



# 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.

**RIDE FARE-FREE TO LOCAL**  
*Cooling Centers*

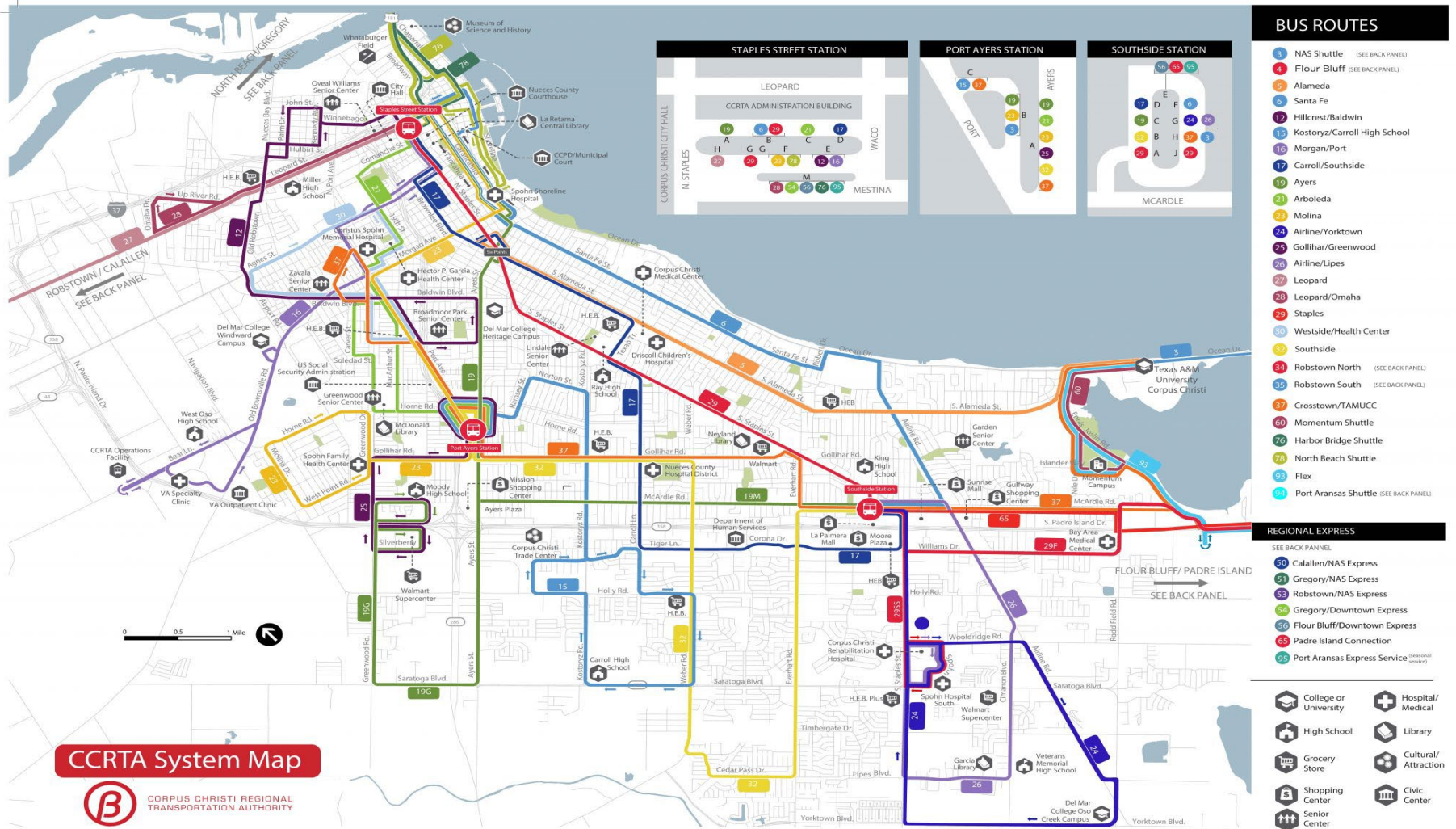
**Customer Service**  
**Now Available**  
**On Saturdays**

New Hours:  
Monday - Saturday,  
8am - 5pm

**BEAT THE HEAT WITH CCRTA**  
More information at [ccrta.org](http://ccrta.org)

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

# Corpus Christi Regional Transportation Authority System Service Area Maps

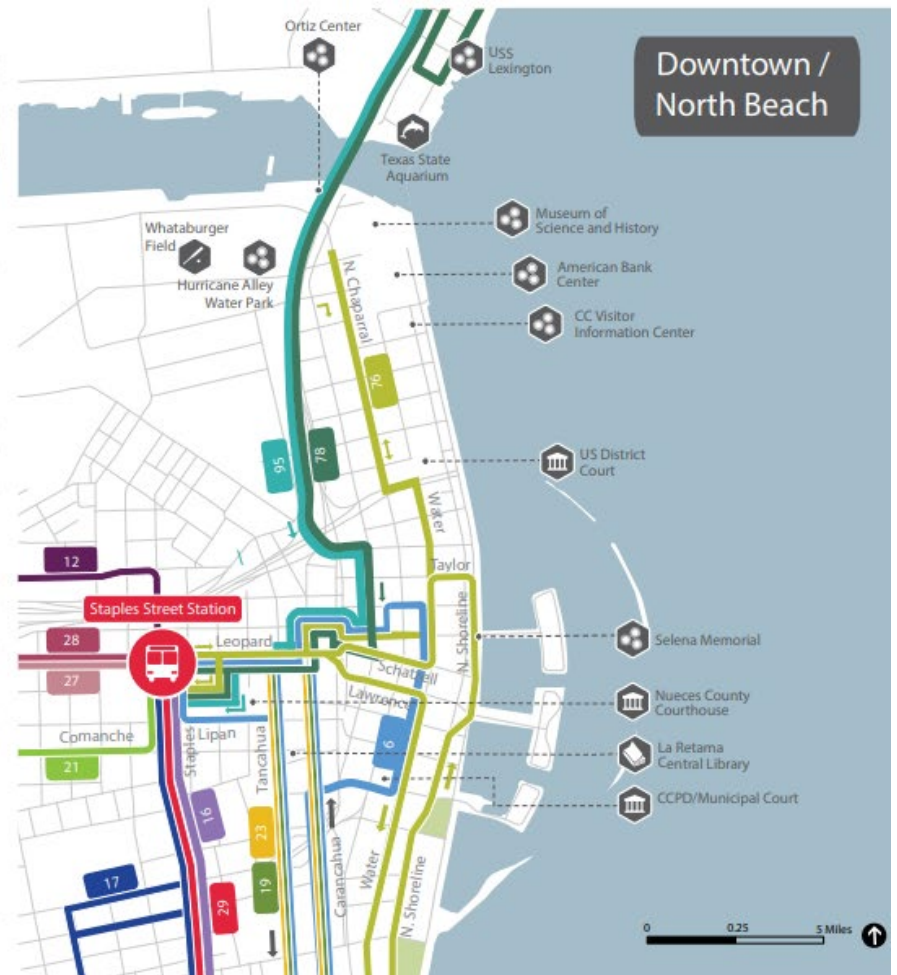
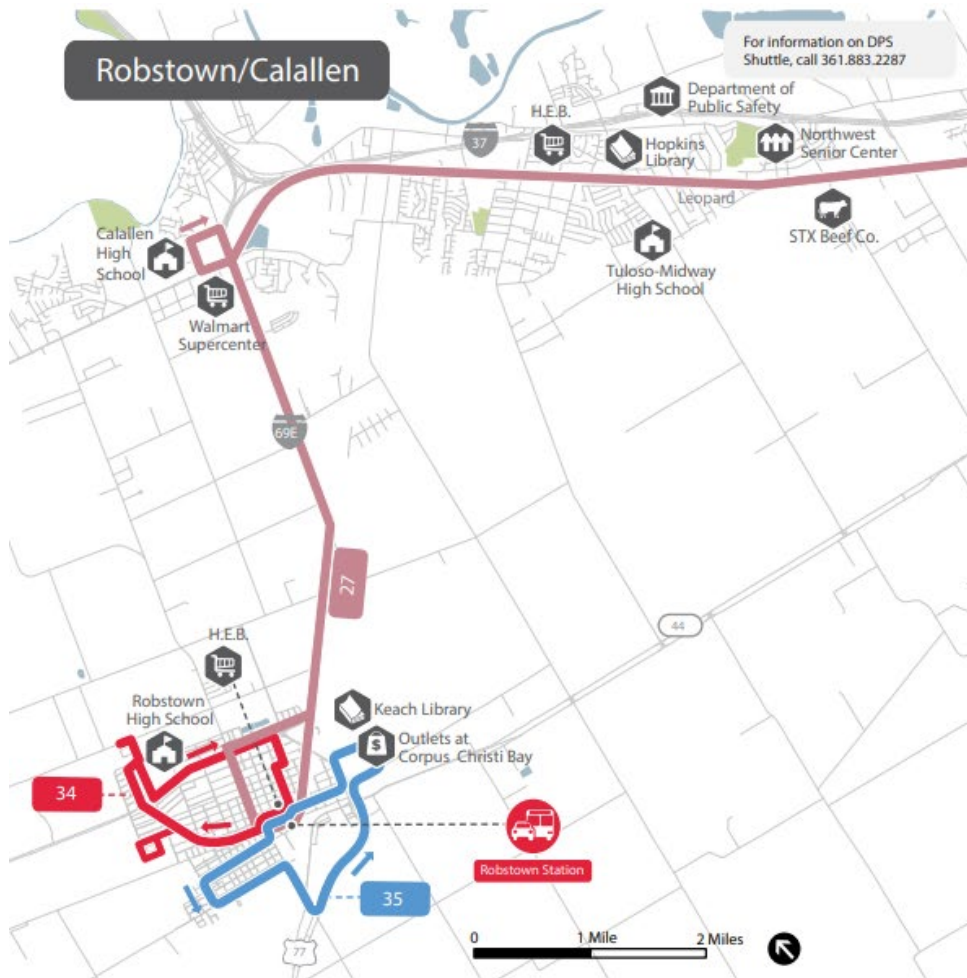




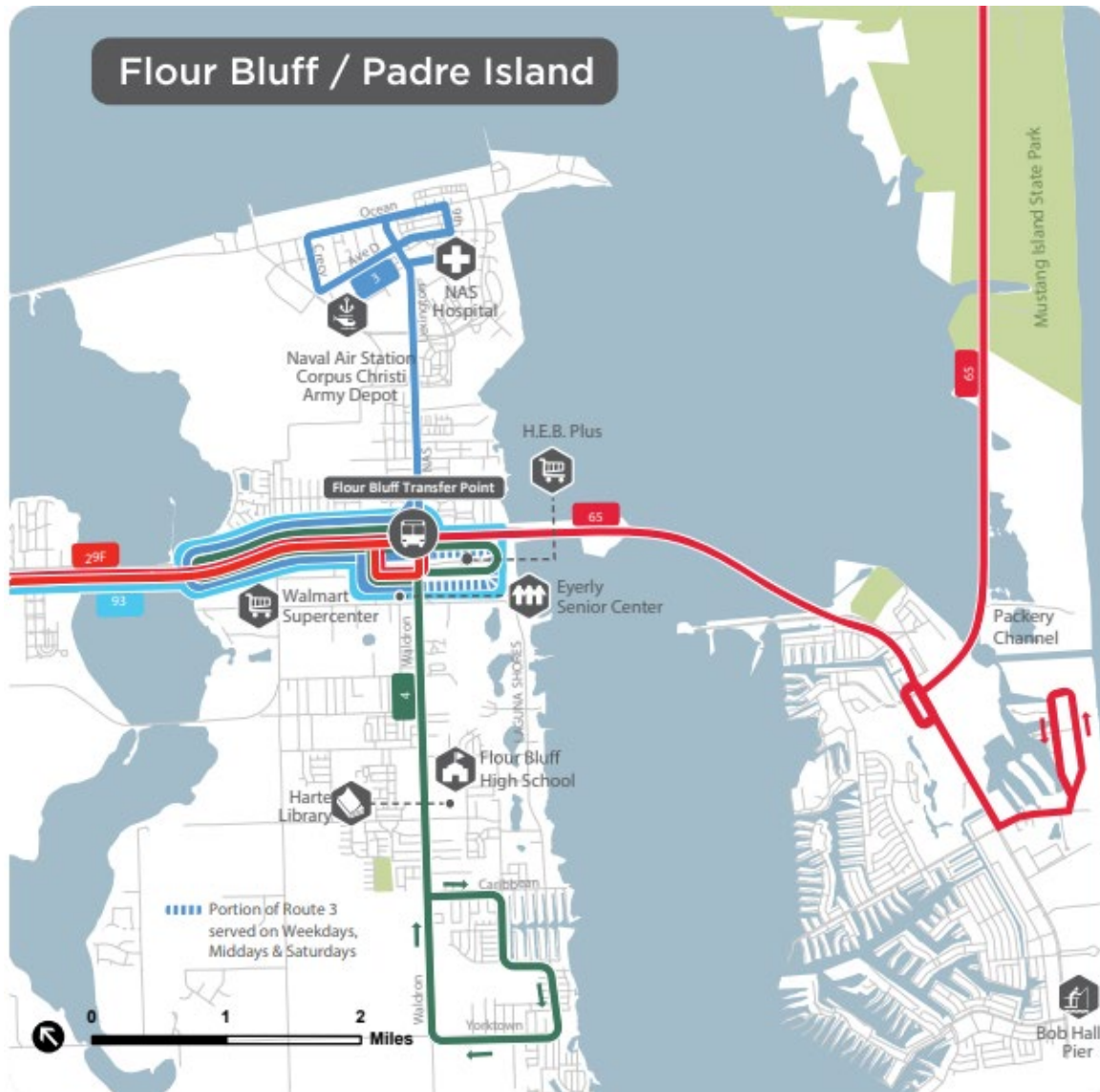
## Corpus Christi Regional Transportation Authority System Service Area Maps



## 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,



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Derrick Majchszak  
Chief Executive Officer



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Miguel Rendon  
Deputy CEO



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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 (Board Chair)	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 (Board Secretary)	Nueces County	September 30, 2025	October 2, 2019
Anna M. Jimenez (Board Vice-Chair)	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

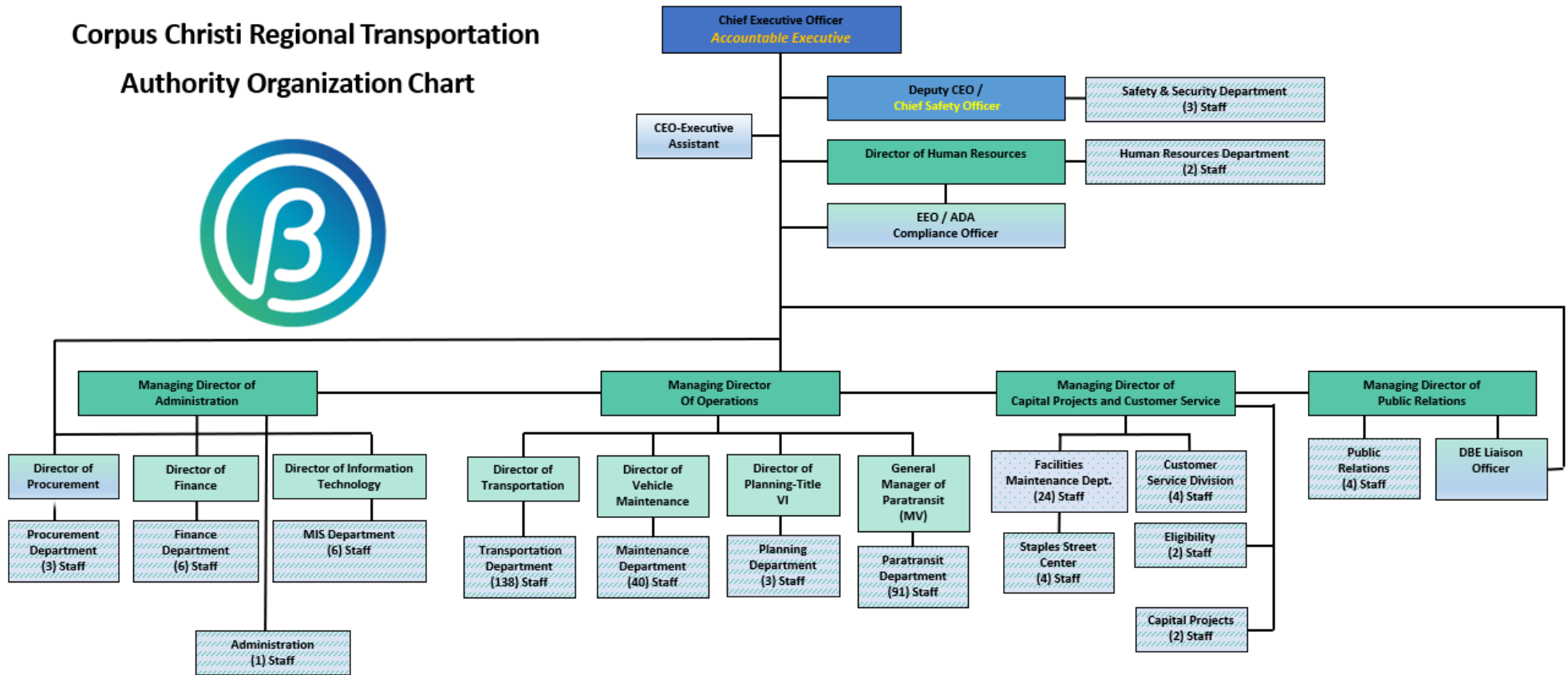
Chief Executive Officer  
Deputy Chief Executive Officer  
Managing Director of Administration  
Managing Director of Capital Programs  
Managing Director of Operations  
Managing Director of Public Relations

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.



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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.

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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.

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

	At December 31			At December 31		
	2024	2023		2023	2022	
		(Restated)	Change	(Restated)		Change
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	137,432,322	145,569,150	(8,136,828)	145,569,150	138,968,971	6,600,179
Deferred Outflows of Resources	5,530,023	7,461,826	(1,931,803)	7,461,826	12,474,864	(5,013,038)
Total Assets and Deferred Outflows	142,962,345	153,030,976	(10,068,631)	153,030,976	151,443,835	1,587,141
Current Liabilities	8,929,263	11,685,335	(2,756,072)	11,685,335	12,770,874	(1,085,539)
Long-Term Liabilities	28,984,260	29,172,633	(188,373)	29,172,633	30,024,493	(851,860)
Total Liabilities	37,913,523	40,857,968	(2,944,445)	40,857,968	42,795,367	(1,937,399)
Deferred Inflows of Resources	1,536,552	1,244,792	291,760	1,244,792	4,575,312	(3,330,520)
Total Liabilities and Deferred Inflows	39,450,075	42,102,760	(2,652,685)	42,102,760	47,370,679	(5,267,919)
Investment in Capital Assets	64,186,996	58,741,350	5,445,646	58,741,350	52,662,681	6,078,669
Restricted for Pension Assets	-	-	-	-	-	-
Restricted for Debt Service or FTA Interest	575,308	575,308	-	575,308	575,308	-
Unrestricted	38,749,966	51,611,558	(12,861,592)	51,611,558	50,835,167	776,391
Total Net Position	\$ 103,512,270	\$ 110,928,216	\$ (7,415,946)	\$ 110,928,216	\$ 104,073,156	\$ 6,855,060

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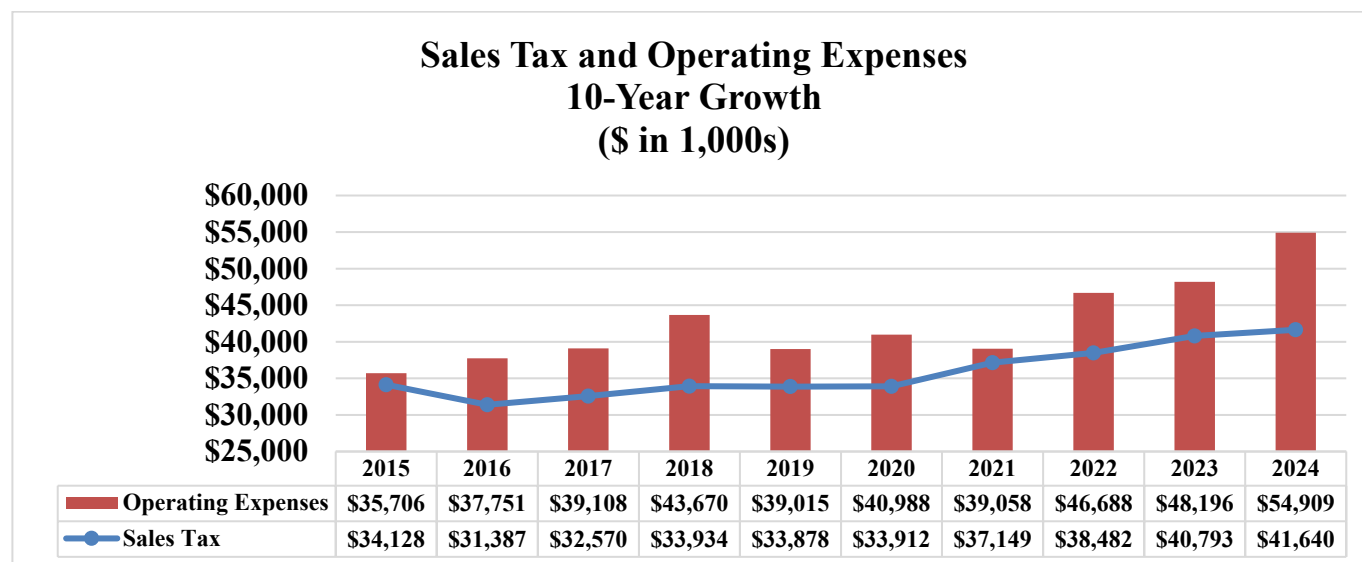
**Statement of Revenues, Expenses, and Changes in Net Position:**

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

	At December 31			At December 31		
	2024	2023		2023	2022	
		(Restated)	Change	(Restated)		Change
Revenues						
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)
Non-Operating Revenues						
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)
Total Revenues	46,100,584	46,430,899	(330,315)	46,430,899	52,594,804	(6,163,905)
Expenses						
Operating Expenses						
(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)
Total Expenses	59,158,668	52,560,075	6,598,593	52,560,075	50,834,095	1,725,980
Net Income Before						
Capital Grants and Donations	(13,058,084)	(6,129,176)	(6,928,908)	(6,129,176)	1,760,709	(7,889,885)
Capital Grants and Donations	5,642,138	12,984,236	(7,342,098)	12,984,236	625,777	12,358,459
Change in Net Position	(7,415,946)	6,855,060	(14,271,006)	6,855,060	2,386,486	4,468,574
Net Position, Beginning of Year	110,928,216	104,073,156	6,855,060	104,073,156	101,686,670	2,386,486
Net Position, End of Year	\$ 103,512,270	\$ 110,928,216	\$ (7,415,946)	\$ 110,928,216	\$ 104,073,156	\$ 6,855,060

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.

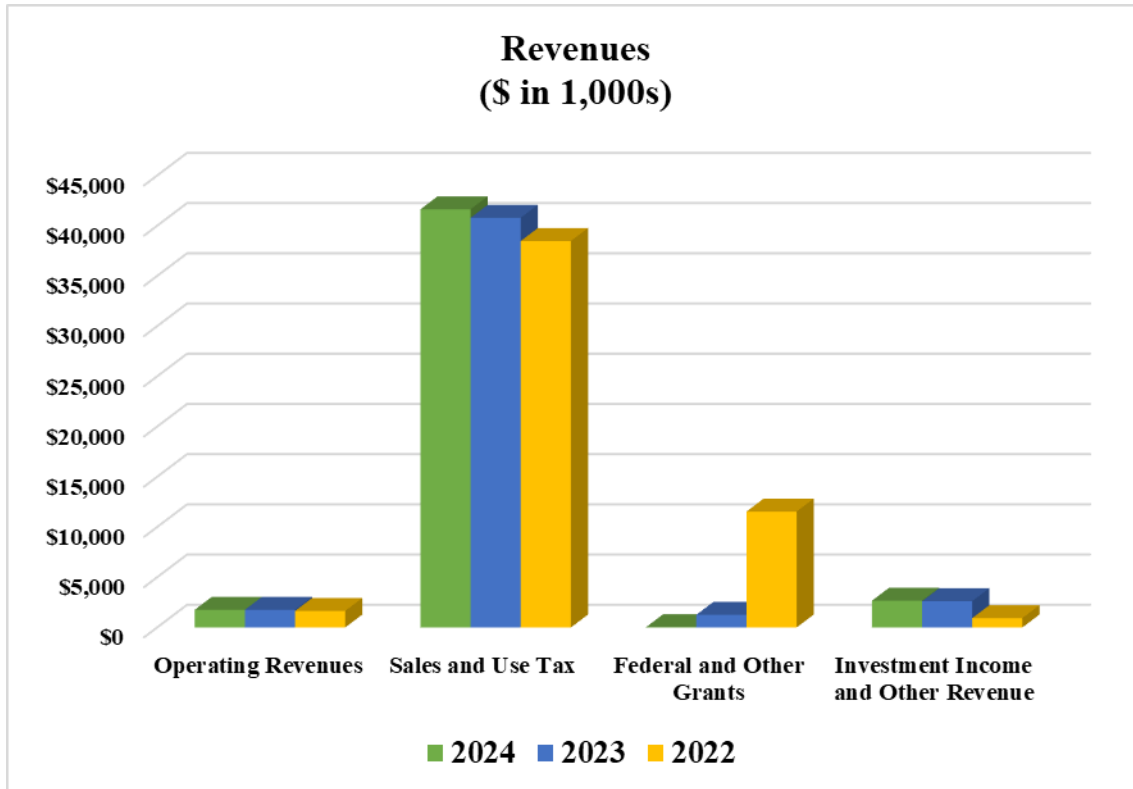
**Revenues:** The Authority's revenues are from sources customary to the public mass transportation industry. Total revenues are made up primarily of sales and use taxes with the smaller share of overall revenues generated from user charges and other ancillary revenues, grants used for operating assistance, 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.

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**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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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**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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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.

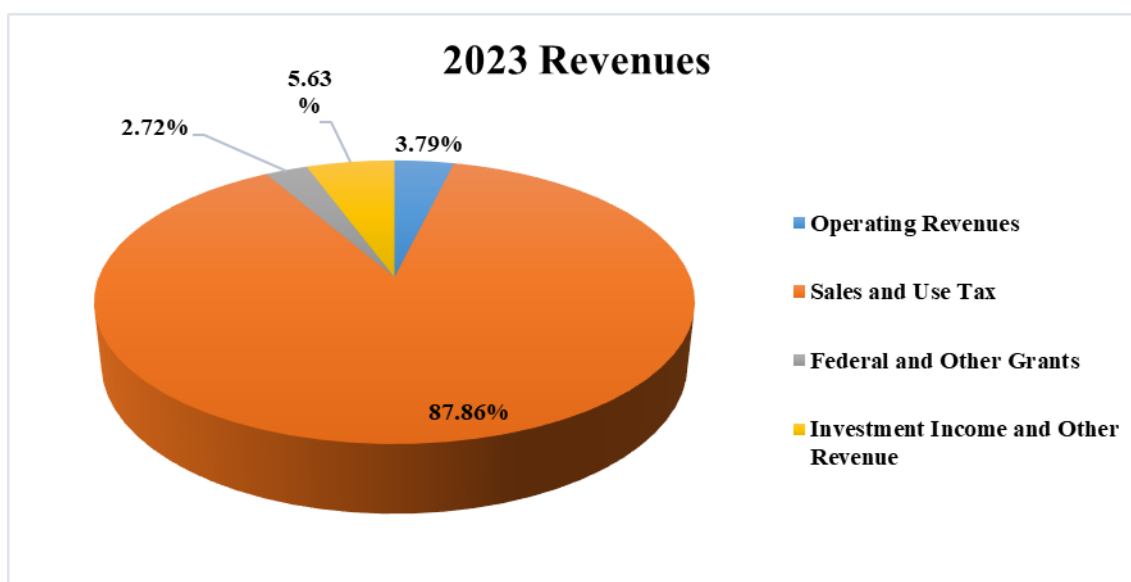
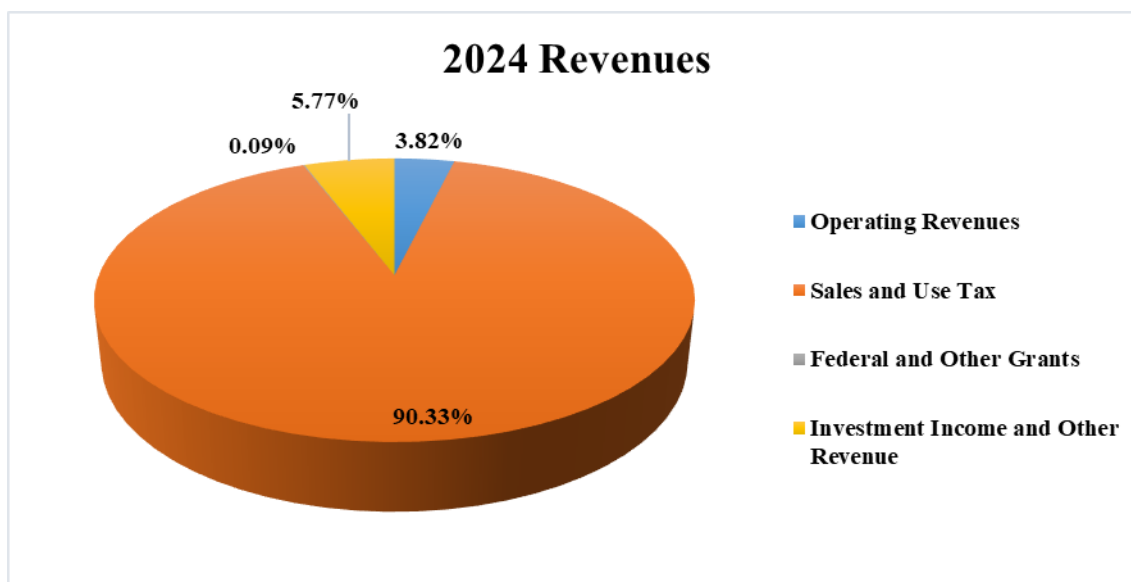
Accordingly, the federal funds rate at the end of 2024 fell in the range of 4.25% to 4.50%, or 100 basis points lower than the end of 2023. The combined impact of the decrease in rates and the lower value of the Authority’s holdings portfolio resulted in the decline in investment income.

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**  
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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%).

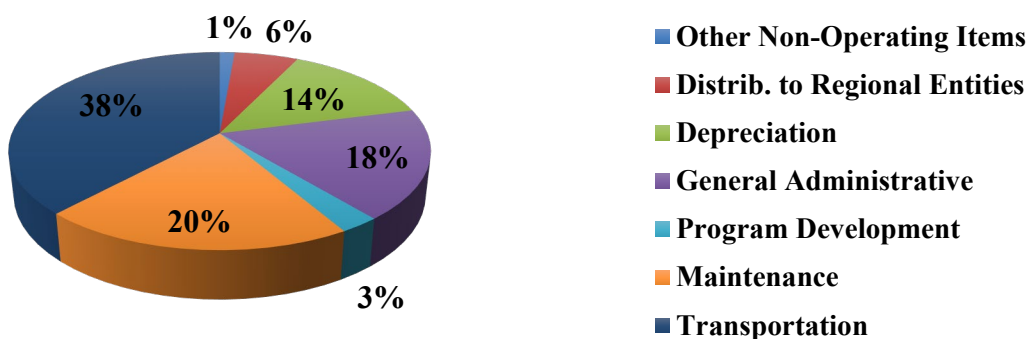


**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

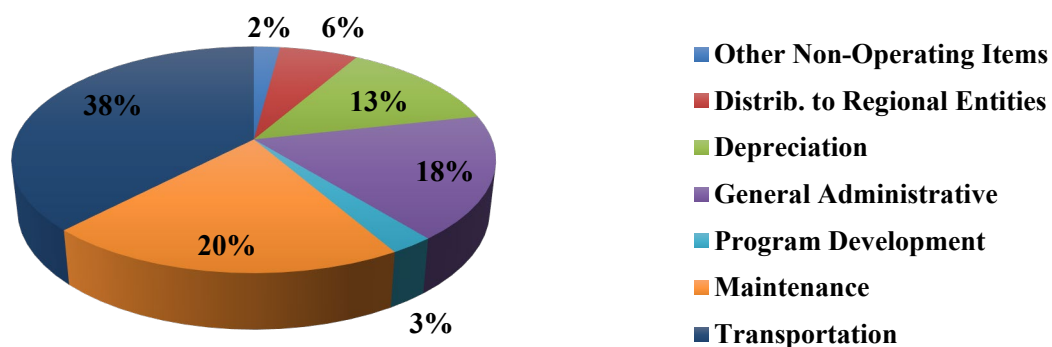
**Total Operating Expenses (Including Depreciation)**

<b>Department</b>	<b>2024</b>	<b>2023</b> <b>(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>

**2024 Expenses**



**2023 Expenses**



**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**

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
		<b>(Restated)</b>
<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>Total Current Assets</b>	<b>49,409,953</b>	<b>67,232,373</b>
<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	172,777,545	165,973,556
Less: Accumulated Depreciation	(94,264,170)	(89,367,252)
Net Capital Assets	78,513,375	76,606,304
<b>Total Non-Current Assets</b>	<b>88,022,369</b>	<b>78,336,777</b>
<b>Total Assets</b>	<b>137,432,322</b>	<b>145,569,150</b>
<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>Total Deferred Outflows of Resources</b>	<b>5,530,023</b>	<b>7,461,826</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 142,962,345</b>	<b>\$ 153,030,976</b>

See Notes to the Financial Statements

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

**Exhibit 1**

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
		<b>(Restated)</b>
<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>	<b>8,929,263</b>	<b>11,685,335</b>
<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>	<b>28,984,260</b>	<b>29,172,633</b>
<b>Total Liabilities</b>	<b>37,913,523</b>	<b>40,857,968</b>
<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>	<b>1,536,552</b>	<b>1,244,792</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>39,450,075</b>	<b>42,102,760</b>
<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>	<b>\$ 103,512,270</b>	<b>\$ 110,928,216</b>

See Notes to the Financial Statements

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

**Exhibit 2**

	<b>Year Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
		<b>(Restated)</b>
<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><i>Total Operating Revenues</i></b>	<b>1,759,527</b>	<b>1,760,469</b>
<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><i>Total Operating Expenses</i></b>	<b>54,909,050</b>	<b>48,196,474</b>
<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><i>Net Non-Operating Revenues (Expenses)</i></b>	<b>40,091,439</b>	<b>40,306,829</b>
<b>Net Income (Loss) Before Capital Grants &amp; Donations</b>	<b>(13,058,084)</b>	<b>(6,129,176)</b>
<b>Capital Grants &amp; Donations</b>	<b>5,642,138</b>	<b>12,984,236</b>
<b>Change in Net Position</b>	<b>(7,415,946)</b>	<b>6,855,060</b>
<b>Net Position, Beginning of Year, As Restated (Note 1)</b>	<b>110,928,216</b>	<b>104,073,156</b>
<b>Net Position, End of Year, As Restated</b>	<b>\$ 103,512,270</b>	<b>\$ 110,928,216</b>

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</b>
		<b>(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	<u>(3,399,632)</u>	<u>(5,915,226)</u>
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:**

	<b>Year Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>(Restated)</b>	
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	67,070,852	62,642,013
Receivables		
Accrued Interest Receivable	34,663	19,538
<b>TOTAL ASSETS</b>	<b>67,105,515</b>	<b>62,661,551</b>
<b>LIABILITIES</b>		
Due to Broker for Securities Purchased	30,388	16,869
<b>TOTAL LIABILITIES</b>	<b>30,388</b>	<b>16,869</b>
<b>FIDUCIARY NET POSITION</b>		
Held in Trust for Pension Benefits	\$ <b>67,075,127</b>	\$ <b>62,644,682</b>

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>	<b>10,242,469</b>	<b>11,194,265</b>
Deductions:		
Benefits Paid	5,638,018	3,642,722
Administrative Expenses	174,006	131,571
<b>Total Deductions</b>	<b>5,812,024</b>	<b>3,774,293</b>
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	\$ <b>67,075,127</b>	\$ <b>62,644,682</b>

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**  
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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:

<b>Asset Type</b>	<b>Years</b>
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**  
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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**  
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**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, 2023, As		December 31, 2023, As Restated
		Originally Stated	Restatement	
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**  
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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**  
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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*.

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<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:

	Fair Value as of December 31, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices in Active Markets for Similar Assets (Level 2)
<b>Investments</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:

	Fair Value as of December 31, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices in Active Markets for Similar Assets (Level 2)
<b>Investments</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>		

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
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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:

<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>
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:

<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>
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>156,491,879</b>	<b>14,389,230</b>	<b>(4,907,553)</b>	<b>165,973,556</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
<b>Total Accumulated Depreciation</b>	<u>87,316,664</u>	<u>6,942,167</u>	<u>(4,891,579)</u>	<u>89,367,252</u>
<b>Total Capital Assets, Net</b>	<b>\$ 69,175,215</b>	<b>\$ 7,447,063</b>	<b>\$ (15,974)</b>	<b>\$ 76,606,304</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.

<b>\$20,265,000 System Revenue Refunding Bonds</b>			
<b>Taxable Series 2019</b>			
<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
	\$ 15,855,000	\$ 3,874,202	\$ 19,729,202

**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>Year Ended December 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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<i>Projected Salary Increase</i>	<i>3.5%</i>
<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.

- 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.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
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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

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
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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:

Change in Net Pension Liability	Increase/Decrease		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
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	4,738,181	3,850,247	887,934
Balances as of December 31, 2024	\$ 63,781,983	\$ 51,467,874	\$ 12,314,109

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:

Change in Net Pension Liability	Increase/Decrease		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
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	5,478,884	5,080,184	398,700
Balances as of December 31, 2023	\$ 59,043,802	\$ 47,617,627	\$ 11,426,175

**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:

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



**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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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.

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
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**RTA Employee Defined Contribution Plan**  
**Fiduciary Funds - Statement of Net Position**  
**December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<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	<u>15,607,253</u>	<u>15,027,055</u>
<b>TOTAL ASSETS</b>	<u>15,607,253</u>	<u>15,027,055</u>
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>
<b>FIDUCIARY NET POSITION</b>		
Held in Trust for Pension Benefits	\$ <u><b>15,607,253</b></u>	\$ <u><b>15,027,055</b></u>

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

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

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

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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:

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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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**  
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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**  
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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**  
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	<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**  
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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**  
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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	\$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	\$63,781,983
<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	\$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	\$51,467,874
Net Pension Liability (Asset)	\$ 3,320,409	\$2,383,237	\$628,913	\$6,468,642	\$2,455,449	\$733,591	\$ (941,538)	\$11,027,475	\$11,426,175	\$12,314,109
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 <i>(a)</i>	<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 <i>(b)</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability <i>(a) – (b)</i>	<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><b>2018</b></u>	<u><b>2019</b></u>	<u><b>2020</b></u>	<u><b>2021</b></u>	<u><b>2022</b></u>	<u><b>2023</b></u>	<u><b>2024</b></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)	13,575	2,806	67,668	63,440	72,876	111,593	151,400
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
Total Operating Revenues	1,681,361	1,681,361	1,759,527	78,166
<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)
Total Operating Expenses	43,695,766	43,695,766	54,909,050	(11,213,284)
<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
	<u>51,463,599</u>	<u>15,607,253</u>	<u>67,070,852</u>	<u>62,642,013</u>
Receivables				
Accrued Interest Receivable	34,663	-	34,663	19,538
<b>TOTAL ASSETS</b>	<u>51,498,262</u>	<u>15,607,253</u>	<u>67,105,515</u>	<u>62,661,551</u>
<b>LIABILITIES</b>				
Due to Broker for				
Securities Purchased	30,388	-	30,388	16,869
<b>TOTAL LIABILITIES</b>	<u>30,388</u>	<u>-</u>	<u>30,388</u>	<u>16,869</u>
<b>NET POSITION</b>				
Restricted for Pension Benefits	\$ <u>51,467,874</u>	\$ <u>15,607,253</u>	\$ <u>67,075,127</u>	\$ <u>62,644,682</u>

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**

	<b>2024</b>			<b>2023</b>
	<b>Defined Benefit Pension Plan</b>	<b>Defined Contribution Pension Plan</b>	<b>Total</b>	
<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>	<u>6,944,220</u>	<u>3,298,249</u>	<u>10,242,469</u>	<u>11,194,265</u>
<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>	<u>3,093,973</u>	<u>2,718,051</u>	<u>5,812,024</u>	<u>3,774,293</u>
<b>Increase (Decrease) in Net Position</b>	3,850,247	580,198	4,430,445	7,419,972
<b>Net Position, January 1</b>	<u>47,617,627</u>	<u>15,027,055</u>	<u>62,644,682</u>	<u>55,224,710</u>
<b>Net Position, December 31</b>	<u>\$ 51,467,874</u>	<u>\$ 15,607,253</u>	<u>\$ 67,075,127</u>	<u>\$ 62,644,682</u>

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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<b>\$20,265,000 System Revenue Refunding Bonds</b>			
<b>Taxable Series 2019</b>			
<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**  
**Year Ended December 31, 2024**

**Direct and Indirect Fees and Commissions**

<b>Description</b>	<b>Cash</b>	<b>Public Equity</b>	<b>Fixed Income</b>	<b>Real Assets</b>	<b>Alternative/ Other</b>	<b>Total</b>
Management Fees Paid from Trust	\$ 2,980	\$ 81,094	\$ 55,937	\$ 7,513	\$ -	\$ 147,524
Management Fees Netted from Trust	936	75,596	43,367	22,027	-	141,926
Total Investment Management Fees (Netted from Returns + Managed Fees Paid from Trust	3,916	156,690	99,304	29,540	-	289,450
Brokerage Fees/Commission	-	-	-	-	-	-
Profit Share/Carried Interest	-	-	-	-	-	-
Total Direct & Indirect Fees and Commission/Management Fees + Brokerage Fees/Commissions + Profit Share	\$ 3,916	\$ 156,690	\$ 99,304	\$ 29,540	-	\$ 289,450

**Total Investment Expenses Summary**

**Total Direct and Indirect Fees & Commissions**                      **\$ 289,450**

Investment Services

Custodial	\$ -
Research	-
Investment Consulting	-
Legal	-

**Total Investment Services**                      **-**

**Total Investment Expenses\***                      **\$ 289,450**

\*Total Direct and Indirect Fees and Commissions + Investment Services

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

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<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>	2,283	2,400	2,502	2,446	3,218	1,992	1,626	1,643	1,760	1,759
<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>	35,706	37,751	39,108	43,670	39,015	40,988	39,058	46,688	48,196	54,909
<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)

<b>Year</b>	<b>Operating Revenues (1)</b>	<b>Sales And Use Tax</b>	<b>Federal Operating Grants and Reimbursements</b>	<b>Investment Income</b>	<b>Other (2)</b>	<b>Total</b>
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)

<b>Year</b>	<b>Operating and Other Miscellaneous</b>	<b>Sales And Use Tax</b>	<b>Operating Grants and Reimbursements</b>	<b>Operating and Other Miscellaneous</b>	<b>Directly Generated Tax</b>	<b>Other Grants and Assistance</b>
	<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>Personal</b>	<b>Mean Per</b>	<b>Public</b>	<b>Unemployment</b>
		<b>Income (in thousands)</b>	<b>Capita</b>	<b>School</b>	<b>Rate</b>
	<b>(1)</b>	<b>(1)</b>	<b>Income</b>	<b>Enrollment</b>	<b>(3)</b>
			<b>(1)</b>	<b>(2)</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%
Total	35,978		17.60%	28,915		12.52%

Total Employed in the Service Area <sup>(1)</sup>	204,556	230,673
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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

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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  
Jennifer M. Perales, CPA MBA-Partner  
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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 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
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Auditee qualified as low-risk auditee:	No
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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><u>5,681,387</u></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

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