



AGENDA MEETING NOTICE

Board of Directors Meeting

DATE: Wednesday, December 1, 2021

TIME: 8:30 a.m.

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

BOARD OF DIRECTORS OFFICERS

EDWARD MARTINEZ, Chairman
 TBD, Vice Chairman
 Dan Leyendecker, Board Secretary (Ops)

BOARD OF DIRECTORS MEMBERS

Administration & Finance Patricia Dominguez (Chair) Lynn Allison Dan Leyendecker Eloy Salazar Philip Skrobarczyk	Operations & Capital Projects Anna Jimenez (Chair) Gabi Canales Matt Woolbright Beatriz Charo Armando Gonzalez
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	TOPIC	SPEAKER	EST. TIME	REFERENCE
1.	Pledge of Allegiance	E. Martinez	1 min.	-----
2.	Roll Call	S. Alvarez	2 min.	-----
3.	Safety Briefing	M. Rendón	5 min.	-----
4.	Receipt of Conflict of Interest Affidavits	E. Martinez	2 min.	-----
5.	Opportunity for Public Comment 3 min. limit – no discussion	E. Martinez	3 min.	-----
<p>NOTE: DUE TO THE CURRENT CONDITIONS FOR COVID-19, WE ENCOURAGE SOCIAL DISTANCING AND REQUIRE FACIAL COVERINGS (AVAILABLE) FOR INDIVIDUALS ATTENDING THE MEETING.</p> <p>Public Comment may be provided in writing, limited to 1,000 characters, by using the Public Comment Form online at www.ccrta.org/news-opportunities/agenda or by regular mail or hand-delivery to the CCRTA at 602 N. Staples St., Corpus Christi, TX 78401, and MUST be submitted no later than 5 minutes after the start of a meeting in order to be provided for consideration and review at the meeting. All Public Comments submitted shall be placed into the record of the meeting.</p>				
6.	Discussion and Possible Action to Approve the Board of Directors Meeting Minutes of November 3, 2021	E. Martinez	3 min.	Pages 1-5
7.	Award Recognitions by CEO Government Finance Officers Association (GFOA) – Distinguished Budget Presentation Award for the 2019 CCRTA Operating and Capital Budget	J. Cruz-Aedo	3 min.	-----
8.	Update on RCAT Committee Activities	S. Montez	5 min.	PPT
9.	Committee Chair Reports a) Administration & Finance b) Operations & Capital Projects	P. Dominguez A. Jimenez	5 min. 5 min.	-----
10.	Update: On Zero Emission	D. Majchszak G. Wilkinson KPMG	10 min.	PPT

AGENDA MEETING NOTICE

11.	<p>CONSENT ITEMS: The following items are routine or administrative in nature and have been discussed previously by the Board or Committees. The Board has been furnished with support documentation on these items.</p> <p>a) Action to Execute Payment of \$ 562,053 to Texas Municipal League Inter-Governmental Risk Pool (TMLIRP) for the Following Lines of Coverage for FY2022: Auto Liability Insurance, Auto Catastrophe Insurance, Property Insurance, General Liability Insurance, Errors & Omissions Insurance, Law Enforcement Liability and Workers' Compensation Insurance</p> <p>b) Action to Award a Two-Year Contact to UNUM to Provide Long-Term Disability and Short-Term Disability Insurance</p> <p>c) Action to Exercise Option Period for Depository and Banking Services</p> <p>d) Action to Exercise Option Period with Carr, Riggs & Ingram for Audit Engagement for 2021 & 2022 Financial Statements</p> <p>e) Action to Adopt a Resolution to Approve a Change to the Investment Policy, Designation of the Agency's Investment Advisor and Approve the list of Brokers/Dealers</p> <ul style="list-style-type: none"> • Proposed Investment Policy Resolution • Proposed Investment Policy <p>f) Action to Award a Contract to Nelson\Nygaard Consulting Associates, Inc. for the Long Range System Plan</p> <p>g) Action to Award a Contract to Kapalua Marine Fuel & Lubes for Unleaded Fuel Supply</p>	5min.	<p>Pages 6-7 PPT</p> <p>Page 8-9 PPT</p> <p>Pages 10 PPT</p> <p>Pages 11-12 PPT</p> <p>Pages 13-27 PPT</p> <p>Pages 28-29 PPT</p> <p>Pages 30-31 PPT</p>	
12.	CCRTA's Response to COVID-19	J. Cruz-Aedo	10 min.	<i>PPT</i>
13.	<p>Presentations:</p> <p>a) Investment Report as of September 30, 2021 from Linda Patterson, CCRTA Investment Advisor</p> <p>b) October 2021 Financial Report</p> <p>c) Procurement Update</p> <p>d) October 2021 Safety & Security Report</p> <p>e) October 2021 Operations Report</p> <p>f) Update on Capital Projects</p>	<p>R. Saldaña L. Patterson</p> <p>R. Saldaña</p> <p>R. Saldaña</p> <p>M. Rendón</p> <p>D. Majchszak S. Montez</p>	<p>4 min.</p> <p>4 min.</p> <p>4 min.</p> <p>4 min.</p> <p>4 min.</p>	<p>Pages 32 PPT</p> <p>Pages 33-45 PPT</p> <p>PPT</p> <p>PPT</p> <p>Pages 46-56 PPT</p> <p>PPT</p>
14.	CEO's Report	J. Cruz-Aedo	5 min.	<i>PPT</i>
15.	Board Chair Report	E. Martinez	10 min.	-----
16.	Adjournment	E. Martinez	1 min.	-----



AGENDA MEETING NOTICE

17.	Information Items: Member Inquiry Forms a) Board Meeting–November 3, 2021 b) Committees Meetings– October 27, 2021 1) Administration & Finance 2) Operations & Capital Projects			
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Total Estimated Time: 1 hour 23 mins.

On **Tuesday November 23, 2021** this Notice was posted by **Stephanie Alvarez** at the CCRTA Staples Street Center, 602 N. Staples Street, Corpus Christi, Texas; and sent to the Nueces County and the San Patricio County Clerks for posting at their locations.

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

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

Mission Statement

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

Vision Statement

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



CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS' MEETING MINUTES
WEDNESDAY, November 3, 2021

Summary of Actions

1. Pledge of Allegiance
2. Roll Call
3. Safety Briefing
4. Receipt of Conflict of Interest Affidavits
5. Opportunity for Public Comment
6. Action to Approve Board of Directors meeting minutes of October 6, 2021
7. Heard Public #2-Regarding Adoption of the FY2022 Operating and Capital Budget
8. Action to Adopt the FY2022 Operating and Capital Budget
9. Heard Update State & Federal Legislative Reports
 - a) Federal – Cassidy & Associates
 - b) State – Longbow Partners
10. Heard Update Corpus Christi MPO 2021 Planning Activities
11. Action to Confirm Three Appointments Recommended by the Chief Executive Officer (CEO) and Appointed by the Board Chair to RTA's Committee on Accessible Transportation (RCAT) for a Two-Year Term
12. Heard Update on RCAT Committee Activities
13. Heard Committee Chair Reports a) Administration & Finance b) Operations & Capital Projects
14. Heard Consent Item—
 - a) Action to Approve the Fiscal Year 2022 Board & Committee Meetings Calendar
 - b) Action to Adopt a Resolution for GoodBuy Purchasing Cooperative
 - c) Action to Approve the Fiscal Year 2022 Holidays and Service Levels
 - d) Action to Award the Option Year to Nash Entities, Inc, for Power Washing of the Transfer Stations
 - e) Action to Enter into Negotiations for Design Services with Hanson Professional Services, Inc., and Zarinkel Engineering Services, Inc., for ADA Bus Stop Improvements-Phase VIII
15. Heard CCRTA's Response to Covid-19
16. Heard Presentations –
 - a) September 2021 Financial Report
 - b) Procurement Update
 - c) September 2021 Safety & Security Report
 - d) September 2021 Operations Report
17. Heard CEO's Report
18. Heard Chairman's Report
19. 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

Eddie Martinez, Board Chair, call the meeting to order at 8:32 a.m. Ms. Stephanie Alvarez called roll and stated a quorum was present.

Board Members Present Eddie Martinez, Dan Leyendecker, Lynn Allison, Gabi Canales, Beatriz Charo, Armando Gonzalez, Anna Jimenez, Eloy Salazar, and Matt Woolbright

Board Members Absent Patricia Dominguez, Phillip Skrobarczyk



Staff Present Jorge G. Cruz-Aedo, CEO; David Chapa, Derrick Majchszak, Gordan Robinson, Sharon Montez, Rita Patrick, Mike Rendón, Robert Saldaña, Ashlee Winstead-Sherman and Stephanie Alvarez

Public Present Ben Schmidt, MV Transportation; Andrew Forbes, Cassidy & Associates; Tris Castaneda, Longbow Associates.

Held Safety Briefing

Mr. Rendon provided safety information in the event of an emergency. He commented do not use the elevators, and when exit the building, and do not re-enter until an 'all clear' is given by Security personnel. He stated that everybody will report to the clock tower adjacent to the Staples Street Transfer Station. If shelter in place is ordered, he reported that everyone would locate at the bottom of the West stairwell.

Action to Receive Conflict of Interest Affidavits

None received online or in-person.

Provided Opportunity for Public Comment

Public Comment has been made available online to the Public on the CCRTA website at the following link: <https://www.ccrta.org/news-opportunities/agendas/>.

None received online or in-person.

Action to Approve the Board of Directors Meeting Minutes of October 6, 2021

DIRECTOR ANNA JIMENEZ MADE A MOTION TO APPROVE THE BOARD OF DIRECTORS MEETING MINUTES OF OCTOBER 6, 2021. DIRECTOR GABI CANALES SECONDED THE MOTION. MARTINEZ, LEYENDECKER, ALLISON, CANALES, CHARO, GONZALEZ, JIMENEZ, SALAZAR, AND WOOLBRIGHT VOTING IN FAVOR. ABSENT DOMINGUEZ AND SKROBARCZYK

Heard Public Hearing #2-Regarding Adoption of the FY2022 Operating and Capital Budget

Action to Adopt the FY2022 Operating and Capital Budget

Mr. Robert Saldana reviewed the dates of the Budget workshop and public notice hearings. Budget workshop one started on July 2021, and noted that November 3rd would be budget Hearing #2 FY 2022 Budget Adoption. Mr. Saldana listed a service plan of the FY 2022, the transit services of passenger trips, hours of services and miles of services. The service plan included long and short-term services and capital improvement. Mr. Saldana reported fiscal year 2022 operating and capital budget for departments along with revenues and expenses, it was reported fiscal year 2022 revenues and expenses total of \$55,246,147. He provided a PowerPoint of a five-year CIP from year 2022-2026 that included number of projects and project cost of Federal and Local Monies.

DIRECTOR DAN LEYENDECKER MADE A MOTION TO ADOPT THE FY2022 OPERATING AND CAPITAL BUDGET. DIRECTOR LYNN ALLISON SECONDED THE MOTION. MARTINEZ, LEYENDECKER, ALLISON, CANALES, CHARO, GONZALEZ, JIMENEZ, SALAZAR, AND WOOLBRIGHT VOTING IN FAVOR. ABSENT DOMINGUEZ, AND SKROBARCZYK

Heard Update – State & Federal Legislative Reports

a) Federal – Cassidy & Associates

Mr. Andrew Forbes introduced Mr. Barry Rhoades and Jen Adler and the importance of their role in the Transit Legislators. He reported the monies that are there is to apply. Mr. Forbes reported two categories of funding, one is mandatory spending is basically a formula-based funding that you get every year, and the other is discretionary spending the team will be creative and use strategic and work to keep discretionary funds, such as low emission and no emission, of transit program. He spoke of Bus grants available with lots of opportunities for CCRTA. The American Rescue Plan was reported in our 2022 budget. Mr. Forbes reported that the CCRTA implements the project needed. And in return he and his associates figure out where CCRTA fits best.



Ms. Lynn Allison questioned the 3.4 billion coming to Texas Infrastructure, she asked would be roadway and highway construction. Mr. Forbes responded that at least a third of the 3.4 billion would be transit related.

Ms. Gabi Canales questioned what other upward transit programs should they be looking at, Mr. Forbes responded that the top two priorities were low emission and no emission and bus and bus facilities, and also Capital investment Grants.

b) State – Longbow Partners

Mr. Tris Castaneda report the last briefing was on March 28, 2021 and prior to that it was October 2020. He noted that today seems like an appropriate time to review the status of the state legislative program, reviewed an inventory of the key dynamics that shaped the legislative climate and to identify some possible trends and actions to prepare the CCRTA for the interim. Mr. Castaneda reviewed Chapter 451 and Chapter 452 and descriptions of SB 858 by N. Johnson HB 2421 by Davis, HB 3325 by Lozano SB 1945 by Lucio, HB 2203 by Romero SB 762 by Powell, HB 3867 by Shaheen, and HB 435 by Gervin-Hawkins. Mr. Castaneda reported the air quality, TERP, Electric Vehicles and Infrastructure. SB 1 by Nelson / HB 1 by G. Bonnen, HB 286 by Cortez, HB 2221 by Canales, HB 2986 by Martinez, and SB 1202 by Hancock. Mr. Castaneda, CCRTA legislative program designed to advance and protect the agency's state legislative interests, setting forth the essential building blocks to grow the CCRTA's state legislative influence by leveraging the unique aspects of the agency Engaging the board and senior staff, while showcasing your local community connectivity and technical expertise. He reported to utilize tactics and communications tools to inform policy makers about the potential positive or adverse effects of legislation or budget matters in connection mass transit or the Coastal Bend area – particularly those impacts that legislators or agency officials may not fully understand or be aware of. Mr. Castaneda concluded his presentation with gratitude and appreciation of the CCRTA Board Directors along with the CCRTA Team.

Update Corpus Christi MPO 2021 Planning Activities

Mr. Rob MacDonald; MPO Transportation Planning Director presented a PPT map of Corpus Christi, MPO planning areas. He introduced the 2021 Program Addressing Discrimination (PAD), this program provides an overview of environmental justice limited in English proficiency and achieving racial equity concepts, definition of the Title VI and associated non-discrimination acts and how title VI EJ, LEP, and are incorporated into the metropolitan transportation planning process. He reported the planning together with CCRTA. Mr. MacDonald reviewed MTP in the next 25 years, with existing and future land use and the financial forecast of 2050.

Action to Confirm Three (3) Appointments Recommended by the Chief Executive Officer (CEO) and Appointed by the Board Chair to RTA's Committee on Accessible Transportation (RCAT) for a Two-Year Term

Ms. Sharon Montez introduced the proposed new appointments to RCAT Committee, Ms. Inez Garcia (Currently a Member of The Advisory Council on Aging with The Area Agency on Aging, worked for the elderly and disabled at The Community Action Agency in San Patricio County, retired after 25 years). Ms. Jeannine Leal (Director of the Senior Companion Program, served the senior community for the last 11 years working in Therapeutic recreation). Ms. Imelda Trevino (Works as a Student Hire Ability Navigator which services as a liaison between Texas Workforce Commission, Vocational Rehabilitation Services and the community).

DIRECTOR ANNA JIMENEZ MADE A MOTION TO CONFIRM THREE (3) APPOINTMENTS RECOMMENDED BY THE CHIEF EXECUTIVE OFFICER (CEO) AND APPOINTED BY THE BOARD CHAIR TO RTA'S COMMITTEE ON ACCESSIBLE TRANSPORTATION (RCAT) FOR A TWO-YEAR TERM, GABI CANALES SECONDED THE MOTION. ALLISON, CANALES, CHARO, GONZALEZ, JIMENEZ, LEYENDECKER, MARTINEZ, SALAZAR, AND WOOLBRIGHT, VOTING IN FAVOR. ABSENT DOMINGUEZ AND SKORBARCZYK



Heard Update – RCAT Committee Activities

Ms. Sharon Montez updated RCAT Committee of the new CCRTA Board Members. She updated RCAT Committee of entering into Negotiations with MV Transportation, Inc. for a Five (5) Year Contract for Paratransit and Small Bus Operations 2022 Budget Workshop #6. Ms. Montez stated that “Long Covid” can be a disability under the ADA, section 504 and section 1557, if it substantially limits one or more major life activities.

Heard Committee Chair Reports

a) Administration & Finance

None

b) Operations & Capital Projects

Ms. Anna Jimenez, Chair Thanked CCRTA staff on research and presentations provided.

Heard Consent Item

- a) **Action** to Approve the Fiscal Year 2022 Board & Committee Meetings Calendar
- b) **Action** to Adopt a Resolution for GoodBuy Purchasing Cooperative
- c) **Action** to Approve the Fiscal Year 2022 Holidays and Service Levels
- d) **Action** to Award the Option Year to Nash Entities, Inc, for Power Washing of the Transfer Stations
- e) **Action** to Enter into Negotiations for Design Services with Hanson Professional Services, Inc., and Zarinkelk Engineering Services, Inc., for ADA Bus Stop Improvements-Phase VIII

DIRECTOR LYNN ALLISON MADE A MOTION TO APPROVE THE CONSENT ITEMS A THROUGH E. ANNA JIMENEZ SECONDED THE MOTION. ALLISON, CANALES, CHARO, GONZALEZ, JIMENEZ, LEYENDECKER, MARTINEZ, SALAZAR, AND WOOLBRIGHT, VOTING IN FAVOR. ABSENT DOMINGUEZ AND SKORBARCZYK

CCRTA Response to COVID-19

Mr. Jorge Cruz-Aedo reported TSA's Extended Mask Requirement Until January 2022. CCRTA continues to require masks at all transfer stations, buses and bus stops. Mr. Cruz-Aedo reported an upcoming vaccine clinic at the Bear Lane Facility. He mentioned that RTA staff as of October 25th 169 have been vaccinated and 73 MV Transportation Employees. CCRTA will continue to focus on the health and safety of all employees, contractors, customers, and community members.

Heard Presentations

- a) **September 2021 Financial Report** Mr. Robert Saldaña reported on highlights for the month of September, operating revenues 86.70 percent expenses 89.89 percent and combined revenue 91.52 percent. The total revenues over expenses of 80,086 for the month. He summarized the September income statement. Mr. Saldana summarized revenue in results for September 2021 along with expenses by object. The year to date 2021 of total Revenues over Expenses \$7,312,930 Operating revenues 112.74% of budget and the departmental Operating Expenses 8.25% under budget or 91.75% of baseline Mr. Saldana presented a graph PowerPoint of the five-year current history of the FRR period; FY2016 5.75%, FY2017 5.50%, FY2018 4.86%, FY2019 5.67%, FY2020 3.59%, FY2021 (to-date) 3.11%.
- b) **Procurement Update**
Mr. Saldaña reported current procurements; Long-term and Short-term disability insurance, Unleaded Fuel Supply, Management Information System and noted that these are all Board Approval. He presented a 3-month procurement of the Board review and CEO's signature approval. He said we still maintain our Marina Rental Space on a month-to-month contract not to exceed \$6,100, with the City of Corpus Christi.
- c) **September 2021 Safety & Security Report**
Mr. Mike Rendón reported August collision rate at 1.55. The year to date collision rate 1.12. Mr. Rendon reported security statistics of September 2021. He noted that security contacts with individuals was 442. Mr. Rendon concluded his September security updates of Staples Street Center, and Robstown Police Department-K9 Unit.



September 2021 Operations Report

Mr. Derrick Majchszak reported September 2020 passenger trips of 202,682 and compared to September 2021, with 212,561 passenger trips with a 4.9 percent comparison. Revenue service hours 2.6 percent and revenue service miles at 13.5 percent. Mr. Majchszak reviewed the monthly ridership trend system-wide monthly ridership. He presented a system wide year to date ridership of Rural Services, Vanpool, Flexi-B, B-line, Fixed-Route. He listed upcoming projects impacting fixed Route services. It was reported the "Passengers per Hour" 2.20 performance metric did not meet standard of 2.50, MBRC at 15,624 miles is well above the standard of 12,250 by 3,374 miles and approximately 127% of contract standard. Four-month average is 7,696 and is also below the adopted standard of 12,250 by 4,554 miles between road calls. Mr. Majchszak stated, there were 10 CAFs reported this month and 9 CAF decrease from the last month's 19 recorded CAFs and represents a 47% decrease from August. There have been 75 total CAFs this year.

Heard CEO's Report

Mr. Jorge Cruz-Aedo reviewed a listing of an organizational support and initiatives, an employee and recruitment updates, and summarized a listings commitment to the community.

Heard Board Chair Report

Gabi Canales, Ana Jimenez, Beatriz Charo and Eddie Martinez, Board Chair all commended CCRTA Staff on a job well done.

Adjournment

There being no further review of items, the meeting adjourned at 10:33 a.m.

Reviewed by: Ashlee Winstead-Sherman

Submitted by: Stephanie Alvarez



Subject: Action to Execute Payment of \$562,053 to Texas Municipal League Intergovernmental Risk Pool (TMLIRP) for the Following Lines of Coverage for FY2022: Auto Liability Insurance, Auto Catastrophe Insurance, Property Insurance, General Liability Insurance, Errors & Omissions Insurance, Law Enforcement Liability and Workers' Compensation Insurance

Background

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

Identified Need

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

Analysis

Total contribution costs for FY2022 have increased by 8.61% or \$46,404 over 2021. Six lines of coverage out of eight lines of coverage contributions have increased.

The main increases and decreases are explained as follows:

Increases:

- *General Liability*- rate charge for additional limits increased
- *Errors & Omissions Liability* –rate charge for additional limits increased
- *Automobile Catastrophe*- higher valued vehicles added to the schedule; and rate increase
- *Law Enforcement Liability*- rate charge for additional limits increased
- *Real and Personal Property* – rate increase for this type of coverage

Decreases:

- *Automobile Liability/Medical Payments* – reduction in fleet
- *Workers' Compensation* – improved loss experience resulting in the best workers' compensation modifier of .3 for CCRTA; the low modifier is sensitive to any loss experience decrease

Disadvantaged Business Enterprise

There is no DBE goal.

Financial Impact

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

Types of Coverage	Limit	Deductible	2020 Contribution	2021 Contribution	2022 Contribution	Inc./Dec 2021 & 2022
General Liability	\$9,000,000	\$0	2,904	2,885	3,783	898
Errors & Omissions Liability	\$2,000,000	\$10,000	8,341	8,994	13,550	4,556
Automobile Liability/Medical Payments	\$500,000	\$0	200,183	238,761	232,769	-5,992
Automobile Catastrophe	\$10,000,000	\$10,000	30,460	30,460	103,029	72,569
Sub Total:			241,888	281,100	353,131	72,031
Law Enforcement Liability	\$5,000,000	\$1,000	732	764	1,618	854
Real & Personal Property (Includes Flood and Earthquake with a \$25,000 deductible)	\$39,474,870	\$10,000	39,126	40,136	46,975	6,839
Loss of Income, Extra Expense, Rents	\$1,000,000	\$10,000	Included	Included	Included	-
Boiler & Machinery	\$100,000	\$10,000	Included	Included	Included	-
Public Employee Dishonesty	\$500,000	\$2,500	734	807	837	30
Sub Total:			40,592	41,707	49,430	7,723
TOTAL: LIABILITY, PROPERTY & CRIME			282,480	322,807	402,561	79,754
Workers' Compensation	Statutory		158,002	192,842	159,492	-33,350
GRAND TOTAL			440,482	515,649	562,053	46,404

Board Priority

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

Recommendation

Staff recommends that the Board of Directors authorize the Chief Executive Officer (CEO) or designee to execute payment of \$562,053 to Texas Municipal League Inter-Governmental Risk Pool for the following lines of coverage for FY2021: Auto Liability Insurance, Auto Catastrophe Insurance, Property Insurance, General Liability Insurance, Errors & Omissions Insurance, Law Enforcement Liability and Workers' Compensation Insurance.

Respectfully Submitted,

Submitted by: Miguel Rendón
Director of Safety and Security

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



Subject: Award a Two-Year Contract to UNUM to Provide Long-Term Disability and Short-Term Disability Insurance

Background

The current contract with United Healthcare expires on December 31, 2021. The Authority provides long-term disability insurance to full time employees who have been employed for one (1) year. The Authority pays for the premium cost. The Authority also offers short-term disability insurance to active employees working a minimum of 32 hours per week and the employee is responsible for the premium cost.

Identified Need

A Request for Proposal (RFP) was issued on Wednesday, August 4, 2021. A total of (4) proposals were received on Wednesday, October 27, 2021. However, three (3) were deemed as disqualified due to the following reasons:

- Did not Bid LTD OY#1 or OY#2
- Did not Bid STD Base or OY#2
- Revealed prices for STD in proposal
- Altered Two Year Base Price Schedule; changed number of lives; changed monthly salaries; and didn't include option years

Summary Average						
Firms	Approach and Work Plan (30 Points Max.)	Qualification and References (20 Points Max.)	Experience (20 Points Max.)	Totals - Maximum Points 70	Proposed Revenue Schedule (30 Points Max.)	Totals - Maximum Points 100
EG Bowman Co., Inc.	27.25	14.50	15.00	56.75	Disqualified	#VALUE!
MetLife - San Antonio Region	17.60	16.20	14.60	48.40	Disqualified	#VALUE!
MetLife - Dallas Region	20.60	15.60	15.60	51.80	Disqualified	#VALUE!
UNUM	29.20	18.80	20.00	68.00	30.00	98.00

The one proposal from UNUM was deem responsive and provided a compatible proposal to the product we currently have in place. CCRTA requested a BAFO (best and final offer) for the pricing available on Long-Term Disability and UNUM responded with a lower amount than what was originally submitted.

Financial Impact

The projected cost of the two (2) year base contract is \$309,016.32 for Long-Term and Short-Term Disability Insurance. This cost is split with a portion of about \$75,386.40 being paid by the employee for the STD voluntary premium and the remaining \$233,629.92 paid by the CCRTA for the long-term disability insurance for the two-year base period. Funds are budgeted out of individual department FY2022 operating budgets.

Vendor	Two-Year Base Bid Total	Option Year 1 Total	Option Year 2 Total
UNUM-LTD	\$233,629.92	\$116,814.96	\$116,814.96
UNUM-STD	\$75,386.40	\$37,693.20	\$37,693.20
TOTALS	\$309,016.32	\$154,508.16	\$154,508.16

Board Priority


This item aligns with Board Priority – Transparency.

Recommendation

Staff recommend that the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Award a two-year contract to UNUM for Long-Term Disability and Short-Term Disability Insurance.

Respectfully Submitted,

Submitted by: Angelina Gaitan
Director of Human Resources

Final Approval: 
Jorge Cruz-Aedo
Chief Executive Officer



Board of Directors Meeting Memo

December 1, 2021

Subject: Authorization to Exercise Option Period from January 1, 2022 to December 31, 2023 for Depository and Banking Services.

Background

The CCRTA entered into a depository and banking services agreement on January 1, 2019 with Frost Bank for an initial three-year term period starting January 1, 2019 through December 31, 2021 with one two-year option. The option period extends services from January 1, 2022 through December 31, 2023.

Identified Need

Exercising the option period of this contract will allow the continuity of the various depository and banking services currently being provided through December 31, 2023. Frost has met the depository and banking needs of the Authority in a satisfactory manner.

Financial Impact

Bank fees are waived as long as the Authority maintains a \$2 million minimum bank account balance each month. Services include cash and treasury management services, zero-balance accounts (ZBA), banking portals, lockbox services, third-party purchase cards, merchant payment processing, and technical and banking support.

Board Priority

This Board Priority aligns with Public Image and Transparency.

Committee Review

This item was reviewed and approved at the Administration & Finance Committee meeting held on November 17, 2021.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to exercise the option period with Frost Bank for Depository and Banking Services.

Respectfully Submitted,

Submitted by: Marie Sandra Roddel
Director of Finance

Reviewed by: Robert Saldaña
Managing Director of Operations

Final Approval by: 
Jorge Cruz-Aedo
Chief Executive Officer



Subject: Exercise the Option Period under the existing contract with Carr, Riggs, & Ingram to extend the audit engagement for the 2021 and 2022 financial statements.

Background

The CCRTA entered into a contract with Carr, Riggs & Ingram for independent auditing services on February 8, 2019. The contract covers a three-year base period audit engagement with one (1) two-year option period. The base period commenced with the audit of its 2018 financial statements and ended with the audit of the 2020 financial statements. The option period extends the auditing services for two years starting January 1, 2021 and ending with the financial audit of its 2022 financial statements.

The services consist of auditing the financial statements of CCRTA, Defined Benefit Plan, and Federal Single Audit of grant assistance funding. This service also includes the observation of inventories which is a generally accepted auditing procedure.

Identified Need

Exercising this option is the most advantageous method of achieving compliance with various regulatory statutes that require the financial and grant activities of CCRTA to be audited by an independent auditor. In addition, there is also the compliance requirement of auditing the Defined Benefit Plan. The past performance record of Carr, Riggs, and Ingram has been considered and the contractor's performance on this contract has been acceptable, receiving satisfactory ratings from staff.

Financial Impact

The fees for the option period have been set in the price schedule under the current contract and are reflected as follows:

Description	Fees for 2021 & 2022 Audits
Financial & Single Audit Services	\$122,000
Employee Defined Benefit Plan Audit	35,000
Total for 2 years	\$157,000

Board Priority

This Board Priority aligns with Public Image and Transparency.

Committee Review

This item was reviewed and approved at the Administration & Finance Committee meeting held on November 17, 2021.

Recommendation

Staff recommend the Board of Directors authorize the CEO or his designee to exercise the option period under the existing contract with Carr, Riggs, & Ingram to extend the audit engagement for the 2021 and 2022 financial statements.

Respectfully Submitted,

Submitted by: Marie Sandra Roddel
Director of Finance

Reviewed by: Robert Saldaña
Managing Director of Operations

Final Approval by: 
Jorge Cruz-Aedo
Chief Executive Officer



Subject: Resolution Approving a Change to the Investment Policy, and 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 adopted and review 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, Linda Patterson. The Investment Policy was first adopted on February 5, 2014 and has been either revised or re-certified over the years. The Investment Policy was last reviewed and approved by the Board on **November 4, 2020**.

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 Investment Policy is up for Board review. To stay in compliance, the Board is required to review and approve the following items:

- **Investment policy that governs investing Authority Funds**
Under Section 3. Policy Objectives, the second to the last paragraph has been changed to read that a six-month (6) month Treasury Bill will be used as a benchmark on the overall portfolio reflecting the CCRTA's ongoing need for liquidity instead of twelve-months (12).
- **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. Linda Patterson with Patterson & Associates, a SEC-registered Investment Advisor, is currently serving the Authority under a professional agreement which expires on December 31, 2021. Staff has prepared the necessary procurement documents to retain Linda Patterson through December 31, 2022.
- **Approval of the list of broker/dealers**
Changes to this list:
 - The removal of *International FC Stone* and replacing with the firm name StoneXGroup. The change is necessary to reflect the name change.
 - Addition of the firms; *Jefferies, Oppenheimer, and Robert W. Baird* raising the total number of firms from eleven to fourteen.

Board Priority

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

Committee Review

This item was reviewed and approved at the Administration & Finance Committee meeting held on November 17, 2021.

Recommendation

Staff recommends the Board of Directors adopt a Resolution which approve the change to the Investment Policy, Designate Linda Patterson from Patterson and Associates as the Investment Advisor, and approve the list of broker/dealers submitted.

Respectfully Submitted,

Submitted by: Marie Sandra Roddel
Director of Finance

Reviewed by: Robert M. Saldaña
Managing Director of Administration

Final Approval by: 
Jorge Cruz-Aedo
Chief Executive Officer

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 December 1, 2021 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:

Six-month Treasury Bill will be used as a benchmark instead of twelve-month
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 December 1, 2021.

DULY PASSED, APPROVED AND ADOPTED this 1 day of December, 2021.

ATTEST:

CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Dan Leyendecker
Board Secretary

Edward Martinez
Board Chairman

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
BOARD POLICY**

INVESTMENTS - 2021

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 twelve-months based on historical cash flow analysis, the comparable period, **current six-month (6) month 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 ladder 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.

In determining whether the Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- (a) The investment of all funds over which the Investment Officer had responsibility rather than a consideration as to the prudence of a single investment, and
- (b) Whether the investment decision was consistent with the written Investment Policy of the CCRTA.

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

Section 6. Delegation of Authority and Responsibilities.

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.

(a) 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.

Section 7. Authorized Investments.

(a) **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 three 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 two 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 three 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.

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

- 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 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

**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

- Bank of America/Merrill Lynch
- Frost Bank Capital Markets
- Jefferies
- StoneX Group
- Mizuho Securities
- Morgan Stanley Securities
- Mutual Securities
- Oppenheimer
- Piper Sandler
- RBC Capital Markets
- Robert W. Baird
- SAMCO Capital Markets
- Stifel Nicolaus
- Wells Fargo Securities (money market funds only)



Subject: Award a Contract to Kapalua Marine Fuel & Lubes for Unleaded Fuel Supply

Background

The RTA will require approximately 218,108 gallons of unleaded fuel in 2022 and 394,868 gallons of unleaded fuel in 2023 for the contracted paratransit and fixed route services fleet, security and supervisor SUVs, and support vehicles. Projected usage is based on current consumption, projected delivery of 13 gasoline powered ARBOCs in late spring of 2022, 9 more ARBOCs by the end of 2022, MPG (miles per gallon), and estimated service miles for FY2022 and FY2023.

Identified Need

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

The cutaway van fleet is currently transitioning from the use of CNG to unleaded fuel to improve the reliability and versatility of our fleet, and to diversify our fuel source requirements. These future purchases include the projected delivery of 13 ARBOCs in late spring of 2022 and 9 more by the end of 2022.

The proposed contract is structured with a two (2) year base and a one (1) year option following Board approval.

Bids Received

	Bidder	Year One of Two Year Base Discount (Per Gallon)	Year One of Two Year Base Mark-up (Per Gallon)	Year Two of Two Year Base Discount (Per Gallon)	Year Two of Two Year Base Mark-up (Per Gallon)	One-Year Option Discount (Per Gallon)	One-Year Option Mark-up (Per Gallon)
1	Arguindegui Oil Company		0.0995		0.0995		0.0995
2	Colonial Oil Sales		0.0641		0.0673		0.0707
3	Gladieux Energy		0.0297		0.0297		0.0297
4	Kapalua Marine Fuel & Lubes	-0.0100		-0.0100		-0.0100	
5	Merrimac Energy Group		0.0090		0.0090		0.0090
6	O'Rourke Petroleum		0.0225		0.0294		0.0275
7	Petroleum Traders Corporation		0.0567		0.0567		0.0567
8	Pinnacle Petroleum, Inc.		0.0666		0.0412		0.0412
9	Sun Coast Resources		0.0240		0.0240		0.0240
10	World Fuel Services, Inc.		0.0892		0.0892		0.0892

Disadvantaged Business Enterprise

There is no DBE requirement for this procurement.

Financial Impact

Total expenditures will be determined by consumption and OPIS. The projected cost in 2022 is \$499,466.90 on 218,108 gallons, and the projected cost in 2023 is \$904,247.30 on 394,868 gallons. The increase in 2023 is due to the delivery of additional ARBOC's that will have the entire paratransit fleet on unleaded fuel, along with a possible return to pre-covid service levels on the small fixed routes. Funds are accounted for in the Board approved annual operating budgets.

Year	Estimated Annual Miles	Estimated Annual Usage in Gallons	Estimated Annual Cost
2022	1,373,247	218,108	\$ 499,466.90
2023	2,345,427	394,868	\$ 904,247.30

Board Priority

This Board Priority aligns with Public Image & Transparency.

Recommendation

Staff recommend the Board of Directors authorize the Chief Executive Officer (CEO) or designee to award a contract to Kapalua Marine Fuel & Lube for Unleaded Fuel Supply.

Respectfully Submitted,

Submitted by: Bryan J. Garner
Director of Maintenance

Reviewed by: Derrick Majchszak
Managing Director of Operations

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



Subject: Award a Contract to Nelson\Nygaard Consulting Associates, Inc. for the Long Range System Plan

Background

Approximately every 5 years, transit systems develop long range system plans to re-align system-wide services to meet public needs and to identify phased service and capital improvements in accordance with financial projections. The CCRTA Long Range System Plan (LRSP) will provide a road map aimed to boost ridership through the identification of innovative service improvements, defined service implementation timelines, and prioritize capital investments including bus stop amenities outlined within annual operating, capital improvement, and financial plans through year 2027 and beyond. In respect to the COVID-19 pandemic, the LRSP will provide a comprehensive action plan to increase ridership while meeting diverse customer needs.

In the past, the CCRTA has completed multiple short and long range service plans. In 2012, the Vamonos Long Range Plan aimed to provide a new vision for the transit system which included multi-year service implementation timelines and a financial projection. In 2016, the CCRTA completed Transit Plan 20/20 which included a five-year fixed route service improvement plan geared to attract riders, improve service effectiveness, intensify operational performance, and fulfill unmet customer needs. Multiple service improvements identified within each plan have been implemented within the CCRTA service area.

Identified Need

Since March 2020, the COVID-19 pandemic has had an impact on ridership and service levels. The award of a contract to complete the LRSP is necessary to re-evaluate our system-wide service and capital improvement needs to effectively meet customer needs aimed at boosting ridership levels. The LRSP will outline and prioritize various transit needs and respective financial resources. Public and stakeholder outreach activities will guide LRSP recommended outcomes.

The LRSP includes the following scope of work items:

- Evaluate system-wide ridership performance
- Identify innovative service and capital improvement recommendations
- Analyze student needs involving Del Mar College and Texas A&M Corpus Christi University and other academic organizations
- Conduct Americans with Disabilities Act (ADA) bus stop assessment
- Complete Park and Ride site evaluation
- Perform passenger trip 100% count including required National Transit Database Passenger Miles Traveled sampling
- High speed water ferry service evaluation
- Develop phased service and capital improvements with financial projections

It is anticipated that the LRSP will be completed in November 2022.

Analysis

The Request for Proposals were issued August 31st. The pre-proposal meeting was held September 14th and the responses were due October 12th. Although seven vendors attended the pre-proposal meeting, the CCRTA received one response, deemed responsive, from Nelson\Nygaard Consulting Associates, Inc. This firm has completed short and long range plans for the CCRTA in the past. The quality of work completed in the past met the scope of services within budget and on schedule. Other vendors stated resource limitations prevented them from being able to accomplish the scope of work with the timeframe requested.

Disadvantaged Business Enterprise

Not applicable.

Financial Impact

The cost for this project is \$643,639.00. Funds are accounted for in the approved 2022 Operating Budget. The bid from Nelson/Nygaard Consulting Associates was under the estimated cost of \$660,185.00.

LONG RANGE SYSTEM PLAN RFP NO. 2021-S-14	
Vendor	Cost
Nelson\Nygaard Consulting Associates, Inc.	\$643,639.00

Board Priority

This item aligns with the Board Priority – Innovation.

Recommendation

Staff recommend the Board of Directors authorize the Chief Executive Officer (CEO) or designee to award a contract to Nelson\Nygaard Consulting Associates, Inc. for the Long Range System Plan.

Submitted by: Gordon Robinson
Director of Planning

Final Review by: Derrick Majchszak
Managing Director of Operations

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



Board of Directors Memo

December 1, 2021

Subject: Presentation of the Investment Report as of September 30, 2021 from Linda Patterson, CCRTA Investment Advisor.

Background

The Authority engages the professional services of Linda Patterson under a professional agreement that expires December 31, 2022. The scope of work includes providing monthly, quarterly, and annual investments reports to CCRTA's finance department, CEO and Managing Director of Administration.

Identified Need

The quarterly reporting is required by the Public Funds Investment Act (PFIA).

Financial Impact

The presentation component of Linda Patterson's services is included in the annual fee negotiated for the 2021 budget under Other Professional Fees line item of the Finance Department.

The asset allocation consists of all cash or cash equivalents and does not include securities. Since there are no securities in the portfolio there is no decrease or increase in the portfolio value. At the end of September, the cash balances decrease by \$3,995,641 from the quarter before. This is a change in cash flow arising from disbursements and revenues associated with funds that were used to cover the disbursements from operating expenses and capital purchases.

Board Priority

This Board Priority aligns with Public Image and Transparency.

Recommendation

This is a presentation of the Investment Report as of September 30, 2021 from Linda Patterson, CCRTA Investment Advisor.

Respectfully Submitted,
Submitted by:

Marie Sandra Roddel
Director of Finance

Reviewed by: Robert Saldaña
Managing Director of Operations

Final Approval by: 
Jorge Cruz-Aedo
Chief Executive Officer



Subject: October 2021 Financial Report

Overview: The results from the **operating budget** for the month of **October** reports **Expenses** in excess of **Revenues** by \$484,076, with expenses coming in at \$3,497,539 and revenues at \$3,013,463. Departmental spending reached 98.51% of budget expectations and includes only operating expenses excluding debt service, sub-recipient pass through reimbursements, and street improvement allocations (**Table 7**). The financial performance for the year-to-date reports a \$9,005,216 surplus that is attributed to federal operating assistance grants and the continued savings from expenses coming in less than budgeted. We are 83.3% into the budget as of October 2021.

Meanwhile the CIP budget reports expenses exceeding revenues by \$208,591 for October and \$2,085,909 year-to-date, which represents the budgeted portion of depreciation expense. The overall performance provides an addition of \$6,919,307 to the fund balance. This information is found in the financial reports located at the end of this document.

SUMMARY: Results from all Activities Compared to Budget

Total Revenues reported for the month of **October** totaled **\$3,115,257**, of which **\$3,013,463** is income from the **Operating Budget** and **\$101,794** is grant income from the **Capital Budget** (**Table 4**). The performance from two revenue categories from the Operating Budget are discussed as follows.

Operating Revenues, which include only resources generated from transit operations, reached **70.73%** of the **\$126,991** budget expectation, generating **\$37,165** less than forecasted. **Fare Revenues** ended the month at 95.41% of the baseline expectation, while commissions from bus and bench advertising ended the month at **113.80%**. (**Table 4.1**). The third component of the **Operating Revenues** is primarily due to the transactions associated with the "Crushing" disposal of assets. This revenue account is called "**Gain (Loss) from Asset Disposals**" and is used to net out the income and expenses to arrive at the gain or loss from the sale of assets. During the month of October, the towing costs of eight (8) of the thirteen (13) Gillig units that were decommissioned from the fixed route fleet were recorded which resulted in a negative \$2,826. Once the units are crushed, RTA will start receiving the revenue which is estimated to be between \$300 to \$600 per unit. The price is determined at a price per ton of each unit. **Operating Revenues excludes** revenues from sales, investment income and lease income from tenants.

Non-Operating Revenues, which **includes** sales tax, investment income, lease income from tenants and federal assistance grants, reached **84.01%** of the **\$3,480,193** budget expectation, generating **\$556,557** less than forecasted (**Table 4.1**). This category also includes gains and losses from the sale of assets

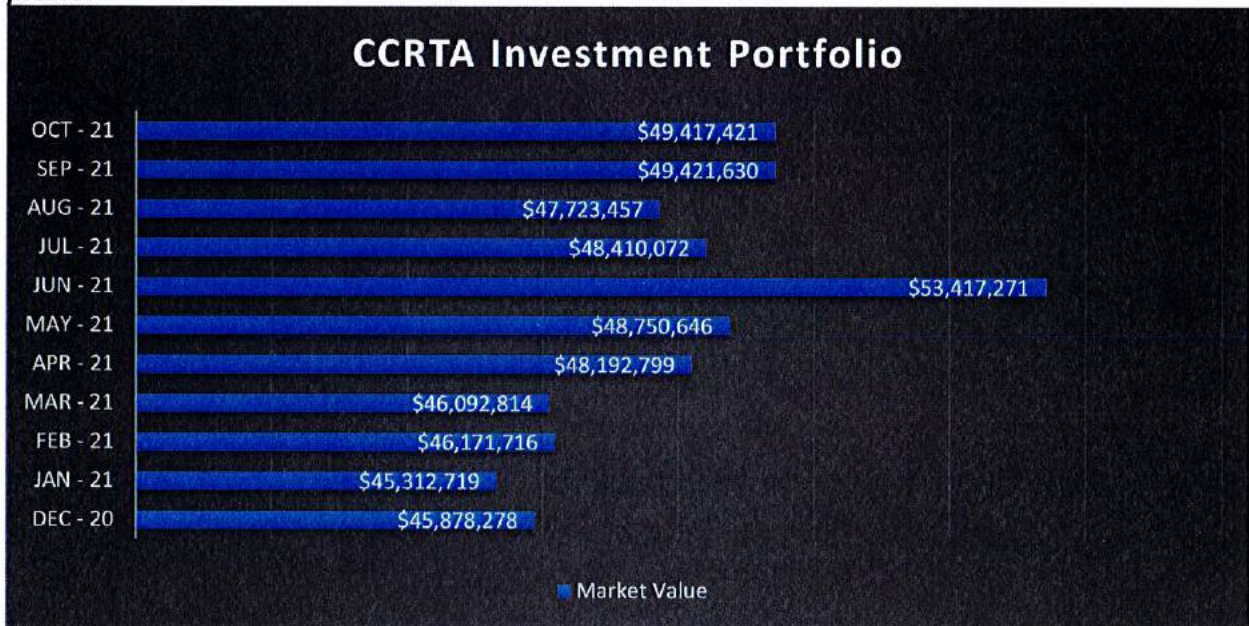
For clarification, please keep in mind that all revenues reported are **actual** revenues received or earned with the exception of the sales tax revenue. The Sales Tax Revenue, has been **estimated** since the amount will not be determined until payment is received on December 10, 2021. Out of

the seven (7) sources included in this revenue category, 92.67% of total revenue came from the sales tax revenue estimate as indicated in the table below:

October 2021 Revenue Composition – Table 1

Line #	Revenue Source	Actual	%
1	Sales Tax Revenue	2,792,637	92.67%
2	Passenger Service	79,857	2.65%
3	SSC Lease Income	41,476	1.38%
4	Bus Advertising	12,795	0.42%
5	Investment Income	2,422	0.08%
6	Grant Assistance Revenue	87,102	2.89%
7	Other Revenue	(2,826)	-0.09%
	Total (excluding capital & transfer-in)	\$3,013,463	100.00%

The **Investment Portfolio** closed the month of October 2021 with a Market Value of **\$49,417,421**, a decrease of **\$4,208** from the end of September 2021. This investment portfolio represents the assets from all operations including reserves and **does not include any assets from pension plans**.



The **Sales tax** allocation for October 2021 is **estimated** at **\$2,792,637 (Table 2)** and represents the amount equal to the same period in 2020 to remain conservative. The estimate is necessary since allocations lag two months behind and will not be received until December 10, 2021.

Meanwhile, the Sales Tax revenue payment of \$3,343,477 for September 2021 was received November 12, 2021, and exceeded the **\$3,024,935** September reported estimate by a welcoming **\$318,542** or **10.53%** which also represents the percentage growth for the same period last year.

The payment included the allocation from internet sales of \$32,296, an increase of \$1,726 or 5.89% from the prior month. RTA started receiving internet sales tax revenue in December 2019, and to date have received \$544,342. Retailers started collecting sales tax on internet sales October 1, 2019.

The sales tax revenue over the last five years' averages to 83.38% of total income. In 2020, Sales Tax Revenue represented 65.13% 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 92.67% of total operating revenues as a result of the amount of revenues recognized from federal grants as illustrated in the first table presented at the beginning of this report. **Table 2** illustrates the sales tax revenue trend from the beginning of the year.

Transparency Disclosure

The sales tax revenue reported as 2021 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 October have made 11 installments. This amount is added back in order to calculate the growth rate when comparison to the same period last year.

Sales Tax Growth – Table 2

Month Revenue was Recognized	2021 Actual	2020 Actual	\$ Growth	% Growth
January (actual)	\$ 2,497,985	\$ 2,532,147	\$ (34,162)	-1.35%
February (actual)	2,333,543	2,593,497	(259,954)	-10.02%
March (actual)	3,774,978	2,856,393	918,585	32.16%
April (actual)	3,006,523	2,463,919	542,604	22.02%
May (actual)	3,041,775	2,791,009	250,766	8.98%
June (actual)	3,445,918	3,348,797	97,121	2.90%
July (actual)	3,012,974	2,744,819	268,155	9.77%
August (actual)	2,928,381	2,792,247	136,134	4.88%
September (actual)	3,343,477	3,024,935	318,542	10.53%
October (estimate)	2,792,637	2,792,637	0	0.00%
November (estimate)	-	-	0	0.00%
December (estimate)	-	-	0	0.00%
	<u>\$ 30,178,192</u>	<u>\$ 27,940,400</u>	<u>\$ 2,237,793</u>	<u>7.84%</u>

The detail of all revenue and expense categories are presented in the following tables, along with the fare recovery ratio for October 2021:

Revenue – October 2021 – Revenue Composition (Includes Operating and Capital Funding) – Table 3

Revenue Source	October 2021	%	YTD	%
Passenger Service	\$ 79,857	2.56%	\$ 825,177	1.72%
Bus Advertising	12,795	0.41%	129,815	0.27%
Other Revenue	(2,826)	-0.09%	32,292	0.07%
Sales Tax Revenue	2,792,637	89.64%	30,178,192	62.85%
Grants - Operating	87,102	2.80%	8,341,012	17.37%
Grants - Capital	101,794	3.27%	8,070,759	16.81%
Investment Income	2,422	0.08%	29,174	0.06%
SSC Lease Income	41,476	1.33%	411,911	0.86%
Total Revenue	\$ 3,115,257	100.00%	\$ 48,018,332	100.00%

Revenue – October 2021 Operating and Capital Funding and Transfer-In – Table 4

	10/2021				
	2021 Adopted Budget	October 2021 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Revenues					
Passenger service	\$ 1,004,403	\$ 79,857	\$ 83,700	7.95%	95.41%
Bus advertising	134,921	12,795	11,243	9.48%	113.80%
Other operating revenues	384,566	(2,826)	32,047	-0.73%	-8.82%
Sales Tax Revenue	35,456,113	2,792,637	2,792,637	7.88%	100.00%
Federal, state and local grant assistance	7,711,691	87,102	642,641	1.13%	13.55%
Investment Income	50,212	2,422	4,184	4.82%	57.87%
Staples Street Center leases	488,770	41,476	40,731	8.49%	101.83%
Total Operating Revenues	45,230,676	3,013,461	3,607,183	6.66%	83.54%
Capital Grants & Donations	9,715,577	101,794	101,794	1.05%	100.00%
Transfers-In	-	-	-	0.00%	0.00%
Total Revenues & Capital Funding	\$ 54,946,253	\$ 3,115,255	\$ 3,708,977	5.67%	83.99%

Revenue – October 2021 From Operations – Table 4.1

	10/2021				
	2021 Adopted Budget	October 2021 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Revenues					
Passenger service	\$ 1,004,403	\$ 79,857	\$ 83,700	7.95%	95.41%
Bus advertising	134,921	12,795	11,243	9.48%	113.80%
Other operating revenues	384,566	(2,826)	32,047	-0.73%	-8.82%
Total Operating Revenues	1,523,890	89,826	126,990	5.89%	70.73%
Sales Tax Revenue	35,456,113	2,792,637	2,792,637	7.88%	100.00%
Federal, state and local grant assistance	7,711,691	87,102	642,641	1.13%	13.55%
Investment Income	50,212	2,422	4,184	4.82%	57.87%
Staples Street Center leases	488,770	41,476	40,731	8.49%	101.83%
Total Non-Operating Revenues	43,706,786	2,923,636	3,480,193	6.69%	84.01%
Total Revenues	\$ 45,230,676	\$ 3,013,461	\$ 3,607,183	6.66%	83.54%

2021 Year to Date Revenue – Operating and Capital Funding and Transfer-In – Table 5

	10/2021				
	2021 Adopted Budget	YTD 2021 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Revenues					
Passenger service	\$ 1,004,403	\$ 825,177	\$ 837,002	82.16%	98.59%
Bus advertising	134,921	129,815	112,434	96.22%	115.46%
Other operating revenues	384,566	32,292	3,845,656	8.40%	0.84%
Sales Tax Revenue	35,456,113	30,178,192	27,940,400	85.11%	108.01%
Federal, state and local grant assistance	7,711,691	8,341,012	6,426,409	108.16%	129.79%
Investment Income	50,212	29,174	41,843	58.10%	69.72%
Staples Street Center leases	488,770	411,911	407,308	84.27%	101.13%
Total Operating Revenues	45,230,676	39,947,573	39,611,053	88.32%	100.85%
Capital Grants & Donations	9,715,577	8,070,759	8,070,759	83.07%	100.00%
Transfers-In	-	-	-	0.00%	0.00%
Total Revenues & Capital Funding	\$ 54,946,253	\$ 48,018,332	\$ 47,681,812	87.39%	100.71%

October 2021 Expenses

The results of all expenditure activities, including capital, are presented below. Overall the total operating expenses came in \$35,696 less than the anticipated baseline of \$3,533,235. Departmental expenses came in \$44,705 less than the anticipated baseline or 98.51% while Debt Service and Street Improvements were right on target. 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.

The Debt Service payment of **\$268,816** represents the final interest payment for this budget year. The budget for Debt Service includes: **\$537,631** in interest payment, **\$800** in agency fees, and **\$870,000** towards principal totaling **\$1,408,431**. The timing of the payments is factored into the baseline projections. As of the end of October, all the interest payments for the year have been paid along with the **\$870,000** for principal leaving a budget balance of \$800 for agency fees which will be paid later in the year. The principal payment is properly recorded in the balance sheet as a reduction to the short-term bonds payable account instead of an expense to the income statement and in accordance with GAAP. However, for budget purposes, the principal payment must be included in the budget to determine the amount of current budget inflows needed to cover current budget outlays.

October 2021 Total Expenses & Capital Expenditures – Table 6

	10/2021				
	2021 Adopted Budget	October 2021 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Expenditures					
Departmental Operating Expenses	\$ 36,039,690	\$ 2,958,602	\$ 3,003,307	8.21%	98.51%
Debt Service	1,408,431	268,816	268,816	19.09%	100.00%
Street Improvements	3,083,652	256,971	256,971	8.33%	100.00%
Subrecipient Grant Agreements	49,694	13,150	4,141	26.46%	317.54%
Total Operating Expenses	40,581,467	3,497,539	3,533,235	8.62%	98.99%
Grant Eligible Costs	9,715,577	101,794	101,794	1.05%	100.00%
Depreciation Expenses	2,503,090	208,591	208,591	8.33%	100.00%
Total Expenses & Capital Expenditures	\$ 52,800,134	\$ 3,807,924	\$ 3,843,620	7.21%	99.07%

2021 Year to Date Total Expenses & Capital Expenditures – Table 7

	10/2021				
	2021 Adopted Budget	YTD 2021 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Expenditures					
Departmental Operating Expenses	\$ 36,039,690	\$ 27,777,012	\$ 30,033,074	77.07%	92.49%
Debt Service	1,408,431	537,631	537,631	38.17%	100.00%
Street Improvements	3,083,652	2,569,710	2,569,710	83.33%	100.00%
Subrecipient Grant Agreements	49,694	58,004	41,412	116.72%	140.07%
Total Operating Expenses	40,581,467	30,942,357	33,181,827	76.25%	93.25%
Grant Eligible Costs	9,715,577	8,070,759	8,070,759	83.07%	100.00%
Depreciation Expenses	2,503,090	2,085,909	2,085,909	83.33%	100.00%
Total Expenses & Capital Expenditures	\$ 52,800,134	\$ 41,099,025	\$ 43,338,495	77.84%	94.83%

EXPENSES – REPORTED BY EXPENSE OBJECT CATEGORY

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

Accordingly, for the month of October 2021, total departmental operating expenses realized a favorable variance against the baseline expectation in all categories except **Benefits**, due to health insurance costs. Meanwhile, year to date expenses realized favorable variance for all departments except **Benefits** and **Utilities**, due to higher than anticipated health insurance costs, and the result of the winter storm in February 2021, respectively.

October 2021 Departmental Expenses – Table 7

	10/2021				
	2021 Adopted Budget	October 2021 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Departmental Operating Expense Object Category					
Salaries	\$ 13,112,536	\$ 1,075,112	\$ 1,092,711	8.20%	98.39%
Benefits	5,781,398	590,847	481,783	10.22%	122.64%
Services	5,016,713	320,082	418,059	6.38%	76.56%
Materials & Supplies	2,870,866	236,975	239,239	8.25%	99.05%
Utilities	739,149	55,123	61,596	7.46%	89.49%
Insurance	506,332	37,505	42,194	7.41%	88.89%
Purchased Transportation	7,282,548	598,949	606,879	8.22%	98.69%
Miscellaneous	730,148	44,009	60,846	6.03%	72.33%
Total Departmental Operating Expenses	\$ 36,039,690	\$ 2,958,602	\$ 3,003,307	8.21%	98.51%

2021 Year to Date Departmental Expenses – Table 8

Departmental Operating Expense Object Category	10/2021				
	2021 Adopted Budget	YTD 2021 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Salaries	\$ 13,112,536	\$ 10,322,381	\$ 10,927,113	78.72%	94.47%
Benefits	5,781,398	5,022,399	4,817,832	86.87%	104.25%
Services	5,016,713	3,200,020	4,180,594	63.79%	76.54%
Materials & Supplies	2,870,866	2,097,631	2,392,388	73.07%	87.68%
Utilities	739,149	637,403	615,958	86.23%	103.48%
Insurance	506,332	361,847	421,943	71.46%	85.76%
Purchased Transportation	7,282,548	5,710,037	6,068,790	78.41%	94.09%
Miscellaneous	730,148	425,293	608,457	58.25%	69.90%
Total Departmental Operating Expenses	\$ 36,039,690	\$ 27,777,012	\$ 30,033,074	77.07%	92.49%

Total departmental operating expenses are within 8 percentage points of the baseline expectation for year-to-date budget 2021, with monthly expenses to-date representing 92.49% of the annual budget.

2021 Self-Insurance Claims, Medical & Vision and Dental – Table 9

Month	Medical & Vision	Dental	Total
January	\$ 259,169	\$ 4,247	\$ 263,417
February	148,139	4,930	153,070
March	518,677	10,748	529,425
April	219,433	3,868	223,301
May	300,919	4,191	305,110
June	461,648	7,734	469,382
July	333,876	10,463	344,338
August	308,576	6,976	315,552
September	225,335	8,372	233,706
October	444,481	4,515	448,996
	\$ 3,220,253	\$ 66,044	\$ 3,286,297

Fare Recovery Ratio – Table 10

Description	10/31/2021	Year to Date
Fare Revenue	\$ 79,857	\$ 825,177
Operating Expenses*	2,854,465	26,851,590
Fare Recovery Ratio	2.80%	3.07%

*Excluding Depreciation

Note: Same period last year (October) the FRR was 3.12%

October 2021 and YTD Overall Performance – Table 11

For the month of October, total Expenses exceeded Revenues by \$692,667, while total Revenues exceeded Expenses by \$6,919,307 for the year-to-date. A greater detail of the financial results is explained in the accompanied Power Point Presentation.

	10/2021				
	2021 Adopted Budget	October 2021 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
Operating Revenues	\$ 45,230,676	\$ 3,013,463	\$ 3,607,183	6.66%	83.54%
Capital Funding	9,715,577	101,794	101,794	1.05%	100.00%
Total Revenues	54,946,253	3,115,257	3,708,977	5.67%	83.99%
Operating Expenses	40,581,467	3,497,539	3,533,235	8.62%	98.99%
Capital Expenditures	12,218,667	310,385	310,385	2.54%	100.00%
Total Expenses	52,800,134	3,807,924	3,843,620	7.21%	99.07%
Revenue over Expenditures	\$ 2,146,119	\$ (692,667)	\$ (134,643)		

	10/2021				
	2021 Adopted Budget	YTD 2021 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
Operating Revenues	\$ 45,230,676	\$ 39,947,573	\$ 39,611,054	88.32%	100.85%
Capital Funding	9,715,577	8,070,759	8,070,759	83.07%	100.00%
Total Revenues	54,946,253	48,018,332	47,681,813	87.39%	100.71%
Operating Expenses	40,581,467	30,942,357	33,181,827	76.25%	93.25%
Capital Expenditures	12,218,667	10,156,668	10,156,668	83.12%	100.00%
Total Expenses	52,800,134	41,099,025	43,338,495	77.84%	94.83%
Revenue over Expenditures	\$ 2,146,119	\$ 6,919,307	\$ 4,343,318		

NET POSITION

The Total Net Position at the end of the month was **\$104,236,559**, an increase of **\$15,126,280** from December 2020 which closed at **\$89,110,279**. The increase is primarily due to the CRRSSA and preventive maintenance grants along with the sales tax revenue increases recorded so far.

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.

The FTA maintains a vested interest as a result of the sale of excess land near the Southside Transfer Station in November 2020. The amount of \$473,544 is restricted for use as the Authority's contribution toward a future FTA-funded project.

Of the Total Net Position of **\$104,236,559**, the portion of the fund balance that is not restricted in accordance to GASB Concepts Statement No 4 is **\$44,768,979**, but only **\$29,778,736** is available for spending as a result of the internal restrictions placed by the Board for specific reserves which total **\$14,990,243**. 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, 33% of the unrestricted portion is assigned by the Board to fund reserves that are earmarked to meet certain unexpected demands.

FUND BALANCE AS OF OCTOBER 31, 2021:

<u>FUND BALANCE</u>	
Net Invested in Capital Assets	\$ 58,994,036
Restricted for FTA Interest	473,544
Unrestricted	<u>44,768,979</u>
TOTAL FUND BALANCE	<u>104,236,559</u>
<u>RESERVES</u>	
Net Invested in Capital Assets	58,994,036
Restricted for FTA Interest	473,544
Designated for Operating Reserve	8,989,674
Designated for Capital Reserve	4,721,676
Designated for Local Share of CIP	264,809
Designated for Employee Benefits Reserve	1,014,084
Unrestricted	<u>29,778,736</u>
TOTAL INVESTED IN CAPITAL & RESERVES	<u>\$ 104,236,559</u>

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

Respectfully Submitted,

Submitted by: Marie Sandra Roddel
Director of Finance

Reviewed by: Robert M. Saldaña
Managing Director of Administration

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

Corpus Christi Regional Transportation Authority
 Operating and Capital Budget Report
 For the month ended October 2021

OPERATING BUDGET	10/2021				
	2021 Adopted Budget	October 2021 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
	A	B	C = A / 12	B / A	C vs B
Revenues					
Passenger service	\$ 1,004,403	\$ 79,857	\$ 83,700	7.95%	95.41%
Bus advertising	134,921	12,795	11,243	9.48%	113.80%
Other operating revenues	384,566	(2,826)	32,047	-0.73%	-8.82%
Sales Tax Revenue	35,456,113	2,792,637	2,792,637	7.88%	100.00%
Federal, state and local grant assistance	7,711,691	87,102	642,641	1.13%	13.55%
Investment Income	50,212	2,422	4,184	4.82%	57.87%
Staples Street Center leases	488,770	41,476	40,731	8.49%	101.83%
Total Revenues	45,230,676	3,013,463	3,607,183	6.66%	83.54%
Expenses					
Transportation	9,896,202	872,831	824,683	8.82%	105.84%
Customer Programs	525,656	62,610	43,805	11.91%	142.93%
Purchased Transportation	7,282,548	599,133	606,879	8.23%	98.72%
Service Development	583,634	45,430	48,636	7.78%	93.41%
MIS	1,376,818	107,632	114,735	7.82%	93.81%
Vehicle Maintenance	5,806,049	441,515	483,837	7.60%	91.25%
Facilities Maintenance	3,047,773	284,743	253,981	9.34%	112.11%
Contracts and Procurements	364,867	31,420	30,406	8.61%	103.34%
CEO's Office	1,050,134	67,345	87,511	6.41%	76.96%
Finance and Accounting	821,663	51,693	68,472	6.29%	75.49%
Materials Management	200,176	18,992	16,681	9.49%	113.85%
Human Resources	785,094	58,686	65,424	7.48%	89.70%
General Administration	570,293	35,752	47,524	6.27%	75.23%
Capital Project Management	289,517	26,720	24,126	9.23%	110.75%
Marketing & Communications	677,552	41,412	56,463	6.11%	73.34%
Safety & Security	1,548,561	108,549	129,047	7.01%	84.12%
Staples Street Center	1,010,154	98,978	84,179	9.80%	117.58%
Port Ayers Cost Center	3,000	159	250	5.31%	63.72%
Debt Service	1,408,431	268,816	268,816	19.09%	100.00%
Special Projects	200,000	5,000	16,667	2.50%	30.00%
Subrecipient Grant Agreements	49,694	13,150	4,141	26.46%	317.54%
Street Improvements Program for CCRTA Region Entities	3,083,652	256,971	256,971	8.33%	100.00%
Total Expenses	40,581,467	3,497,539	3,533,235	8.62%	98.99%
Revenues Over Expenses - Operating Budget	4,649,209	(484,076)	73,948		
CIP BUDGET	2021 Adopted Budget	October 2021 Actual	Baseline into Budget	% Actual to Budget	% Actual to Baseline
	A	B	C = A / 12	B / A	
Funding Sources					
Transfer In	\$ -	-	-	0.00%	0.00%
Grant Revenue	9,715,577	101,794	101,794	1.05%	0.00%
Total Funding Sources	9,715,577	101,794	101,794	1.05%	100.00%
Capital Expenditures					
Grant Eligible Costs	\$ 9,715,577	101,794	101,794	1.05%	0.00%
Depreciation Expenses	2,503,090	208,591	208,591	8.33%	100.00%
Total Expenditures	12,218,667	310,385	310,385	2.54%	100.00%
Funding Sources Over Expenditures	(2,503,090)	(208,591)	(208,591)	8.33%	100.00%
Revenues Over Expenses - Operating Budget	4,649,209	(484,076)	73,948		
Revenues Over Expenses - CIP Budget	(2,503,090)	(208,591)	(208,591)		
Revenues Over Expenses (including rounding)	2,146,119	(692,667)	(134,643)		

Corpus Christi Regional Transportation Authority
 Operating and Capital Budget Report
 For the month ended October 2021

OPERATING BUDGET	10/2021				
	2021 Adopted Budget	YTD 2021 Actual	YTD Baseline into Budget	% YTD Actual to Budget	% Actual to Baseline
	A	B	C = A / 12 * 10	B / A	C vs B
Revenues					
Passenger service	\$ 1,004,403	\$ 825,177	\$ 837,002	82.16%	98.59%
Bus advertising	134,921	129,815	112,434	96.22%	115.46%
Other operating revenues	384,566	32,292	3,845,656	8.40%	0.84%
Sales Tax Revenue	35,456,113	30,178,192	27,940,400	85.11%	108.01%
Federal, state and local grant assistance	7,711,691	8,341,012	6,426,409	108.16%	129.79%
Investment Income	50,212	29,174	41,843	58.10%	69.72%
Staples Street Center leases	488,770	411,911	407,308	84.27%	101.13%
Total Revenues	45,230,676	39,947,573	39,611,054	88.32%	100.85%
Expenses					
Transportation	9,896,202	7,844,742	8,246,835	79.27%	95.12%
Customer Programs	525,656	421,748	438,047	80.23%	96.28%
Purchased Transportation	7,282,548	5,713,669	6,068,790	78.46%	94.15%
Service Development	583,634	439,783	486,362	75.35%	90.42%
MIS	1,376,818	995,581	1,147,348	72.31%	86.77%
Vehicle Maintenance	5,806,049	4,504,835	4,838,374	77.59%	93.11%
Facilities Maintenance	3,047,773	2,201,383	2,539,811	72.23%	86.68%
Contracts and Procurements	364,867	288,663	304,056	79.11%	94.94%
CEO's Office	1,050,134	838,801	875,112	79.88%	95.85%
Finance and Accounting	821,663	637,981	684,719	77.65%	93.17%
Materials Management	200,176	181,441	166,813	90.64%	108.77%
Human Resources	785,094	550,561	654,245	70.13%	84.15%
General Administration	570,293	364,907	475,244	63.99%	76.78%
Capital Project Management	289,517	257,353	241,264	88.89%	106.67%
Marketing & Communications	677,552	492,100	564,627	72.63%	87.15%
Safety & Security	1,548,561	1,118,043	1,290,467	72.20%	86.64%
Staples Street Center	1,010,154	918,537	841,795	90.93%	109.12%
Port Ayers Cost Center	3,000	1,886	2,500	62.86%	75.43%
Debt Service	1,408,431	537,631	537,631	38.17%	100.00%
Special Projects	200,000	5,000	166,667	2.50%	3.00%
Subrecipient Grant Agreements	49,694	58,004	41,412	116.72%	140.07%
Street Improvements Program for CCRTA Region Entities	3,083,652	2,569,710	2,569,710	83.33%	100.00%
Total Expenses	40,581,467	30,942,357	33,181,827	76.25%	93.25%
Revenues Over Expenses - Operating Budget	4,649,209	9,005,216	6,429,227		
CIP BUDGET					
	A	B	C = A / 12 * 10	B / A	C vs B
Funding Sources					
Transfer In	\$ -	-	-	0.00%	0.00%
Grant Revenue	9,715,577	8,070,759	8,070,759	83.07%	0.00%
Total Funding Sources	9,715,577	8,070,759	8,070,759	83.07%	100.00%
Capital Expenditures					
Grant Eligible Costs	\$ 9,715,577	8,070,759	8,070,759	83.07%	0.00%
Depreciation Expenses	2,503,090	2,085,909	2,085,909	83.33%	100.00%
Total Expenditures	12,218,667	10,156,668	10,156,668	83.12%	100.00%
Funding Sources Over Expenditures	(2,503,090)	(2,085,909)	(2,085,909)	83.33%	100.00%
Revenues Over Expenses - Operating Budget	4,649,209	9,005,216	6,429,227		
Revenues Over Expenses - CIP Budget	(2,503,090)	(2,085,909)	(2,085,909)		
Revenues Over Expenses (including rounding)	2,146,119	6,919,307	4,343,318		

CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
Statement of Net Position
Month ended October 31, 2021, and year ended December 31, 2020

	Unaudited October 31 2021	Audited December 31 2020
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 47,740,356	\$ 45,154,181
Receivables:		
Sales and Use Taxes	6,217,576	5,944,715
Federal Government	157,576	187,266
Other	229,504	549,605
Inventories	1,035,707	1,123,501
Prepaid Expenses	810,849	454,705
Total Current Assets	56,191,569	53,413,973
Non-Current Assets:		
Restricted Cash and Cash Equivalents	473,544	473,544
Capital Assets:		
Land	4,877,729	4,877,729
Buildings	53,744,210	53,744,210
Transit Stations, Stops and Pads	24,409,826	24,409,826
Other Improvements	5,525,123	5,525,123
Vehicles and Equipment	62,898,430	62,898,430
Construction in Progress	894,724	894,724
Current Year Additions	10,275,371	(0)
Total Capital Assets	162,625,412	152,350,041
Less: Accumulated Depreciation	(88,355,669)	(86,269,761)
Net Capital Assets	74,269,744	66,080,280
Total Non-Current Assets	74,743,288	66,553,824
TOTAL ASSETS	130,934,857	119,967,797
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow related to pensions	2,274,783	2,274,783
Deferred outflow related to OPEB	13,413	13,413
Deferred outflow on extinguishment of debt	3,304,292	3,304,292
Total Deferred Outflows	5,592,488	5,592,488
TOTAL ASSETS AND DEFERRED OUTFLOWS	136,527,345	125,560,285
LIABILITIES AND NET POSITION		
Current Liabilities:		
Accounts Payable	647,035	628,010
Current Portion of Long-Term Liabilities:		
Long-Term Debt	-	870,000
Compensated Absences	346,771	346,771
Sales Tax Audit Funds Due	54,748	328,488
Distributions to Regional Entities Payable	3,957,217	6,894,594
Other Accrued Liabilities	816,813	913,941
Total Current Liabilities	5,822,584	9,981,804
Non-Current Liabilities:		
Long-Term Liabilities, Net of Current Portion:		
Long-Term Debt	18,580,000	18,580,000
Compensated Absences	777,512	777,512
Sales Tax Audit Funds Due	821,234	821,234
Net Pension Liability	733,591	733,591
Net OPEB Obligation	849,492	849,492
Total Non-Current Liabilities	21,761,829	21,761,829
TOTAL LIABILITIES	27,584,413	31,743,633
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow related to pensions	4,666,972	4,666,972
Deferred inflow related to OPEB	39,401	39,401
Total Deferred Inflows	4,706,373	4,706,373
TOTAL LIABILITIES AND DEFERRED INFLOWS	32,290,786	36,450,006
Net Position:		
Net Invested in Capital Assets	58,994,036	49,934,572
Restricted for FTA Interest	473,544	473,544
Unrestricted	44,768,979	38,702,163
TOTAL NET POSITION	\$ 104,236,559	\$ 89,110,279

Corpus Christi Regional Transportation Authority
Statement of Cash Flows (Unaudited)
For the month ended October 31, 2021

	<u>10/31/2021</u>
Cash Flows From Operating Activities:	
Cash Received from Customers	\$ 58,033
Cash Received from Bus Advertising and Other Ancillary	62,728
Cash Payments to Suppliers for Goods and Services	(3,903,471)
Cash Payments to Employees for Services	(737,333)
Cash Payments for Employee Benefits	(358,385)
Net Cash Used for Operating Activities	<u>(4,878,430)</u>
Cash Flows from Non-Capital Financing Activities:	
Sales and Use Taxes Received	2,901,007
Grants and Other Reimbursements	141,013
Distributions to Subrecipient Programs	(13,150)
Distributions to Region Entities	-
Net Cash Provided by Non-Capital Financing Activities	<u>3,028,870</u>
Cash Flows from Capital and Related Financing Activities:	
Federal and Other Grant Assistance	942,928
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	(157,680)
Net Cash Provided by Capital and Related Financing Activities	<u>785,248</u>
Cash Flows from Investing Activities:	
Investment Income	2,422
Purchases of Investments	-
Maturities and Redemptions of Investments	-
Premiums/Discounts on Investments	-
Net Cash Provided by Investing Activities	<u>2,422</u>
Net decrease in Cash and Cash Equivalents	(1,061,890)
Cash and Cash Equivalents (Including Restricted Accounts), October 1, 2021	49,275,790
Cash and Cash Equivalents (Including Restricted Accounts), October 31, 2021	\$ <u><u>48,213,900</u></u>



Subject: October 2021 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.

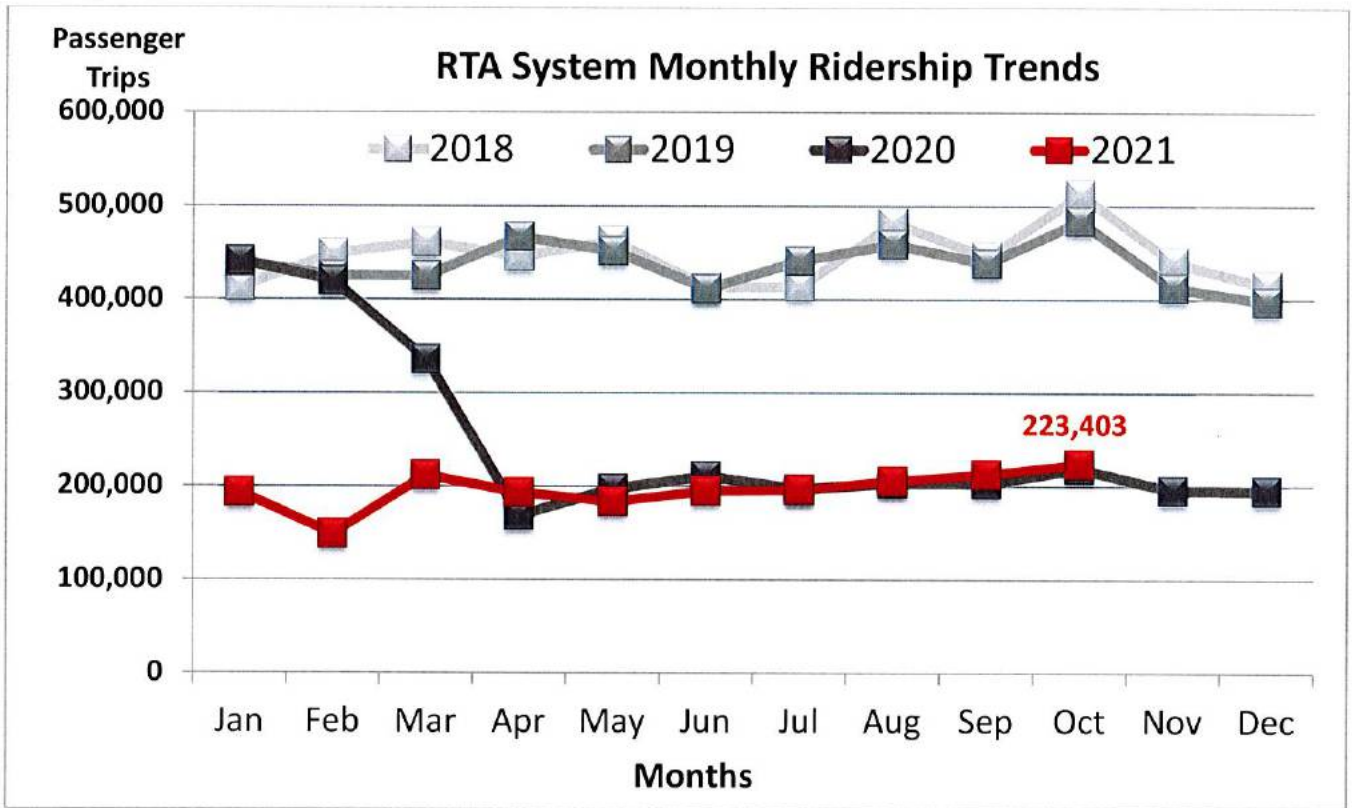


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System-wide Ridership and Service Performance Results

October 2021 system-wide ridership levels continued to be adversely impacted by the COVID-19 pandemic. Passenger trips totaled 223,403 which represents a 2.1% increase as compared to 218,724 passenger trips in October 2020 or 4,679 more trips this month. In comparison to the pre-COVID-19 (Pre-Covid) period in October 2019 with 483,793 passenger trips, the 223,403 passenger trips this month represents a decrease of 260,390 fewer trips or 53.8%.

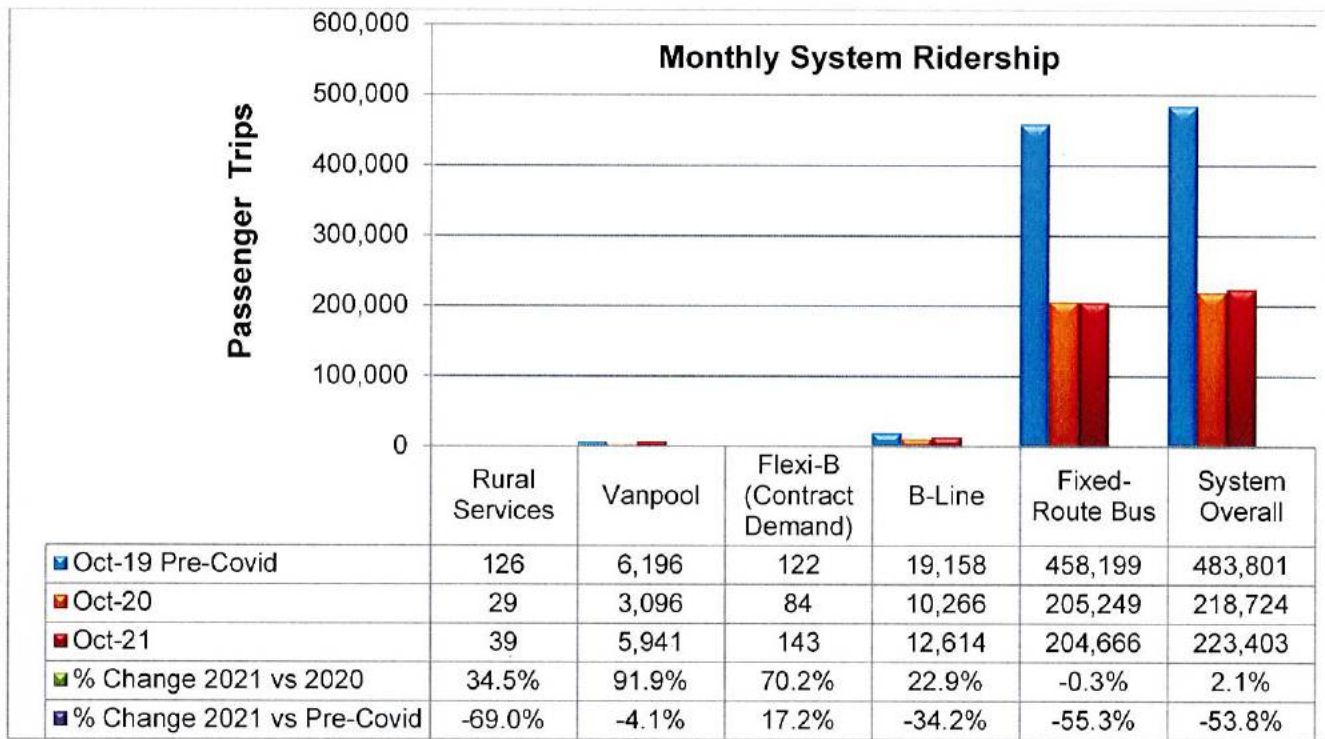


October 2020	October 2021	Variance
22 Weekdays	21 Weekdays	-1
5 Saturdays	5 Saturdays	-
4 Sundays	5 Sundays	+1
No Holiday	No Holiday	-
31 Days	31 Days	-

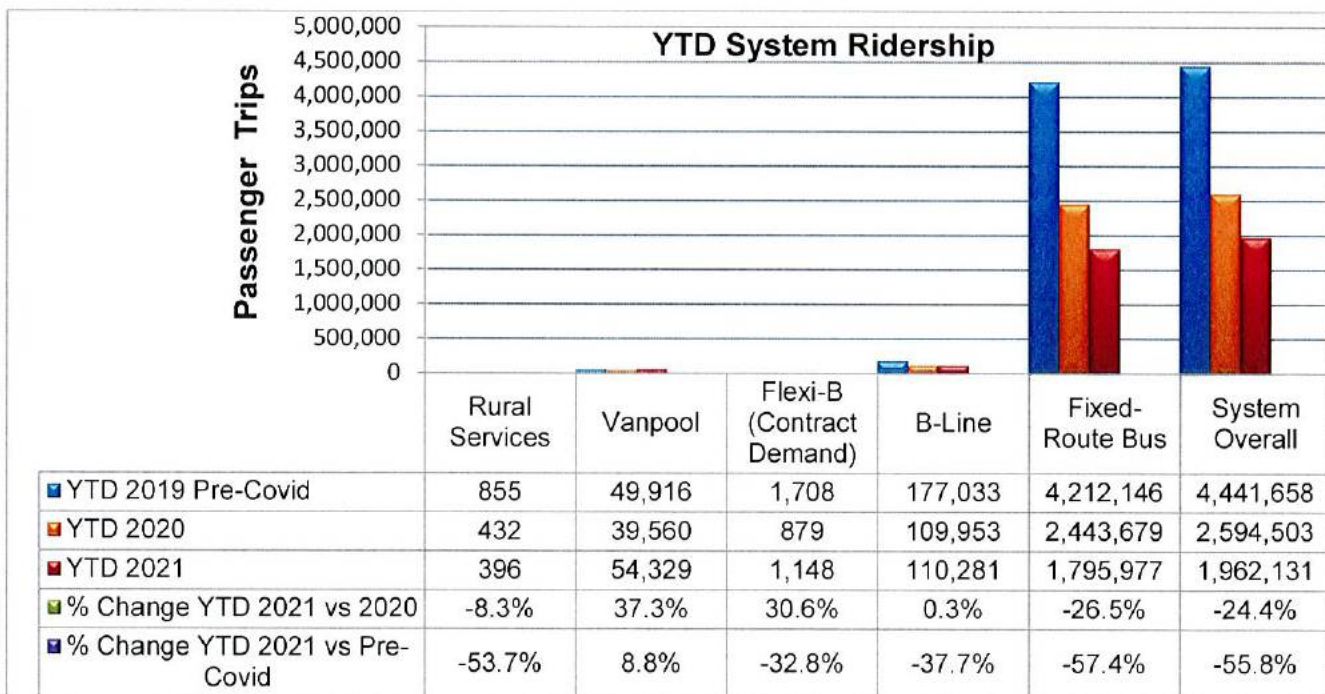
In October 2021, the average retail price for unleaded gas in Corpus Christi was approximately \$2.96 per gallon as compared to a \$1.89 per gallon in October 2020¹. Rainfall was above normal at 6.5 inches as compared to the monthly average of 3.6 inches.² October 2020 was below normal at only 1.4 inches. The recorded 86-degree average high temperature was normal.

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

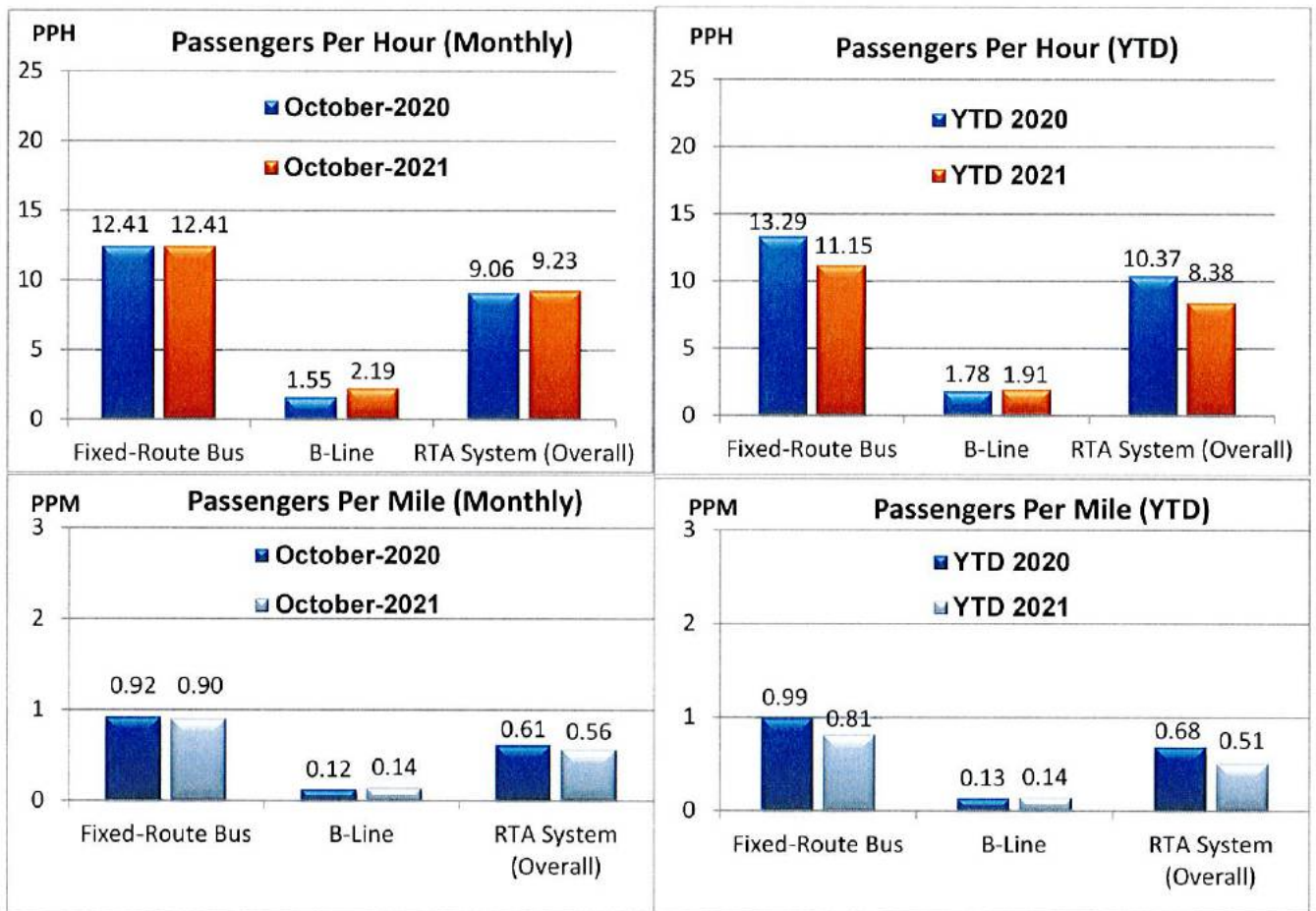
The chart below shows monthly ridership results for all services. CCRTA recorded 4,679 more passenger trips for a 2.1% increase as compared to October 2020. As compared to October 2019 Pre-Covid, passenger trips decreased 53.8%.



The chart below shows YTD ridership results for all services. CCRTA has recorded 632,372 fewer passenger trips for a YTD decrease of 24.4% in 2021 as compared to 2020. As compared to YTD 2019 Pre-Covid, passenger trips decreased 55.8% with 2,479,527 fewer trips.



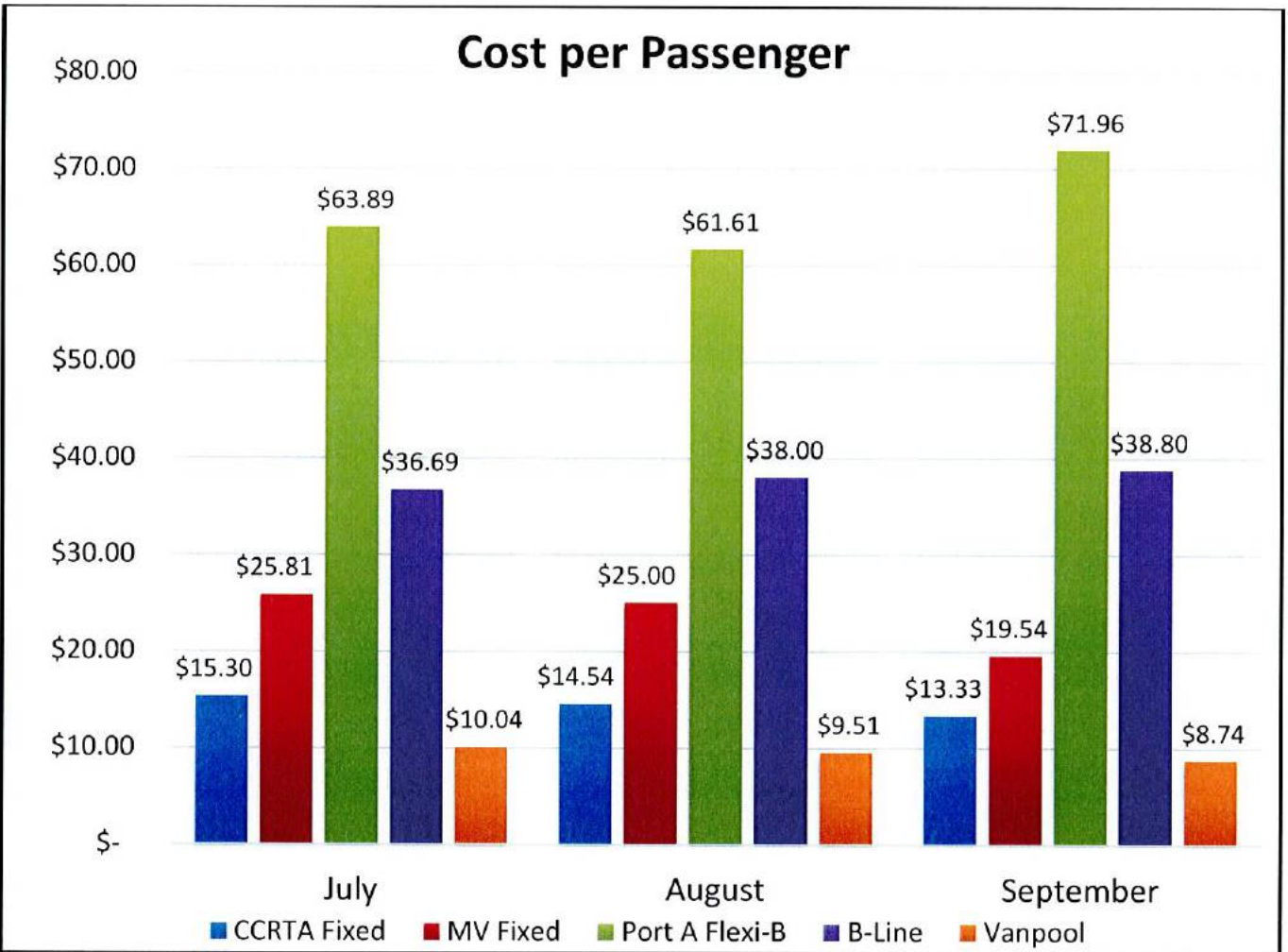
The following charts report system-wide productivity for the month of October 2021 vs. October 2020 and YTD figures.



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

Schedule Adherence	Standard	Jul-21	Aug-21	Sep-21	Oct-21	4-Month Average
Early Departure	<1%	0.0%	0.0%	0.4%	0.0%	0.1%
Departures within 0-5 minutes	>85%	94.4%	91.1%	83.4%	88.9%	89.5%
Monthly Wheelchair Boardings	No standard	2,905	3,119	3,165	3,689	3,220
Monthly Bicycle Boardings	No standard	4,065	4,425	4,407	4,429	4,332

The following tables include Cost per Passenger totals by service mode for the third quarter of 2021. In addition, year-to-date (YTD) averages by service mode are included.



Month	CCRTA Fixed	MV Fixed	Port A Flexi-B	B-Line	Vanpool
July	\$ 15.30	\$ 25.81	\$ 63.89	\$ 36.69	\$ 10.04
August	\$ 14.54	\$ 25.00	\$ 61.61	\$ 38.00	\$ 9.51
September	\$ 13.33	\$ 19.54	\$ 71.96	\$ 38.80	\$ 8.74
YTD Average	\$ 14.39	\$ 23.45	\$ 65.82	\$ 37.83	\$ 9.43

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

<p>Now Off Detour</p>	<ul style="list-style-type: none"> • Airline Rd. (SPID–McArdle) Project was completed mid-October 2021. <ul style="list-style-type: none"> ➤ Routes 26 (2 stops were closed but are now open) • 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 along U.S. 181 access road. (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) • Sea District Impts. & New Port Admin. Offices.) – Project nearing completion <ul style="list-style-type: none"> ➤ Routes 76 & 78 (2 stops closed) • Bear Ln. (Old Brownsville Rd. to Cliff Maus Dr.) – utility repair began July 2021. <ul style="list-style-type: none"> ➤ Route 16 (1 stop closed) • Winnebago & Lake St.-(Harbor Bridge reconstruction): Began August 2020. <ul style="list-style-type: none"> ➤ Route 12 (10 stops impacted) • Brownlee Blvd. (Laredo-Morgan Ave.) Temporary detour from Brownlee to Crosstown Expressway (ST HWY 286) access roads in both directions. <ul style="list-style-type: none"> ➤ Routes 5 & 17 (7 temporarily closed) • Laguna Shores Rd. (SPID–Wyndale) (14) month, Began October 26, 2020 with anticipated completion in October 2022 <ul style="list-style-type: none"> ➤ Routes 3 & 4 (14 stops closed) • Ayers St. (SPID-Gollihar) (28) Project began January 2020 now nearing completion. <ul style="list-style-type: none"> ➤ Route 19 (6 stops remain closed 1 reopened) • Nimitz & MacArthur Resurface & curb work (4) month project-Began June 2021. <ul style="list-style-type: none"> ➤ Route 21 (5 stops impacted) • Ocean Dr. Resurfacing (Robert Dr.-Ennis Joslin) Project began March-2021. Halfway traffic switch has occurred September 2021-project should wrap Feb 2022. <ul style="list-style-type: none"> ➤ Route 6 (12 stops remain closed) • Leopard St. (Nueces Bay to Palm) (14) month project: Began April 2021-anticipated completion date in late-2022 <ul style="list-style-type: none"> ➤ Routes 27 & 28 (4 stops closed) • S. Staples St. (Kostoryz- Baldwin) (29) month project: Began March 2021 <ul style="list-style-type: none"> ➤ Route 29 (8 Stops closed) • Six Points (Ayers St. @ 10th St.) (7) month project: Began April-2021 <ul style="list-style-type: none"> ➤ Routes 17 (6 stops impacted) Project completion in late November 2021. • Leopard St. (Crosstown to Palm) (14) month project to begin late-2021 with anticipated completion in early-2023 <ul style="list-style-type: none"> ➤ Routes 27 & 28 (9 stops <u>will be impacted</u>) • Everhart Rd. (SPID-S. Staples): Project could begin mid-2022 <ul style="list-style-type: none"> ➤ Routes 32 & 37 (7 stops <u>will be impacted</u>)
<p>On Detour</p>	
<p>Detour Required</p>	
<p>No Detour</p>	

For October 2021, there were 16 detoured routes out of 33 fixed route services. This equates to approximately 48% of CCRTA services travelling on the local streets. Detoured bus route services include: 3, 4, 5, 6, 12, 16, 17, 19, 21, 26, 27, 28, 29, 51, 65, 76 & 78.

75 is the total number of bus stops impacted or closed in October 2021.

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

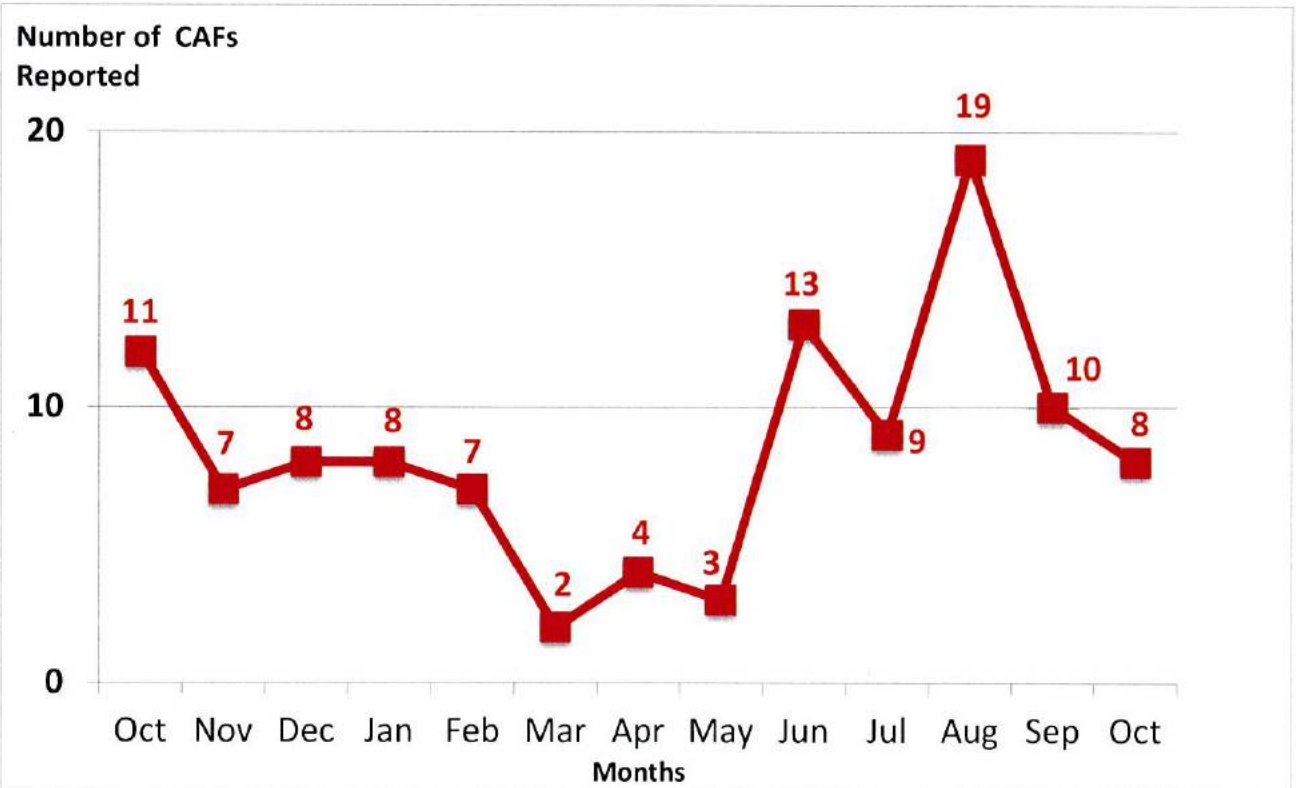
In October 2021, B-Line service metrics were impacted by the COVID-19 pandemic.

- Productivity: **2.19** Passengers Per Hour (PPH) did not meet the contract standard of 2.50 PPH.
- Denials: 0 denials or **0.0%** did meet contract standard of 0.0%.
- Miles between Road Calls (MBRC): **9,887** did not meet the contract standard of 12,250 miles.
- Ridership Statistics: **8,526** ambulatory boardings; **3,366** wheelchair boardings

Metric	Standard	Jul-21	Aug-21	Sep-21	Oct-21	(4) Month-Ave.
Passengers per Hour	2.50	2.43	2.28	2.20	2.19	2.28
Denials	0.00%	0.00%	0.00%	0.00%	0.00%	0.0%
Miles Between Road Calls	12,250	4,064	5,953	15,624	9,887	8,882
Monthly Wheelchair Boardings	No standard	3,375	3,251	3,219	3,366	3,303

Customer Programs Monthly Customer Assistance Form (CAF) Report

For October 2021, Customer Service received and processed 8 (CAF's) Customer Assistance Forms. 8 CAF's is 2 less than the previous month and represents a 20% decrease. There were no commendations received this month.



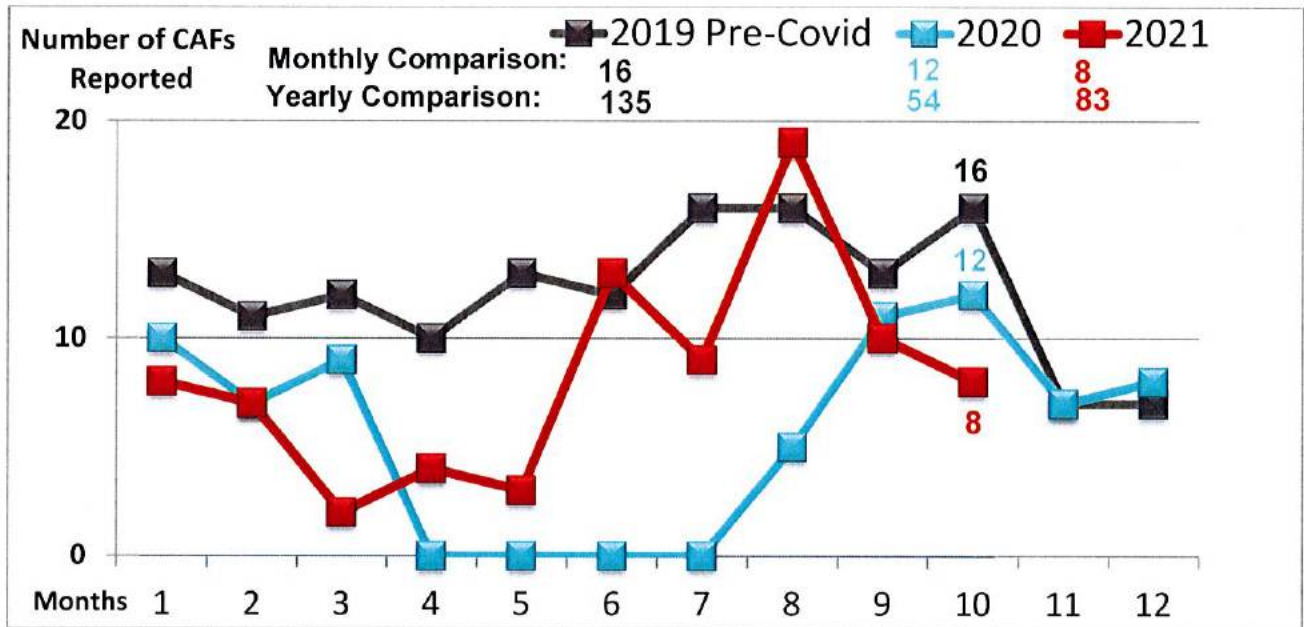
Route Summary Report for October 2021:

Route	# of CAFs	Route	# of CAFs
#3 NAS Shuttle		#34 Robstown North Circulator	
#4 Flour Bluff		#35 Robstown South Circulator	
#5 Alameda		#37 Crosstown/TAMUCC	2
#5x Alameda Express		#50 Calallen/NAS Ex (P&R)	
#6 Santa Fe/Malls		#51 Gregory/NAS Ex (P&R)	
#12 Saxet Oak Park		#53 Robstown/NAS Ex (P&R)	
#15 Kostoryz		#54 Gregory/Downtown Express	
#16 Morgan		#56 Flour Bluff/Downtown Express	
#17 Carroll/Southside		#60 Islander Connection	
#19 Ayers	1	#65 Padre Island Connection	
#19G Greenwood		#76 Harbor Bridge Shuttle	
#19M McArdle		#78 North Beach Shuttle	
#21 Arboleda	1	#90 Flexi-B Port Aransas	
#23 Molina	3	#93 Flex	
#25 Gollihar/Greenwood		#94 Port Aransas Shuttle	
#26 Airline/Lipes		#95 Port Aransas Express	
#27 Northwest	1	B-Line (Paratransit) Services	
#27x Northwest (Express)		Safety/Transportation	
#28 Leopard/Omaha		Facilities Maintenance	
#29 Staples		Customer Service Department	
#29F Staples/Flour Bluff		Service Development/Facilities	
#29SS Staples/Spohn South		Facilities/Service Development	
#30 Westside/Health Clinic		Transportation (Other) ADA	
#32 Southside		TOTAL CAF's	8

October 2021 CAF Breakdown by Service Type:

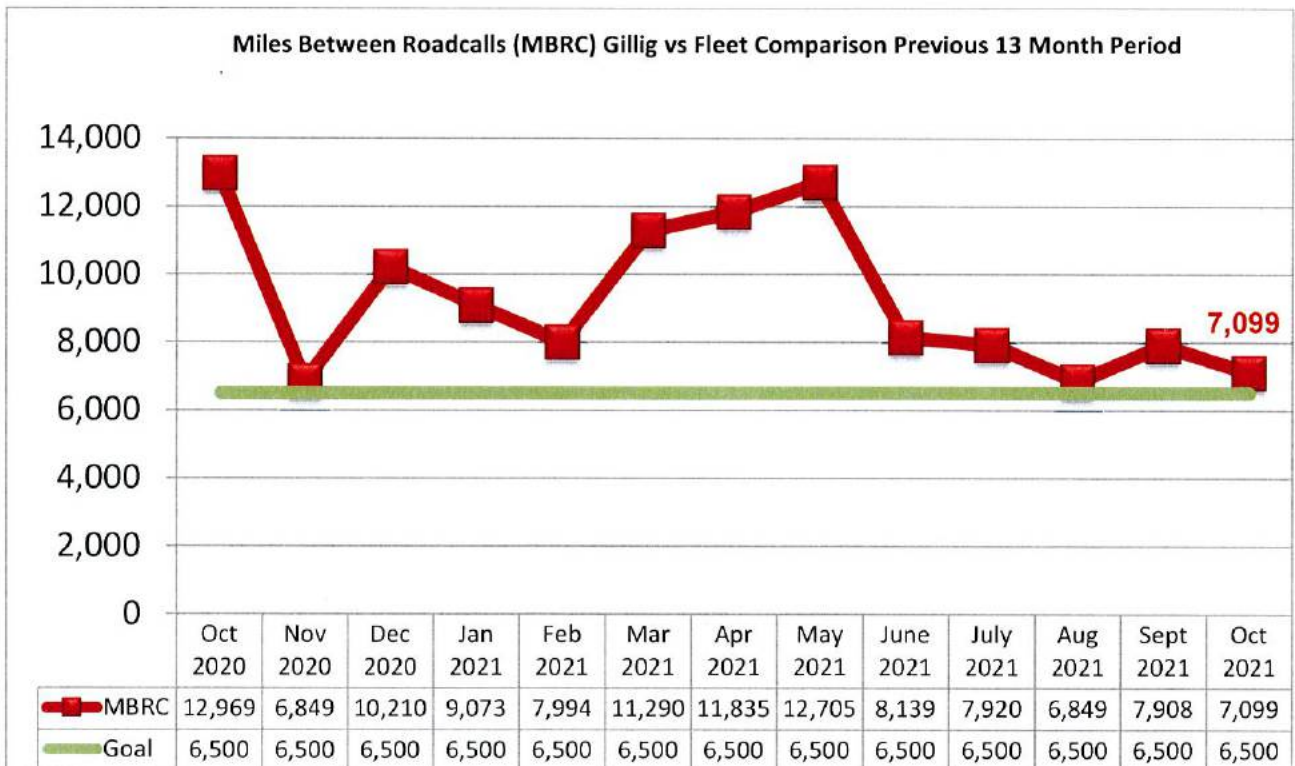
CAF Category	RTA Fixed Route	B-Line ADA Paratransit	MV Fixed Route	Totals
ADA				
Service Stop Issues	1			1
Driving Issues	4			4
Customer Services	2			2
Late/Early – No Show				
Alleges Injury				
Fare/Transfer Dispute				
Clean Trash Can				
Dispute Drop-off/Pickup				
Add Bench/Stop				
Tie Down Issues				
Inappropriate Behavior				
B-line Calls				
Incident at Stop				
Incident on Bus				
Incident at Station				
Policy/Standing Orders				
Denial of Service				
Safety & Security				
Rude	1			1
Facility Maintenance				
Service Development				
Vehicle Maintenance				
Over Crowded Vehicle				
Route Suggestion				
Service Maintenance				
Commendations				
Total CAFs	8	0	0	8

CAF Reports: Current and Historical Trends



Vehicle Maintenance Department: Miles Between Road Calls Report

In October 2021, there were **7,099** miles between road calls (MBRC) recorded as compared to 12,969 MBRC in October 2020. A standard of 6,500 miles between road calls is used based on the fleet size, age and condition of CCRTA vehicles. In addition, seasonal high weather temperatures impact the number of road calls.



Board Priority

The Board Priority is Public Image and Transparency.

Respectfully Submitted,

Submitted by: Gordon Robinson
Director of Planning

Reviewed by: Derrick Majchszak
Managing Director of Operations

Final Approval by: 

Jorge G. Cruz-Aedo
Chief Executive Officer

Board Member Inquiry

Meeting Date	Agenda Item #	Member Name	Inquiry	Response	Response Date
11/3/2021	7.	D. Leyendecker	In regards to Public Hearing #2- Regarding Adoption of the FY2022 Operating and Capital Budget, Mr. Leyendecker asked, how do we increase the passenger trips by 31% but the service hours only by 2%??	Mr. Saldana responded that with Covid waning down we're projecting that a lot of passengers may come back because of the fear of Covid and how many people are on the bus.	11/3/2021
11/3/2021	7.	M. Woolbright	In regards to Public Hearing #2- Regarding Adoption of the FY2022 Operating and Capital Budget, Mr. Woolbright asked, we're running empty buses basically? So the time of the bus running is about the same but just more passengers?	Mr. Saldana responded in the affirmative.	11/3/2021
11/3/2021	7.	M. Woolbright	In regards to Public Hearing #2- Regarding Adoption of the FY2022 Operating and Capital Budget, Mr. Woolbright asked, what was the percentage that we have anticipated on seeing this year on the passenger trip side?	Mr. Majczszak responded since school has been back in, we have seen an increase. Based on the fixed route side for September only a few percent but about a 14% increase when you look at October which we'll present at the next board meeting.	11/3/2021
11/3/2021	7.	M. Woolbright	In regards to Public Hearing #2- Regarding Adoption of the FY2022 Operating and Capital Budget, Mr. Woolbright asked, on the American rescue plan, how much of that 5.6 is returning revenue or recurring costs that will continue in future years?	Mr. Saldana responded that prior to 2024 we'll use some of that money to balance it out. We'll have to make some hard decisions in the next couple years as to what we'll do to balance out our budget, if the sales taxes doesn't continue to increase.	11/3/2021

Board Member Inquiry

Meeting Date	Agenda Item #	Member Name	Inquiry	Response	Response Date
10/27/2021	7.	E. Salazar	<p>In regards to Adopt a Resolution for Goodbuy Purchasing Cooperative, Mr. Salazar asked, can you give me an idea of some of the larger purchases that we make that utilize this program?</p>	<p>Mr. Saldana responded that small things like paper, pencils and paperclips, all the way to buses can be purchased. Usually our big 40 foot buses we do that off our own RFP but there's opportunities for things like that.</p>	10/27/2021

Board Member Inquiry

Meeting Date	Agenda Item #	Member Name	Inquiry	Response	Response Date
10/27/2021	6.	M. Woolbright	In regards to Approve the Fiscal Year 2022 Holidays and Service Levels, Mr. Woolbright asked, what is the percentage of staff who take black Friday off?	Mr. Majchszak responded I don't have the exact number, but for operations being the majority of the workforce here, most of them are going to be at work. We can only allow so many operators or supervisors to be off during that time.	10/27/2021
10/27/2021	8.	G. Canales	In regards to Enter Into Negotiations for Design Services with Hanson Professional Services, Inc., and Zarinkelk Engineering Services, Inc., for ADA Bus Stop Improvements – Phase VIII, Ms. Canales asked, why are we only taking it to 75% compliance?	Ms. Montez responded at that point based on what we were previously at this will take our compliancy to about 75%. Every year we do bus stop improvements. We're dropping the amount, because now we're getting to the stops that we don't have larger ridership. We're going into our long range system plan and we don't know if we're going to have service changes or bus stop removals. So, we want to slow down a little bit, but still continuing the process.	10/27/2021
10/27/2021	8.	M. Woolbright	In regards to Enter Into Negotiations for Design Services with Hanson Professional Services, Inc., and Zarinkelk Engineering Services, Inc., for ADA Bus Stop Improvements – Phase VIII, Mr. Woolbright asked, why two engineering firms?	Ms. Montez responded the model that we have created over the years allows for us to provide other entities with opportunities to bid. Historically when we started the process, we started with four zones and four engineering firms. That way we were able to work with four different companies we hadn't worked with before to give them an opportunity to work with CCRTA.	10/27/2021