



AGENDA MEETING NOTICE

Board of Directors Meeting

DATE: Wednesday, November 2, 2022
TIME: 8:30 a.m.
LOCATION: Staples Street Center – 2ND Floor Boardroom, 602 North Staples St., Corpus Christi, TX

BOARD OF DIRECTORS OFFICERS

Dan Leyendecker, Chair
 Anna Jimenez, Vice Chair
 Lynn Allison, Board Secretary
 (Rural and Small Cities Chair)

BOARD OF DIRECTORS MEMBERS

Gabi Canales (Administration & Finance Chair)
 Eloy Salazar (Operations & Capital Projects Chair)
 Aaron Muñoz (Legislative Chair)
 Beatriz Charo Jeremy Coleman Armando Gonzalez
 Erica Maymi Matt Woolbright

	TOPIC	SPEAKER	EST.TIME	REFERENCE
1.	Pledge of Allegiance	D. Leyendecker	1 min.	----
2.	Roll Call	M. Montiel	2 min.	----
3.	Safety Briefing	J. Esparza	3 min.	----
4.	Receipt of Conflict of Interest Affidavits	D. Leyendecker	2 min.	----
5.	Opportunity for Public Comment 3 min. limit – no discussion	D. Leyendecker	3 min.	----
<p>Public Comment may be provided in writing, limited to 1,000 characters, by using the Public Comment Form online at www.ccrta.org/news-opportunities/agenda or by regular mail or hand-delivery to the CCRTA at 602 N. Staples St., Corpus Christi, TX 78401, and MUST be submitted no later than 5 minutes after the start of a meeting in order to be provided for consideration and review at the meeting. All Public Comments submitted shall be placed into the record of the meeting.</p>				
6.	Discussion and Possible Action to Approve Board Minutes of the Board of Directors Meeting of October 5, 2022	D. Leyendecker	3 min.	Pages 1-7
7.	Update – Federal & State Legislative Reports a) Federal – Cassidy & Associates b) State – Longbow Partners	M. Rendón Barry Rhodes Andrew Forbes & Jen Adler Tris Castaneda	5 min. 10 min. 10 min.	Page 8 <i>PPT</i> <i>PPT</i>
8.	Update – Health Care Consulting/Risk Management Services with Roland Barrera Insurance	M. Rendón Roland Barrera	10 min.	<i>PPT</i>
9.	Public Hearing #2- Regarding Adoption of the FY2023 Operating and Capital Budget	R. Saldana	3 min.	
10.	Discussion and Possible Action to Adopt the FY2023 Operating and Capital Budget	R. Saldana	10 min.	Pages 9-10 <i>PPT</i>
11.	Update – Corpus Christi MPO 2022 Planning Activities	D. Majchszak Rob MacDonald MPO	8 min.	<i>PPT</i>
12.	Update – Long Range System Plan	D. Majchszak	5 min.	<i>PPT</i>

AGENDA MEETING NOTICE

13.	Committee Chair Reports a) Administration & Finance b) Operations & Capital Projects c) Rural and Small Cities d) Legislative	G. Canales E. Salazar L. Allison A Muñoz	3 min. 3 min. 3 min. 3 min.	-----
14.	CONSENT ITEMS: The following items are routine or administrative in nature and have been discussed previously by the Board or Committees. The Board has been furnished with support documentation on these items. a) Action to Approve the Fiscal Year 2023 Board & Committee Meetings Calendar b) Action to Adopt a Resolution to Approve a Change to the Investment Policy, Designation of the Investment Advisor and List of Approved Brokers/Dealers c) Action to Award a Contract to Industrial Networking Solutions for Bus Modem Cellular Routers d) Action to Enter into a Three-Year Software Agreement with Remix Technologies, LLC		3 min.	Pages 11-32
15.	Update on RCAT Committee Activities	S. Montez	3 min.	<i>PPT</i>
16.	Presentations: a) September 2022 Financial Report b) November 2022 Procurement Update c) September 2022 Operations Report	R. Saldaña R. Saldaña D. Majchszak	20 min.	Pages 33-45 <i>PPT</i> <i>PPT</i> Pages 46-56 <i>PPT</i>
17.	Acting CEO Report	M. Rendón	5 min.	<i>PPT</i>
18.	Board Chair Report	D. Leyendecker	10 min.	-----
19.	Adjournment	D. Leyendecker	1 min.	-----

Total Estimated Time: 2 hour 9 mins.

On **Friday, October 28, 2022** this Notice was posted by **Marisa Montiel** at the CCRTA Staples Street Center, 602 N. Staples Street, Corpus Christi, Texas; and sent to the Nueces County and the San Patricio County Clerks for posting at their locations.

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

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

Mission Statement

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

Vision Statement

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



**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS' MEETING MINUTES
WEDNESDAY, October 5, 2022**

Summary of Actions

1. Pledge of Allegiance
2. Roll Call
3. Heard Safety Briefing
4. Receipt of Conflict of Interest Affidavits – None Received
5. Provided Opportunity for Public Comment
6. Approved Board of Director Meeting Minutes of September 7, 2022
7. Heard Committee Chair Reports
 - a) Administration & Finance
 - b) Operations & Capital Projects
 - c) Rural & Small Cities
 - d) Legislative
8. Approved Consent Items
 - a) Approved the Fiscal Year 2023 Holidays and Service Levels
 - b) Awarded a Contract to Nash Entities, LLC, for a Three-Year Contract for Power Washing Services at the Transfer Stations
9. Heard Update on RCAT Committee Activities
10. Approved to Update the Award of a Contract for Texas Ultra Low Sulfur Diesel Fuel Supply to Merrimac Energy Group
11. Heard Presentations –
 - a) 2022 Defined Benefit Plan & Trust
 - b) August 2022 Financial Report
 - c) October Procurement Update
 - d) August 2022 Operations Report
 - e) Update on Shelter Installations
12. Heard Acting CEO Report
13. Heard Chairman's Report
14. Adjournment

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

Call to Order & Roll Call

Dan Leyendecker, Board Chair, called the meeting to order at 8:31 a.m., and asked Mr. Matt Woolbright, Board Director, to lead the Pledge of Allegiance. Ms. Montiel called roll and it was noted that a quorum was present.



Board Members Present

Dan Leyendecker, Lynn Allison, Beatriz Charo, Gabi Canales, Jeremy Coleman, Armando Gonzalez, Anna Jimenez (joined at 8:39 a.m.), Erica Maymi, Aaron Muñoz (Virtual), Eloy Salazar and Matt Woolbright.

Board Members Absent

NONE

Staff Present

David Chapa, Derrick Majchszak, Sharon Montez, Rita Patrick, Mike Rendón, Robert Saldaña, Angelina Gaitan, and Marisa Montiel. MV Transportation: Ben Schmit.

Public Present

Rob MacDonald, Corpus Christi MPO.

Safety Briefing

Mr. John Esparza, Safety and Security Administrator, presented the safety briefing to the Board and audience. He noted that if there is an emergency, the audience would exit the boardroom and proceed to the East Stairwell, down to the first floor where they would exit the East side stairwell doors. From there, they would continue through the visitor area parking lot towards assembly area one. Ms. Montiel will account for all Board Members and Mr. Esparza would be the last out to ensure everyone exits properly. He noted to not use the elevator during an emergency, do not return until all clear has been given and if a shelter in place is needed, they would do so in the Westside stairwell.

Receipt of Conflict of Interest Affidavits

None received online or in-person.

Opportunity for Public Comment

None received online or in-person.

Discussion and Possible Action to Approve the Board of Directors Meeting Minutes of September 7, 2022

DIRECTOR ELOY SALAZAR MADE A MOTION TO APPROVE THE BOARD OF DIRECTORS MEETING MINUTES OF SEPTEMBER 7, 2022. DIRECTOR JEREMY COLEMAN SECONDED THE MOTION. ALLISON, CHARO, CANALES, COLEMAN, GONZALEZ, JIMENEZ, LEYENDECKER, MAYMI, MUÑOZ, SALAZAR AND WOOLBRIGHT VOTING IN FAVOR. ABSENT NONE.



Committee Chair Reports

Director Canales had nothing new to report for the Administration and Finance Committee. Director Salazar reported the same for the Operations & Capital Projects. Secretary Allison reported that for the Rural and Small Cities Committee, she stated she met with Mayor Moore of Port Aransas and said she just needed work with the committees to clear up who is on the committees. Director Muñoz had nothing to report for the Legislative Committee.

Consent Items

- a) **Approve the Fiscal Year 2023 Holidays and Service Levels**
- b) **Award a Contract to Nash Entities, LLC, for a Three-Year Contract for Power Washing Services at the Transfer Station**

At this time, Mr. John Bell noted that in order for Director Muñoz's attendance and vote to be counted, the Texas Open Meetings Act requires his camera and audio to be on. He stated that this requirement was waived at one point during COVID, however, it is back in place. Mr. Muñoz was able to turn on his camera.

SECRETARY LYNN ALLISON MADE A MOTION TO APPROVE CONSENT ITEMS A) AND B). DIRECTOR ELOY SALAZAR SECONDED THE MOTION. ALLISON, CHARO, CANALES, COLEMAN, GONZALEZ, JIMENEZ, LEYENDECKER, MAYMI, MUÑOZ, SALAZAR AND WOOLBRIGHT VOTING IN FAVOR. ABSENT NONE.

Update on the RCAT Committee Activities

Ms. Sharon Montez, Managing Director of Capital Projects and Customer Services, gave the RCAT Committee Update. She noted their last meeting was held on September 15th and she gave the committee updates that were presented at the September CCRTA Board meeting. She displayed the B-Line Service Performance Report and noted no issues. The next RCAT Committee meeting will be held on October 20th and there will be no December meeting.

Discussion and Possible Action to Update the Award of a Contract for Texas Ultra Low Sulfur Diesel Fuel Supply to Merrimac Energy Group

Mr. Derrick Majchszak, Managing Director of Operations, presented the item stating the CCRTA Board Priority is Public Image and Transparency. He stated that the Texas Ultra Low Sulfur Diesel Program is required by the Texas Commission on Environmental Quality at a maximum of 15 ppm of sulfur, amongst other requirements. He continues that it is utilized in 15 of CCRTA's Gillig buses. He displayed and discussed a chart of the diesel usage trends over the years. He explained the how the diesel supply agreement will help ensure product availability, help with predictable pricing, OPIS and provide discounts or mark-ups. The contract will be issued for a two-year agreement. He stated the Board previously awarded the contract to Petroleum Traders Corporation, however, the vendor declined to sign the contract at the bid pricing.



DBE is not applicable and the total expenditures will be determined by actual usage. The total estimated cost of the two-year agreement is projected to be \$696,940 and funds are allocated in the board approved annual operating budgets. He displayed the comparison of vendor proposals. At this time, he answered any questions that the board had.

DIRECTOR MATT WOOLBRIGHT MADE A MOTION TO APPROVE TO UPDATE THE AWARD OF A CONTRACT FOR TEXAS ULTRA LOW SULFUR DIESEL FUEL SUPPLY TO MERRIMAC ENERGY GROUP. DIRECTOR JEREMY COLEMAN SECONDED THE MOTION. ALLISON, CHARO, CANALES, COLEMAN, GONZALEZ, JIMENEZ, LEYENDECKER, MAYMI, MUÑOZ, SALAZAR AND WOOLBRIGHT VOTING IN FAVOR. ABSENT NONE.

Presentations

a) 2022 Defined Benefit Plan & Trust Audit

Mr. Robert Saldaña introduced Kristine M. Caruso with Carr, Riggs & Ingram to present the item. Ms. Caruso provided an overview of the plan and noted CCRTA sponsors a pension plan in lieu of participating in the social security system established by Internal Revenue Code. The plan is fully funded by CCRTA and is regulated by Texas Government Code 802. She discussed the identified need for the DBP. Next, she defined the elements of the Independent Auditor's Report. She noted they gave the plan a "clean opinion" which is the best possible rating. Ms. Caruso provided financial highlights which included the fiduciary net position which totaled \$51,096,163, which was an increase of \$4,542,006. Investment income net totaled \$5,597,624. CCRTA contributions totaled \$1,382,108. Retirement benefits paid totaled \$2,292,357 and Administrative Expenses totaled \$145,369. She displayed the overall statement of Fiduciary Net Position over the past couple of years. Next, a pie chart showing the breakdown of investment balances as of December 31, 2021 and a comparison chart year over year of the investment balances and percentage change. The total year over year change of total investments was \$4,542,144. Ms. Caruso displayed the plan participation amounts 2020 vs 2021. She discussed the concentration of credit risk and discussed the required communication, which is their requirement as the auditor and the client's responsibility in making decisions. She noted no significant changes in the accounting policies and noted no significant difficulties in dealing with management. They had no red flags of any illegal activities. She discussed improvement points relating to the Discount Rate Variation, Assumptions in GASB 67/68 Disclosures and Census Data. Director Woolbright asked to see the net investment performance that takes away all of CCRTAs contributions.

b) August 2022 Financial Report

Mr. Robert Saldaña presented the August financials and noted that the item aligns with the Board Priority of Public Image & Transparency. He presented the highlights for the month stating Bus Advertising was 129.19% of baseline, Investment Income was 2,812.90% of baseline and Operating Expenses were 96.34% of baseline. He displayed the August 2022 Income Statement Snapshot. Total revenues come in at \$4,619,253 and total expenses were \$3,643,778. He displayed the revenue



categories. He pointed out that the Sales Tax Revenue is an estimation as this figure as of now. The operating vs. non-operating revenue was displayed and discussed. The total operating revenues were \$150,615. Next, he discussed and displayed a pie chart of where the money went. Mr. Saldaña showed the expenses by object for August. Purchased Transportation was 24%, Miscellaneous 1%, Supplies 8%, Salaries and Wages 33%, Benefits 16%, Services 13%, Utilities 3% and Insurance was 2%. The total Departmental Operating expenses were \$3,222,124. He presented the YTD for the month of August stating the Bus Advertising was 109.85% of baseline, Investment Income was 1,094.45% of baseline and Operating Expenses were 134.04% of baseline. He presented the income YTD statement for August stating total revenues were \$37,074,296 on a budget of \$34,547,808, total expenses were \$28,481,012 on a budget of \$30,766,736. He displayed the revenue by category year to date. He summarized where the money went year to date and expenses by object year to date. Mr. Saldaña discussed the fare recovery ratio. The current YTD FRC is 2.57%. Mr. Saldaña displayed the sales tax update for July in which \$3,326,242 was received. Mr. Saldaña then answered any questions the board had.

b) October Procurement Update

Mr. Robert Saldaña noted this item aligns with the Public Image and Transparency priority. He discussed the current procurements, the roof replacement at Bear Lane Operations Building, with a firm-price service contract, with an estimated cost of \$231,760. The purchase, restoration and repurposing of the Kleberg Bank Building for a six-month contract. The total of current procurements is \$231,760. The three-month outlook under the CEO signature authority was displayed next. All of these items are \$50,000 or less. The items include network managed services for \$32,445, Trakit manager software for \$19,000, reverse osmosis drinking water system for \$12,434, brass fittings for \$18,862, hydraulic hoses and fittings for \$36,434, parts cleaner service for \$20,335, B2GNow online DBE and vendor registration for \$18,000, AVL annual software maintenance for \$49,279, Global ACA services for \$25,000, Investment Advisory Services for \$22,000, Trapeze FX-Blockbuster for \$31,671 and South Texas Military Task Force for \$25,000. These total \$274,026. Mr. Saldaña closed with stating the Marina Space with the City of Corpus Christi is about \$6,100.

d) August 2022 Operations Report

Mr. Derrick Majchszak noted the board image for this item is Public Image and Transparency. He provided the highlights for the month of August 2022 vs. August 2021. The Passenger Trips up 27.1%, the Revenue Service Hours were up 8.1% and the Revenue Service Miles were up 11.8%. He displayed the RTA System Monthly Ridership Trends and the System-Wide Monthly Ridership by Mode. He noted the system overall was up 27.1% but down -43.1% vs. pre-covid. For YTD System Wide Ridership by mode, the system is overall up by 17.1% but down -49.2% vs pre-covid. The Fixed-Route Bus Service was up 16.3% but down -51.3% vs pre-covid. He displayed the system-wide YTD Ridership by Mode chart. Next, he discussed the fixed route bus on-time performance and reported no issues. He



displayed a list of the upcoming impacts and pointed out the total number of bus stops currently impacted or remain closed is 28 and 79 additional bus stops to be impacted or possibly closed due to these impacts. The B-Line service passengers per hour did meet the performance standard. There were six customer assistance forms for the month with no issues. The miles between road calls and the large bus fleet exceeded the standards as well with no issues. At this time, Mr. Majchszak answered any questions the Board had. There was discussion on available routes going down Port down to Whataburger Field area. Director Allison asked how to rebuild ridership. Mr. Majchszak noted that it is slowly beginning to increase but says the workforce challenges remain and it is still difficult to go back to increased service hours due to driver shortages. Director Maymi asked if there are any federal funds available for the lack of ridership due to the street projects. Mr. Majchszak replied that not specifically, however, CCRTA reports the ridership numbers to the NTD and they use the data for funding and CCRTA has been able to use 2019 numbers which has helped.

e) **Update on Shelter Amenities Installation Progress**

Ms. Sharon Montez presented the update and stated the board priority is Facilities, Safety and Public Image. She began by providing background and displayed the three-year shelter procurement that was approved by the Board in February of this year with Tolar Manufacturing for the procurement of various amenities. The first purchase order was issued for 300 shelter sets and these will be installed through the next seven months. She displayed the street placement locations for the 1st set of 40. The next set is scheduled for October and she displayed the future placement locations. The grand total shelter sets for the service area is 614. Over the next three years, 375 new shelter sets and 345 beacon sets will be placed. Ms. Montez displayed photos of installed shelters. She noted the goal is to place lighting at all of the stops over the next eight years. Ms. Montez answered any questions the board had. Director Salazar thanked Ms. Montez and the team for presenting this report and for the separate report that was provided to him at his request of all of the locations to come. He commended the staff on the update and noted it is good information to have. Ms. Montez noted that according to the APTA website the amount of bus stops vs the shelters is 11% and CCRTA is well above that.

CEO Report

Mr. Mike Rendón opened up with providing a Staples Street Center Update. He noted that staff was able to get the office of Senator Juan “Chuy” Hinojosa back into their offices on the second floor. CCRTA continues to provide construction and safety updates to tenants during the restoration process. Next, he provided organizational updates. Ridership has improved for the last four consecutive weeks by 31%. There were five new hires in September, all of which were Bus Operators. He noted that three biometric and flu shot clinics were held for the employees. The September community events were highlighted which included the TEX-21 Quarterly Stakeholder Meeting, TTA Board of Directors Meeting, TUCP Training Workshop, Latinos in Transit Conference and Long-Range System Plan Workshop. He discussed the community engagements which included TAMU-CC State of the University,



CAC's Garden of Hope Gala, NAACP Membership Banquet, TAMU-CC Momentum Shuttle Servicing Additional Stops and CCISD State of the District. He displayed the upcoming October events calendar. He noted staff and six board members will be attending the APTA TRANSform Conference. Next, he discussed the CCRTA GoPass App. The soft opening became available on October 3rd and users can buy passes and trip plan through the app. CCRTA will promote the app through a bus wrap, physical & digital media advertising and community outreach. Next, he displayed a 30 second advertising video that will be ran via television and radio advertising. Mr. Rendón answered questions the board members had.

Board Chair Report

Chair Leyendecker opened up the floor to the Board Members and they all went down the line to speak. Mr. Coleman thanked the staff for the shelter update and noted how clean the stops and transfer stations are. Director Salazar was excited about the app and would appreciate advertising the app to DelMar and TAMU-CC students. Director Maymi thanked the staff for the things they do on a daily basis. Secretary Allison reiterated the same excitement for the app and thanked the Board for their engagement and ideas. Vice-Chair Jimenez, Director Charo, Director Canales and Director Woolbright were also happy with the app. Mr. Rendón thanked Ms. Patrick and her team for moving things forward with the app and noted it is a team effort to keep things going. He also asked for continued prayers for their boss, Mr. Cruz-Aedo. The Board Chair thanked the staff for his birthday card and all of their hard work.

Adjournment

There being no further review of items, the meeting adjourned at 9:43 a.m.

Lynn Allison, Board Secretary

Submitted by: Marisa Montiel



Subject: Updates on State and Federal Legislative Reports

Background

CCRTA contracts for State and Federal Legislative consulting services to assist with legislative priorities, initiatives, legislative process, access, and identification of discretionary funding.

Representation from our state and federal legislative consultants offers CCRTA additional knowledge needed to navigate the political landscape within Texas and Washington DC. CCRTA's legislative consultants have and will advise CCRTA in real time about the potential effects of legislation and budget matters that impact mass transit.

Identified Need

It is crucial that CCRTA have representation and advocates that can provide directions, effective strategies and create communication opportunities that will extend our mission and vision for public transportation in 2023 and beyond.

- Needed resource for CCRTA's leadership that can assist with the intricate processes of competitive grants, deadlines and political contacts essential to compete successfully.
- Create communication opportunities with political leadership, as well as, transportation department agency decision makers.
- The Bipartisan Infrastructure Bill has created a once-in-a-generation investment in our nation's infrastructure which includes transportation. These future grants funds will provide resources that could expand and strengthen access to better transportation for our communities.
- COVID has shown the world that public transportation (an essential service) is vital to moving the communities "essential worker force". These workers are the foundation of economic development that helps to maintain our economy.
- State and federal legislation programs, initiatives designed to advance, protect the agency's interests and establish the building blocks to grow CCRTA.

Board Priority

This item aligns with All CCRTA's Board Priorities and Mission.

Recommendation

Staff recommends the Board of Directors to receive the State and Federal Legislative Reports.

Respectfully Submitted,

Submitted by: Rita Patrick
Marketing Director

Final Approval by: 
Miguel Rendón
Acting Chief Executive Officer



Subject: Adopt the FY2023 CCRTA Operating and Capital Budget of \$56,538,665.

Background

Chapter 451 of the Texas Transportation Code mandates that the Authority adopt an annual operating budget prior to the beginning of each fiscal year after making the proposed budget available publicly for at least 14 days. The required public notice period began on October 19, 2022 in order to be completed in time for the public hearing scheduled on November 2, 2022. The public notice was posted October 10, 2022 at the CCRTA Staples Street Center and sent to the Nueces County and the San Patricio County Clerks for posting at their locations. The public notice was also made available on the CCRTA website.

Identified Need

A public hearing is being conducted to provide the community and stakeholders an opportunity to provide input prior to the adoption of the 2023 Operating and Capital budget. The 2023 Operating and Capital budget accounts for 308,465 hours of service covering 846 square miles and over 3 million passenger trips, maintaining 4 transfer stations, 3 park and rides and a fleet of 127 fixed and paratransit vehicle; as well as a fleet of support vehicles.

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

Budget workshop #1 was conducted on July 27, 2022. The workshop reviewed Assumptions, Regional Economic Trends and 2023 Projected Revenues.

Budget workshop #2 was conducted on August 3, 2022. The workshop reviewed the following Administrative Support department budgets: MIS, Procurement, Finance and Accounting and Administration (Admin, Grants, and Budget & Capital Improvement Projects).

Budget workshop #3 was conducted on September 7, 2022. The workshop reviewed the following areas: CEO, Human Resources, Marketing & Communications and Safety & Security.

Budget workshop #4 was conducted on September 7, 2022. The workshop reviewed the following areas: Customer Service, Facilities Management, Capital Programs and Staples Street Center.

Budget workshop #5 was conducted on September 28, 2022. The workshop reviewed the following Operational areas: Transportation, Purchased Transportation, Service Development, Vehicle Maintenance and Materials Management.

Budget workshop #6 was conducted on October 5, 2022. The workshop reviewed the following areas. Debt Service, Port/Ayers Cost Center, Special Projects, Sub-recipient Agreements, Street Maintenance Allocation, 5-Year Service Plan, 5-Year CIP, 2023 Budget Overview and 5-Year Financial Plan.

The CCRTA Management Staff also conducted the 2023 Budget Public Hearing #1 on October 26, 2022 at 6:00pm. The Public Hearing is an overview of the 2023 Operating and Capital budget.

Financial Impact

The CCRTA is projecting total revenues to come in at \$56,538,665. The following are the key revenue categories:

1. Projected Sales Tax - \$39,793,301
2. Projected Operating Grant revenue - \$1,565,828
3. Projected Capital Grant revenue - \$8,864,316
4. Projected Fare revenue - \$1,108,110
5. Other Projected revenue - \$1,557,558
6. Unrestricted Reserves - \$3,649,552

Projected expenses are expected to come in at \$56,538,665. The CCRTA is projecting a one-time transfer from unrestricted reserves of \$3,649,552 to balance the 2023 Operating and Capital budget.

Recommendation

Staff recommends the Board of Directors adopt the proposed 2023 Operating and Capital Budget of \$56,538,665.

Respectfully Submitted,

Submitted by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 
Miguel E. Rendón
Acting Chief Executive Officer



Board of Directors Meeting Memo

November 2, 2022

Subject: Adopt the Fiscal 2023 Board and Committee Meetings Calendar

Background

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

Recommendation

Staff requests the Board of Directors authorize the Chief Executive Officer (CEO) or his designee to Adopt the 2023 Board and Committee Meetings Calendar.

Respectfully Submitted,

Final Approval by:  _____

Miguel Rendón
Acting Chief Executive Officer



2023 Meeting Calendar - CCRTA Board of Directors

JANUARY calendar grid with dates 1-31

January

4TH - BOARD Mtg. 8:30 a.m.
25TH - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

July

JULY calendar grid with dates 1-31

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

FEBRUARY calendar grid with dates 1-28

February

1st - BOARD Mtg. 8:30 a.m.
22ND - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

August

AUGUST calendar grid with dates 1-31

2ND - BOARD Mtg. 8:30 a.m.
23RD - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

MARCH calendar grid with dates 1-31

March

1ST - BOARD Mtg. 8:30 a.m.
22ND - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

September

SEPTEMBER calendar grid with dates 1-30

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

APRIL calendar grid with dates 1-30

April

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

October

OCTOBER calendar grid with dates 1-31

4TH - BOARD Mtg. 8:30 a.m.
25TH - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

MAY calendar grid with dates 1-31

May

3RD - BOARD Mtg. 8:30 a.m.
24TH - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

November

NOVEMBER calendar grid with dates 1-30

1ST - BOARD Mtg. 8:30 a.m.
15TH - COMMITTEE Mtgs. 8:30 a.m. Admin. & Finance 9:30 a.m. Ops.&Cap.Projects (est. held after Admin. mtg.)

JUNE calendar grid with dates 1-30

June

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

December

DECEMBER calendar grid with dates 1-31

6TH - BOARD Mtg. 8:30 a.m.
No COMMITTEE Mtgs.

Legend: Meetings - BOD Meetings - COMM* # in red = CCRTA Holidays (Closed or Reduced Service)

*Meetings TBD for Rural and Small Cities Committee & Legislative Committee



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

Background

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

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

Investment Policy - PFIA requires a written investment policy that must be reviewed and adopted by the governing body annually. The Texas Legislature approves amendments to Chapter 2256 of the Government Code from time to time. These changes are communicated to the Board by the Authority's Investment Advisor, Meeder Public Funds the parent company of Patterson & Associates. The Investment Policy was first adopted on February 5, 2014 and has been either revised or re-certified over the years. The Investment Policy was last reviewed and approved by the Board on **December 1, 2021**.

Investment Advisor - In accordance with ***PFIA section 2256.003(b)*** CCRTA may contract with an investment management firm registered under the Investment Advisors Act of 1940 or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control.

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

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

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

Investment Definitions

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

Identified Need

The federal funds rate is now in a range of 3.0% to 3.25% after a third consecutive 75-basis-point hike and the fifth increase of 2022. Analysts are predicting additional interest rate increases this November that may continue until at least the middle of 2023 in an effort by the Federal Reserve to combat inflation by dipping the economy into a slow growth, stagflation or a recessionary environment. We must be prepared to lock in rates

when the Fed reverses course and begins to cut rates. Locking in rates at the extended recommended tenure will enable the portfolio to generate a favorable financial return.

For this reason, it is recommended that portfolio maturities and the weighted average maturity (WAM) be extended from 3 to 5 years to:

- Provide the portfolio with the **flexibility** to reposition in response to the average FED rate cycle which historically tends to be 3 to 5 years
- This flexibility would be in place to allow management to consider longer term investment opportunities based on the following conditions:
 - In times when market circumstances provide an excellent opportunity to lock in rates and;
 - The option to invest small amounts of funds is available and feasible and;
 - The internal cash flow statement will continue to focus on sufficient funds being available for operations from current inflows and liquidity investment income during the time the long-term funds are inaccessible for other uses.

Proposed Changes to the Investment Policy

- **Section 3. Policy Objectives**

The second to the last paragraph contain two changes. The first change pertains to the weighted average maturity limitation and now reads, “the weighted average maturity limitation of **two years** instead of **12 months**. The second change refers to the Treasury Bill as the comparable benchmark and now reads, “current **one-year** Treasury Bill will be used as a benchmark on the overall portfolio....” instead of **six-month** Treasury Bill.

- **Section 7. Authorized Investments**

First bullet point refers to obligations of the United States, its agencies, and instrumentalities now reads, “with a stated maturity not to exceed **five years**....” instead of **three years**. Second bullet point refers to direct obligations of the State of Texas or its agencies, and instrumentalities now reads, “with a stated maturity not to exceed **three years**” instead of **two years**. Third bullet refers to obligations of states, agencies, counties, cities, and other political subdivisions and now reads, “investment rating agencies not to exceed **five years** to maturity instead of **three years**.”

- **Designation of the Investment Advisor**

Because the investing environment is driven by complex regulatory and market forces that requires daily attention, CCRTA has continued to opt for a professionally managed investment portfolio through the services of an Investment Advisor. Meeder Public Funds, the parent company of Patterson & Associates, a SEC-registered Investment Advisor, is currently serving the Authority under a professional agreement which expires on December 31, 2022. Staff has retained Meeder Public Funds through December 31, 2023.

- **Approval of the list of broker/dealers**

- The list is being provided as an attachment in accordance to our transparency priority. The Meeder resources of financial entities includes **30 additions** and **two deletions**, bringing the total of firms to 41 from 14. The new listing provides a wider swatch of brokers which will bring value to our portfolio.

- One of the changes includes **Bank of Frost Capital Markets** which is being removed as a safety measure since Frost is currently serving as the Authority's official depository and provide safekeeping services for the securities.

Board Priority

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

Financial Impact

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

The financial projection assumptions used to estimate interest income revenue for 2023 were presented in early July 2022. For this reason, the projected interest income calculations were driven by investment maturities ranging from **three to twelve months**. Other contributing factors included maintaining the availability of adequate resources to fund capital intense projects with unknown timelines caused by supply chain concerns and unknown matching funding levels from grant applications at the time of the budget development process. A short-term investment was considered at the time more appropriate for meeting a particular amount of money at a certain time to fund operations and capital projects, under these circumstances.

This approach estimated interested income at **\$574,000**. However, with the ability to lock in investments in 2023 to longer maturities, the interest income is now estimated to generate an additional **\$463,823** bringing the total to **\$1,037,823**.

The 2023 fee-based arrangement with **Meeder Public Funds**, the parent company of Patterson & Associates, is set at **\$28,000** for the year **2023**, and represents 2.69% of the revised interest income estimate for 2023. The Asset-Based Equivalent Fee represents 0.05% of the investment assets of **\$56,000**. The **\$28,000** annual fee is budgeted in the Finance and Accounting.

Recommendation

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

Respectfully Submitted,

Submitted by: Marie Sandra Roddel
Director of Finance

Reviewed by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 
Miguel Rendón
Acting Chief Executive Officer

Approved Broker/Dealer List 6/30/2022



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

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

1 Primary Government Securities Dealer

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

Important Disclosures

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

CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
BOARD POLICY

INVESTMENTS – 2022

POLICY STATEMENT

Section 1. Statement.

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

The investment of public funds is statutorily guided by the Public Funds Investment Act (Government Code, Ch. 2256) with protection of principal as its highest priority. Restriction to the highest credit quality is paramount and investments are restricted to the debt markets. Stocks (equities) are strictly prohibited by the Texas Constitution as it represents the lending of the public entity's credit.

Section 2. Scope of Policy.

This Investment Policy applies to investment transactions of the CCRTA operating and capital funds, including sales tax revenues. These funds are defined in the CCRTA's Comprehensive Annual Financial Report and include all governmental, proprietary, and bond funds and any other new funds created unless specifically exempted by the Board.

This Policy does not apply to the investment of assets accrued for the purpose of funding employee retirement benefits or programs, nor does it apply to trustee or escrow funds which are invested in accordance with their respective contracts or escrow agreements. ***These longer duration funds have a significantly longer maturity horizon and can accept additional risk.***

Section 3. Policy Objectives.

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

- (a) Preservation and Safety of Principal. Safety of principal is the foremost objective. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. Each investment transaction shall seek first to ensure that capital losses are avoided, whether resulting from security default or erosion of market value.
- (b) Liquidity. The investment portfolio will retain sufficient liquidity to enable the CCRTA to meet all operating requirements which can be reasonably anticipated. Cash flow analysis will be utilized to continuously monitor cash flow changes and guide investment decisions.
- (c) Diversification. The CCRTA will diversify its investments in an effort to avoid incurring unreasonable or avoidable risks regarding specific security types or individual financial institutions. Diversification will include diversification by maturity and market sector and will include the use of a number of institutions and brokers for diversification, competition, and market coverage. Diversification serves to reduce market and interest rate risk. Asset allocation shall reflect an emphasis on high credit quality governmental investments.

- (d) Yield. The investment portfolio shall be designed with the objective of attaining a reasonable market yield, taking into account risk constraints and cash flow needs of the portfolio. CCRTA will not make investments for the purpose of trading or speculation as its dominant criteria. However, CCRTA intends to pursue active portfolio management techniques while working within the guidelines of the Policy in order to enhance total returns.

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

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

PROCEDURES

Section 4. Investment Strategy.

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

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

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

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

Section 5. Standard of Prudence.

Investments shall be made with judgment and care, under circumstances then prevailing, that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

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

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

Section 6. Delegation of Authority and Responsibilities.

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

The Board's responsibilities include:

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

(b) Investment Officer(s)

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

- The Investment Officers are responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management.
- The Investment Officers shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this Investment Policy.
- The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls and documentation to regulate the activities of subordinate officials and staff.
- The Investment Officers shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officers are not available.
- No officer or designee may engage in an investment transaction except as provided under the terms of this Policy and established procedures.
- The Investment Officers shall be knowledgeable of laws concerning the investment of public funds, current investment practices and investment risks and opportunities as required by the Act (2256.008). The Investment Officer shall obtain ten (10) hours of training within twelve months of assuming the position and in each two-year period that begins on the first day of the CCRTA's fiscal year and consists of the two consecutive fiscal years after that. The training may be obtained from:
 - Government Finance Officers Association
 - Government Finance Officers Association of Texas
 - Government Treasurers Organization of Texas
 - Association of Public Treasurers of the US & Canada
 - Texas Municipal League
 - University of North Texas Center for Public Management
 - Patterson & Associates

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

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

Rated investments include:

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

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

- Obligations of the United States, its agencies, and instrumentalities with a stated maturity not to exceed **five years** and excluding mortgage backed securities.
- Direct obligations of the State of Texas or its agencies and instrumentalities with a stated maturity not to exceed **three** years.
- Obligations, the principal and interest of which are unconditionally guaranteed, insured, or backed by, the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities including the Federal Deposit Insurance Corporation and with a stated maturity not to exceed three years, and excluding mortgage backed securities.
- Obligations of states, agencies, counties, cities, and other political subdivisions of any US state rated not less than A or its equivalent by at least **a nationally** recognized investment rating agencies not to exceed **five years** to maturity.
- Fully insured or collateralized depository certificates of deposit from any bank doing business in the State of Texas and under the terms of a written depository agreement with that bank, not to exceed two years to stated maturity, to include certificates of deposit purchased through the CDARS program with a Texas bank;
- FDIC insured brokered certificates of deposit securities from a bank in any US state, delivered versus payment to the CCRTA's safekeeping agent, not to exceed two years to maturity.
- Fully collateralized repurchase agreements and reverse repurchase agreements as defined by the Act, with defined termination dates, and placed through a primary government securities dealer with a stated maturity not to exceed six months. Flex repurchase agreements used for capital projects may extend beyond three years as determined by the bond expenditure plan.

- Bankers' acceptances as defined by the Act with a stated maturity not to exceed three months.
- Commercial paper rated A1/P1 or equivalent by at least two nationally recognized rating agencies with a stated maturity not to exceed 270 days.
- AAA-Rated, local government investment pools in Texas and striving to maintain a \$1 net asset value per share.
- AAA-Rated, SEC registered money market mutual funds striving to maintain a \$1 net asset value.
- Interest bearing accounts of banks in Texas with FDIC coverage or collateralized in accordance with this Policy.

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

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

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

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

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

	<u>Max. % of Portfolio</u>
US Treasury Obligations	80%
US Agencies/Instrumentalities	80%
State Government Obligations	45%
Local Government Obligations	45%
Certificates of Deposit (Depository)	50%
Brokered Certificates of Deposit	30%
Repurchase Agreements	50%
Flex in CIP Funds	100%
Local Government Investment Pools	80%
Money Market Funds	100%
Limited to 80% in any one fund (Not to exceed 10% of the value of the fund)	
Commercial Paper	35%
Bankers Acceptances	20%

Section 8. Financial Counter-Parties.

(a) Designation of Depository

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

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

(b) Investment Management Firm

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

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

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

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

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

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

(c) Security Brokers/Dealers

Investments may be made with or through the following institutions:

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

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

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

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

(d) Policy Review Certification

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

- Received, and thoroughly reviewed this Policy and
- Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions that are not authorized by this Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entire portfolio or requires subjective investment standards.

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

Section 9. Collateralization and Safekeeping.

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

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

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

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

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

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

(a) Pledged Depository (Pledged) Collateral

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

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

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

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

(b) Repurchase Agreements (Owned) Collateral

The CCRTA and any counter party to a repurchase transaction are required to execute the Bond Market Master Repurchase Agreement. An executed copy of this Agreement must be on file before any transaction is initiated. Collateral will be evidenced by safekeeping receipts clearly denoting ownership by the CCRTA. Collateral will

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

be maintained at 102% and held by an independent third party approved by CCRTA and delivered on a delivered-versus-payment (DVP) basis.

Section 10. Reporting.

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

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

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

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

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

Section 11. Annual Policy Adoption.

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

Adopted – February 5, 2014

Approved by Resolution – February 1, 2017

Revised/Approved – October 4, 2017

Revised/Approved – December 5, 2018

Revised/Approved – November 6, 2019

Revised/Approved – November 4, 2020

Revised/Approved – December 1, 2021

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

Authorized Investment Advisor

Patterson & Associates
Austin, Texas

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

Authorized List of Brokers/Dealers (see attached)

Corpus Christi Regional Transportation Authority



Resolution

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

WHEREAS, the Corpus Christi Regional Transportation Authority most recently adopted an Investment Policy on November 2, 2022 in accordance with Public Investment Act (Texas Government Code Chapter 2256) governs local government investment; and

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

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

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

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

One-year Treasury Bill will be used as a benchmark instead of six-months
 The weighted average maturity limitation is now two years instead of 12 months
 Maturity not to exceed five years for authorized U.S. investments instead of 3 years
 Maturity not to exceed three years for state of Texas investments instead of 2 years
 Investment rating agencies not to exceed five years to maturity instead of 3 years
 Recording name changes of Broker/Dealers on the approved list

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

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

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

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

The foregoing Resolution was adopted by the Board of Directors of the Regional Transportation Authority at a duly held meeting on November 2, 2022.

DULY PASSED, APPROVED AND ADOPTED this 2 day of November, 2022.

ATTEST:

CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Lynn Allison, Board Secretary

Dan Leyendecker



Subject: Award a Contract to Industrial Networking Solutions for Bus Modem Cellular Routers

Background

The CCRTA's current Bus Modem Cellular Routers Digi, have been in place since 2015 and has reached its end of life support. Replacement of the Modem Cellular Routers is imperative to meet future network and security needs of the organization; particularly related to Wi-Fi speeds, wireless coverage and cloud services.

Identified Need

The CCRTA's MIS department has identified the need for new cloud access cellular modems to help meet the requirements of the Authority. The modems will be robust enough for current and future needs, and have the capability to support AT&T FIRSTNET wireless services. FIRSTNET is the only nationwide wireless broadband communications platform dedicated to America's first responders and public safety community.

Analysis

An Invitation for Bid (IFB) was issued on April 28th, and proposals were due September 22. Eight proposals were received and two of them were deemed not responsive. Key factors of the overall winning bid are cost and response to the IFB.

The results of the IFB are listed below:

Bidder	Total Cost*
Industrial Networking Solutions	\$114,225
Ensemble Solutions Group	\$127,575
Insight	\$132,561
NETSYNC	\$139,277.25
Computer Solutions	\$141,750
Avail Technologies, Inc.	\$181,350

*Total Cost for 75 Bus Modem Cellular Routers and Bus Antennas

Financial Impact

The Bus Modem Cellular Routers are budgeted under the 2021 CIP at an estimated total cost of \$114,225. The 2021 CIP project will be funded by a 5307 grant at an 80/20 split. The CIP project was budgeted with estimated amount of \$134,420.

Board Priority

The Board Priority is Innovation.

Recommendation

Staff request the Board of Directors authorize the Chief Executive Officer (CEO) or Designee to Award a Contract to Industrial Networking Solutions for Bus Modem Cellular Routers.

Respectfully Submitted,

Submitted by: David Chapa
Director of IT

Final Review by: Robert M. Saldaña
Managing Director of Administration

Final Approval by:  _____
Miguel Rendón
Acting Chief Executive Officer



Subject: Enter into a Three-Year Software Agreement with Remix Technologies, LLC

Background

The Corpus Christi Regional Transportation Authority (CCRTA) has utilized the Remix software since 2016 to support service improvements and Title VI Fare and Service Equity Analysis efforts. The software provides transit professionals with easy-to-use visual mapping and presentation tools to sketch, analyze, and design transit service scenarios, and build consensus across stakeholders. Over 350 governments around the world leverage Remix’s software to build more livable communities. The Remix transit planning platform is available for an unlimited number of users and includes:

- Fast and accurate sketch planning using existing stop infrastructure
- Instant demographic impact analysis
- Instant cost estimates
- Unlimited exports (Microsoft Excel, GIS shapefile, KML, frequency-based GTFS, high-resolution image)
- Unlimited custom data layers (polygon-based shapefiles)
- Unlimited GTFS uploads
- Public engagement and share features
- Travel-time isochrone visualizations
- Title VI Engine (US) - generate a service equity analysis in less than 10 minutes
- Timetables – generate and customize timepoints and segment-level runtimes
- Export timetables into excel
- Consistent and regular product improvements / feature launches
- Software as a Service (SaaS): fully hosted, cloud-based web platform

Since 2016, the CCRTA has executed a year-to-year agreement term. Annual costs for each year is listed below.

Year	Year-to-Year Cost	% Change
2016	\$28,050 plus one time set up fee of \$5,000 = \$33,050	-
2017	\$28,050	-
2018	\$30,000	7%
2019	\$31,000	3%
2020	\$31,000	-
2021	\$31,000	-
2022	\$32,000	3%

Identified Need

The current agreement expires December 31, 2022. Therefore, a new agreement is required for the software renewal. This purchase is a sole source because Remix Technologies, LLC is the manufacturer and sole provider of the Remix software platform

and the only source for setup and customization, updates, training, and customer support services for Remix software.

The proposed year-to-year pricing in 2023 is \$39,000 or a 22% increase over the 2022 annual cost. Due to this high increase in costs for the year-to-year agreement option, a proposed three-year agreement option is recommended for the January 1, 2023 through December 31, 2025 period for a total cost of \$114,000. Over this three-year period, the cost difference is a \$15,090 reduction but could be a greater reduction as compared to the year-to-year option. For example, if other variable costs occur within the year-to-year option, which may include the inflation and innovation index, additional services, and fleet size increases, then the annual cost may increase. In comparison, other variable costs do not impact the three-year agreement period as it is a firm not to exceed amount.

Year-to-Year Agreement Option	Cost	Three-Year Agreement Option	Cost
Year 2023	\$39,000	Year 2023	\$34,500
Year 2024	\$42,900 *	Year 2024	\$38,000
Year 2025	\$47,190 *	Year 2025	\$41,500
Total	\$129,090 *	Total	\$114,000

* Cost includes 10% increase per year.

Disadvantaged Business Enterprise

For this procurement, the DBE goal is zero percent (0%) as local funds are being utilized.

Financial Impact

For the proposed three-year agreement option, January 1, 2023 through December 31, 2025, the proposed total cost of the software is \$114,000.00. Year 2023 is budgeted in the proposed fiscal year 2023 operating budget. Costs for the 2024 and 2025 years will be budgeted in each respective year.

Board Priority

The Board Priority is Innovation.

Recommendation

Staff requests the Board of Directors authorize the Chief Executive Officer (CEO) or designee to enter into a three-year software agreement with Remix Technologies, LLC. not to exceed \$114,000.

Respectfully Submitted,

Submitted by: Gordon Robinson
Director of Planning

Reviewed by: Derrick Majchszak
Managing Director of Operations

Final Approval by: 
Miguel Rendón
Acting Chief Executive Officer



Subject: September 2022 Financial Report

Overview: The results from the **operating budget** for the month of **September** report **Revenues** in excess of **Expenses** by **\$779,121**. Operating revenues totaled **\$4,555,394**, representing 101.79% of the budget baseline, while operating expenses finished at **\$3,776,273**, or 96.64% of baseline. For the **year to date**, operating revenues of **\$41,489,614** exceeded operating expenses of **\$31,063,167** by **\$10,426,447**. The **year to date** surplus is largely driven by federal operating assistance received through the American Recovery Plan (ARP) grant totaling \$10,064,385. The ARP funding designated for operating assistance has been fully-utilized, with the remaining \$7,580,206 in funding designated for bus shelter capital projects.

The CIP budget for September reports grant revenues of **\$254,772**, with expenditures totaling **\$384,297**, for a negative variance of **\$129,525**, all of which is the budgeted amount for depreciation. For the **year to date**, capital grant revenues totaled **\$541,774** for purchases from 2021 CIP projects which includes: six (6) bus engines from the Engine Overhaul Program, twenty-one (21) security camera replacements, one transmission jack, one king-pin removal system, 5 high-wheel dollies, Tolar bus shelters, and a payment to a contractor for the Bear Lane Bus Parking Lot Concrete Replacement project. Total CIP expenditures totaled **\$1,707,503** exceeded grant funding by **\$1,165,729** through September, which represents the budgeted portion of depreciation expense.

The overall performance for the **month** results in an increase of **\$649,596** to the fund balance with the operating budget contributing **\$779,121**, decreased by **\$129,525** from the CIP budget performance for the month. **Year-to-date** performance results in an increase of **\$9,260,718**.

This information is presented in greater detail in the financial reports located at the end of this document.

SUMMARY: Results from all Activities Compared to Budget

Total Revenues for the month of **September** closed at **\$4,810,166**, of which \$4,555,394 is attributable to the **Operating Budget** and \$254,772 to the Capital Budget (**Table 4 and PPT Slides 3 and 4**). The performance from the revenue categories from the Operating Budget are discussed as follows.

Operating Revenues, which include only resources generated from transit operations, **totaled \$125,506**, or **\$12,986** less than forecasted (**Table 4.1**) & (**PPT Slide 5**). **Fare Revenues** ended the month at 87.90% of the baseline expectation. Meanwhile, commissions from **Bus and Bench Advertising** ended the month at \$11,672, or 96.35% of baseline. Note that the revenue earned from **Bus and Bench Advertising** is net of the portion paid to the City of Corpus Christi, which collects one-third (1/3) of the Authority's share of bench advertising commission for the use of City property. **Other Operating Revenues** totaled \$22,713, or 100% of baseline, which includes an adjustment to align with the receipt of the federal CNG fuel credit that comprises the majority of this category's budget expectation. (**Table 4.1**).

Non-Operating Revenues, which includes sales tax, investment income, lease income from tenants, and federal assistance grants totaled **\$4,429,888**, reaching **102.14%** of the **\$4,336,960** budget expectation, generating **\$92,928** more than forecasted (**Table 4.1**). Federal operating grant assistance again consisted of reimbursements associated with ARP funding. Investment income continues to perform well against the budget as a result of the higher yields earned due from the Federal Reserve increases to the federal funds rate.

For clarification, please keep in mind that all revenues reported are **actual** revenues received or earned with the exception of the sales tax revenue. The Sales Tax Revenue, has been **estimated** since the amount will not be determined until payment is received on **November 11, 2022**. Out of the seven (7) sources included in this revenue category, 73.07% of total revenue came from the sales tax revenue estimate as indicated in the table on the following page:

September 2022 Revenue Composition – Table 1

Line #	Revenue Source	Actual	%
1	Sales Tax Revenue	3,328,646	73.07%
2	Passenger Service	91,121	2.00%
3	SSC Lease Income	43,388	0.95%
4	Bus Advertising	11,672	0.26%
5	Investment Income	118,587	2.60%
6	Grant Assistance Revenue	939,267	20.62%
7	Other Revenue	22,713	0.50%
	Total (excluding capital)	\$4,555,394	100.00%

The **Investment Portfolio** closed the month of September 2022 with a market value of **\$59,118,839**, an increase of **\$337,981** from the end of August 2022 of **\$58,780,858**. This investment portfolio does not include any assets from pension plans but only assets from operations.

For the month of **September**, earned interest income was recorded at **\$118,587**, increasing the year to date earnings to **\$449,213**. As of the date of this report, the portfolio holds **\$23,970,270** in short-term investments. 100% of the reserves that are assigned by the board are held in short-term investments in addition to approximately 20% of the spendable portion of the fund balance.

The **Sales tax** allocation for September 2022 is **estimated** at **\$3,328,646**. The estimate is necessary since allocations lag two months behind and will not be received until November 11, 2022.

The Sales Tax revenue payment of **\$3,220,185** for August 2022 was received October 14, 2022 and was **\$145,321**, or **4.73%** more than the **\$3,074,864** July reported **estimate**. In comparison to the same month last year, the August payment represented an **increase** of \$291,804 or **9.96% growth**. The year to date sales tax revenue recorded through August 2022 is **\$25,102,832** and represents an increase of **\$1,060,754** over the same period last year or **4.41% growth**. The August payment included the allocation from internet sales of **\$33,857**, a decrease of \$1,656 or 4.66% from the prior month. RTA started receiving internet sales tax revenue in December 2019, and to date have received **\$912,220**. Retailers started collecting sales tax on internet sales October 1, 2019.

The sales tax revenue over the last five years' averages to 72.65% of total income. In 2022, Sales Tax Revenue represented 68.27% of total revenues. Sales tax typically represents the largest

component of CCRTA's total income, however there are several factors that can cause fluctuations from year to year. Although sales tax revenue is related to economic conditions, other factors such as the amount of revenues from other sources and capital improvement plans do come into play. During this reporting period sales tax represented 73.07% of total operating revenues. **Table 2** illustrates the sales tax revenue trend from the beginning of the year.

Transparency Disclosure

The sales tax revenue reported as 2022 Actual is higher than what is reported by the state comptroller's website. The difference represents the \$27,374 that is deducted by the state comptroller each month as repayment of \$1,177,082 that occurred in December 2019 as a result of an audit. The repayment is over 43 months and as of August have made 22 installments. This amount is added back in order to calculate the growth rate when compared to the same period last year.

As you can see from the following table, RTA reported a year-over-year increase of 8.11% in January's collections while February's were up considerably with a 16.82% over same period last year. Meanwhile, the March sales tax payment came in short by 7.17% or negative \$270,481, with April exceeding prior year collections by \$67,537 or 2.25%. May showed a slight growth of \$26,215 or 0.86% versus prior year, while June exceeded prior year collections by \$37,249, or 1.08%. July showed a robust growth compared to the prior year, with collections \$313,269, or 10.4% higher. August continued the growth pattern set by the prior month even though it came in at 9.96%, not quite 10% but still at a significant level. The September payment is estimated to come in \$14,831 less than September 2021 which is predicted to provide a 3.82% year-to-date growth.

Sales Tax Growth – Table 2

Month Revenue was Recognized	2022 Actual	2021 Actual	\$ Growth	% Growth
January (actual)	\$ 2,700,560	\$ 2,497,985	\$ 202,575	8.11%
February (actual)	2,726,132	2,333,543	392,589	16.82%
March (actual)	3,504,497	3,774,978	(270,481)	-7.17%
April (actual)	3,074,059	3,006,523	67,536	2.25%
May (actual)	3,067,990	3,041,775	26,215	0.86%
June (actual)	3,483,166	3,445,918	37,249	1.08%
July (actual)	3,326,242	3,012,974	313,269	10.40%
August (actual)	3,220,185	2,928,381	291,804	9.96%
September (estimate)	3,328,646	3,343,477	(14,831)	-0.44%
October (estimate)	0	0	0	0.00%
November (estimate)	0	0	0	0.00%
December (estimate)	0	0	0	0.00%
	\$ 28,431,478	\$ 27,385,555	\$ 1,045,923	3.82%

The detail of all revenue and expense categories are presented in the following tables, along with the fare recovery ratio for September 2022:

Revenue – September 2022 – Revenue Composition (Includes Operating and Capital Funding) – Table 3

Revenue Source	September 2022	%	YTD	%
Passenger Service	\$ 91,121	1.89%	\$ 728,398	1.73%
Bus Advertising	11,672	0.24%	118,134	0.28%
Other Revenue	22,713	0.47%	105,311	0.25%
Sales Tax Revenue	3,328,646	69.20%	28,431,478	67.64%
Grants - Operating	939,267	19.53%	11,270,500	26.81%
Grants - Capital	254,772	5.30%	541,774	1.29%
Investment Income	118,587	2.47%	449,213	1.07%
SSC Lease Income	43,388	0.90%	386,580	0.92%
Total Revenue	\$ 4,810,166	100.00%	\$ 42,031,387	100.00%

Revenue – September 2022 Operating Revenue and Capital Funding – Table 4

	09/2022				
	2022 Adopted Budget	September 2022 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Revenues					
Passenger service	\$ 1,243,979	\$ 91,121	\$ 103,665	7.32%	87.90%
Bus advertising	145,371	11,672	12,114	8.03%	96.35%
Other operating revenues	393,098	22,713	22,713	5.78%	100.00%
Sales Tax Revenue	37,509,003	3,328,646	3,328,646	8.87%	100.00%
Federal, state and local grant assistance	11,561,230	939,267	963,436	8.12%	97.49%
Investment income	45,094	118,587	3,758	262.98%	3155.73%
Staples Street Center leases	493,434	43,388	41,120	8.79%	105.52%
Total Operating & Non-Operating Revenues	51,391,209	4,555,394	4,475,452	8.86%	101.79%
Capital Grants & Donations	8,313,957	254,772	254,772	3.06%	100.00%
Total Operating & Non-Operating Revenues and Capital Funding	\$ 59,705,166	\$ 4,810,166	\$ 4,730,224	8.06%	101.69%

	09/2022				
	2022 Adopted Budget	YTD 2022 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Revenues					
Passenger service	\$ 1,243,979	\$ 728,398	\$ 932,984	58.55%	78.07%
Bus advertising	145,371	118,134	109,028	81.26%	108.35%
Other operating revenues	393,098	105,311	294,824	26.79%	35.72%
Sales Tax Revenue	37,509,003	28,431,478	28,131,752	75.80%	101.07%
Federal, state and local grant assistance	11,561,230	11,270,500	8,670,923	97.49%	129.98%
Investment income	45,094	449,213	33,821	996.17%	1328.23%
Staples Street Center leases	493,434	386,580	370,076	78.34%	104.46%
Total Operating & Non-Operating Revenues	51,391,209	41,489,614	38,543,408	80.73%	107.64%
Capital Grants & Donations	8,313,957	541,774	541,774	6.52%	100.00%
Total Operating & Non-Operating Revenues and Capital Funding	\$ 59,705,166	\$ 42,031,388	\$ 39,085,182	70.40%	107.54%

Revenue – September 2022 From Operations – Table 4.1

	09/2022				
	2022 Adopted Budget	September 2022 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Revenues					
Passenger service	\$ 1,243,979	\$ 91,121	\$ 103,665	7.32%	87.90%
Bus advertising	145,371	11,672	12,114	8.03%	96.35%
Other operating revenues	393,098	22,713	22,713	5.78%	100.00%
Total Operating Revenues	1,782,448	125,506	138,492	7.04%	90.62%
Sales Tax Revenue	37,509,003	3,328,646	3,328,646	8.87%	100.00%
Federal, state and local grant assistance	11,561,230	939,267	963,436	8.12%	97.49%
Investment Income	45,094	118,587	3,758	262.98%	3155.73%
Staples Street Center leases	493,434	43,388	41,120	8.79%	105.52%
Total Non-Operating Revenues	49,608,761	4,429,888	4,336,960	8.93%	102.14%
Total Revenues	\$ 51,391,209	\$ 4,555,394	\$ 4,475,452	8.86%	101.79%

September 2022 Expenses

The results of all expenditure activities, including capital, are presented below. Overall the total operating expenses came in \$131,392 under the anticipated baseline of \$3,907,665. Departmental expenses came in \$71,976 under the anticipated baseline or 2.16%. Debt service payments are fixed by the terms of the bond contract which is the reason for the resulting 100% actual to baseline. Street Improvements is also a fixed amount that represents one-twelve of the annual amount budgeted for all member cities, though the budget is slightly higher than the actual amount allocated to the member cities for 2022, resulting in the marginal variance against the baseline.

September 2022 Total Expenses & Capital Expenditures – Table 6

	09/2022				
	2022 Adopted Budget	September 2022 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Expenditures					
Departmental Operating Expenses	\$ 39,930,292	\$ 3,255,548	\$ 3,327,524	8.15%	97.84%
Debt Service	1,600,408	259,741	259,741	16.23%	100.00%
Street Improvements	3,147,945	260,794	262,329	8.28%	99.41%
Subrecipient Grant Agreements	696,845	189	58,070	0.03%	0.33%
Total Operating & Non-Operating Expenses	45,375,490	3,776,273	3,907,665	8.32%	96.64%
Grant Eligible Costs	8,316,352	254,772	254,772	3.06%	100.00%
Depreciation Expenses	1,554,305	129,525	129,525	8.33%	100.00%
Total Operating & Non-Operating Expenses and Capital Expenditures	\$ 55,246,147	\$ 4,160,570	\$ 4,291,961	7.53%	96.94%

	09/2022				
	2022 Adopted Budget	YTD 2022 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Expenditures					
Departmental Operating Expenses	\$ 39,930,292	\$ 28,163,554	\$ 29,947,718.80	70.53%	94.04%
Debt Service	1,600,408	519,883	519,883	32.48%	100.00%
Street Improvements	3,147,945	2,347,145	2,360,959	74.56%	99.41%
Subrecipient Grant Agreements	696,845	32,588	522,634	4.68%	6.24%
Total Operating & Non-Operating Expenses	45,375,490	31,063,167	33,351,195	68.46%	93.14%
Grant Eligible Costs	8,316,352	541,774	541,774	6.51%	100.00%
Depreciation Expenses	1,554,305	1,165,729	1,165,729	75.00%	100.00%
Total Operating & Non-Operating Expenses and Capital Expenditures	\$ 55,246,147	\$ 32,770,670	\$ 35,058,698	59.32%	93.47%

EXPENSES – REPORTED BY EXPENSE OBJECT CATEGORY

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

Accordingly, for the month of September 2022, total departmental operating expenses realized favorable variances against the baseline expectation in categories including Benefits, Services, Utilities, Insurance, Purchased Transportation, and Miscellaneous. Meanwhile, unfavorable variances were identified with the categories of Salaries & Wages and Materials & Supplies.

Salaries & Wages ended the month at 100.40% of the baseline expectation, or \$4,651 over the budget projection. This comes as a result of retention and performance bonuses paid out in September. Meanwhile, Materials & Supplies ended the month at 126.34% of baseline, or \$63,618 over budget, primarily driven by natural gas costs that remain high, along with costs incurred as a result of the cleanup of the chemical fire at the Staples Street Center.

September 2022 Departmental Expense Breakdown – Table 7.1

	09/2022				
	2022 Adopted Budget	September 2022 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Departmental Operating Expense Object Category					
Salaries & Wages	\$ 14,105,606	\$ 1,180,118	\$ 1,175,467	8.37%	100.40%
Benefits	5,877,139	455,066	489,762	7.74%	92.92%
Services	5,995,853	444,131	499,654	7.41%	88.89%
Materials & Supplies	2,897,982	305,116	241,499	10.53%	126.34%
Utilities	769,625	56,908	64,135	7.39%	88.73%
Insurance	632,545	48,842	52,712	7.72%	92.66%
Purchased Transportation	8,843,472	715,029	736,956	8.09%	97.02%
Miscellaneous	808,071	50,338	67,339	6.23%	74.75%
Total Departmental Operating Expenses	\$ 39,930,292	\$ 3,255,548	\$ 3,327,524	8.15%	97.84%

	09/2022				
	2022 Adopted Budget	YTD 2022 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Departmental Operating Expense Object Category					
Salaries & Wages	\$ 14,105,606	\$ 10,725,911	\$ 10,579,204	76.04%	101.39%
Benefits	5,877,139	3,958,979	4,407,854	67.36%	89.82%
Services	5,995,853	3,345,156	4,496,890	55.79%	74.39%
Materials & Supplies	2,897,982	2,422,642	2,173,487	83.60%	111.46%
Utilities	769,625	535,728	577,219	69.61%	92.81%
Insurance	632,545	405,912	474,409	64.17%	85.56%
Purchased Transportation	8,843,472	6,330,765	6,632,604	71.59%	95.45%
Miscellaneous	808,071	438,460	606,053	54.26%	72.35%
Total Departmental Operating Expenses	\$ 39,930,292	\$ 28,163,554	\$ 29,947,718	70.53%	94.04%

2022 Self-Insurance Claims, Medical & Vision and Dental – Table 9

Month	Medical & Vision		Dental		Total
January	\$	200,829	\$	3,201	\$ 204,030
February		353,837		7,145	360,982
March		275,153		10,171	285,324
April		253,145		6,918	260,063
May		213,986		7,135	221,121
June		166,250		8,427	174,678
July		206,639		8,092	214,732
August		218,734		3,989	222,723
September		255,222		8,336	263,557
	\$	2,143,796	\$	63,415	\$ 2,207,211

Fare Recovery Ratio – Table 10

Description	9/30/2022	Year to Date
Fare Revenue or Passenger Revenue	\$ 91,121	\$ 728,398
Operating Expenses	3,252,326	28,160,328
Fare Recovery Ratio	2.80%	2.59%
*Excluding Depreciation		

Note: Same period last year (September 2021) the FRR was 3.07%

September 2022 – Table 11

For the month of September, total Revenues exceeded Expenses by \$975,475. The year to date financial performance presented Revenues in excess of Expenses by \$9,593,284. A greater detail of the financial results is explained in the accompanied Power Point presentation.

	09/2022				
	2022 Adopted Budget	September 2022 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Operating & Non-Operating Revenues	\$ 51,391,209	\$ 4,555,394	\$ 4,475,452	8.86%	101.79%
Capital Funding	8,313,957	254,772	254,772	3.06%	100.00%
Total Revenues	59,705,166	4,810,166	4,730,224	8.06%	101.69%
Operating & Non-Operating Expenses	45,375,490	3,776,273	3,907,665	8.32%	96.64%
Capital Expenditures	9,870,657	384,297	384,297	3.89%	100.00%
Total Expenses	55,246,147	4,160,570	4,291,962	7.53%	96.94%
Revenue over Expenditures	\$ 4,459,019	\$ 649,596	\$ 438,262		

	09/2022				
	2022 Adopted Budget	YTD 2022 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Operating & Non-Operating Revenues	\$ 51,391,209	\$ 41,489,614	\$ 38,543,408	80.73%	107.64%
Capital Funding	8,313,957	541,774	541,774	6.52%	100.00%
Total Revenues	59,705,166	42,031,388	39,085,182	70.40%	107.54%
Operating & Non-Operating Expenses	45,375,490	31,063,167	33,351,195	68.46%	93.14%
Capital Expenditures	9,870,657	1,707,503	1,707,503	17.30%	100.00%
Total Expenses	55,246,147	32,770,670	35,058,698	59.32%	93.47%
Revenue over Expenditures	\$ 4,459,019	\$ 9,260,718	\$ 4,026,484		

NET POSITION

The Total Net Position at the end of the month was **\$111,495,632**, an increase of **\$9,802,491** from December 2021 which closed at **\$101,693,141**.

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

Of the Total Net Position of **\$111,495,632**, the portion of the fund balance that is not restricted in accordance with GASB Concepts Statement No 4 is **\$53,889,406**, but only **\$33,894,634** is available for spending as a result of the internal restrictions placed by the Board for specific reserves which total **\$19,994,772**. To stabilize the fluctuations of sales tax revenue, CCRTA has established several reserve accounts that serve as a liquidity cushion. As you can see from the fund balance breakdown below, 37.10% of the unrestricted portion is assigned by the Board to fund reserves that are earmarked to meet certain unexpected demands.

FUND BALANCE AS OF SEPTEMBER 30, 2022:

FUND BALANCE	
Net Invested in Capital Assets	\$ 56,826,604
Restricted for FTA Interest	779,623
Unrestricted	53,889,406
TOTAL FUND BALANCE	111,495,633
UNRESTRICTED BREAKDOWN	
Designated for Operating Reserve (25% OpEx less EBR)	9,722,010
Designated for Capital Reserve (25% of total CIP)	9,275,118
Designated for Employee Benefits Reserve	997,644
Total Designated Reserves (37.10%)	\$ 19,994,772
Unrestricted (62.90%)	33,894,634
TOTAL DESIGNATED & UNRESTRICTED	\$ 53,889,406

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

Respectfully Submitted,

Submitted by: Marie Sandra Roddel
Director of Finance

Reviewed by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 

Miguel E. Rendon
Acting Chief Executive Officer

Corpus Christi Regional Transportation Authority
 Operating and Capital Budget Report
 For the month ended September 2022

OPERATING BUDGET	09/2022				
	2022 Adopted Budget	September 2022 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
	A	B	C = A / 12	B / A	C vs B
Revenues					
Passenger service	\$ 1,243,979	\$ 91,121	\$ 103,665	7.32%	87.90%
Bus advertising	145,371	11,672	12,114	8.03%	96.35%
Other operating revenues	393,098	22,713	22,713	5.78%	100.00%
Sales Tax Revenue	37,509,003	3,328,646	3,328,646	8.87%	100.00%
Federal, state and local grant assistance	11,561,230	939,267	963,436	8.12%	97.49%
Investment Income	45,094	118,587	3,758	262.98%	3155.73%
Staples Street Center leases	493,434	43,388	41,120	8.79%	105.52%
Total Revenues	51,391,209	4,555,394	4,475,452	8.86%	101.79%
Expenses					
Transportation	9,995,330	816,806	832,944	8.17%	98.06%
Customer Programs	541,368	41,679	45,114	7.70%	92.39%
Purchased Transportation	8,843,472	715,029	736,956	8.09%	97.02%
Service Development	1,216,369	77,145	101,364	6.34%	76.11%
MIS	1,593,626	107,166	132,802	6.72%	80.70%
Vehicle Maintenance	5,948,949	546,051	495,746	9.18%	110.15%
Facilities Maintenance	3,055,747	295,705	254,646	9.68%	116.12%
Contracts and Procurements	413,128	28,555	34,427	6.91%	82.94%
CEO's Office	1,146,867	93,063	95,572	8.11%	97.37%
Finance and Accounting	851,229	64,066	70,936	7.53%	90.32%
Materials Management	252,362	23,204	21,030	9.19%	110.34%
Human Resources	928,063	64,017	77,339	6.90%	82.77%
General Administration	529,824	33,591	44,152	6.34%	76.08%
Capital Project Management	330,767	27,449	27,564	8.30%	99.58%
Marketing & Communications	734,725	43,934	61,227	5.98%	71.76%
Safety & Security	2,184,567	158,628	182,047	7.26%	87.14%
Staples Street Center	1,160,899	116,071	96,742	10.00%	119.98%
Port Ayers Cost Center	3,000	168	250	5.61%	67.27%
Debt Service	1,600,408	259,741	259,741	16.23%	100.00%
Special Projects	200,000	3,222	16,667	1.61%	19.33%
Subrecipient Grant Agreements	696,845	189	58,070	0.03%	0.33%
Street Improvements Program for CCRTA Region Entities	3,147,945	260,794	262,329	8.28%	99.41%
Total Expenses	45,375,490	3,776,273	3,907,665	8.32%	96.64%
Revenues Over Expenses - Operating Budget	6,015,719	779,121	567,787		
CIP BUDGET					
	2022 Adopted Budget	September 2022 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
	A	B	C = A / 12	B / A	
Funding Sources					
Grant Revenue	8,313,957	254,772	254,772	3.06%	0.00%
Total Funding Sources	8,313,957	254,772	254,772	3.06%	100.00%
Capital Expenditures					
Grant Eligible Costs	\$ 8,316,352	254,772	254,772	3.06%	0.00%
Depreciation Expenses	1,554,305	129,525	129,525	8.33%	100.00%
Total Expenditures	9,870,657	384,297	384,297	3.89%	100.00%
Funding Sources Over Expenditures	(1,556,700)	(129,525)	(129,525)	8.32%	100.00%
Revenues Over Expenses - Operating Budget	6,015,719	779,121	567,787		
Revenues Over Expenses - CIP Budget	(1,556,700)	(129,525)	(129,525)		
Revenues Over Expenses (including rounding)	4,459,019	649,596	438,262		

Corpus Christi Regional Transportation Authority
 Operating and Capital Budget Report
 For the month ended September 2022

OPERATING BUDGET	09/2022				
	2022 Adopted Budget	YTD 2022 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
	A	B	C = A / 12 * 9	B / A	C vs B
Revenues					
Passenger service	\$ 1,243,979	\$ 728,398	\$ 932,984	58.55%	78.07%
Bus advertising	145,371	118,134	109,028	81.26%	108.35%
Other operating revenues	393,098	105,311	294,824	26.79%	35.72%
Sales Tax Revenue	37,509,003	28,431,478	28,131,752	75.80%	101.07%
Federal, state and local grant assistance	11,561,230	11,270,500	8,670,923	97.49%	129.98%
Investment Income	45,094	449,213	33,821	996.17%	1328.23%
Staples Street Center leases	493,434	386,580	370,076	78.34%	104.46%
Total Revenues	51,391,209	41,489,614	38,543,408	80.73%	107.64%
Expenses					
Transportation	9,995,330	7,293,241	7,496,497	72.97%	97.29%
Customer Programs	541,368	374,608	406,026	69.20%	92.26%
Purchased Transportation	8,843,472	6,330,765	6,632,604	71.59%	95.45%
Service Development	1,216,369	802,214	912,277	65.95%	87.94%
MIS	1,593,626	1,005,553	1,195,219	63.10%	84.13%
Vehicle Maintenance	5,948,949	4,602,570	4,461,712	77.37%	103.16%
Facilities Maintenance	3,055,747	2,245,467	2,291,810	73.48%	97.98%
Contracts and Procurements	413,128	270,632	309,846	65.51%	87.34%
CEO's Office	1,146,867	809,100	860,150	70.55%	94.07%
Finance and Accounting	851,229	567,875	638,422	66.71%	88.95%
Materials Management	252,362	219,007	189,272	86.78%	115.71%
Human Resources	928,063	584,582	696,047	62.99%	83.99%
General Administration	529,824	299,867	397,368	56.60%	75.46%
Capital Project Management	330,767	257,899	248,076	77.97%	103.96%
Marketing & Communications	734,725	435,795	551,044	59.31%	79.09%
Safety & Security	2,184,567	1,300,027	1,638,425	59.51%	79.35%
Staples Street Center	1,160,899	759,624	870,674	65.43%	87.25%
Port Ayers Cost Center	3,000	1,503	2,250	50.09%	66.79%
Debt Service	1,600,408	519,883	519,883	32.48%	100.00%
Special Projects	200,000	3,222	150,000	1.61%	2.15%
Subrecipient Grant Agreements	696,845	32,588	522,634	4.68%	6.24%
Street Improvements Program for CCRTA Region Entities	3,147,945	2,347,145	2,360,959	74.56%	99.41%
Total Expenses	45,375,490	31,063,167	33,351,195	68.46%	93.14%
Revenues Over Expenses - Operating Budget	6,015,719	10,426,447	5,192,213		
CIP BUDGET	2022 Adopted Budget	YTD 2022 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
	A	B	C = A / 12 * 9	B / A	C vs B
Funding Sources					
Grant Revenue	8,313,957	541,774	541,774	6.52%	0.00%
Total Funding Sources	8,313,957	541,774	541,774	6.52%	100.00%
Capital Expenditures					
Grant Eligible Costs	\$ 8,316,352	541,774	541,774	6.51%	0.00%
Depreciation Expenses	1,554,305	1,165,729	1,165,729	75.00%	100.00%
Total Expenditures	9,870,657	1,707,503	1,707,503	17.30%	100.00%
Funding Sources Over Expenditures	(1,556,700)	(1,165,729)	(1,165,729)	74.88%	100.00%
Revenues Over Expenses - Operating Budget	6,015,719	10,426,447	5,192,213		
Revenues Over Expenses - CIP Budget	(1,556,700)	(1,165,729)	(1,165,729)		
Revenues Over Expenses (including rounding)	4,459,019	9,260,718	4,026,484		

CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
Statement of Net Position
Month ended September 30, 2022, and year ended December 31, 2021

	Unaudited September 30 2022	Unaudited December 31 2021
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 24,836,540	\$ 48,526,571
Short Term Investments	32,879,474	-
Receivables:		
Sales and Use Taxes	6,494,083	6,851,829
Federal Government	1,194,039	54,642
Other	215,488	668,824
Inventories	1,041,059	1,019,062
Prepaid Expenses	750,327	410,275
Total Current Assets	67,411,011	57,531,203
Non-Current Assets:		
Restricted Cash and Cash Equivalents	779,623	779,623
Net Pension Asset	1,303,110	941,537
Capital Assets:		
Land	4,882,879	4,882,879
Buildings	52,689,967	52,689,967
Transit Stations, Stops and Pads	25,112,677	25,112,677
Other Improvements	5,525,123	5,525,123
Vehicles and Equipment	67,270,387	67,270,387
Software Subscriptions	97,236	-
Construction in Progress	356,089	356,089
Current Year Additions	2,194,746	-
Total Capital Assets	158,129,105	155,837,122
Less: Accumulated Depreciation	(86,733,222)	(85,567,494)
Net Capital Assets	71,395,884	70,269,629
Total Non-Current Assets	73,478,616	71,990,789
TOTAL ASSETS	140,889,627	129,521,992
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow related to pensions	1,345,223	1,345,223
Deferred outflow related to OPEB	42,767	42,767
Deferred outflow on extinguishment of debt	3,120,721	3,120,721
Total Deferred Outflows	4,508,711	4,508,711
TOTAL ASSETS AND DEFERRED OUTFLOWS	145,398,338	134,030,703
LIABILITIES AND NET POSITION		
Current Liabilities:		
Accounts Payable	1,296,593	750,211
Current Portion of Long-Term Liabilities:		
Long-Term Debt	-	890,000
Compensated Absences	331,157	331,157
Sales Tax Audit Funds Due	82,122	328,488
Distributions to Regional Entities Payable	6,818,305	4,471,159
Other Accrued Liabilities	589,892	781,910
Total Current Liabilities	9,118,068	7,552,925
Non-Current Liabilities:		
Long-Term Liabilities, Net of Current Portion:		
Long-Term Debt	17,690,000	17,690,000
Compensated Absences	950,274	950,274
Sales Tax Audit Funds Due	492,746	492,746
Net OPEB Obligation	853,090	853,090
Total Non-Current Liabilities	19,986,110	19,986,110
TOTAL LIABILITIES	29,104,178	27,539,035
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow related to pensions	4,798,527	4,798,527
Total Deferred Inflows	4,798,527	4,798,527
TOTAL LIABILITIES AND DEFERRED INFLOWS	33,902,705	32,337,562
Net Position:		
Net Invested in Capital Assets	56,826,604	54,810,350
Restricted for FTA Interest	779,623	779,623
Unrestricted	53,889,406	46,103,168
TOTAL NET POSITION	\$ 111,495,633	\$ 101,693,141

Corpus Christi Regional Transportation Authority
Statement of Cash Flows (Unaudited)
For the month ended September 30, 2022

	<u>9/30/2022</u>
Cash Flows From Operating Activities:	
Cash Received from Customers	\$ 89,586
Cash Received from Bus Advertising and Other Ancillary	84,356
Cash Payments to Suppliers for Goods and Services	(2,742,829)
Cash Payments to Employees for Services	(847,002)
Cash Payments for Employee Benefits	(236,379)
Net Cash Used for Operating Activities	<u>(3,652,268)</u>
Cash Flows from Non-Capital Financing Activities:	
Sales and Use Taxes Received	3,298,868
Grants and Other Reimbursements	1,244,681
Distributions to Subrecipient Programs	-
Distributions to Region Entities	-
Net Cash Provided by Non-Capital Financing Activities	<u>4,543,549</u>
Cash Flows from Capital and Related Financing Activities:	
Federal and Other Grant Assistance	-
Proceeds/Loss from Sale of Capital Assets	-
Proceeds from Bonds	-
Repayment of Long-Term Debt	-
Interest and Fiscal Charges	-
Purchase and Construction of Capital Assets	(1,290,017)
Net Cash Used by Capital and Related Financing Activities	<u>(1,290,017)</u>
Cash Flows from Investing Activities:	
Investment Income	62,412
Purchases of Investments	(5,982,773)
Maturities and Redemptions of Investments	-
Premiums/Discounts on Investments	-
Net Cash Used by Investing Activities	<u>(5,920,361)</u>
Net decrease in Cash and Cash Equivalents	(6,319,097)
Cash and Cash Equivalents (Including Restricted Accounts), September 1, 2022	31,935,260
Cash and Cash Equivalents (Including Restricted Accounts), September 30, 2022	\$ <u><u>25,616,163</u></u>



Subject: September 2022 Operations Report

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

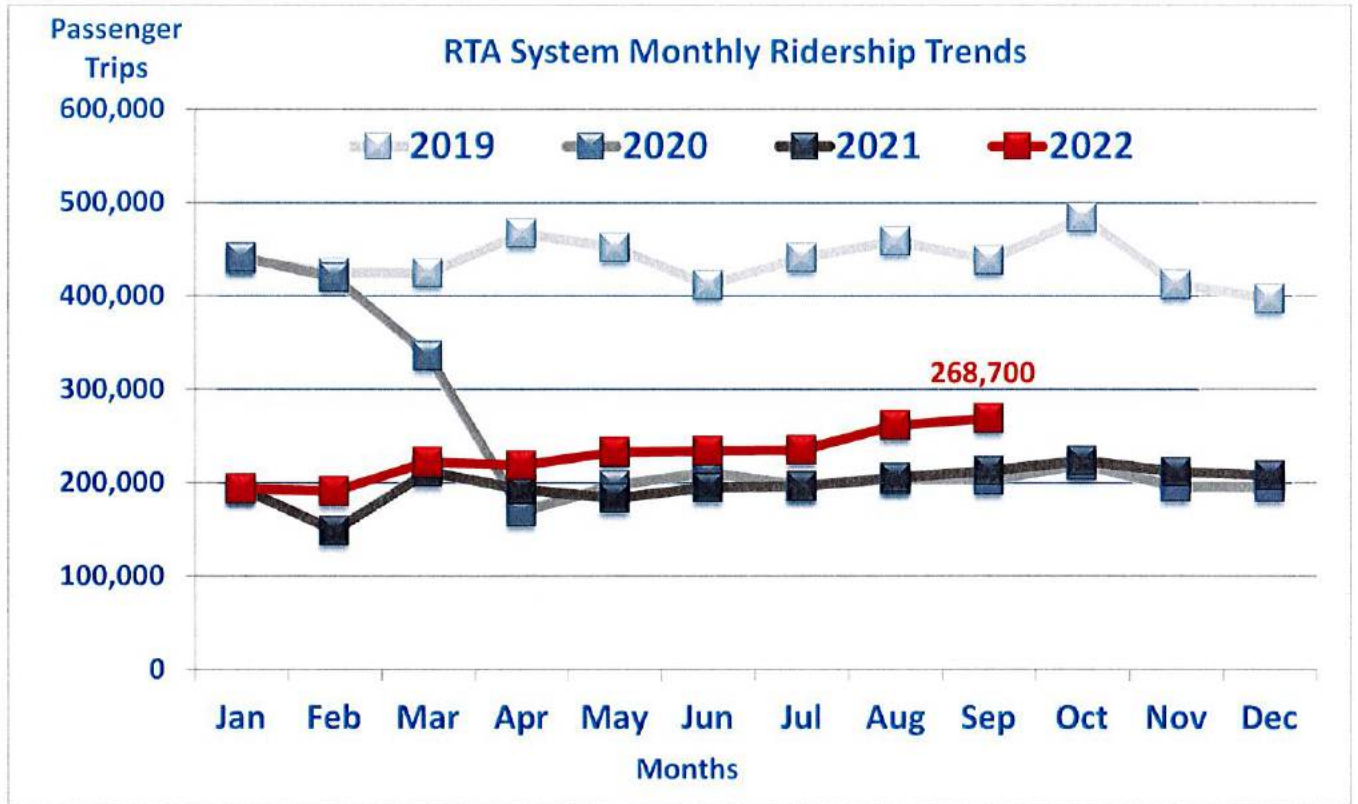


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System-wide Ridership and Service Performance Results

September 2022 system-wide ridership levels continued to be adversely impacted by the COVID-19 pandemic. Passenger trips totaled 268,700 which represents a 26.4% increase as compared to 212,561 passenger trips in September 2021 with 56,139 more trips provided this month. In comparison to the pre-COVID-19 (Pre-Covid) period in August 2019 with 438,196 passenger trips, the 268,700 passenger trips represent a 38.7% decrease with 169,496 fewer trips.

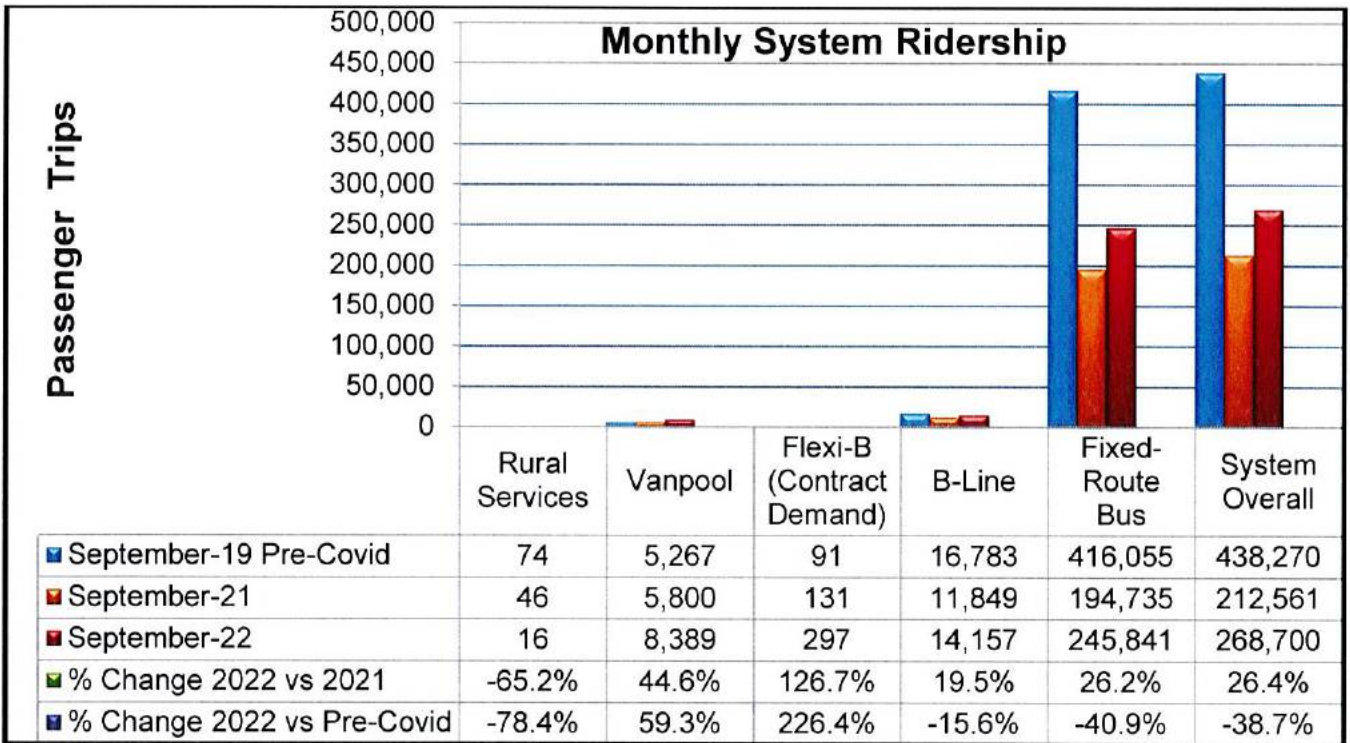


September 2022	September 2021	Variance
21 Weekdays	21 Weekdays	-
4 Saturdays	4 Saturdays	-
4 Sundays	4 Sundays	-
1 Labor Day Holiday	1 Labor Day Holiday	-
30 Days	30 Days	-

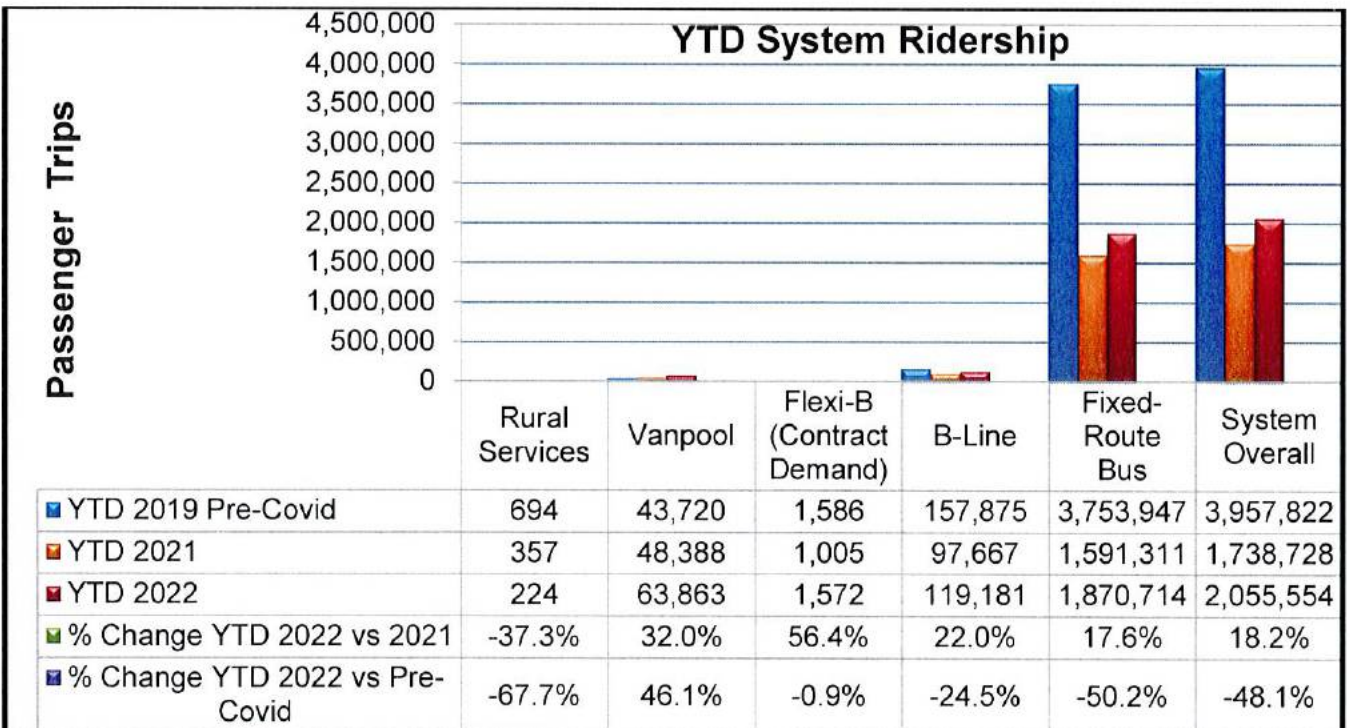
The average retail price for unleaded gas in Corpus Christi was approximately \$2.98 per gallon as compared to \$2.82 per gallon in September 2021¹ which represents a 5.3% increase in the average cost per gallon. Rainfall was below normal at 1.66 inches and lower than September 2021 at 7.44 inches². The normal average rainfall for September is approximately 5.42 inches. The 93.2-degree average temperature was higher than the average monthly temperature of 90.8 degrees.

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

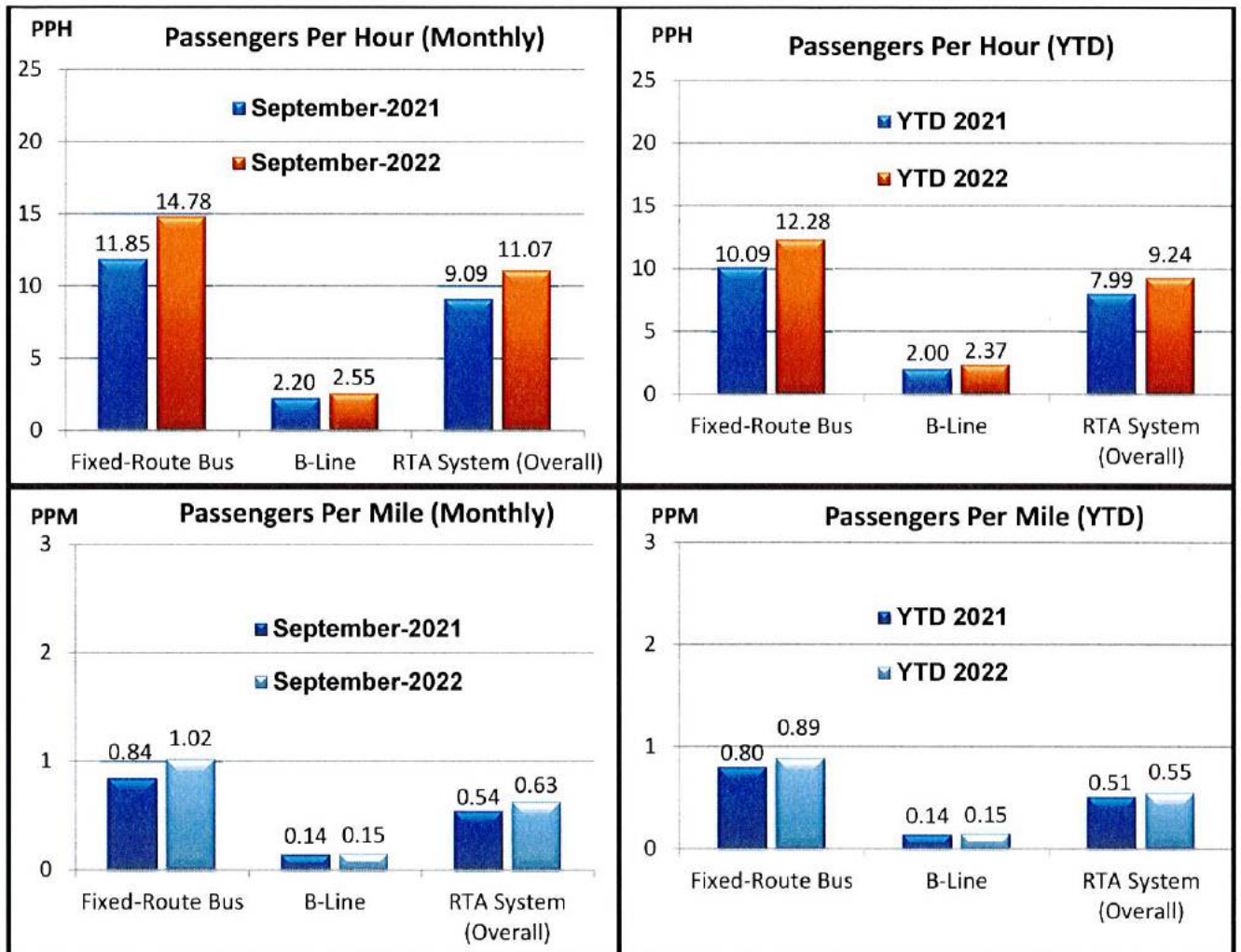
The chart below shows monthly ridership results for all services. CCRTA recorded 56,139 more passenger trips for a 26.4% increase as compared to September 2021. As compared to September 2019 Pre-Covid, passenger trips decreased 38.7%.



The chart below shows YTD ridership results for all services. CCRTA has recorded 316,826 more passenger trips for a YTD increase of 18.2% in 2022 as compared to 2021. As compared to YTD 2019 Pre-Covid, passenger trips decreased 48.1% with 1,902,268 fewer trips.



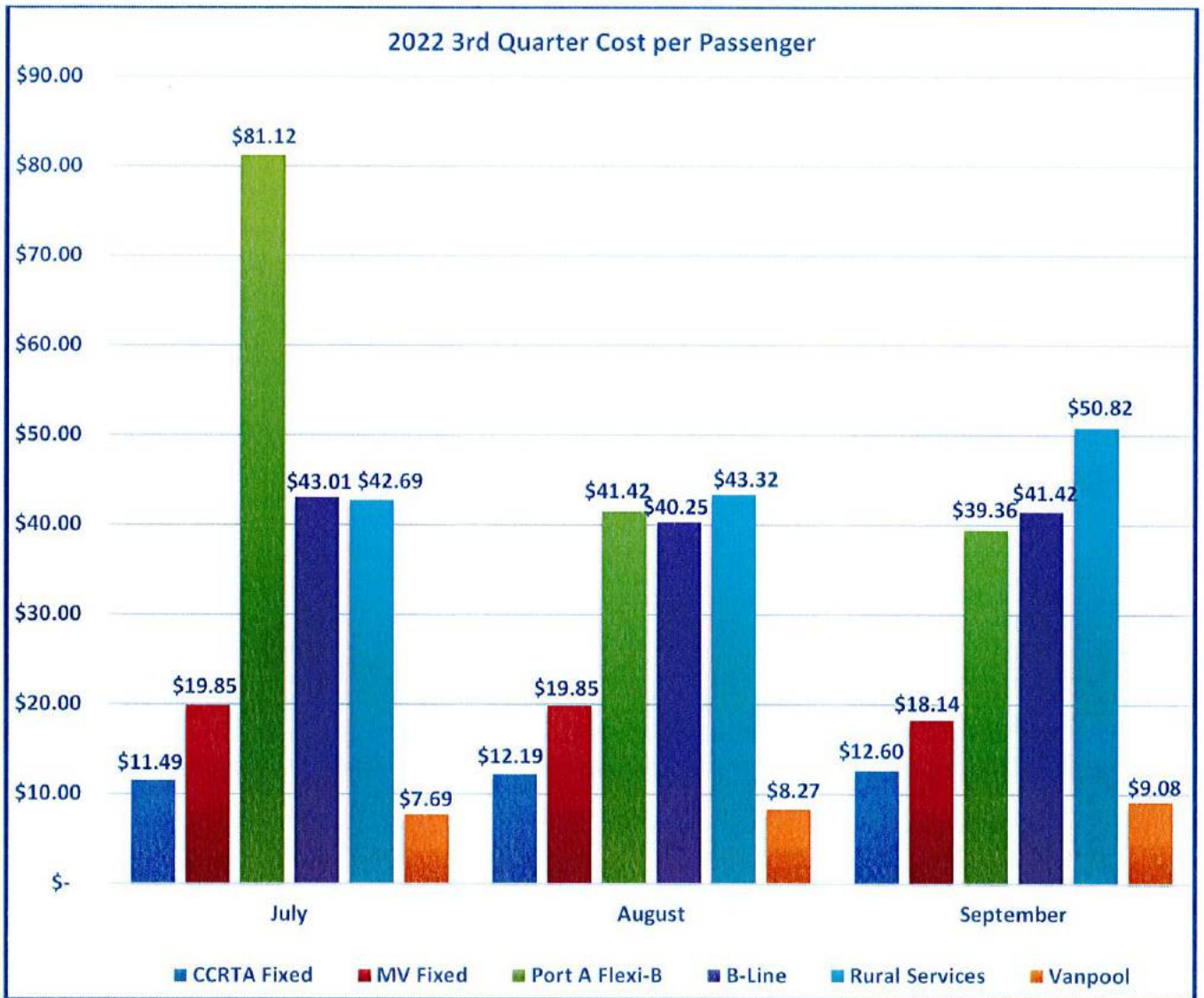
The following charts report system-wide productivity for the month of September 2022 vs. September 2021 and YTD figures.



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

Schedule Adherence	Standard	Jun-22	Jul-22	Aug-22	Sep-22	4-Month Average
Early Departure	<1%	0.0%	0.0%	0.0%	0.0%	0.0%
Departures within 0-5 minutes	>85%	92.5%	90.9%	91.4%	90.4%	91.3%
Monthly Wheelchair Boardings	No standard	3,351	3,259	3,659	3,431	3,425
Monthly Bicycle Boardings	No standard	5,311	5,526	5,245	4,809	5,223

The following tables include Cost per Passenger totals by service mode for the third quarter of 2022. In addition, year-to-date (YTD) averages by service mode are included.



Cost per Passenger - 3rd Quarter 2022

	MB DO	MB PT	DR DO	DR PT (MV)	DR PT (RU)	VP PT
Month	CCRTA Fixed	MV Fixed	Port A Flexi-B	B-Line	Rural Services	Vanpool
July	\$ 11.49	\$ 19.85	\$ 81.12	\$ 43.01	\$ 42.69	\$ 7.69
August	\$ 12.19	\$ 19.85	\$ 41.42	\$ 40.25	\$ 43.32	\$ 8.27
September	\$ 12.60	\$ 18.14	\$ 39.36	\$ 41.42	\$ 50.82	\$ 9.08
3rd Qtr. Average	\$ 12.09	\$ 19.28	\$ 53.97	\$ 41.56	\$ 45.61	\$ 8.35

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

<p>On Detour</p>	<ul style="list-style-type: none"> • U.S. 181 & 361 Interchange in Gregory: Began mid-2019 and is now half complete. <ul style="list-style-type: none"> ➤ Route 51 (No stops impacted) • New Harbor Bridge (North Beach): Routes 76 & 78 remain on minor detour under U.S. HWY 181 in the inbound direction. (No stops impacted) • Park Road 22 water exchange bridge: Began late 2020. Slight detour only. <ul style="list-style-type: none"> ➤ Route 65 (No stops impacted) • Winnebago & Lake St. (Harbor Bridge reconstruction): Began August 2020. <ul style="list-style-type: none"> ➤ Route 12 (10 stops impacted) • Leopard St. (Nueces Bay to Palm) (14) month project: Began April 2021-anticipated completion is late-2022. <ul style="list-style-type: none"> ➤ Routes 27 & 28 (4 stops closed) • Port Ave. Utility Replacement Project (6) month project: Began March 2022 with anticipated completion in late Jan. 2023. <ul style="list-style-type: none"> ➤ Routes 21, 23 & 37 (2 stops impacted) • S. Staples St. (Kostoryz-Baldwin) (29) month project: Began March 2021 <ul style="list-style-type: none"> ➤ Route 29 (12 Stops closed) Detour from Staples to Alameda to Texan Trail
<p>No Detour</p>	<ul style="list-style-type: none"> • Waldron Road (SPID to Purdue) To begin November 7, 2022. <ul style="list-style-type: none"> ➤ Route 4 (13 stops will be impacted)
<p>Detours may be required</p>	<ul style="list-style-type: none"> • Wildcat (Northwest Blvd. to Teague) To begin Oct. 2022 <ul style="list-style-type: none"> ➤ Route 27 (4 stops may be impacted) • Leopard St. (Crosstown to Palm) (14) month project to begin Fall 2022. This Bond project will extend the current/existing Leopard St. detour. <ul style="list-style-type: none"> ➤ Routes 27 & 28 (9 stops will be impacted) • McArdle (Carroll to Kostoryz) To begin late-2022 <ul style="list-style-type: none"> ➤ Route 19 (8 stops may be impacted) • Gollihar (Crosstown to Greenwood) To begin late-2022 <ul style="list-style-type: none"> ➤ Routes 23 & 25 (11 stops may be impacted) • Alameda (Chamberlain to Texan Tr) To begin late-2023 <ul style="list-style-type: none"> ➤ Routes 5 & 17 (8 stops will be impacted)
<p>No Detour</p>	<ul style="list-style-type: none"> • Everhart Rd. (SPID-S. Staples): Project could begin late-2023. <ul style="list-style-type: none"> ➤ Routes 32 & 37 (7 stops will be impacted)

For September 2022, there were 11 detoured routes out of 32 fixed route services in operation. This equates to approximately 34% of CCRTA services travelling on the local streets. Detoured bus route services include: 12, 21, 23, 27, 28, 29, 37, 51, 65, 76 & 78.

Total number of bus stops currently impacted or closed is **28**.

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

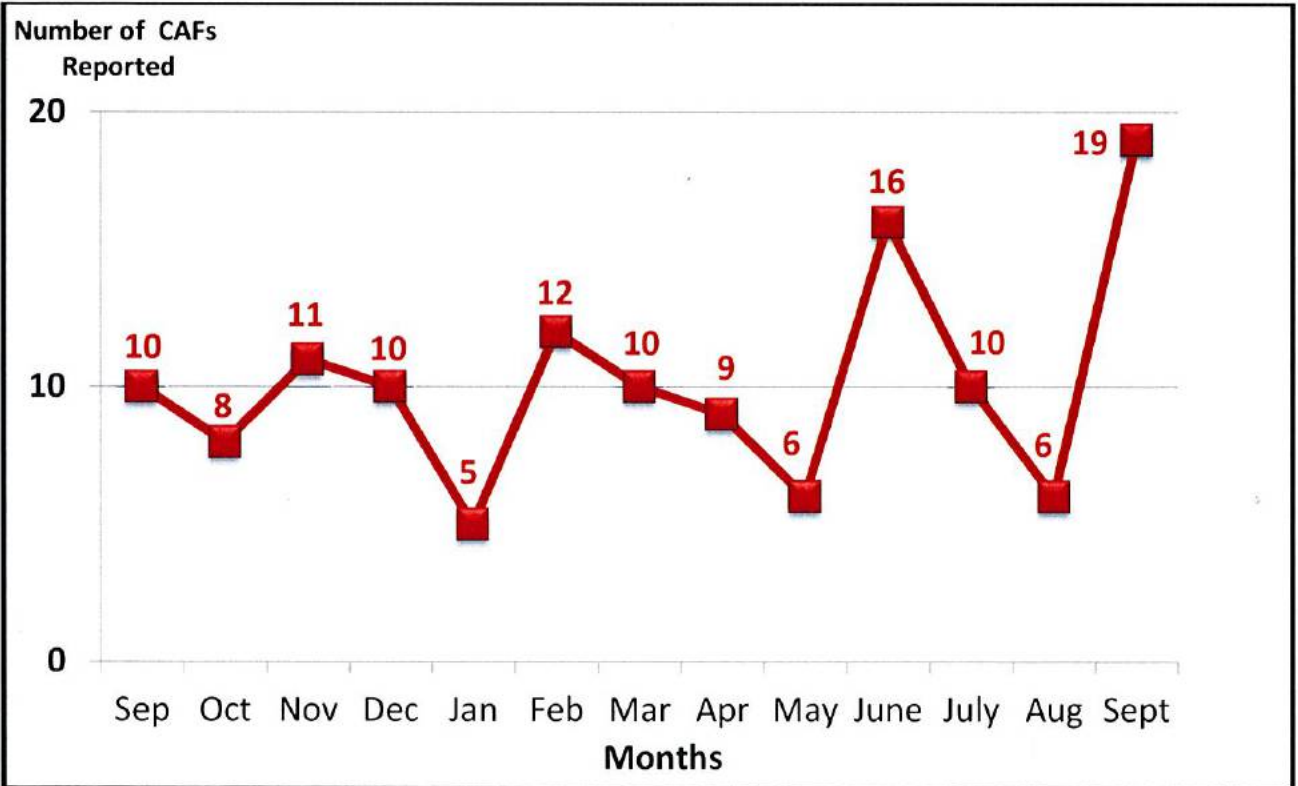
In September 2022, B-Line service metrics were impacted by the COVID-19 pandemic.

- Productivity: **2.55** Passengers per Hour (PPH) did meet the contract standard of 2.50 PPH.
- Denials: 0 denials or **0.0%** did meet contract standard of 0.0%.
- Miles between Road Calls (MBRC): **14,453** did meet the contract standard of 12,250 miles.
- Ridership Statistics: **9,539** ambulatory boardings; **3,729** wheelchair boardings

Metric	Standard	Jun-22	Jul-22	Aug-22	Sep-22	(4) Month-Ave.
Passengers per Hour	2.50	2.53	2.51	2.56	2.55	2.54
Denials	0.00%	0.00%	0.00%	0.00%	0.00%	0.0%
Miles Between Road Calls	12,250	12,934	13,731	20,301	14,453	15,355
Monthly Wheelchair Boardings	No standard	3,653	3,490	4,174	3,729	3,762

Customer Programs Monthly Customer Assistance Form (CAF) Report

For September 2022, Customer Service received and processed 19 (CAF's) Customer Assistance Forms. 19 CAF's is 13 more than the previous month and represents a 317% increase. One commendation was recorded and is included within the 19-total number of CAFs.



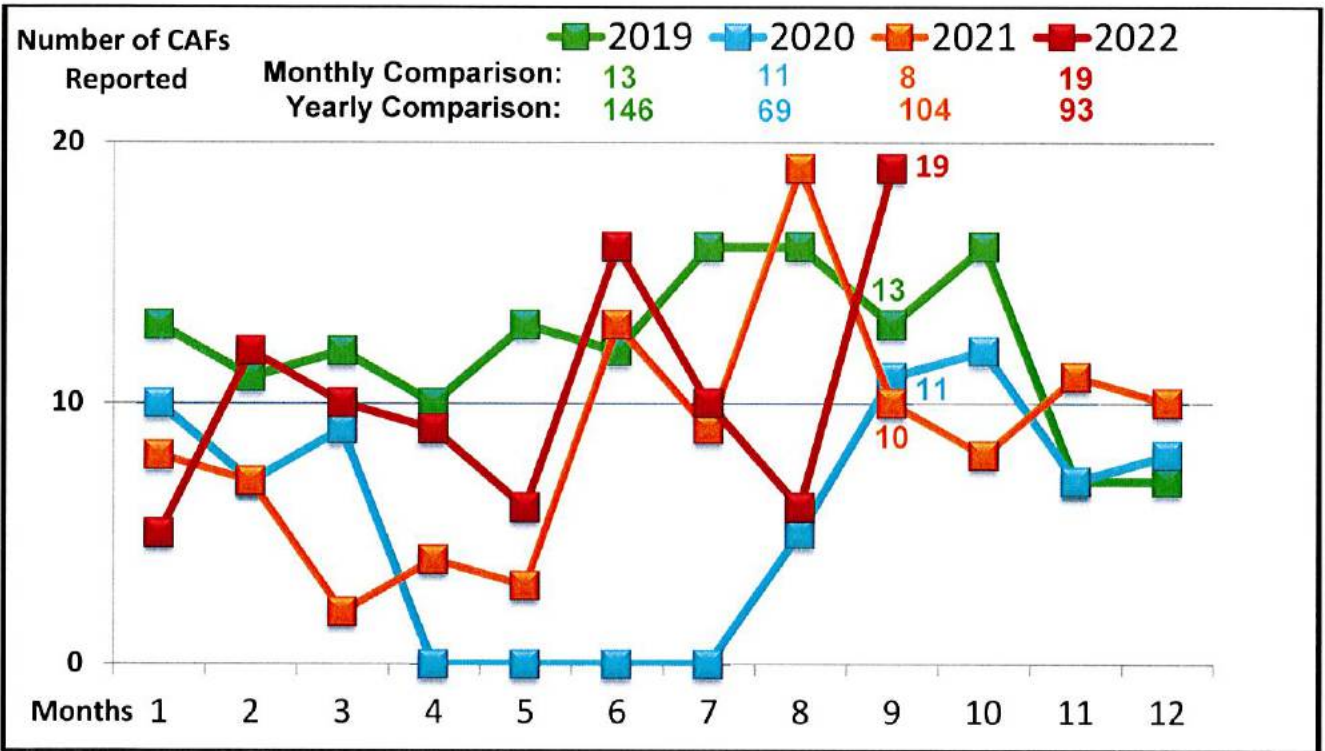
Route Summary Report:

Route	# of CAFs	Route	# of CAFs
#3 NAS Shuttle		#34 Robstown North Circulator	
#4 Flour Bluff		#35 Robstown South Circulator	
#5 Alameda		#37 Crosstown/TAMU-CC	
#5x Alameda Express		#50 Calallen/NAS Ex (P&R)	
#6 Santa Fe/Malls		#51 Gregory/NAS Ex (P&R)	
#12 Hillcrest/Baldwin		#53 Robstown/NAS Ex (P&R)	
#15 Kostoryz/Carroll HS	1	#54 Gregory/Downtown Express	
#16 Morgan/Port		#60 Momentum Shuttle	
#17 Carroll/Southside	1	#65 Padre Island Connection	1
#19 Ayers		#76 Harbor Bridge Shuttle	
#19G Greenwood		#78 North Beach Shuttle	
#19M McArdle		#83 Advanced Industries	
#21 Arboleda	1	#90 Flexi-B Port Aransas	
#23 Molina		#93 Flex	
#24 Airline/Yorktown		#94 Port Aransas Shuttle	
#25 Gollihar/Greenwood		#95 Port Aransas Express	
#26 Airline/Lipes		B-Line (Paratransit) Services	1
#27 Leopard	3	Safety & Security	1
#27x Leopard (Express)		Facilities Maintenance	
#28 Leopard/Navigation		Customer Service Department	
#29 Staples	5	Service Development/Facilities	
#29F Staples/Flour Bluff	2	Facilities/Service Development	
#29SS Staples/Spohn South	1	Commendations	1
#32 Southside	1	TOTAL CAF's	19

CAF Breakdown by Service Type:

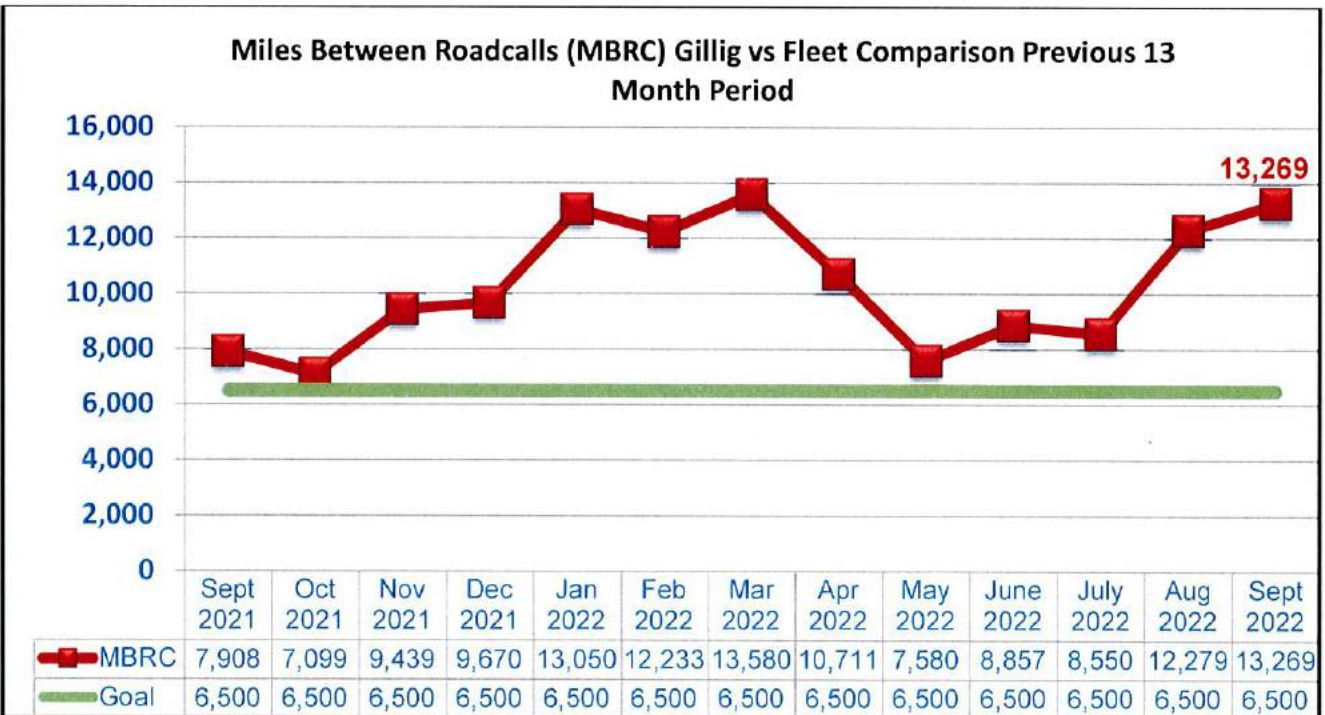
CAF Category	RTA Fixed Route	B-Line ADA Paratransit	MV Fixed Route	Totals
ADA				
Service Stop Issues	4		1	5
Driving Issues	3			3
Customer Services	1			1
Late/Early – No Show				
Alleges Injury				
Fare/Transfer Dispute	1			1
Clean Trash Can				
Dispute Drop-off/Pickup				
Add Bench/Stop				
Tie Down Issues				
Inappropriate Behavior				
B-line Calls				
Incident at Stop				
Incident on Bus		1		1
Incident at Station				
Policy/Standing Orders	1			1
Denial of Service	2			2
Safety & Security				
Rude	3			3
Facility Maintenance				
Service Development				
Vehicle Maintenance				
Over Crowded Vehicle				
Cell Phone User				
Safety Transportation	1			1
Commendations	1			1
Total CAFs	17	1	1	19

Number of CAF Reports: Current and Historical (4) Year Trends



Vehicle Maintenance Department: Miles Between Road Calls Report

In September 2022, there were **13,269** miles between road calls (MBRC) recorded as compared to 7,908 MBRC in September 2021. A standard of 6,500 miles between road calls is used based on the fleet size, age and condition of CCRTA vehicles. The thirteen-month average is 10,325.



Board Priority

The Board Priority is Public Image and Transparency.

Respectfully Submitted,

Submitted by: Gordon Robinson
 Director of Planning

Reviewed by: Derrick Majchszak
 Managing Director of Operations

Final Approval by: _____
 Miguel Rendon
 Acting Chief Executive Officer