\$474,724** related to the CIP budget. However, since the budgeted transfer-in of \$615,949 from the CIP Budget is not considered revenue, the decrease to the fund balance is \$4,392.

#### **SUMMARY: Results from all Activities Compared to Budget**

**Total Revenues and funding sources** for the month of **September** closed at **\$4,457,674**, of which **\$4,372,732** is attributable to the **Operating Budget (Table 4 and PPT Slides 3 and 4)** and **\$84,942** to the capital budget. The **\$84,942** from the capital budget consists of federal grant revenue of **\$7,948** and **\$76,994** which comes from the unrestricted portion of the fund balance that was budgeted as a transfer-in which is considered a funding source and not a revenue source. 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 \$118,066** or 0.90% less than forecasted (**Table 4.1**) & (**PPT Slide 5**). **Fare Revenues** ended the month at \$94,866, or 97.87% of the baseline expectation and includes **\$12,505** from **Go-Pass Mobile App Pass Sales**.

Meanwhile, commissions from both **Bus and Bench Advertising** ended the month at **\$18,686**, of which **\$4,228** came from **Bus Bench Advertising commissions** while **\$14,458** came from **On-Board Bus Advertising commissions**. The combined revenue was 105.62% of baseline.

Note that the commissions earned from Bench Advertising total **\$6,342** of which **\$4,228** is recognized as revenue and **\$2,114** represents the City's one-third share of the bench advertising commission for the use of City property.

**Other Operating Revenues** reported \$4,515 for the month, comprised of fees for public information requests, recycling of scrap metal, and repair charges billed to Model 1 Commercial Vehicles to reimburse make-ready costs for new Arboc buses.

**Non-Operating Revenues**, which include sales tax, investment income, lease income from tenants, and federal assistance grants totaled **\$4,254,665** reaching **99.03%** of the **\$4,296,352** budget expectation, generating **\$41,687** less than forecasted (**Table 4.1**).

Federal operating grants recorded revenue of \$365,806, or 98.12% of the baseline expectation. \$710,423 in preventive maintenance funds remain available for subsequent months which is expected to be used by the end of the year.

Investment income for the month totaled \$138,658, as the performance of the investment portfolio fell short of the baseline expectation by \$30,819, or 18.18%.

Meanwhile, Staples Street Center leases reached \$40,845 or 91.33% of baseline as a result of the vacancy left by Nueces County.

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 12, 2025**. Out of the seven (7) sources included in this revenue category, 84.83% of total revenue came from the sales tax revenue estimate as indicated in the following table:

**September 2025 Revenue Composition – Table 1**

<b>Line #</b>	<b>Revenue Source</b>	<b>Actual</b>	<b>%</b>
1	Sales Tax Revenue Estimate	\$3,709,356	84.83%
2	Passenger Service	94,866	2.17%
3	SSC Lease Income	40,845	0.93%
4	Bus Advertising	18,686	0.43%
5	Investment Income	138,658	3.17%
6	Grant Assistance Revenue	365,806	8.37%
7	Other Revenue	4,515	0.10%
	<b>Total (excluding capital)</b>	<b>\$4,372,732</b>	<b>100.00%</b>

The **Investment Portfolio** closed the month of September 2025 with a market value of **\$41,829,953**, an increase of **\$1,389,894**, from the balance at the end of August 2025 of **\$40,440,059**. The increase is due to the timing of the reimbursement of preventive maintenance expenses as well as lower operating expense outflows during the month.

The composition of the September portfolio market value includes **\$11,984,972** in securities consisting of **\$5,462,744** in Commercial Paper, **\$3,517,598** in Federal Treasury Securities, and **\$3,004,630** in Federal Agency Coupon Securities. In addition, **\$27,649,906** was held in TexPool Prime and **\$2,180,048** in bank accounts at Frost Bank. For the month of **September**, the earned interest income was recorded at **\$138,658**.

The Federal Open Markets Committee (FOMC) met October 28 and 29 and elected to lower overnight rates by 25 basis points. The futures markets anticipate one additional rate cut of 25 basis points each by the end of 2025, with the rate ending the year at about 3.75% from its current 4.25%. The rate for TexPool Prime as of September was 4.2891%.

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

The **Sales Tax** allocation for September 2025 is **estimated** at **\$3,709,356** and is in line with the actual allocation received for September 2024. The estimate is necessary since allocations lag two months behind and will not be received until November 12, 2025.

The Sales Tax revenue payment of **\$3,375,047** for August 2025 was received October 10, 2025, and was **\$245,157**, or **6.77% less** than the **estimate** of \$3,620,204 reported for August.

The August payment included the allocation from internet sales of **\$35,961**, a decrease of \$8,084 or 18.35% from the prior month. RTA started receiving internet sales tax revenue in December 2019, and to date have received **\$2,284,333**. Retailers started collecting sales tax on internet sales on October 1, 2019.

The sales tax revenue over the last five years averages 70.19% of total income. In 2024, Sales Tax Revenue represented 80.94% of total revenues. Sales tax typically represents the largest component of CCRTA's total income but may vary from year to year when alternative revenue streams such as grant funding become significant. 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 help lower the Agency's reliance on sales tax revenue.

During this reporting period sales tax represented 84.83% of total operating revenues. **Table 2** illustrates the sales tax revenue trend from the beginning of the year, while **Table 2.1** illustrates the comparison between the sales tax received versus the sales tax budgeted.

**Sales Tax Growth – Table 2**

<b>Month Revenue was Recognized</b>	<b>2025 Actual</b>	<b>2024 Actual</b>	<b>\$ Growth</b>	<b>% Growth</b>
January (actual)	3,054,316	\$ 3,006,019	48,297	1.61%
February (actual)	2,996,327	3,560,917	(564,590)	-15.86%
March (actual)	3,830,459	3,728,858	101,601	2.72%
April (actual)	3,494,545	3,388,757	105,788	3.12%
May (actual)	3,434,929	3,458,737	(23,808)	-0.69%
June (actual)	3,942,521	3,743,265	199,256	5.32%
July (actual)	3,630,992	3,485,208	145,784	4.18%
August (actual)	3,375,047	3,206,991	168,056	5.24%
September (estimate)	3,709,356	3,414,856	294,500	8.62%
October (estimate)	-	-	-	0.00%
November (estimate)	-	-	-	0.00%
December (estimate)	-	-	-	0.00%
	<b>\$ 31,468,492</b>	<b>\$ 30,993,608</b>	<b>\$ 474,884</b>	<b>1.53%</b>

**Sales Tax – Actual vs Budget – Table 2.1**

<b>Month Revenue was Recognized</b>	<b>2025 Actual</b>	<b>2025 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
January (actual)	3,054,316	\$ 3,038,475	15,842	0.52%
February (actual)	2,996,327	3,599,364	(603,037)	-16.75%
March (actual)	3,830,459	3,769,118	61,342	1.63%
April (actual)	3,494,545	3,425,345	69,200	2.02%
May (actual)	3,434,929	3,496,081	(61,152)	-1.75%
June (actual)	3,942,521	3,783,681	158,840	4.20%
July (actual)	3,630,992	3,522,837	108,155	3.07%
August (actual)	3,375,047	3,620,204	(245,157)	-6.77%
September (estimate)	3,709,356	3,709,356	-	0.00%
October (estimate)	-	-	-	0.00%
November (estimate)	-	-	-	0.00%
December (estimate)	-	-	-	0.00%
	<b>\$ 31,468,492</b>	<b>\$ 31,964,461</b>	<b>\$ (495,969)</b>	<b>-1.55%</b>

The detail of all revenue and expense categories are presented in the following tables, along with the fare recovery ratio for September 2025:

**Revenue – September 2025 – Revenue Composition (Includes Operating and Capital Funding) – Table 3**

<b>Revenue Source</b>	<b>September 2025</b>	<b>%</b>	<b>YTD</b>	<b>%</b>
Passenger Service	\$ 94,866	2.17%	\$ 804,667	1.87%
Bus Advertising	18,686	0.43%	174,211	0.40%
Other Revenue	4,515	0.10%	20,449	0.05%
Sales Tax Revenue	3,709,356	84.68%	31,468,492	73.14%
Grants - Operating	365,806	8.35%	3,695,370	8.59%
Grants - Capital	7,948	0.18%	5,172,533	12.02%
Investment Income	138,658	3.17%	1,323,137	3.08%
SSC Lease Income	40,845	0.93%	364,897	0.85%
<b>Total Revenue</b>	<b>\$ 4,380,680</b>	<b>100.00%</b>	<b>\$ 43,023,757</b>	<b>100.00%</b>

**Revenue – September 2025 Operating Revenue and Capital Funding – Table 4**

	09/2025				
	2025 Adopted Budget	September 2025 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
<b>Revenues</b>					
Passenger service	\$ 1,163,193	\$ 94,866	\$ 96,933	8.16%	97.87%
Bus advertising	212,297	18,686	17,691	8.80%	105.62%
Other operating revenues	7,095	4,515	4,515	63.63%	100.00%
Sales Tax Revenue	43,222,564	3,709,356	3,709,356	8.58%	100.00%
Federal, state and local grant assistance	4,473,575	365,806	372,798	8.18%	98.12%
Investment Income	2,033,727	138,658	169,477	6.82%	81.82%
Staples Street Center leases	536,647	40,845	44,721	7.61%	91.33%
<b>Total Operating &amp; Non-Operating Revenues</b>	<b>51,649,096</b>	<b>4,372,732</b>	<b>4,415,491</b>	<b>8.47%</b>	<b>99.03%</b>
Capital Grants & Donations	6,410,043	7,948	7,948	0.12%	100.00%
Transfers-In	923,924	76,994	76,994	8.33%	100.00%
<b>Total Operating &amp; Non-Operating Revenues and Capital Funding</b>	<b>\$ 58,983,063</b>	<b>\$ 4,457,674</b>	<b>\$ 4,500,433</b>	<b>7.56%</b>	<b>99.05%</b>

	09/2025				
	2025 Adopted Budget	YTD 2025 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
<b>Revenues</b>					
Passenger service	\$ 1,163,193	\$ 804,667	\$ 872,395	69.18%	92.24%
Bus advertising	212,297	174,211	159,222	82.06%	109.41%
Other operating revenues	7,095	20,449	5,321	288.24%	384.32%
Sales Tax Revenue	43,222,564	31,468,492	31,964,460	72.81%	98.45%
Federal, state and local grant assistance	4,473,575	3,695,370	3,355,181	82.60%	110.14%
Investment Income	2,033,727	1,323,137	1,525,295	65.06%	86.75%
Staples Street Center leases	536,647	364,897	402,485	68.00%	90.66%
<b>Total Operating &amp; Non-Operating Revenues</b>	<b>51,649,096</b>	<b>37,851,223</b>	<b>38,284,359</b>	<b>73.29%</b>	<b>98.87%</b>
Capital Grants & Donations	6,410,043	5,172,533	5,172,533	80.69%	100.00%
Transfers-In	923,924	692,943	692,943	75.00%	100.00%
<b>Total Operating &amp; Non-Operating Revenues and Capital Funding</b>	<b>\$ 58,983,063</b>	<b>\$ 43,716,699</b>	<b>\$ 44,149,835</b>	<b>74.12%</b>	<b>99.02%</b>

**Revenue – September 2025 from Operations – Table 4.1**

	09/2025				
	2025 Adopted Budget	September 2025 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
<b>Revenues</b>					
Passenger service	\$ 1,163,193	\$ 94,866	\$ 96,933	8.16%	97.87%
Bus advertising	212,297	18,686	17,691	8.80%	105.62%
Other operating revenues	7,095	4,515	4,515	63.63%	100.00%
<b>Total Operating Revenues</b>	<b>1,382,584</b>	<b>118,067</b>	<b>119,139</b>	<b>8.54%</b>	<b>99.10%</b>
Sales Tax Revenue	43,222,564	3,709,356	3,709,356	8.58%	100.00%
Federal, state and local grant assistance	4,473,575	365,806	372,798	8.18%	98.12%
Investment Income	2,033,727	138,658	169,477	6.82%	81.82%
Staples Street Center leases	536,647	40,845	44,721	7.61%	91.33%
<b>Total Non-Operating Revenues</b>	<b>50,266,512</b>	<b>4,254,665</b>	<b>4,296,352</b>	<b>8.46%</b>	<b>99.03%</b>
<b>Total Revenues</b>	<b>\$ 51,649,096</b>	<b>\$ 4,372,732</b>	<b>\$ 4,415,491</b>	<b>8.47%</b>	<b>99.03%</b>

**September 2025 Expenses**

The results of all expenditure activities, including capital, are presented below. Overall, total expenditures of **\$3,944,853** came in **\$326,493** under the anticipated baseline of **\$4,271,346**. Departmental expenses of **\$3,485,879** came in **\$323,759** under the **\$3,809,638** anticipated baseline or 8.50%. Meanwhile, Street Improvement Program expense of **\$302,086** is a fixed amount that represents one-two-twelve of the annual amount budgeted for all member cities, resulting in 100% baseline. Debt service expense of **\$16,258** includes the monthly amortization of debt issuance costs resulting from the 2019 bond refunding, plus interest related to Subscription Liabilities (SBITAs).

**September 2025 Total Expenses & Capital Expenditures – Table 6**

	09/2025				
	2025 Adopted Budget	September 2025 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
<b>Expenditures</b>					
Departmental Operating Expenses	\$ 45,715,626	\$ 3,485,879	\$ 3,809,638	7.63%	91.50%
Debt Service	1,607,353	16,258	16,258	1.01%	100.00%
Street Improvements	3,625,032	302,086	302,086	8.33%	100.00%
Subrecipient Grant Agreements	74,256	-	6,188	0.00%	0.00%
<b>Total Operating &amp; Non-Operating Expenses</b>	<b>51,022,267</b>	<b>3,804,223</b>	<b>4,134,169</b>	<b>7.46%</b>	<b>92.02%</b>
Grant Eligible Costs	6,410,043	7,948	7,948	0.12%	100.00%
Depreciation Expenses	1,550,753	132,682	129,229	8.56%	102.67%
<b>Total Operating &amp; Non-Operating Expenses and Capital Expenditures</b>	<b>\$ 58,983,063</b>	<b>\$ 3,944,853</b>	<b>\$ 4,271,346</b>	<b>6.69%</b>	<b>92.36%</b>

**Year to Date as of September 2025 Total Expenses & Capital Expenditures – Table 6.1**

For the year to date, total expenditures including capital were **\$43,028,149**, coming in **\$1,574,150** under the anticipated baseline of **\$44,602,298**. Departmental expenses of **\$33,592,125** came in **\$694,594** under the anticipated baseline of **\$34,286,719** or 2.03%. Meanwhile, Street Improvement Program expense is a fixed amount that represents one-twelve of the annual amount budgeted for all member cities, resulting in 100% of baseline and as of September the year-to-date expense represents 75.00% of the annual budget. Debt service represents interest

on the 2019 refunding bonds, and the monthly amortization of debt issuance costs plus current year interest on bonds, along with interest costs for SBITAs.

	09/2025				
	2025 Adopted Budget	YTD 2025 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
<b>Expenditures</b>					
Departmental Operating Expenses	\$ 45,715,626	\$ 33,592,125	\$ 34,286,719	73.48%	97.97%
Debt Service	1,607,353	377,050	1,205,515	23.46%	31.28%
Street Improvements	3,625,032	2,718,774	2,718,774	75.00%	100.00%
Subrecipient Grant Agreements	74,256	-	55,692	0.00%	0.00%
<b>Total Operating &amp; Non-Operating Expenses</b>	<b>51,022,267</b>	<b>36,687,949</b>	<b>38,266,700</b>	<b>71.91%</b>	<b>95.87%</b>
Grant Eligible Costs	6,410,043	5,172,533	5,172,533	80.69%	100.00%
Depreciation Expenses	1,550,753	1,167,667	1,163,065	75.30%	100.40%
<b>Total Operating &amp; Non-Operating Expenses and Capital Expenditures</b>	<b>\$ 58,983,063</b>	<b>\$ 43,028,149</b>	<b>\$ 44,602,298</b>	<b>72.95%</b>	<b>96.47%</b>

### 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 2025, total departmental operating expenses realized favorable variances against the baseline expectation from categories including Salaries & Wages, Benefits, Services, Materials & Supplies, Insurance, Purchased Transportation, and Miscellaneous.

Meanwhile, unfavorable variance was identified with the category Utilities.

**Utilities** reported a negative variance of 11.42%, or \$7,753. The negative variance is primarily associated to higher costs from the CNG fueling station.

### September 2025 Departmental Expense Breakdown – Table 7

	09/2025				
	2025 Adopted Budget	September 2025 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
<b>Departmental Operating Expenses:</b>					
<b>Object Category</b>					
Salaries & Wages	\$ 15,022,566	\$ 1,205,179	\$ 1,251,881	8.02%	96.27%
Benefits	9,117,655	621,711	759,805	6.82%	81.83%
Services	5,836,746	396,265	486,396	6.79%	81.47%
Materials & Supplies	3,472,456	269,473	289,371	7.76%	93.12%
Utilities	814,410	75,620	67,868	9.29%	111.42%
Insurance	902,577	73,533	75,215	8.15%	97.76%
Purchased Transportation	9,491,286	775,511	790,941	8.17%	98.05%
Miscellaneous	1,057,931	68,587	88,161	6.48%	77.80%
<b>Total Departmental Operating Expenses</b>	<b>\$ 45,715,626</b>	<b>\$ 3,485,879</b>	<b>\$ 3,809,638</b>	<b>7.63%</b>	<b>91.50%</b>

**Year to Date as of September 2025 Departmental Operating Expense Breakdown – Table 8**

	09/2025				
	2025 Adopted Budget	YTD 2025 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
<b>Departmental Operating Expenses:</b>					
<b>Object Category</b>					
Salaries & Wages	\$ 15,022,566	\$ 10,627,977	\$ 11,266,922	70.75%	94.33%
Benefits	9,117,655	7,523,898	6,838,241	82.52%	110.03%
Services	5,836,746	3,619,696	4,377,560	62.02%	82.69%
Materials & Supplies	3,472,456	2,989,407	2,604,342	86.09%	114.79%
Utilities	814,410	703,035	610,808	86.32%	115.10%
Insurance	902,577	671,073	676,933	74.35%	99.13%
Purchased Transportation	9,491,286	6,831,345	7,118,465	71.97%	95.97%
Miscellaneous	1,057,931	625,694	793,448	59.14%	78.86%
<b>Total Departmental Operating Expenses</b>	<b>\$ 45,715,626</b>	<b>\$ 33,592,125</b>	<b>\$ 34,286,719</b>	<b>73.48%</b>	<b>97.97%</b>

**2025 Self-Insurance Claims, Medical & Vision and Dental Reported at Gross which does not factor in the stop loss reimbursements – Table 9\***

Month	Medical & Vision	Dental	Total
January	\$ 603,430	\$ 13,363	\$ 616,794
February	500,491	7,838	508,329
March	251,951	7,455	259,405
April	609,177	18,875	628,053
May	435,214	12,538	447,752
June	475,409	12,310	487,719
July	509,618	8,323	517,941
August	428,325	11,447	439,772
September	718,429	7,982	726,411
	<b>\$ 4,532,045</b>	<b>\$ 100,131</b>	<b>\$ 4,632,176</b>

\* Stop loss reimbursements and other credits totaling **\$601,275** were received in September 2025 and reduced the cost of health insurance accordingly. To date, the amount of **\$1,661,582.09** has been received in Stop Loss reimbursements.

**Fare Recovery Ratio – Table 10**

Description	9/30/2025	Year to Date
Fare Revenue or Passenger Revenue	\$ 94,866	\$ 804,667
Operating Expenses	3,485,880	33,592,125
Fare Recovery Ratio	2.72%	2.40%
*Excluding Depreciation		

Note: Same period last year (September 2024) the FRR was 2.65%

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 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 2025 – Table 11**

For the month of September, total Revenue exceeded Expenditures by \$512,821. A greater detail of the financial results is explained in the accompanied Power Point presentation.

	09/2025				
	2025 Adopted Budget	September 2025 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Operating Revenues	\$ 51,649,096	\$ 4,372,732	\$ 4,415,491	8.47%	99.03%
Operating Expenses	51,022,267	3,804,223	4,134,169	7.46%	92.02%
<b>Revenue over Expenses</b>	<b>626,829</b>	<b>568,509</b>	<b>281,322</b>	90.70%	202.09%
Capital Funding	7,333,967	84,942	84,942	1.16%	100.00%
Capital Expenditures	7,960,796	140,630	137,177	1.77%	102.52%
<b>Revenue over Expenses</b>	<b>(626,829)</b>	<b>(55,688)</b>	<b>(52,235)</b>	8.88%	106.61%
<b>Revenue over Expenditures</b>	<b>\$ (0)</b>	<b>\$ 512,821</b>	<b>\$ 229,087</b>		

**NET POSITION**

The Total Net Position at the end of the month was **\$108,680,413**, an increase of **\$5,168,143** from December 2024 which closed at **\$103,512,270**.

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 **\$108,680,413**, the portion of the fund balance that is not restricted in accordance with GASB Concepts Statement No 4 is **\$33,512,614** but only **\$3,297,490** is available for spending due to the amount of **\$30,215,124** in Board-designated reserves aimed at mitigating the fluctuations in sales tax revenue. As you can see from the fund balance breakdown below, **90.16%** 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, 2025:**

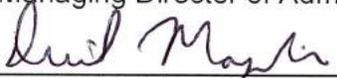
<b>FUND BALANCE</b>		
Net Invested in Capital Assets		\$ 74,592,491
Restricted for FTA Interest		575,308
Unrestricted		33,512,614
<b>TOTAL FUND BALANCE</b>		<b>108,680,413</b>
<b>RESERVES</b>		
Designated for Operating Reserve		9,649,553
Designated for Capital Reserve		4,753,840
Designated for Employee Benefits Reserve		2,311,731
Designated for Emergency/Disaster Reserve		1,900,000
Designated for New Bear Lane Maint. Bldg. Prj.		11,600,000
<b>Total Designated Reserves</b>	<b>90.16%</b>	<b>30,215,124</b>
Plus:		
Unrestricted	<b>9.84%</b>	3,297,490
<b>TOTAL DESIGNATED AND UNRESTRICTED</b>		<b>\$ 33,512,614</b>

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:   
Derrick Majchszak  
Chief Executive Officer

Corpus Christi Regional Transportation Authority  
 Operating and Capital Budget Report  
 For the month ended September 2025

OPERATING BUDGET	09/2025				
	2025 Adopted Budget	September 2025 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
	A	B	C = A / 12	B / A	C vs B
<b>Revenues</b>					
Passenger service	\$ 1,163,193	\$ 94,866	\$ 96,933	8.16%	97.87%
Bus advertising	212,297	18,686	17,691	8.80%	105.62%
Other operating revenues	7,095	4,515	4,515	63.63%	100.00%
Sales Tax Revenue	43,222,564	3,709,356	3,709,356	8.58%	100.00%
Federal, state and local grant assistance	4,473,575	365,806	372,798	8.18%	98.12%
Investment Income	2,033,727	138,658	169,477	6.82%	81.82%
Staples Street Center leases	536,647	40,845	44,721	7.61%	91.33%
<b>Total Revenues</b>	<b>51,649,096</b>	<b>4,372,732</b>	<b>4,415,491</b>	<b>8.47%</b>	<b>99.03%</b>
<b>Expenses</b>					
Transportation	11,758,979	904,529	979,915	7.69%	92.31%
Customer Programs	731,351	47,275	60,946	6.46%	77.57%
Purchased Transportation	9,491,286	775,511	790,941	8.17%	98.05%
Service Development	659,974	42,347	54,998	6.42%	77.00%
MIS	2,088,273	154,336	174,023	7.39%	88.69%
Vehicle Maintenance	7,099,062	521,314	591,589	7.34%	88.12%
Facilities Maintenance	3,423,983	246,086	285,332	7.19%	86.25%
Contracts and Procurements	513,030	41,981	42,752	8.18%	98.20%
CEO's Office	1,151,845	94,933	95,987	8.24%	98.90%
Finance and Accounting	1,033,342	78,271	86,112	7.57%	90.89%
Materials Management	295,966	22,717	24,664	7.68%	92.11%
Human Resources	1,031,407	61,570	85,951	5.97%	71.63%
General Administration	510,112	31,277	42,509	6.13%	73.58%
Capital Project Management	453,155	36,147	37,763	7.98%	95.72%
Marketing & Communications	1,114,826	76,625	92,902	6.87%	82.48%
Safety & Security	3,100,966	239,423	258,414	7.72%	92.65%
Staples Street Center	1,158,071	110,568	96,506	9.55%	114.57%
Debt Service	1,607,353	16,258	16,258	1.01%	100.00%
Special Projects	100,000	969	8,333	0.97%	11.62%
Subrecipient Grant Agreements	74,256	-	6,188	0.00%	0.00%
Street Improvements Program for CCRTA Regional Entities	3,625,032	302,086	302,086	8.33%	100.00%
<b>Total Expenses</b>	<b>51,022,267</b>	<b>3,804,223</b>	<b>4,134,169</b>	<b>7.46%</b>	<b>92.02%</b>
<b>Revenues Over Expenses - Operating Budget</b>	<b>626,829</b>	<b>568,509</b>	<b>281,322</b>		
<b>CIP BUDGET</b>					
	2025 Adopted Budget	September 2025 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
	A	B	C = A / 12	B / A	
<b>Funding Sources</b>					
Transfer In	\$ 923,924	76,994	76,994	8.33%	100.00%
Grant Revenue	6,410,043	7,948	7,948	0.12%	0.00%
<b>Total Funding Sources</b>	<b>7,333,967</b>	<b>84,942</b>	<b>84,942</b>	<b>1.16%</b>	<b>100.00%</b>
<b>Capital Expenditures</b>					
Grant Eligible Costs	6,410,043	7,948	7,948	0.12%	0.00%
Depreciation Expenses	1,550,753	132,682	129,229	8.56%	102.67%
<b>Total Expenditures</b>	<b>7,960,796</b>	<b>140,630</b>	<b>137,177</b>	<b>1.77%</b>	<b>102.52%</b>
<b>Funding Sources Over Expenditures</b>	<b>(626,829)</b>	<b>(55,688)</b>	<b>(52,235)</b>	<b>8.88%</b>	<b>106.61%</b>
<b>Revenues Over Expenses - Operating Budget</b>	<b>626,829</b>	<b>568,509</b>	<b>281,322</b>		
<b>Revenues Over Expenses - CIP Budget</b>	<b>(626,829)</b>	<b>(55,688)</b>	<b>(52,235)</b>		
<b>Revenues Over Expenses (including rounding)</b>	<b>\$ (0)</b>	<b>\$ 512,821</b>	<b>\$ 229,087</b>		

Corpus Christi Regional Transportation Authority  
 Operating and Capital Budget Report  
 For the month ended September 2025

OPERATING BUDGET	09/2025				
	2025 Adopted Budget	YTD 2025 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
	A	B	C = A / 12 * 9	B / A	C vs B
<b>Revenues</b>					
Passenger service	\$ 1,163,193	\$ 804,667	\$ 872,395	69.18%	92.24%
Bus advertising	212,297	174,211	159,222	82.06%	109.41%
Other operating revenues	7,095	20,449	5,321	288.24%	384.32%
Sales Tax Revenue	43,222,564	31,468,492	31,964,460	72.81%	98.45%
Federal, state and local grant assistance	4,473,575	3,695,370	3,355,181	82.60%	110.14%
Investment Income	2,033,727	1,323,137	1,525,295	65.06%	86.75%
Staples Street Center leases	536,647	364,897	402,485	68.00%	90.66%
<b>Total Revenues</b>	<b>51,649,096</b>	<b>37,851,223</b>	<b>38,284,359</b>	<b>73.29%</b>	<b>98.87%</b>
<b>Expenses</b>					
Transportation	11,758,979	9,129,760	8,819,234	77.64%	103.52%
Customer Programs	731,351	531,035	548,513	72.61%	96.81%
Purchased Transportation	9,491,286	6,831,345	7,118,465	71.97%	95.97%
Service Development	659,974	422,683	494,980	64.05%	85.39%
MIS	2,088,273	1,398,295	1,566,204	66.96%	89.28%
Vehicle Maintenance	7,099,062	5,531,001	5,324,297	77.91%	103.88%
Facilities Maintenance	3,423,983	2,483,567	2,567,987	72.53%	96.71%
Contracts and Procurements	513,030	377,159	384,772	73.52%	98.02%
CEO's Office	1,151,845	791,400	863,884	68.71%	91.61%
Finance and Accounting	1,033,342	696,637	775,006	67.42%	89.89%
Materials Management	295,966	229,190	221,974	77.44%	103.25%
Human Resources	1,031,407	634,398	773,555	61.51%	82.01%
General Administration	510,112	305,548	382,584	59.90%	79.86%
Capital Project Management	453,155	334,090	339,867	73.73%	98.30%
Marketing & Communications	1,114,826	710,102	836,119	63.70%	84.93%
Safety & Security	3,100,966	2,244,564	2,325,725	72.38%	96.51%
Staples Street Center	1,158,071	936,508	868,553	80.87%	107.82%
Debt Service	1,607,353	377,050	1,205,515	23.46%	31.28%
Special Projects	100,000	4,843	75,000	4.84%	6.46%
Subrecipient Grant Agreements	74,256	-	55,692	0.00%	0.00%
Street Improvements Program for CCRTA Regional Entities	3,625,032	2,718,774	2,718,774	75.00%	100.00%
<b>Total Expenses</b>	<b>51,022,267</b>	<b>36,687,949</b>	<b>38,266,700</b>	<b>71.91%</b>	<b>95.87%</b>
<b>Revenues Over Expenses - Operating Budget</b>	<b>626,829</b>	<b>1,163,274</b>	<b>17,659</b>		
<b>CIP BUDGET</b>					
	2025 Adopted Budget	YTD 2025 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
	A	B	C = A / 12 * 9	B / A	C vs B
<b>Funding Sources</b>					
Transfer In	\$ 923,924	692,943	692,943	75.00%	100.00%
Grant Revenue	6,410,043	5,172,533	5,172,533	80.69%	0.00%
<b>Total Funding Sources</b>	<b>7,333,967</b>	<b>5,865,476</b>	<b>5,865,476</b>	<b>79.98%</b>	<b>100.00%</b>
<b>Capital Expenditures</b>					
Grant Eligible Costs	6,410,043	5,172,533	5,172,533	80.69%	0.00%
Depreciation Expenses	1,550,753	1,167,667	1,163,065	75.30%	100.40%
<b>Total Expenditures</b>	<b>7,960,796</b>	<b>6,340,200</b>	<b>6,335,598</b>	<b>79.64%</b>	<b>100.07%</b>
<b>Funding Sources Over Expenditures</b>	<b>(626,829)</b>	<b>(474,724)</b>	<b>(470,122)</b>	<b>75.73%</b>	<b>100.98%</b>
<b>Revenues Over Expenses - Operating Budget</b>	<b>626,829</b>	<b>1,163,274</b>	<b>17,659</b>		
<b>Revenues Over Expenses - CIP Budget</b>	<b>(626,829)</b>	<b>(474,724)</b>	<b>(470,122)</b>		
<b>Revenues Over Expenses (including rounding)</b>	<b>\$ (0)</b>	<b>\$ 688,550</b>	<b>\$ (452,463)</b>		

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**Statement of Net Position**  
**Month ended September 30, 2025, and year ended December 31, 2024**

	<b>Unaudited September 30 2025</b>	<b>Audited December 31 2024</b>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 28,822,082	\$ 28,661,486
Short Term Investments	8,451,297	10,959,672
Receivables:		
Sales and Use Taxes	7,084,403	7,042,268
Federal Government	373,754	239,980
Other	1,121,800	1,057,892
Inventories	710,912	785,916
Prepaid Expenses	1,400,040	662,739
<b>Total Current Assets</b>	<b>47,964,288</b>	<b>49,409,953</b>
<b>Non-Current Assets:</b>		
Restricted Cash and Cash Equivalents	575,308	575,308
Long Term Investments	3,499,180	7,485,413
Lease Receivable	1,448,273	1,448,273
Capital Assets:		
Land	5,191,477	5,191,477
Buildings	53,037,195	53,037,195
Transit Stations, Stops and Pads	33,462,556	33,462,556
Other Improvements	5,579,552	5,579,552
Vehicles and Equipment	65,441,341	65,441,341
Right-To-Use Leased Equipment	636,942	636,942
Right-To-Use Software Subscriptions	1,671,866	1,594,044
Construction in Progress	7,834,438	7,834,438
Current Year Additions	11,061,353	-
Total Capital Assets	183,916,721	172,777,545
Less: Accumulated Depreciation	(95,427,234)	(94,264,170)
Net Capital Assets	88,489,487	78,513,375
<b>Total Non-Current Assets</b>	<b>94,012,248</b>	<b>88,022,369</b>
<b>TOTAL ASSETS</b>	<b>141,976,536</b>	<b>137,432,322</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflow related to pensions	6,088,027	6,088,027
Deferred outflow related to OPEB	95,005	95,005
Deferred outflow on extinguishment of debt	2,432,326	2,570,005
<b>Total Deferred Outflows</b>	<b>8,615,358</b>	<b>8,753,037</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>150,591,896</b>	<b>146,185,359</b>

## CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY

## Statement of Net Position

Month ended September 30, 2025, and year ended December 31, 2024 (continued)

	Unaudited September 30 2025	Unaudited December 31 2024
<b>LIABILITIES AND NET POSITION</b>		
<b>Current Liabilities:</b>		
Accounts Payable	1,300,925	936,307
Current Portion of Long-Term Liabilities:		
Long-Term Debt	950,000	950,000
Compensated Absences	374,238	374,238
Net OPEB Liability - Current Portion	115,150	115,150
Software Subscription Liability	12,257	92,800
Lease Liability	110,839	110,839
Distributions to Regional Entities Payable	3,977,761	4,928,041
Other Accrued Liabilities	1,311,546	1,421,888
<b>Total Current Liabilities</b>	<b>8,152,716</b>	<b>8,929,263</b>
<b>Non-Current Liabilities:</b>		
Long-Term Liabilities, Net of Current Portion:		
Long-Term Debt	14,905,000	14,905,000
Compensated Absences	871,691	871,691
Software Subscription Liability	61,744	46,803
Lease Liability	168,074	168,074
Net Pension Liability	12,314,109	12,314,109
Net OPEB Obligation	678,583	678,583
<b>Total Non-Current Liabilities</b>	<b>28,999,201</b>	<b>28,984,260</b>
<b>TOTAL LIABILITIES</b>	<b>37,151,917</b>	<b>37,913,523</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflow related to pensions	3,223,014	3,223,014
Deferred inflow related to OPEB	88,279	88,279
Deferred inflow related to leases	1,448,273	1,448,273
<b>Total Deferred Inflows</b>	<b>4,759,566</b>	<b>4,759,566</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS</b>	<b>41,911,483</b>	<b>42,673,089</b>
<b>Net Position:</b>		
Net Invested in Capital Assets	74,592,491	64,186,996
Restricted for FTA Interest	575,308	575,308
Unrestricted	33,512,614	38,749,966
<b>TOTAL NET POSITION</b>	<b>\$ 108,680,413</b>	<b>\$ 103,512,270</b>

Corpus Christi Regional Transportation Authority  
Statement of Cash Flows (Unaudited)  
For the month ended September 30, 2025

	<u>9/30/2025</u>
<b>Cash Flows From Operating Activities:</b>	
Cash Received from Customers	\$ 60,489
Cash Received from Bus Advertising and Other Ancillary	95,190
Cash Payments to Suppliers for Goods and Services	(1,742,671)
Cash Payments to Employees for Services	(1,237,597)
Cash Payments for Employee Benefits	(753,971)
<b>Net Cash Used for Operating Activities</b>	<u><b>(3,578,561)</b></u>
<b>Cash Flows from Non-Capital Financing Activities:</b>	
Sales and Use Taxes Received	3,630,992
Grants and Other Reimbursements	831,819
Distributions to Subrecipient Programs	-
Distributions to Region Entities	-
<b>Net Cash Provided by Non-Capital Financing Activities</b>	<u><b>4,462,811</b></u>
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Federal and Other Grant Assistance	345,755
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	(51,840)
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<u><b>293,915</b></u>
<b>Cash Flows from Investing Activities:</b>	
Investment Income	96,168
Purchases of Investments	-
Maturities and Redemptions of Investments	-
Premiums/Discounts on Investments	-
<b>Net Cash Provided by Investing Activities</b>	<u><b>96,168</b></u>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>1,274,333</b>
<b>Cash and Cash Equivalents (Including Restricted Accounts), September 1, 2025</b>	<b>28,123,057</b>
<b>Cash and Cash Equivalents (Including Restricted Accounts), September 30, 2025</b>	<b>\$ <u><u>29,397,390</u></u></b>

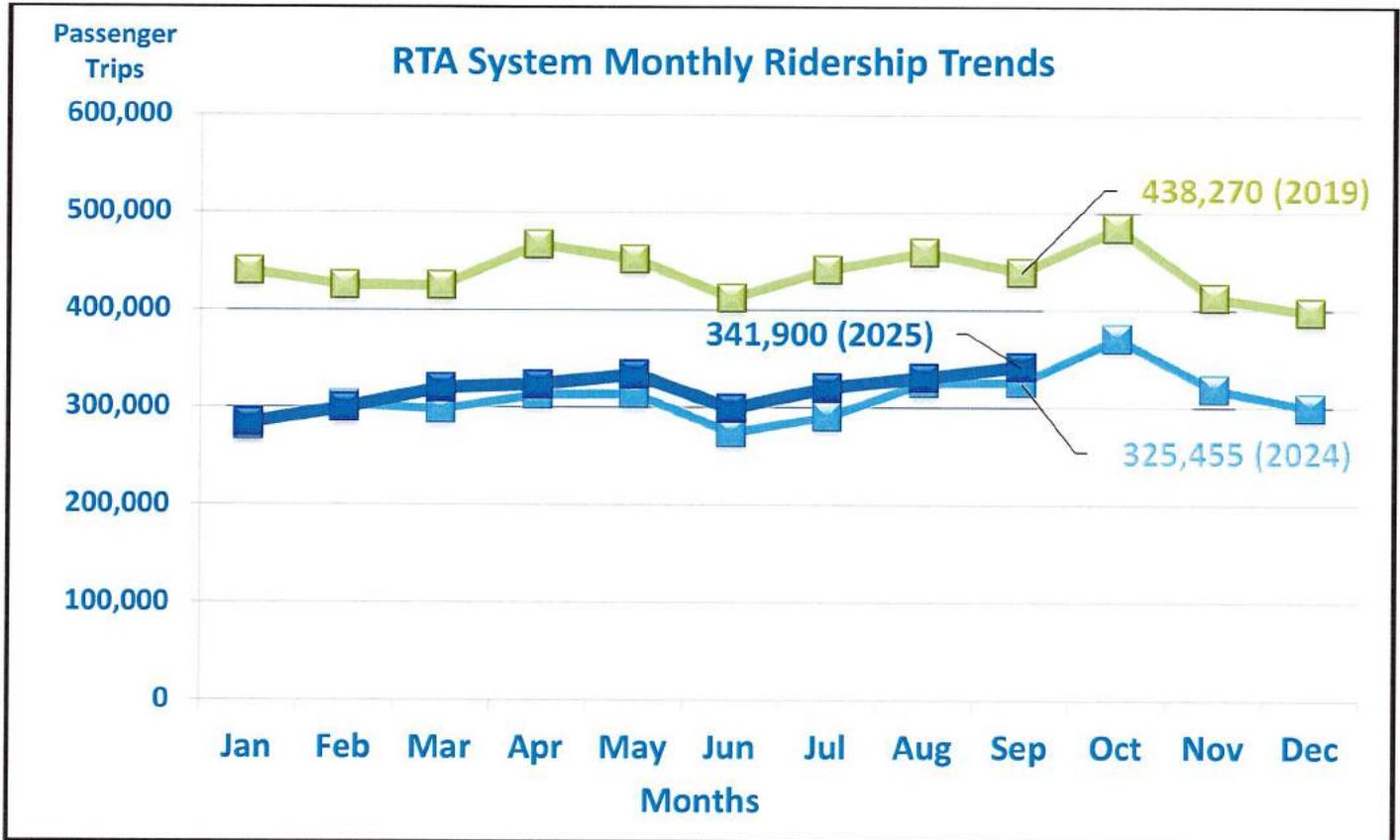
**Subject:** September 2025 Operations Report

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 2025 system-wide passenger trips totaled 341,900 which represents a 5.1% increase, compared to 325,455 passenger trips in September 2024 with 16,445 more trips provided this month. At 341,900 rides in September 2025, this resulted in a 22.0% difference from the Pre-Covid September 2019 ridership level with approximately 96,370 more rides.

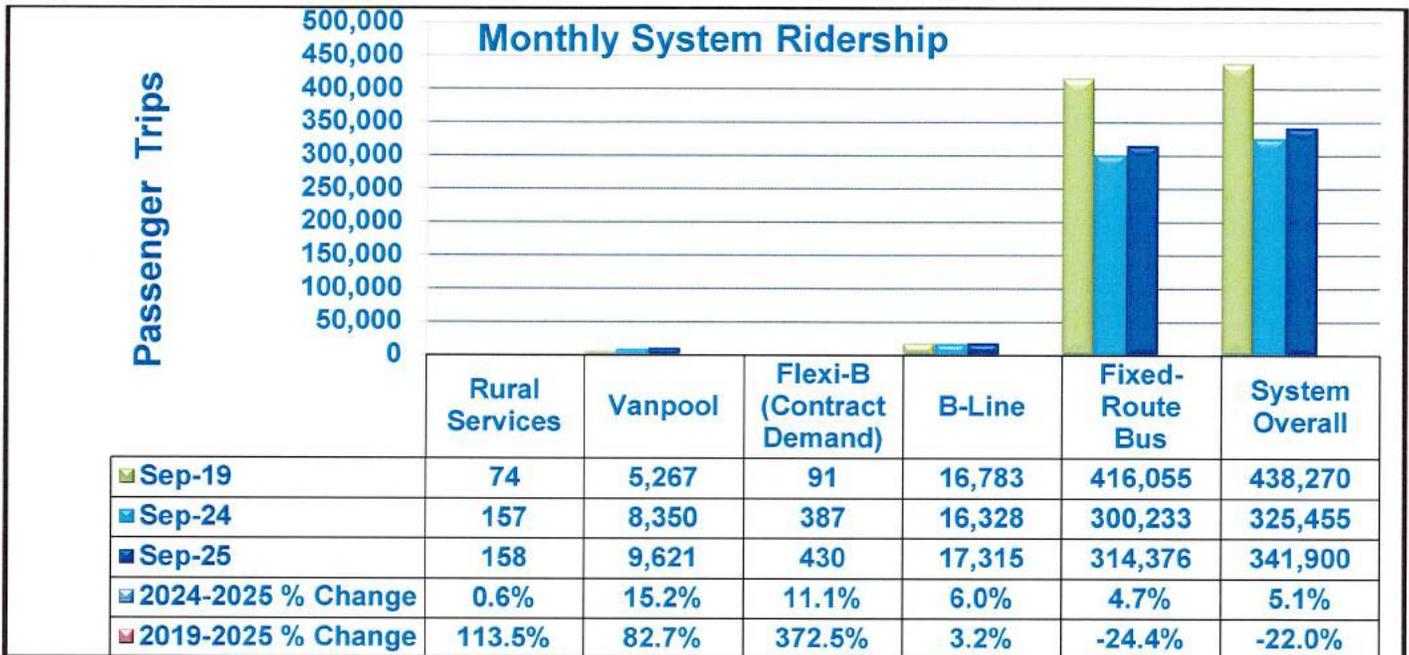


September 2025	September 2024	Variance
21 Weekdays	20 Weekdays	+1
4 Saturdays	4 Saturdays	0
5 Sundays	6 Sundays	-1
30 Days of operation	30 Days of operation	0

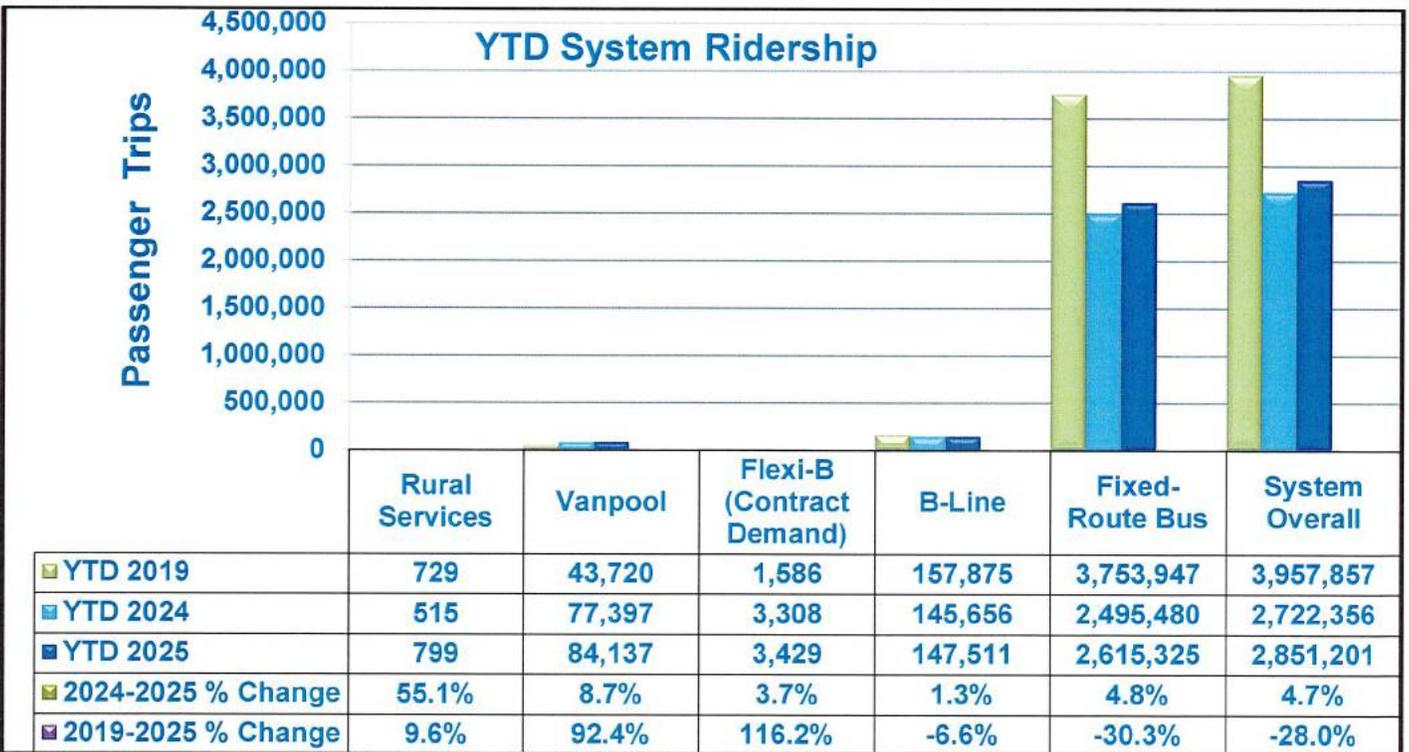
The average retail price for unleaded gas in Corpus Christi was \$2.75 per gallon compared to \$2.80 per gallon in September 2024<sup>1</sup>. September rainfall was below the average of 5.42 inches at 2.92 inches recorded. In comparison, September 2024 recorded 6.50 inches of rainfall, which was above the average rainfall of 5.42 inches.<sup>2</sup> The 93.3-degree average high temperature for September 2025 was above the normal average high 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 16,445 more passenger trips in September 2025 resulting in a 5.1% increase compared to September 2024. When compared to September 2019 Pre-Covid ridership levels there is approximately a 22.0% difference for approximately 96,370 fewer rides in September 2025.



The chart below shows YTD ridership results for all services. 128,845 more trips compared to 2024 but approximately 1,106,656 or 28% fewer rides than 2019 so far this year.

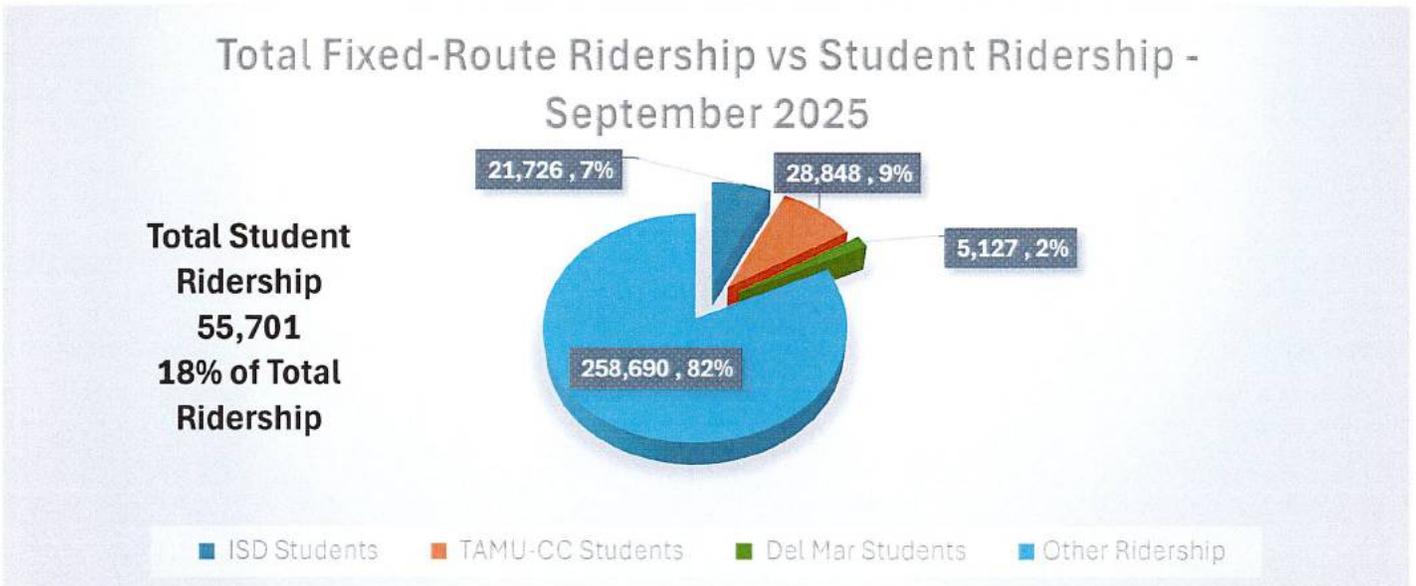


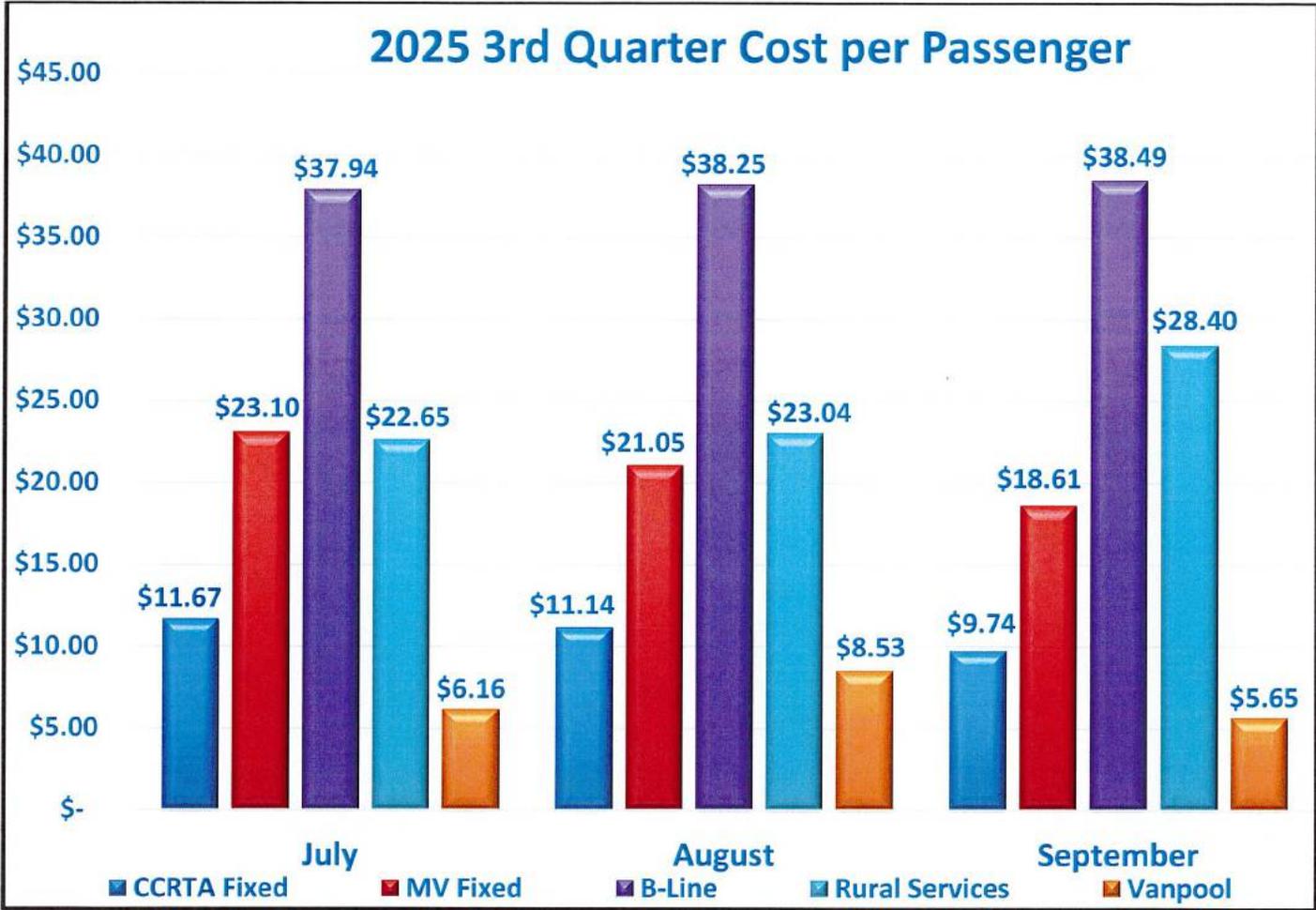
The following four charts are system-wide productivity for the month of September 2025 vs. September 2024 and YTD figures.



**Student Ridership**

The following chart illustrates total fixed route ridership vs student ridership for the month of September 2025. The total ridership number in this graph does not include special movement ridership.





The following table includes Cost per Passenger totals by service mode for the third quarter of 2025. In addition, year-to-date (YTD) averages by service mode are included.

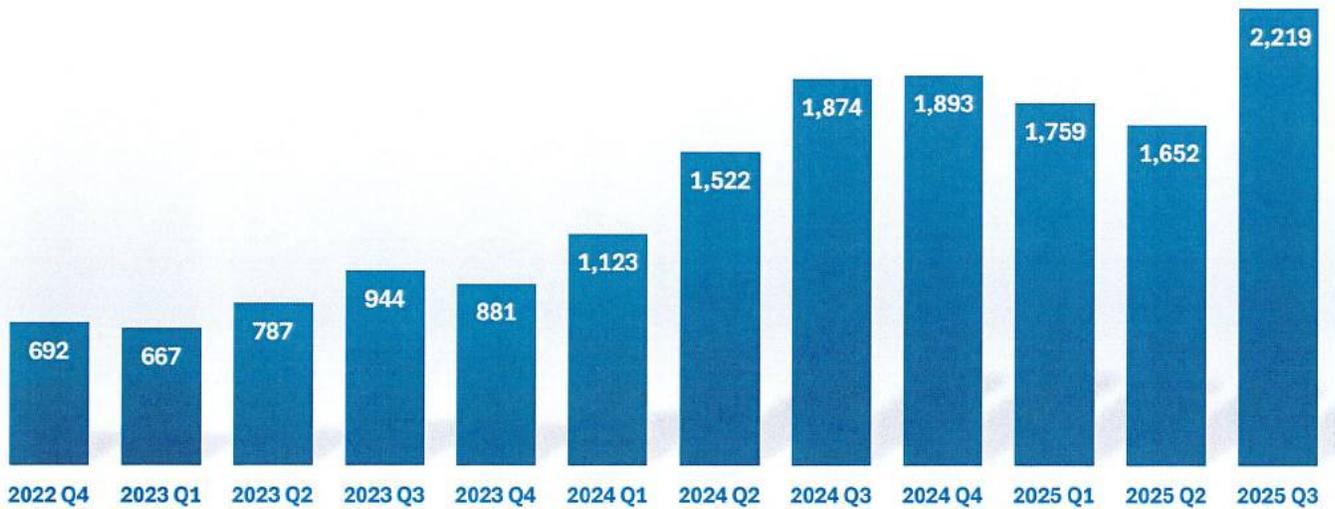
Month	CCRTA Fixed	MV Fixed	B-Line	Rural Services	Vanpool
July	\$ 11.67	\$ 23.10	\$ 37.94	\$ 22.65	\$ 6.16
August	\$ 11.14	\$ 21.05	\$ 38.25	\$ 23.04	\$ 8.53
September	\$ 9.74	\$ 18.61	\$ 38.49	\$ 28.40	\$ 5.65
YTD Average	\$ 10.85	\$ 20.92	\$ 38.23	\$ 24.70	\$ 6.78

## GoPass App

### 1. New Users by Quarter

In 2025 Q3, the platform acquired 2,219 new users, a significant increase compared to 1,652 in Q2, and an increase over the peak level in Q1 2025 (~1,759).

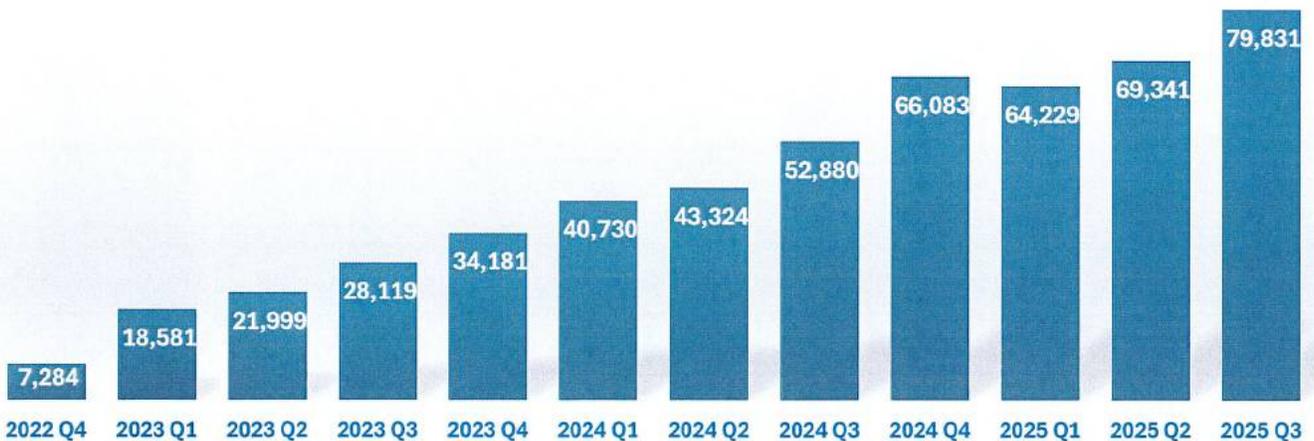
### GoPass - New Users by Quarter



### 2. App Ridership by Quarter

The App ridership reached a new record high of 79,831 rides during Q3 2025, surpassing all previous quarters. This continued growth in usage suggests increased engagement from existing users, pointing to strong user retention and consistent app utility.

### App Ridership by Quarter



**Bus Routes and Bus Stops Impacted by the City of Corpus Christi and TxDOT Road Reconstruction Projects**

**On Detour**

- **Everhart Rd. (SPID-S. Staples):** Project began September 2023.
  - Routes 32 & 37 (Detoured) **7** stops closed or impacted on Everhart.
  - Route **19M** (Detoured) from McArdle between Weber & Everhart to S. Staples St. with **11** stops closed.
  - Update, as of October 20<sup>th</sup> the above-mentioned Route 19M detour and (11) stops along McArdle are now open with stop service returned to normal operation.

- **Brownlee Blvd. (Morgan-Staples):** Project began October 2024.
  - Routes **17, & 19** **7** stops impacted, 7 more in future as project progresses)

**Possible Detours**

- **Alameda St. (Louisiana-Texan Trail):** Project began Feb 2023.
  - Routes 5 & 17 (No detour)
  - **(19 total stops are currently impacted)**
- **Nueces Bay Blvd. (Leopard-Broadway):** Project began October 2024.
  - Route 12 **2** stops impacted & **2** stops temporary closure. No detour.
- **Carroll Ln. (SH-358 to Holly):** Project began June 2025-preconstruction utility exploration working (road demolition at this time).
  - Routes 15 & 17 (4 stops may be impacted. No detour yet)
- **Beach Ave. (North Beach):** On Hold.
  - Route 78 (3 stops impacted but not yet)
- **Alameda St. (Everhart-Airline):** Project in design (100%)
  - Route 5 (13 stops may be impacted)
- **Alameda St. (Texan Trail-Doddridge):** Project in design (100%)
  - Route 5 (11 stops may be impacted)
- **West Surfside Blvd. (Breakwater-Elm):** Project in design (100%)
  - Route 78 (3 stops may be impacted)
- **Holly Rd. (Ennis Joslin-Paul Jones):** Project in design (90%)
  - Route 93 (No stops impacted but a detour may be warranted)
- **Park Road 22 (Compass Dr.):** Project in design (30%)
  - Route 65 (1 stop may be impacted)
- **Upper/Mid/Lower Broadway:** Project in design (30%)
  - Routes 6, 76, 78 (no stops impacted)

For September 2025, there were 6 impacted fixed routes out of 32 fixed route services in operation. This equates to approximately 19% of CCRTA services. Impacted bus route services include: **5, 15, 17, 19, 32 & 37**

There were **48** closed or impacted stops in September.

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

Schedule Adherence	Standard	Jun-25	Jul-25	Aug-25	Sep-25	4-Month Average
Early Departure	<1%	0.0%	0.0%	0.3%	0.0%	0.1%
Departures within 0-5 minutes	>85%	91.0%	93.8%	89.3%	90.6%	91.2%
Monthly Wheelchair Boardings	No standard	4,959	4,780	4,746	4,078	4,641
Monthly Bicycle Boardings	No standard	7,876	8,257	8,503	7,924	8,140

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

In September 2025, B-Line service performance metrics are listed below.

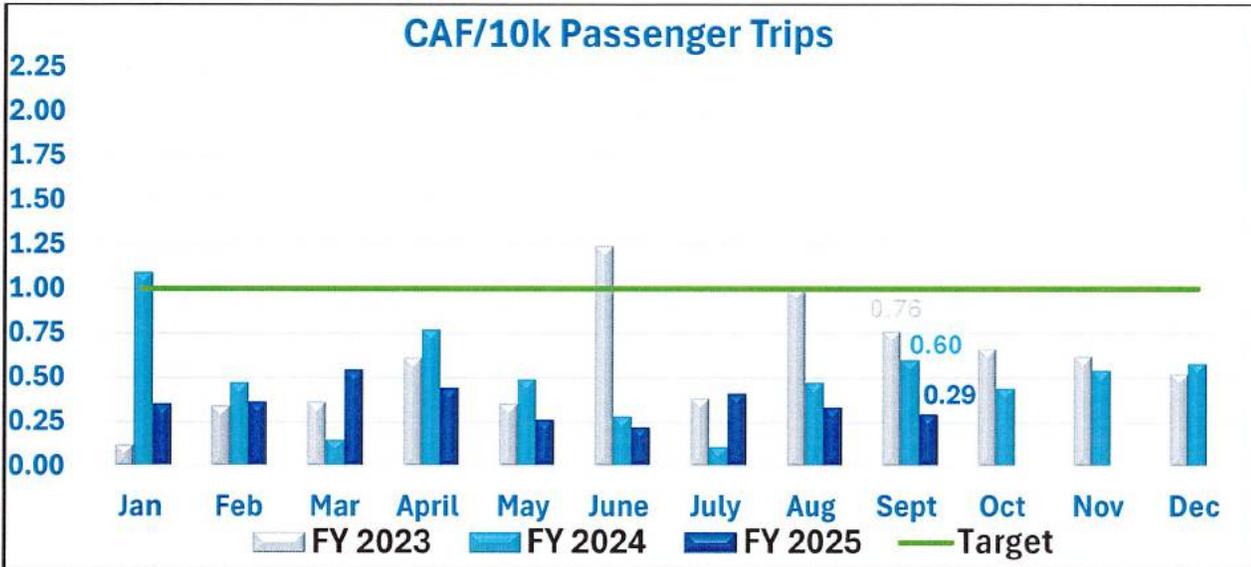
Metric	Standard	Jun-25	Jul-25	Aug-25	Sep-25	(4) Month-Ave.
Passengers per Hour	2.50	2.57	2.67	2.58	2.44	2.57
On-time Performance	95.0%	87.5%	85.4%	81.8%	85.9%	85.2%
Denials	0.00%	0.00%	0.00%	0.00%	0.00%	0.0%
Miles Between Road Calls	12,250	20,559	19,319	19,540	28,069	21,872
Monthly Wheelchair Boardings	No standard	3,699	3,908	3,949	3,870	3,857

- Productivity: **2.44** Passengers per Hour (PPH) did not meet the contract standard of 2.50 PPH.
- On-time Performance: **85.9%** did not meet the contract standard of 95.0%.
- Denials: 0 denials or **0.0%** did meet the contract standard of 0.0%.
- Miles between Road Calls (MBRC): **28,069** did meet the contract standard of 12,250 miles.
- Ridership Statistics: **11,602** ambulatory boardings; **3,870** wheelchair boardings

**Customer Programs Monthly Customer Assistance Form (CAF) Report**

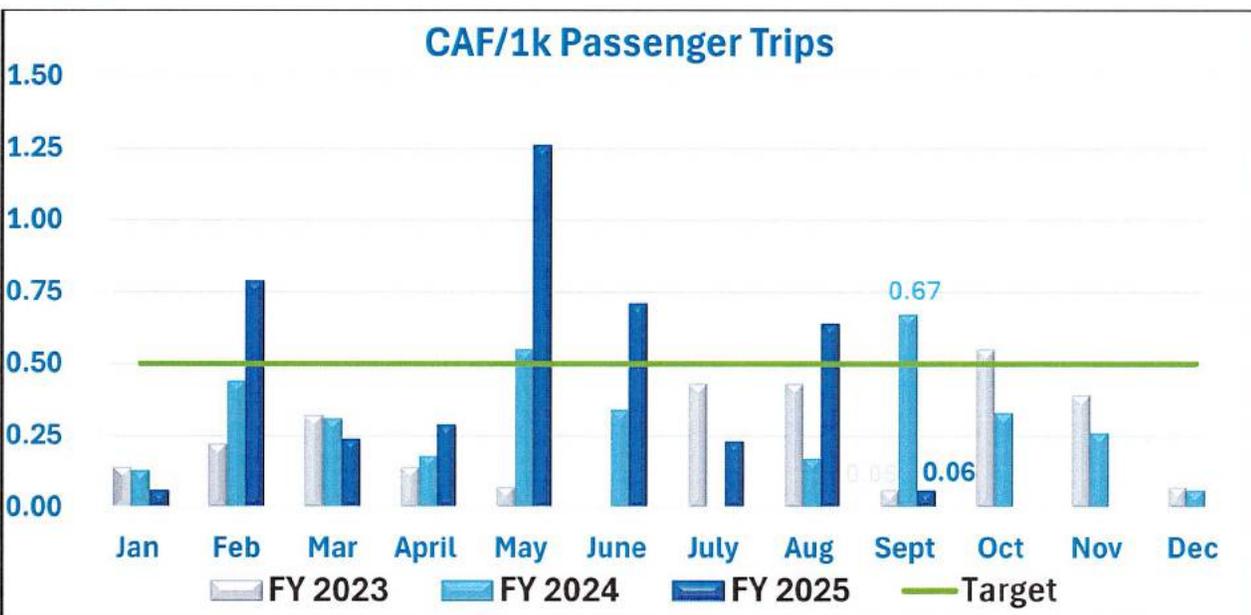
For the month of September 2025, Customer Service received and processed **52** Customer Assistance Forms (CAF's). A total of **47** or 90% were for CCRTA and Contract Fixed Route Services, of which **9** were verified as valid. This equates to approximately **0.29** CAFs per 10,000 passenger trips. CCRTA Fixed Route Services received three commendations this month.

**Number of CAFs/10k for Fixed Route Services**



For the month of September 2025, Customer Service received and processed **52** Customer Assistance Forms (CAF's). A total of **5** or 10% were for B-Line Services, of which **1** was verified as valid. This equates to approximately **0.06** CAFs per 1,000 passenger trips. B-Line Services received one commendation this month.

**Number of CAFs/1k for B-Line Services**



**Route Summary Report:**

<b>Route</b>	<b># of CAFs</b>	<b>Route</b>	<b># of CAFs</b>
#3 NAS Shuttle	1	#50 Calallen/Robstown/NAS Ex (P&R)	
#4 Flour Bluff	3	#51 Gregory/NAS Ex (P&R)	
#5 Alameda		#54 Gregory/Downtown Express	
#5x Alameda Express		#60 Momentum Shuttle	
#6 Santa Fe/Malls	1	#65 Padre Island Connection	2
#12 Hillcrest/Baldwin	2	#76 Downtown Shuttle	
#15 Kostoryz/Carroll HS	1	#78 North Beach	
#16 Morgan/Port		#83 Advanced Industries	
#17 Carroll/Southside		#90 Flexi-B Port Aransas	
#19 Ayers	1	#93 Flex	
#21 Arboleda	1	#94 Port Aransas Shuttle	
#23 Molina		#95 Port Aransas Express	
#24 Airline/Yorktown	1	B-Line (Paratransit) Services	4
#25 Gollihar/Greenwood		Transportation	2
#26 Airline/Lipes		Service Development	4
#27 Leopard		Facilities Maintenance/Bus Stops	9
#28 Leopard/Navigation		IT/Electronics	2
#29 Staples	3	Safety & Security	5
#32 Southside		Vehicle Maintenance	1
#34 Robstown North		Commendations	4
#35 Robstown South	3		
#37 Crosstown/TAMU-CC	2		
		<b>Total CAFs</b>	<b>52</b>

**Processed CAF Breakdown by Service Type:**

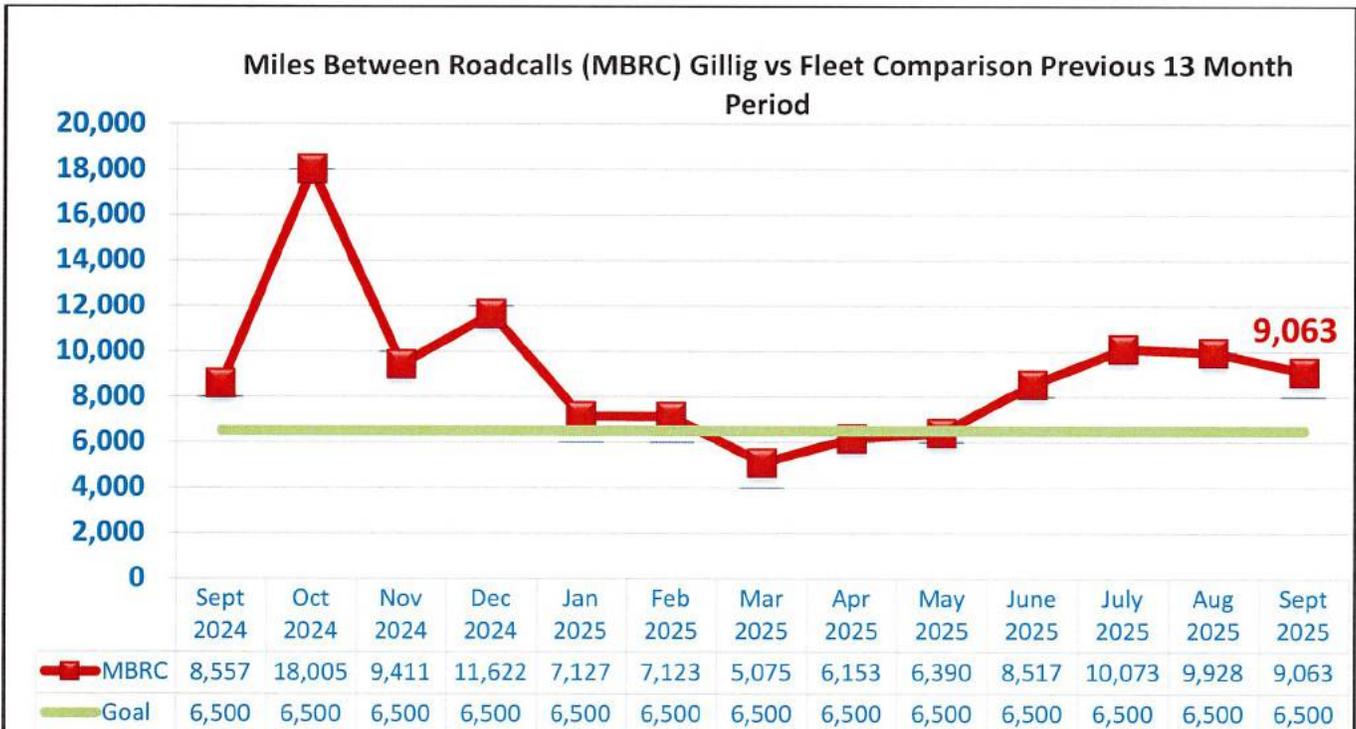
CAF Category	RTA Fixed Route	B-Line ADA Paratransit	Purchased Transportation	Totals
ADA				
Service Stop Issues				
Driving Issues	2	3		5
Customer Services				
Late/Early – No Show		1	3	4
Alleges Injury				
Fare/Transfer Dispute	1			1
Heating/Cooling				
Dispute Drop-off/Pickup				
Rude	2			2
Left Behind/Passed Up	2		5	7
Inappropriate Behavior			2	2
Policy				
Incident at Stop				
Incident on Bus	1			1
Incident at Station				
Securement/Tie-Down Issue	1			1
Denial of Service	2			2
Policy	2		1	3
Safety & Security	5			5
Facility Maintenance	9			9
Service Development	4			4
IT/Electronics	1			1
Vehicle Maintenance	1			1
Commendations	3	1		4
<b>Total CAFs</b>	<b>36</b>	<b>5</b>	<b>11</b>	<b>52</b>

**Customer Programs Validated & Verified (CAF's) Count**



**Vehicle Maintenance Department: Miles Between Road Calls Report**

In September 2025, 9,063 miles between road calls (MBRC) were recorded as compared to 8,557 MBRC in September 2024. 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 9,003.



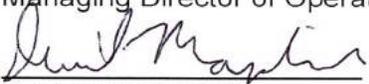
**Board Priority**

The Board Priority is Ridership.

Respectfully Submitted,

Submitted by: Liann Alfaro  
Director of Planning

Reviewed by: Gordon Robinson  
Managing Director of Operations

Final Approval by:   
Derrick Majchszak  
Chief Executive Officer