



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

AGENDA MEETING NOTICE

BOARD OF DIRECTORS

DATE: Wednesday, December 2, 2020
TIME: 8:30 a.m. Board of Directors Meeting
LOCATION: Staples Street Center
 602 North Staples Street, 2ND Floor Board Room • Corpus Christi, TX

BOARD OF DIRECTORS MEETING

EDWARD MARTINEZ (Chair)

Michael Reeves (Vice Chair) ~ Dan Leyendecker (Secretary)

Lynn Allison ~ Anne Bauman ~ Patricia Dominguez ~ Anna Jimenez

Glenn Martin ~ Eloy Salazar ~ Philip Skrobarczyk ~ Matt Woolbright

| | TOPIC | SPEAKER | EST.TIME | REFERENCE |
|--|--|-----------------------|----------|-----------|
| 1. | Pledge of Allegiance | E. Martinez | 1 min. | ----- |
| 2. | Roll Call | D. Leyendecker | 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. | Award Recognition – Sergio Garcia, SEC-OP Security Officer | M. Rendon | 3 min. | ----- |
| 7. | Update on CCRTA's 2020 Accomplishments | J. Cruz-Aedo | 10 min. | PPT |
| 8. | Update on Corpus Christi Metropolitan Planning Organization (MPO) | Rob MacDonald, MPO | 10 min. | PPT |
| 9. | Discussion and Possible Action to Approve the Board of Directors Meeting Minutes of November 4, 2020 | E. Martinez | 3 min. | Pages 1-8 |
| 10. | <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. 5 min. Pages 9-18</p> <p>a) Action to Execute Payment of \$515,649.00 to Texas Municipal League Inter-Governmental Risk Pool (TMLIRP) 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 (pgs.9-10)</p> | | | |



**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
WEDNESDAY, NOVEMBER 4, 2020**

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. Held Public Hearing #2 – Regarding Adoption of the FY2021 Operating and Capital Budget
7. Action to Adopt the FY2021 Operating and Capital Budget
8. Heard Update on CCRTA's Response to COVID-19
9. Action to Approve the Board of Directors Meeting Minutes of October 7, 2020
10. Action to Approve the State and Federal Legislative Priorities
11. Heard Consent Items –
 - a) Action to Approve the Fiscal 2021 Board & Committee Meetings Calendar (pg.13)
 - b) Action to Approve entering into a renegotiated five-year contract with 90 Degrees Benefit, formally known as ENTRUST, Inc. Third-Party Administrator for the CCRTA Employee Group Health, Vision, and Dental Insurance Benefits Program (pgs.14-17)
 - c) Action to Exercise First Option Year with United Healthcare Insurance Company for Short-Term & Long-Term Disability Insurance (pgs.18-19)
 - d) Action to Accept the Investment Performance Evaluation Report on the Defined Benefit Plan a requirement of the Pension Review Board (PRB) Filing with the State (pgs.20-21)
 - 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 (pgs.22-24)
 - f) Action to Adopt a Resolution to Recertify Designation of the Reserves from the Unrestricted Portion of the Fund Balance and the Methodologies used in determining the Funding Levels (pgs.25-26)
 - g) Action to Approve the Fiscal Year 2021 Holidays and Service Levels (pg.27)
 - h) Action to Award a Contract to SanUVAire, LLC for Ultraviolet Germicidal Irradiation (UVGI) kits (pgs.28-29)
 - i) Action to Award a Contract to Zeit Energy, LLC for a CNG Defueling Station (pgs.30-31)
12. Heard Presentations –
 - a) September 2020 Financial Report
 - b) September Procurement Update
 - c) September 2020 Safety & Security Report
 - d) September 2020 Operations Report
13. Heard CEO's Report
14. Heard Chairman's Report
15. Adjournment
16. Informational Items



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

Mr. Edward Martinez, Board Chairman, called the meeting to order at 8:30 a.m., and held the Pledge of Allegiance. Ms. Dena Linnehan called Roll and stated a quorum was present.

Board Members Present

Edward Martinez, Board Chair; Michael Reeves, Board Vice Chairman; Lynn Allison, Anne Bauman, Patricia Dominguez, Anna Jimenez, Glenn Martin, Eloy Salazar, Philip Skrobarczyk and Matt Woolbright.

Board Members Absent

Dan Leyendecker, Board Secretary.

Staff Present

Jorge G. Cruz-Aedo, CEO; David Chapa, Dena Linnehan, Derrick Majchszak, Sharon Montez, Rita Patrick, Mike Rendón, Gordon Robinson and Robert Saldaña.

Public Present

None.

Public Comment

None received. Public Comment has been made available online to the Public on the CCRTA website at the following link below. No online comments were received.

<https://www.ccrta.org/news-opportunities/agendas/>

Held Safety Briefing

Mr. Mike Rendón provided safety information in the event of an emergency for the Board members and guests in the audience. He pointed out three exits to the Board of Directors room, to the back by the kitchen, my immediate right, and to the back of this boardroom. He said during an emergency you will utilize the west side door, report to the clock tower adjacent to the transfer station, Ms. Linnehan will account for the Board of Directors members, and that he will make sure everyone exits properly. Mr. Rendón also commented do not use the elevator, do not return to the building unless an 'all clear' has been given, and if we have to shelter in place, we will shelter in place in the west side of the building.

Action to receive Conflict of Interest Affidavits

None received.

Provided Opportunity for Public Comment

No Public Comments received.

Held Public Hearing #2 – Regarding Adoption of the FY2021 Operating and Capital Budget

Mr. Robert Saldaña opened the Public Hearing at 8:55 a.m. He commented the agency has been diligent with budget workshops to date as 6 workshops have been held starting July 22, 2020 through October 28, 2020. He stated that a Public Hearing #1 was held on October 31, 2020 and this is the Public Hearing #2 for the opportunity to adopt the FY2021 Operating and Capital budget. He explained each workshop held went through the departments individually, with a



summarized overview at the last one. Mr. Saldaña said the whole budget is predicated on our service plan and from that we develop our Capital CIP, then all operating expenses to support the service plan and CIP.

He continued to expand on both, with mention of modifying and/or making any adjustments to our services with our full- and part-time employees of 281. He said our FY2021 budget is about a 10 percent reduction from FY2020 at almost \$51.7M. He said our fares from the revenue side is \$1.3M, and we typically have about \$1.8-1.9M. Sales tax is about \$35M which is the majority of our revenue with other being \$1.3M. He stated the operating grants which are preventative maintenance monies of \$849K provide us a total operating revenues of \$38.6M. Add in \$9.7M of capital, grants, reimbursements and we get total revenues of \$48.3M. Mr. Saldaña said in order to balance our budget we are going to transfer in \$3.35M from unrestricted reserves. He continued to say that some well-funded CAREs Act monies of \$9.5-10M back to unrestricted reserves, the agency will pull about \$3.3M to balance the budget, giving us a \$6.5M cash surplus. Mr. Saldaña commented our expenses will be about \$51.6M which balances our expenses and our revenues.

He said our five year CIP will have 79 projects, \$57.3M with \$44.5M being federally funded and about \$12.75M is being locally funded. Mr. Saldaña commented the agency receive federal funds from the grants in three different ways; 5307 the majority, 5339 for our bus and facilities, and our 5310 a pass-thru generally given out to the general public and agencies to help seniors and underprivileged. He said the vast majority of our grant monies we use are capital purchases of buses and our bus shelter amenities.

Mr. Saldaña detailed each year of the 5-year CIP. He pointed out that the emphasis is that this budget will be reduced from the agency's current level of funding, as it is balanced by the excess of revenues over expenses anticipated this year and being from the CAREs Act funding. He stated the \$9M or so, the agency will end in a positive position, taking the \$3.5M and balancing the reduced budget, and still setting aside about \$6M into an obligated reserves. This gives us some capacity in the future, in the event we haven't recovered enough to have current revenues cover those expenses, the \$6M will. He commented we are laying out a very viable plan for next year that has capacity for some additional funding in future years should we not be at the level we are. Mr. Saldaña said the agency is operating at a 45 percent level of existing service, prior to the pandemic, and things are being managed and being managed well. He stated we are presenting a very fair budget. He said it is balanced and we would ask that we have an opening for the public hearing, to, if there is anyone who wants to speak about the budget, we will close the public hearing and then hopefully move forward for adoption of the proposed 2021 budget. Mr. Saldana closed the Public Hearing #2 at 9:05 a.m.

Action to Adopt the FY2021 Operating and Capital Budget

MS. LYNN ALLISON MADE A MOTION TO ADOPT THE FY2021 OPERATING AND CAPITAL BUDGET. MR. GLENN MARTIN SECONDED THE MOTION. THE MOTION CARRIED. MARTINEZ, ALLISON, BAUMAN, DOMINGUEZ, JIMENEZ, MARTIN, REEVES, SALAZAR, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT DAN LEYENDECKER.

Heard Update on CCRTAs Response to COVID-19

Mr. Cruz-Aedo reported the agency continues with their extensive cleaning and sanitizing of facilities and fleet, and continuance to address ridership and being responsive to any changes occurring through the system. He said we are operating around the 45 percent level from prior



years due to the pandemic, and not just Corpus Christi as it is nationwide. Mr. Cruz-Aedo commented we still emphasize the health and safety and welfare of our service and our employees. He said the agency to-date has had 15 positive cases including MV Transportation also having 15 positive cases. We do everything in the prevention and the health of our employees through communication, emails and text messages. He said for the community, we have issued 60,000 plus masks through our system, and every bus has a mask dispenser and hand sanitizers with driver shields on our buses. Mr. Cruz-Aedo reported that we emphasize to our security officers to ensure we have a high level of safety, and we are soon going to be employing ultraviolet aids to help with the bus cleaning processes.

Mr. Cruz-Aedo commented for our employees, we emphasize their health; we put out communications to them and in person; have given two dates for employee flu shots; monitor their health and safety; require social distancing, masks, and flex hours via telework for the administrative staff. He said we have PPE and daily cleaning throughout all of our facilities, and not only encourage messaging with the employees but we also use our social media to help with us that.

As of this meeting, the agency has spent \$1,683,000 in direct support of our COVID 19 efforts which is all covered under the CAREs Act monies received and has been reimbursed to us. He said we encourage the state and federal consultants to keep us informed of anything that is coming down from a legislative perspective; the agency is also connected obviously with TTA, SWTA, and APTA, and we pursue other private informational sources so our COVID19 response is appropriate for the type of business that we perform and the community that we support. He stated that we had a free ride to vote yesterday, and normal ridership is around 7,000 a day, plus or minus, yet had 7,800 riders. Mr. Cruz-Aedo commented he does not attribute all of the 800 to being voters, yet just shows that we did have a use of this free day to go vote yesterday.

The agency is actively pursuing survey data to ensure that we have appropriate responses, and we have a few safety commercials being run on the air right now and hopefully you all have seen them during the evening news. Mr. Cruz-Aedo commented our main concern is about health, safety and welfare, and we do our part and try to provide the public with the transportation they need.

Action to Approve the Board of Directors Meeting Minutes of October 7, 2020

MR. MATT WOOLBRIGHT MADE A MOTION TO APPROVE THE BOARD OF DIRECTORS MEETING MINUTES OF OCTOBER 7, 2020. MR. MICHAEL REEVES SECONDED THE MOTION. THE MOTION CARRIED. MARTINEZ, ALLISON, BAUMAN, DOMINGUEZ, JIMENEZ, MARTIN, REEVES, SALAZAR, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT DAN LEYENDECKER.

Action to Approve the State and Federal Legislative Priorities

Mr. Cruz-Aedo commented we have been working with our state and federal legislative consultants to draft up our priorities for the coming year, 2021's legislative issues. We have worked with consultants and are in agreement with their priorities. He said they have crafted what we had discussed into priorities that we would like to present to you. Mr. Cruz-Aedo stated the course of action would be for the Board to hear from our consultants and review their priorities, have discussion with the Board to make sure they are in agreement with what Staff and the consultants have crafted, and then move forward for adoption after the board reviews of the items. These priorities were also previously discussed and detailed at the Committees meetings held on October 28, 2020. Both consultants again provided each of their lists of items to prioritize for the



agency. After general discussion, the Board approved the State and Federal 2021 Legislative priorities.

MR. REEVES MADE A MOTION TO APPROVE THE STATE AND FEDERAL LEGISLATIVE PRIORITIES. MR. SALAZAR SECONDED THE MOTION. THE MOTION CARRIED. MARTINEZ, ALLISON, BAUMAN, DOMINGUEZ, JIMENEZ, MARTIN, REEVES, SALAZAR, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT DAN LEYENDECKER.

Heard Consent Items

- a) Action to Approve the Fiscal 2021 Board & Committee Meetings Calendar (pg.13)
- b) Action to Approve entering into a renegotiated five-year contract with 90 Degrees Benefit, formally known as ENTRUST, Inc. Third-Party Administrator for the CCRTA Employee Group Health, Vision, and Dental Insurance Benefits Program (pgs.14-17)
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MR. SALAZAR MADE A MOTION TO APPROVE CONSENT ITEMS A) THROUGH I). MS. PATRICIA DOMINGUEZ SECONDED THE MOTION. THE MOTION CARRIED. MARTINEZ, ALLISON, BAUMAN, DOMINGUEZ, JIMENEZ, MARTIN, REEVES, SALAZAR, SKROBARCZYK AND WOOLBRIGHT VOTING IN FAVOR. ABSENT DAN LEYENDECKER.

Heard Presentations –

a) September 2020 Financial Report

Mr. Robert Saldaña reported on highlights for the month of September. He said total revenues over expenses are at close to \$1.1M mainly due to the draw down of around \$1.2M of CAREs Act monies. Operating revenues are at 95 percent of total budget, and department expenses are about 13.33 percent under baseline budget. Mr. Saldaña reported there is about \$4.6M of total revenues, and operating revenues \$4.1M, and capital funds at around \$500K. He said our expenses come in around \$5M with \$665K in capital expenditures giving us a positive cash flow of \$1.1 million for the month of September. For revenue breakdown, almost \$2.8M is what has been budgeted for sales tax with close to \$1.2M in grant assistance from the CAREs Act draw down. He stated that September's revenues were at \$2.57M on a budget of \$2.90M, and a \$400K savings for the month. He reported the agency is 75 percent of the year down on the financial



side, passenger services revenues are at 63-64 percent, Staples Street Center revenues mostly from leases collected, and total department operating expenses at \$2.2M saved from targeted baseline budget. Mr. Saldaña provided several slides with the breakdown in detail with a slide to show COVID-19 reimbursements at \$15.2 to-date. He also mentioned the fuel prices are down slightly. Expenses year-to-date are \$24M on a budget of \$26M, or a \$2.2M savings. He stated we should receive the September sales tax revenues next week of \$2.9M on a budget of \$3.3M, and in August we received \$2.9M, or \$178K less this year than last August.

b) September Procurement Update

Mr. Saldaña reported there are 5 procurements/solicitations out for the month; 8 Transportation and Supervisor Support Vehicles at \$392K; Power Washing Services for Transfer Stations at \$487,290; Driver Safety Shields at \$439,110; Bus and Bus Bench Advertising which is a revenue generating contract, and Bear Lane Parking Lot Improvements at \$842,604.

He said for the 3 Month Outlook, there are 4 procurements; Texas Municipal League TMLIR Risk Poll at \$440,482 auto renewal until cancelled; Long and Short-Term Disability Insurance at \$108,487 exercise first option year; Bus Stop Cleaning Services at \$474,367.50 to exercise the second of the two one-year options; and Peace Officer Law Enforcement Service Agreement at \$694,656 annual contract.

He reported for the CEO's Signature Authority of less than \$50K we have 13 items; Maintenance Uniform Rental Services at \$49,459 2-year agreement with one 2-year option; Social and Traditional Media Monitoring Services at \$10K one-year agreement; Life and AD&D Insurance for a three-year contract with two one-year options; Trapeze FX Blockbuster 1-year agreement at \$28,726; Spanish Translation Services 1-year contract at \$25K; South Texas Military Task Force 1-year agreement at \$25K; Remix Transit Planning Software agreement at \$31K; Investment Advisory Services 14 month agreement at \$25,666; Fleet-Net Software License and Support 1-year agreement at \$28,750; DRI AVL Software Maintenance 1-year agreement at \$46,449; Pre-Employment Background Screening at \$12K auto renewal; Peace Officer Service Agreement at \$44,200 one-year agreement and Website Maintenance one-year agreement at \$14,600.

He said we still maintain our Marina Rental Space on a month-to-month contract with the City of Corpus Christi not to exceed \$6,100.

c) September 2020 Safety & Security Report

Mr. Mike Rendón commented for the month of September collision rate 0.52, and drove around 191K miles, and the agency is 60 percent less than 2019 for accidents and we are doing very, very well. Mr. Rendón said the contacts with individuals for the month was 504 with the top five categories being 95 percent with the loitering being 166. He said security does their very best to move out individuals not utilizing the metro system, transfer stations or any bus stops. For the stats on quality of life, it is at 163 contacts with individuals. This is where our officers communicate with our customers. He said they will provide directions, answer law enforcement questions, as well as making them feel safe while they are in the transfer station, and we get good compliments on doing this. The Staples Street Center has been averaging between 50 and 60 walk-ins per day, although has been a little over 100 have been coming into the building as Social Services and Veterans Affairs offices have been open by appointment only. He also commented on the



canine unit board nine buses a few weeks ago here at Staples Street Center and Port/Ayers station and all went very well.

d) September 2020 Operations Report

Mr. Gordon Robinson commented for the month of September with the Board Priority aligning with image and transparency, we reported just over 202,000 passenger trips in total. He said revenue service hours were just over 22,000, and the revenue service miles were just over 308,000. Mr. Robinson said in terms of where we are, we are lower than the prior years for good reasons, with the COVID 19 pandemic. He commented the breakdown by mode overall is at 53.8 percent, or 54 percent down. Mr. Robinson reported the year-to-date is down 40 percent overall, all other services at 37 percent, and Vanpool is down as well. He said the 4-month average is at 95 percent, several services are being impacted by construction projects, and our B-Line service you can see the social distancing aspects in place. He commented for the CAFs, we had 11 for September as compared to September last year at 13, and 2 of the 11 were for commendations, and miles between roadcalls for the large bus fleet were just under 6,000.

Heard CEO's Report

Mr. Jorge G. Cruz-Aedo commented he had two items to report. The first being the Thanksgiving luncheon for the employees, contractor and their employees that we historically have catered, we have cancelled this year due to the pandemic. Mr. Cruz-Aedo said so in lieu of not being able to do this luncheon, he is giving them a \$25 H-E-B gift card to help them buy their Thanksgiving treats and meals as part of a replacement for the Thanksgiving meal, and I wanted to let you we were doing this instead of having a catered luncheon. He said for the second item, we have had a very important situation that was dealt with for our Greyhound passengers that use the Staples Street Center, so I would like Mr. Rendón to come up and tell you more.

Mr. Rendón reported on a situation over the past weekend where our Security officer Garcia opened the doors for the Greyhound customers of about 10 and saw an elderly person go in and sit in one of the chairs in the waiting area. He said he was not feeling well and wanted to wait for the line to go down, so our officer kept an eye on him. He continued to say that Officer Garcia saw the man faint after about 3 to 4 minutes and had caught his arm between the chairs, so Officer Garcia assisted him immediately and put him on the floor. The gentleman was having some issues and Officer Garcia's military training, as he is a U.S. Army veteran, he began to perform CPR on the man. 911 was called and Officer Garcia continued with chest compressions and brought the gentleman back to life as at one time he had expired. Once the ambulance arrived within seven minutes, the fire department personnel took over. Officer Garcia did an excellent job in recognizing the gentleman was in some type of distress and kept his eye on him and eventually saved the man's life. Officer Garcia has only been working with us for 10 months and he does a very, very good job with and for our customers. He is also the officer who witnessed the incident a few months back and was able to identify the individual who assaulted another individual and ended that individual's life, CCPD arrested the assailant and still remains in jail.

Mr. Rendón commented we had planned to recognize Officer Sergio Garcia with an award this morning yet had to be at school with his daughter and apologized for being unable to be here. We will try to recognize him with this award later this month or in December at the Board meeting.



Heard Chairman's Report

Mr. Edward Martinez, Board Chairman opened it up for the board members to comment. Mr. Reeves thanked Mr. Rendón for sharing that story of Officer Garcia and is appreciated. It is never easy to react calmly in those situations, so I appreciate his efforts and the results and thank you for bringing those to us and please continue to do so. I just wish everybody a smooth week, safe, and I want to thank staff for their continued efforts to work through this and I am just pleased all the way around. Ms. Allison said she wanted to echo Director Reeves' comments for a great job by Officer Garcia. She also commented, as much as I am sad to miss this Thanksgiving lunch, I am absolutely thankful for you, Jorge, directing the extra funds for the gift cards for employees to enjoy their Thanksgiving. Ms. Bauman also commented she is so proud of everybody, and Ms. Dominguez reiterated good job everyone, stay safe and thank you so much for all you do. Ms. Jimenez stated she was very impressed with all of the reports today, the financials, the security report and of course it is always good to end with the report regarding officer Garcia. She said thank you so much for all that you do, and these are challenging times and they will continue to be challenging times and I am just blessed and thankful that you all are such a wonderful, wonderful organization. Mr. Martin also commented everything is great, congratulations, and I really appreciate the methodology and the way we handled the budget. He continued to say he believes, as you say, our most important function with the boards and the committees, and I liked the way it was presented, the openness of it, if you will. Everything is good and everyone stay safe. Mr. Salazar added his comments regarding the budget, and stated this was his first time to go through this process and a lot of work went into this budget preparation. He said he believes staff did an outstanding job, and he is looking forward to continuing to support this board and believes some good things are going to happen here real soon. Mr. Skrobarczyk commented good job and to carry on. Mr. Woolbright reiterated what Philip said, and good job to the security officer who was on the ball.

Mr. Martinez finalized the board comments and said he echoes the other board member's comments. He stated what staff has been doing all along, maintaining transparency throughout this entire endeavor with regards to the budget, he appreciates all of the hard work, the agency's staff, employees and security personnel are taking care of for the safety of staff, the ridership, and community. He said, Jorge, you know, there are few things for December I would like to see on the agenda. Mr. Martinez ended by saying for everyone else, thank you all and have a safe and happy Thanksgiving, and he adjourned the meeting.

Adjournment

There being no further review of items, the meeting adjourned at 9:49 a.m.

Submitted by: Dena Linnehan

Dan Leyendecker, Board Secretary



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

December 2, 2020

Subject: Action to Execute Payment of \$515,649.00 to Texas Municipal League Inter-Governmental Risk Pool (TMLIRP) 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

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 FY2021 have increased by 17.06% or \$75,167.00 over 2020. Six lines of coverage out of eight lines of coverage contributions have increased.

The main increases and decreases are explained as follows:

Increases:

- *Real and Personal Property* - rate increase for this type of coverage at the Staples Street Center.
- *Workers' Compensation* - Agency does not have a bad loss ratio but due to having a low modifier (.37) that is sensitive to any loss experience increase, even a slight one, the contribution amount increases.
- *Automobile Liability/Medical Payments* – increase in claims and settlements
- *Errors & Omissions Liability* – had a slight increase
- *Public Employee Dishonesty*-had a small increase
- *Law Enforcement Liability*- had a slight increase

Decreases:

- *General Liability*-had a small decrease
- *Automobile Catastrophe*-amount remained the same

Disadvantaged Business Enterprise

There is no DBE goal.

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

Financial Impact

| Types of Coverage | Limit | Deductible | 2,019 | 2,020 | 2,021 | Inc/Dec |
|---|--------------|------------|----------------|----------------|----------------|---------------|
| | | | Contribution | Contribution | Contribution | 2020 & 2021 |
| General Liability | \$9,000,000 | \$0 | 3,365 | 2,904 | 2,885 | -19 |
| Errors & Omissions Liability | \$2,000,000 | \$10,000 | 9,794 | 8,341 | 8,994 | 653 |
| Automobile Liability/Medical Payments | \$500,000 | \$0 | 221,546 | 200,183 | 238,761 | 38,578 |
| Automobile Catastrophe | \$10,000,000 | \$10,000 | 25,000 | 30,460 | 30,460 | 0 |
| Sub Total: | | | 259,705 | 241,888 | 281,100 | 39,212 |
| Law Enforcement Liability | \$5,000,000 | \$1,000 | 831 | 732 | 764 | 32 |
| Real & Personal Property (Includes Flood and Earthquake with a \$25,000 deductible) | \$39,474,870 | \$10,000 | 36,378 | 39,126 | 40,136 | 1,010 |
| 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 | 733 | 734 | 807 | 73 |
| Sub Total: | | | 37,942 | 40,592 | 41,707 | 1,115 |
| TOTAL: LIABILITY, PROPERTY & CRIME | | | 297,647 | 282,480 | 322,807 | 40,327 |
| Workers' Compensation | Statutory | | 115,290 | 158,002 | 192,842 | 34,840 |
| GRAND TOTAL | | | 412,937 | 440,482 | 515,649 | 75,167 |

Board Priority

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

Committee Review

This item was reviewed and approved at the Administration & Finance Committee meeting held on November 18, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to execute payment of \$515,649.00 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



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

December 2, 2020

Subject: Approve the Continued Postponement of the Local Government Fare Review Committee Meeting until April 2021, pending the Risk and Impact of COVID-19

Background

On September 4, 2019, the CCRTA Board of Directors approved the findings of an independent fare equity analysis, and recommended a fare adjustment. CCRTA gathered public feedback from riders and community members beginning in the fall of 2019 and concluding in the spring of 2020. Responses were gathered through 29 fare review public meetings and an online survey on ccrta.org.

On March 11, 2020, the World Health Organization (WHO) declared coronavirus (COVID-19) a pandemic. The City of Corpus Christi, Nueces County, and Public Health District held its first conference related to COVID-19 preparation on the same day.

On March 12, 2020, Nueces County named members to their Local Government Fare Review Committee, as CCRTA began its response to COVID-19 with a dedicated page, information, and resources.

On March 18, 2020, CCRTA began adjusting transportation service levels as a response to COVID-19.

On March 31, 2020, the City of Corpus Christi named members to the Local Government Fare Review Committee.

On May 6, 2020, The CCRTA Board of Directors approved a 6-month postponement of the Fare Recovery Process due to the COVID-19 pandemic.

Reasons for Postponement

CCRTA continues to dedicate staff and resources to COVID-19 response. As of November 2020, the COVID-19 Pandemic continues to surge throughout the United States and Europe. As on November 11, 2020, the State of Texas exceeded the 1,000,000th COVID-19 case, becoming the first state in the US to do so. Our current ridership continues to trend around 45 -50% of our normal pre-COVID level.

Identified Need

CCRTA's top priority is the health and safety of riders, employees, and community members. Currently, transportation services, local businesses, and employment have all been significantly impacted by COVID-19. The Transit Industry is trying to find ways to recover our ridership levels to at least to the point of pre-COVID-19 levels. A potential fare increase at this time could possibly hinder the CCRTA's ridership recovery goal. With a possible COVID-19 vaccine on the horizon, it might be prudent to continue with the postponement of the fare recovery process until April 2021.

Financial Impact

If the continued postponement is approved, CCRTA fares would maintain their current pricing.

CCRTA's base fare remains amongst the lowest in the nation.

Board Priority

This item aligns with the Board Priority – Public Image & Financial Transparency.

Committee Review

This item was reviewed and approved at the Administration & Finance Committee meeting held on November 18, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Approve the Continued Postponement of the Local Government Fare Review Committee Meeting until April 2021, pending the Risk and Impact of COVID-19.

Respectfully Submitted,

Submitted by: Robert M. Saldaña
Managing Director of Administration

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



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

December 2, 2020

Subject: Award contracts to Silsbee Ford, Inc. and Creative Bus Sales, Inc. for Eight (8) Transportation Supervisor and Support Vehicles

Background

RTA Transportation Supervisors and staff operate non-revenue support vehicles to travel throughout the 846 square mile CCRTA service area to provide street supervision and assistance to operators, customers, and overall service to include; detours, weather, special events, accidents/incidents, service interruptions etc. Additionally, Transportation Supervisors and staff respond to police incidents associated with CCRTA; safety and security, vehicle collision, unexpected closures etc.

Identified Need

Several Transportation Supervisor and support vehicles have met their useful life and need replacement in order to avoid excessive maintenance costs and disruptions to daily operations.

Disadvantaged Business Enterprise

For this procurement the DBE participation is zero percent (0%) – Contractors are encouraged to offer contracting opportunities to the fullest extent possible through outreach and recruitment activities to small, minority and disadvantaged businesses.

Financial Impact

The Eight (8) Transportation Supervisor and Support Vehicles project is budgeted for \$392,000 and is a 2020 CIP project funded partially by 5307 Formula Funds. Silsbee Ford was the sole bidder on the four (4) unleaded SUV's with a bid of \$119,993, which equates to \$29,998.25 per SUV. Silsbee Ford was also the sole bidder on the two (2) hybrid SUV's with a bid of \$56,841.46, which equates to \$28,420.73 per SUV. Creative Bus Sales was the sole bidder on the two (2) minivans with wheelchair access with a bid of \$96,674.00, which equates to \$48,337.00 per van.

Total expenditures for Eight (8) SUV Transportation Supervisor Support Vehicles is \$273,508.46. The local match is 20% with an estimated cost of \$54,701.70 and a federal estimated cost of \$218,806.76.

| SILSBEE FORD, INC. | | | | | | |
|--------------------------------|---------------|--------------|-------------|------------|-------------------|----------------------|
| Item | Manuf. | Model | Year | Qty | Unit Price | Total |
| Unleaded SUVs | Ford | Explorer | 2021 | 4 | \$29,998.25 | \$ 119,993.00 |
| Hybrid SUVs | Ford | Escape | 2021 | 2 | \$28,420.73 | \$ 56,841.46 |
| Minivans w/ Wheelchair Ramp | | | | 2 | NO BID | NO BID |
| TOTAL | | | | | | \$ 176,834.46 |

| CREATIVE BUS SALES, INC. | | | | | | |
|---------------------------------|---------------|--------------|-------------|------------|-------------------|---------------------|
| Item | Manuf. | Model | Year | Qty | Unit Price | Total |
| Unleaded SUVs | | | | 4 | NO BID | NO BID |
| Hybrid SUVs | | | | 2 | NO BID | NO BID |
| Minivans w/ Wheelchair Ramp | Braun | Voyager | 2021 | 2 | \$48,337.00 | \$ 96,674.00 |
| TOTAL | | | | | | \$ 96,674.00 |

Board Priority

This item aligns with the Board Priority – Public Image and Transparency

Committee Review

This item was reviewed and approved at the Operations & Capital Projects Committee meeting held on November 18, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Award Contracts to Silsbee Ford, Inc. and Creative Bus Sales, Inc. for Eight (8) Transportation Supervisor and Support Vehicles.

Respectfully Submitted,

Submitted by: Bryan Garner
Director of Maintenance

Reviewed by: Derrick Majchszak
Managing Director of Operations

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



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

December 2, 2020

Subject: Title VI Program Update for Fiscal Years 2017-19

Background

Title VI of the Civil Rights Act of 1964 (Title VI) protects people from discrimination based on race, color, or national origin in programs or activities that receive federal financial assistance. As the Corpus Christi Regional Transportation Authority (CCRTA) is a transit provider which operates 50 or more fixed route vehicles in peak service and is located in an urbanized area of 200,000 or greater in population, a Title VI Program update must be filed in accordance with Federal Transit Administration (FTA) timelines in order to continue to receive federal funding.

Every three years, the FTA Office of Civil Rights conducts discretionary compliance reviews of recipients of federal funding, including transit providers, state Departments of Transportation, and Metropolitan Planning Organizations to determine their compliance with FTA Circular 4702.1B "Title VI Requirements and Guidelines for Federal Transit Administration Recipients". The current 2017 Title VI Program update for fiscal years 2014-16 was approved by the Board of Director on November 1, 2017. The 2017 update will expire on January 30, 2021. Upon approval, the 2020 Title VI Program update for fiscal years 2017-19 will become effective on January 31, 2021.

Identified Need

Per FTA guidelines, the Board of Directors are required to approve this 2020 update prior to submittal to the FTA in the Transit Award Management System (TrAMS). In the development of the 2020 update, demographics were analyzed from the 2018 American Community Survey provided by the United States Census Bureau, data was utilized from the CCRTA Geographic Information System (GIS), and survey results were captured from CCRTA community engagement efforts. Demographic and socioeconomic characteristics of riders was revised which included updates to minority, non-minority, low-income, and Limited English Proficient (LEP) populations within census tracts and block groups throughout the service area.

Title VI service, fare equity analysis, and public involvement documents are included in the 2020 update for major service or fare changes. No fare changes occurred within this period. Additionally, no Title VI complaints have been filed or investigated in this period.

Disadvantaged Business Enterprise

Not applicable.

Financial Impact

No financial impacts.

Board Priority

This item aligns with the Board Priority – Public Image and Transparency.

Committee Review

This item was reviewed and approved at the Operations & Capital Projects Committee meeting held on November 18, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to approve the Title VI Program Update for Fiscal Years 2017-19.

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

Title VI Program

2020 Update (FY 2017-2019)



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY



Submitted in accordance with Federal
Transit Administration Circular 4702.1B
for Fiscal Years 2017 - 2019



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Board of Directors Meeting Memo

December 2, 2020

Subject: Award a One-Year Contract for Power Washing of the Transfer Stations to Nash Entities, Inc. not to exceed \$151,008

Background

The CCRTA has the following bus transfer stations:

- Robstown Transfer Station
- Southside Transfer Station
- Port Ayers Transfer Station
- Staples Street Transfer Station

Prior to the current pandemic, the stations would be pressured washed at least once a month, while custodial staff would clean the stations at least twice a day. However, due to the highly contagious spread of COVID-19, CCRTA is strengthening all cleaning processes.

Identified Need

The current Facilities Staff is not enough personnel to increase the frequency of the pressure washing during the Covid-19 pandemic. Therefore, the decision was made to hire a contractor to support staff for one year, with a one-year option if needed.

Analysis

An Invitation for Bids (IFB) was issued and thirteen (13) proposals were received. Three proposals were non-responsive. The lowest bidder was Nash Entities, Inc. The table below displays the bidders and bid costs for power washing twice a week, for one year.

| No. | Description | Robstown Station | Southside Transfer Station | Port/Ayers Station | Staples Street Station | Total Cost |
|-----|---|------------------|----------------------------|--------------------|------------------------|----------------|
| 1 | Nash Entities, Inc. | \$13,728.00 | \$69,888.00 | \$30,160.00 | \$37,232.00 | \$151,008.00 |
| 2 | Top Notch Way, Inc. | \$27,144.00 | \$75,400.00 | \$40,716.00 | \$75,400.00 | \$218,660.00 |
| 3 | Prestige Building Group | \$22,759.31 | \$115,315.20 | \$50,002.52 | \$61,585.52 | \$249,662.55 |
| 4 | Welker Enterprises, LLC., dba Phoenix Clean | \$22,360.00 | \$115,960.00 | \$50,440.00 | \$61,360.00 | \$250,120.00 |
| 5 | Double H Power Washing, LLC | \$27,587.04 | \$139,776.00 | \$60,609.12 | \$74,649.12 | \$302,621.28 |
| 6 | Evergreen Landscape Services | \$34,020.48 | \$172,433.04 | \$74,751.04 | \$92,067.04 | \$373,271.60 |
| 7 | Two Rivers Wash dba Sparkle Wash | \$45,978.40 | \$163,072.00 | \$90,913.68 | \$111,973.68 | \$411,937.76 |
| 8 | Hardy & Hardy, Inc. | \$114,400.00 | \$114,400.00 | \$114,400.00 | \$114,400.00 | \$457,600.00 |
| 9 | Brite White Pressure Washing | \$73,565.44 | \$372,736.00 | \$161,624.32 | \$199,064.32 | \$806,990.08 |
| 10 | Be-Clean Cleaning Services, Inc. | \$91,956.80 | \$465,920.00 | \$202,072.00 | \$248,872.00 | \$1,008,820.80 |

CONSENT ITEM

Nash Entities, Inc., offered the lowest quote for the one-year period. The company has been in business since 2003, or 17 years. A list of clients includes Chick-fil-A, Visit CC, Montgomery County, just to name a few.

Disadvantaged Business Enterprise

For this procurement the DBE goal is zero percent (0%).

Financial Impact

The award of the contract is \$151,008 for the first year. and is funded through local funds. The first option year will be presented to the Board of Directors, before the first year of the service is completed.

Board Priority

The Board Priority is Facilities and Safety.

Committee Review

This item was reviewed and approved at the Operations & Finance Committee meeting held on November 18, 2020.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Award a One-Year Contract for Power Washing of the Transfer Stations to Nash Entities, Inc. not to exceed \$151,008.

Respectfully Submitted,

Submitted & Sharon Montez
Reviewed by: Managing Director of Customer Services and Capital Projects

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



Subject: Accept the Comprehensive Annual Financial Report (CAFR) with Independent Auditors' Report for the Year Ended December 31, 2019

Background

The Texas Transportation Code Chapter 451.451 states (a) The Board of an authority shall have an annual audit of the affairs of the authority prepared by an independent certified public accountant or a firm of independent certified public accountants and (b) The audit is open to public inspection. The Authority is also required by federal regulations to undergo a compliance and financial audit of its federal grants and the Defined Benefit Plan.

Pursuant to these regulations, the financial statements of the Authority for its fiscal year ended December 31, 2019, has been audited the by the independent firm of Carr, Riggs, & Ingram, LLC, Certified Public Accountants.

In compliance with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB), the financial statements are being presented through the **Comprehensive Annual Financial Report (CAFR)** which is a thorough and detailed presentation of the Authority's financial condition prepared internally by the Finance Department and reviewed by Carr, Riggs, & Ingram, LLC, Certified Public Accountants.

Identified Need

Alan D. "A.J." Bowers, Jr. CPA, CITP (Certified Information Technology Professional), Engagement Auditor and Partner, of the accounting firm of Carr, Riggs, & Ingram, LLC, Certified Public Accountants, has provided the Independent Auditors' Report along with an overview of the financial performance of the Year Ended December 31, 2019.

The CAFR has been reviewed by the auditors and their input has been incorporated throughout the document. The auditors have expressed an "unmodified," or clean, opinion which is the best opinion available. This type of opinion is issued when the auditors feel that financial statements are presented, in all material respects, in accordance with applicable financial reporting framework. The document also contains the single audit reports which are required of the Authority as a recipient of Federal Funds.

Each year, upon the completion of the audit of the financial statements and preparation of the Comprehensive Annual Financial Report (CAFR), the CCRTA's Finance Department submits the CAFR to the Government Finance Officers Association (GFOA) in an effort to earn the Certificate of Achievement for Excellence in Financial Reporting. The award is the highest form of recognition for excellence in the area of governmental accounting and financial reporting. CCRTA has received this award along with a brass medallion symbolizing the achievement for each year since 2012.

Once accepted by the Board, the 2019 CAFR will be submitted to GFOA to continue striving for improvement in financial transparency and obtaining the 8th consecutive award. The goal is to continue exemplifying outstanding financial management annually and adding additional medallions to the 10-year plaque that has been provided by GFOA.

Summary of Audit Results

The auditor’s report expresses an unmodified opinion on the basic financial statements for the Authority, major federal award programs (Single Audit), and the Employees Defined Benefit Plan and Trust.

Basic Financial Statements

The **Net Position** of the Authority stands at \$81,316,788, a decrease of \$3,122,820 from December 31, 2018. Two factors impacted the decrease in net position.

One factor was attributed to the removal of the \$1,611,302 cash reserve restricted for debt service that was used for the reduction of bond principal in the November 2019 advance refunding of the Authority’s bonds. However, this strategy will result in interest savings over the life of the bonds. The other factor is primarily associated with the depreciation expense which caused the reduction in Invested Capital Assets of \$4,053,606; the depreciation expense outweighed the acquisition of capital assets.

The **Unrestricted Net Position** on the other hand stands at \$26,244,817 which increased by \$2,542,088 from December 31, 2018. The below table is an illustration of the Net Position:

| Description | At 12/31/2019 | At 12/31/2018 | Change |
|-----------------------------|----------------------|----------------------|--------------------|
| Invested In Capital Assets | 55,071,970 | 59,125,576 | (4,053,606) |
| Restricted for Debt Service | -0- | 1,611,302 | (1,611,302) |
| Unrestricted | 26,244,818 | 23,702,730 | 2,542,088 |
| Total Net Position | 81,316,788 | 84,439,608 | (3,122,820) |

Of the total unrestricted portion of \$26,244,818, sixty-five percent or \$17,153,505 has been assigned to reserve accounts by order of Board Approved Policies, leaving the amount available at \$9,091,313.

Defined Benefit Plan and Trust

The fiduciary **Net Position** held in trust increased by \$8,269,871 during 2019 and totaled \$42,170,049.

The **Net Appreciation** in the fair market value of investments increased by \$8,269,676 for a total appreciation of \$6,412,947 compared to depreciation of (\$2,256,960) for the prior year.

Administrative expenses increased by \$1,285 to total \$111,885 from \$110,600 for the prior year.

Disadvantaged Business Enterprise

Not Applicable.

Financial Impact

None at this time.

Board Priority

This item aligns with the Board Priority – Financial Transparency.

Recommendation

Staff recommends the Board of Directors Accept the Comprehensive Annual Financial Report (CAFR) with Independent Auditors’ Report for the Year Ended December 31, 2019.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Accept the Comprehensive Annual Financial Report (CAFR) with Independent Auditors' Report for the Year Ended December 31, 2019.

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

ATTACHMENT A
RTA Employees Defined Benefit Plan and Trust
Financial Statements (December 31, 2019 and 2018)

RTA Employees Defined Benefit Plan and Trust
FINANCIAL STATEMENTS
(AND REQUIRED SUPPLEMENTARY INFORMATION)
December 31, 2019 and 2018



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com

RTA Employees Defined Benefit Plan and Trust

FINANCIAL STATEMENTS
(AND REQUIRED SUPPLEMENTARY INFORMATION)

December 31, 2019 and 2018



CRI CARR
RIGGS &
INGRAM

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RTA Employees Defined Benefit Plan and Trust
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December 31, 2019 and 2018

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the RTA Employees Defined Benefit Plan and Trust (the "Plan"), which comprise the statements of fiduciary net position as of December 31, 2019 and 2018, and the related statements of changes in fiduciary net position for the years then ended, and the related notes to the financial statements, which collectively compromise the Plan's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the RTA Employees Defined Benefit Plan and Trust as of December 31, 2019 and 2018, and the changes in fiduciary net position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary plan information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Caru, Riggs & Ingram, L.L.C.

Corpus Christi, Texas
November 19, 2020

RTA Employees Defined Benefit Plan and Trust Management's Discussion and Analysis

The Management's Discussion and Analysis ("MDA") on the financial performance of RTA Employees Defined Benefit Plan and Trust (the "Plan") provides an overview of the Plan's financial activities for the fiscal year ended December 31, 2019. Please read this section in conjunction with the financial statements, which begin on page 5.

FINANCIAL HIGHLIGHTS

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

Financial Highlights for the Year Ended December 31, 2019

- The fiduciary net position held in trust for the Plan increased by \$8,269,871 during the 2019 fiscal year and totaled \$42,170,049 as of December 31, 2019.
- Retirement benefits paid during 2019 increased \$118,351 to total \$1,927,249.
- Total Contributions to the Plan increased \$2,265,554 during 2019 to total \$3,691,087.
- Net appreciation in the fair market value of investments increased by \$8,269,675 during 2019 for a total appreciation of \$6,412,947 compared to depreciation of (\$2,256,960) for the prior fiscal year.
- Administrative expenses increased \$1,285 to total \$111,885.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Plan's basic financial statements include the following:

1. Statements of fiduciary net position,
2. Statements of changes in fiduciary net position, and
3. Notes to the financial statements.

The statement of fiduciary net position reports the Plan's assets, liabilities, and resultant net position restricted for pension benefits. It discloses the financial position of the Plan as of December 31, 2019.

The statement of changes in fiduciary net position reports the results of the Plan's operations during the year disclosing the additions to and deductions from the net position. It supports the change that has occurred to the prior year's net position value on the statements of fiduciary net position.

The notes to the financial statements provide additional information and insight that are essential to gaining a full understanding of the data provided in the statements of fiduciary net position and statements of changes in the fiduciary net position. The notes to the financial statements are followed by required supplementary information that further explains and supports the information in the financial statements.

RTA Employees Defined Benefit Plan and Trust Management's Discussion and Analysis

For 2020, the recommended employer contribution is 11.91% of total annual payroll, 0.4% more than the 2019 recommended contribution of 11.51%.

FINANCIAL ANALYSIS

The fiduciary net position held in trust for the Plan increased by \$8,269,871 during the 2019 fiscal year and totaled \$42,170,049 as of December 31, 2019. The increase is attributed primarily to the \$8,269,675 fair market value appreciation of plan investments in 2019.

| Condensed Financial Information | | | | | |
|--|-------------------|-------------------|-------------------|------------------|--------------------|
| | December | | | Change | |
| | 2019 | 2018 | 2017 | 2019-2018 | 2018-2017 |
| Assets | | | | | |
| Investments at fair value | \$ 42,168,639 | \$ 33,898,964 | \$ 36,439,133 | \$ 8,269,675 | \$ (2,540,169) |
| Accrued interest receivable | 1,410 | 1,214 | 1,191 | 196 | 23 |
| Total Plan Assets | 42,170,049 | 33,900,178 | 36,440,324 | 8,269,871 | (2,540,146) |
| Liabilities | | | | | |
| Net position restricted for pension benefits | \$ 42,170,049 | \$ 33,900,178 | \$ 36,440,324 | \$ 8,269,871 | \$ (2,540,146) |

| | Year Ended December | | | Change | |
|--|---------------------|-----------------------|---------------------|----------------------|-----------------------|
| | 2019 | 2018 | 2017 | 2019-2018 | 2018-2017 |
| Additions | | | | | |
| Net investment (loss) income | \$ 6,617,918 | \$ (2,046,181) | \$ 4,409,016 | \$ 8,664,099 | \$ (6,455,197) |
| Employer contributions | 3,691,087 | 1,425,533 | 1,383,969 | 2,265,554 | 41,564 |
| Total additions (deductions) | 10,309,005 | (620,648) | 5,792,985 | 10,929,653 | (6,413,633) |
| Deductions | | | | | |
| Benefits paid to participants | 1,927,249 | 1,808,898 | 1,833,510 | 118,351 | (24,612) |
| Administrative expenses | 111,885 | 110,600 | 102,228 | 1,285 | 8,372 |
| Total deductions | 2,039,134 | 1,919,498 | 1,935,738 | 119,636 | (16,240) |
| Net increase (decrease) in net position | \$ 8,269,871 | \$ (2,540,146) | \$ 3,857,247 | \$ 10,810,017 | \$ (6,397,393) |

REQUESTS FOR INFORMATION

Questions concerning any of the information provided or requests for additional financial information should be addressed to Corpus Christi Regional Transportation Authority, Finance Department, 602 N. Staples St., Corpus Christi, Texas 78401, (361) 883-2287. In addition, this Employee Defined Benefit Plan and Trust Financial Report for 2019 will be posted on the Authority's website: www.ccrta.org under the category "Financial Transparency" – Pension Information.

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

| <i>As of December 31,</i> | 2019 | 2018 |
|---|----------------------|----------------------|
| ASSETS | | |
| Investments at fair value: | | |
| Money market funds | \$ 905,128 | \$ 1,039,372 |
| Mutual funds | 8,870,103 | 7,061,842 |
| Collective investments funds | 32,393,408 | 25,797,750 |
| Total investments, at fair value | 42,168,639 | 33,898,964 |
| Receivables: | | |
| Accrued interest receivable | 1,410 | 1,214 |
| Total assets | \$ 42,170,049 | \$ 33,900,178 |
| FIDUCIARY NET POSITION | | |
| Net position - restricted for pension benefits | \$ 42,170,049 | \$ 33,900,178 |

The accompanying notes are an integral part of these financial statements.

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

| <i>For the years ended December 31,</i> | 2019 | 2018 |
|--|----------------------|----------------------|
| ADDITIONS | | |
| Contributions | | |
| Employer contributions | \$ 3,691,087 | \$ 1,425,533 |
| Investment income (loss) | | |
| Net appreciation (depreciation) in fair value of investments | 6,412,947 | (2,250,960) |
| Interest | 25,103 | 11,278 |
| Dividends | 173,464 | 188,814 |
| Mutual/ Common trust fund earnings | 6,404 | 4,687 |
| Total investment income (loss), net | 6,617,918 | (2,046,181) |
| Total additions (deductions) | 10,309,005 | (620,648) |
| DEDUCTIONS | | |
| Benefits paid to participants | 1,927,249 | 1,808,898 |
| Administrative expenses | 111,885 | 110,600 |
| Total deductions | 2,039,134 | 1,919,498 |
| Net increase (decrease) in fiduciary net position | 8,269,871 | (2,540,146) |
| Fiduciary net position, beginning of year | 33,900,178 | 36,440,324 |
| Fiduciary net position, end of year | \$ 42,170,049 | \$ 33,900,178 |

The accompanying notes are an integral part of these financial statements

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 1: DESCRIPTION OF THE PLAN

The following description of the RTA Employees Defined Benefit Plan and Trust (the "Plan") provides only general information. Refer to Plan documents for a more complete description of Plan provisions.

General

The Plan is a single-employer defined benefit pension plan administered by the Corpus Christi Regional Transportation Authority ("Authority") and established upon the applicable sections of the Internal Revenue Code. The Authority Board may periodically amend the Plan document. The current Plan provisions were established by a Plan and Trust agreement adopted by the Board of Directors in July 1986, and amended in July 1994, February 2002, November 2010, December 2011, December 2012, and January 2015.

Plan Administrator

The Plan has engaged third parties to provide actuarial services, consulting services, investment services and to assist with certain administrative functions of the Plan.

Benefits

Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The Plan assets are maintained under a trust agreement with Wells Fargo Bank (Trustee). The Trustee carries out an investment policy established by the Authority Board consistent with purposes of the Plan and all applicable laws. Administration costs are paid by the Plan.

Eligibility Requirements

All employees shall be eligible to participate in the Plan on the date of the commencement of a full-time employment or reemployment. For purposes of this section, a full-time employee shall be defined as an employee who receives compensation from the employer on the basis on an average of at least 40 hours of employment per week. Once an employee has become a participant, he will continue to be a participant as long as he continues to be an employee without a break in service and thereafter as long as he or his beneficiary retains any right to benefits under the Plan.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 1: DESCRIPTION OF THE PLAN (Continued)

Retirement Benefits

Plan participants are eligible for their pension benefit after terminating employment with vested rights. Participants are eligible for normal retirement on his normal retirement date (first day of the calendar month immediately following the date he attains age 62). A participant who has both attained his 55th birthday and has completed at least ten (10) years of service may retire at any time by giving at least 120 days prior written notice to the employer, but at a benefit reduced by 5% for each year preceding his normal retirement date. Participants should refer to the Plan Document for a more complete description of the Plan reduction factors. Normal retirement benefits shall be an amount equal to 2% of his final average compensation multiplied by his years of service (converted to a monthly retirement benefit by dividing by twelve).

Vesting

Vesting begins at three years of service with full vesting at seven years. Employees who retire on or after age 62 are entitled to an annual retirement benefit equal to 2% of average compensation for the final three consecutive years of employment times their number of years of service for the Authority. Reduced retirement benefits are available at age 55 with ten years of service. In January 2015, the Plan was amended to allow those eligible for early retirement during a specific window without incurring the normal reduction in benefits. The Plan is not indexed for inflation. As of December 31, 2019 and December 31, 2018, there were 596 and 583 participants in the Plan, respectively, as follows:

| | 2019 | 2018 |
|--|------------|------------|
| Retirees and beneficiaries currently receiving benefits | 185 | 172 |
| Terminated and entitled to, but not yet receiving benefits | 196 | 184 |
| Active employees | 215 | 227 |
| Total participants | 596 | 583 |

Death Benefits

If the employment of a Participant is terminated by reason of his death prior to the completion of three (3) years of service, no death benefits shall be payable under the Plan. If the employment of a participant is terminated by reason of his death, while in the employment of the Authority after the completion of three (3) years of service or after having terminated with at least three (3) years of service, then a death benefit shall be payable to the participant's surviving spouse equal to the "Pre-Retirement Survivor Annuity". The "Pre-Retirement Survivor's Annuity" means a survivor annuity for the life of the deceased participant's spouse which provides payments to the surviving spouse that are equal to the amounts that would have been paid to the surviving spouse (details provided in Plan Document). If the participant does not have a surviving spouse, no death benefits shall be payable.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 1: DESCRIPTION OF THE PLAN (Continued)

Disability Benefits

Employees determined to be disabled under terms of the Authority's long-term disability program as of June 1, 1999 shall be entitled to benefits under this Plan to the extent the Plan provisions in place on June 1, 1999 provided for such benefits.

Contributions

The Authority shall contribute to the fund from time to time amounts based upon the recommendations of the Plan's actuary, in order to fund the costs of the Plan on an acceptable basis. All employer contributions when made to fund and all property and funds of the fund, including income from investments and from all other sources, shall be retained for the exclusive benefit of participants and their beneficiaries, and shall be used to pay retirement income provided hereunder or to pay expenses of administration of the Plan and the fund.

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

Plan Termination

The Authority, has the right under the Plan to discontinue its contributions at any time and to terminate the Plan.

Tax Qualifications

The Plan is a tax qualified plan under IRS Code Section 401(a).

Funding Policy

The employer shall establish a funding policy and method consistent with the Plan objectives in order that the long range and short range financial needs of the Plan may be determined and communicated to the Board.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to the accounting principles generally accepted in the United States of America (GAAP) for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other authoritative sources.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation U.S GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Method Used to Value Investments

The assets of the Plan are invested in various fixed income, equity and short-term money market funds managed by a trustee. The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Plan. Investments are reported at their fair market value as determined by the trustee. Investments in mutual funds are valued based on most recent quoted market prices.

Investment Income

Dividend income is recognized based on the dividend date and interest income is recognized on the accrual basis as earned. Fair value changes are recorded as investment income or loss. Purchases and sales of investments are recorded as of the trade date.

Investment Valuation and Income Recognition

The Plan's investments are stated at market value, unless otherwise indicated. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for further information and related disclosures regarding the Plan's investments. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in the fair value of investments includes realized gains or losses and unrealized appreciation or depreciation on investments bought and sold as well as held during the year. Gains and losses on the sale of investments in registered investment company funds are computed using the weighted average cost method.

Risk and Uncertainties

The Plan may invest in various types of investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of fiduciary net position.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Payment of Benefits

Benefit payments are recognized as expenses when due and payable in accordance with the terms of the Plan.

Administrative Expenses

The employer may pay all expenses incurred in the administration of the Plan, including expenses and fees of the Trustee, but it shall not be obligated to do so; except that any such expenses and fees not paid by the employer shall be paid from the Plan. All expenses not paid by the employer and all other proper charges and disbursements of the Trustee, including taxes of any kind which may be levied or assessed under existing or future laws upon or in respect to the Fund or the Trust created hereby, shall be paid by the Trustee out of, and shall constitute a first charge upon, the Fund. In addition, certain investment related expenses are included in the net appreciation of fair value of investments presented in the accompanying *Statement of Changes in Fiduciary Net Position*.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 19, 2020. See Note 8 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Note 3: CHANGES OF ASSUMPTIONS

The assumed interest (or discount) rate was decreased from 7.40% to 7.30% per annum. The mortality basis was changed from the RP-2017 Blue Collar Generational Mortality table with Improvement Scale MP-2018 to the RP-2014 Blue Collar Generational Mortality table with Improvement Sale MP-2019.

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 4: INVESTMENTS

Investments at December 31, 2019 and 2018 consist of the following mutual funds, which are stated at fair value:

| | 2019 | 2018 |
|---|----------------------|----------------------|
| Money market fund: | | |
| Wells Fargo Short Term Investment Fund F | \$ 905,128 | \$ 1,039,372 |
| Total money market fund | 905,128 | 1,039,372 |
| Mutual funds: | | |
| Fixed income: | | |
| Metropolitan West Total Return Bond Fund Class I | 3,267,295 | 2,701,425 |
| Total fixed income | 3,267,295 | 2,701,425 |
| International equity: | | |
| Acadian Emerging Markets Portfolio Class Inst | 873,054 | 666,821 |
| American Funds Europacific Growth | 1,758,498 | 1,361,263 |
| Invesco Oppenheimer Developing | 884,955 | - |
| Oppenheimer Developing Markets Fund Class I | - | 678,564 |
| Total international equity | 3,516,507 | 2,706,648 |
| Commodity: | | |
| Alps/Corecommodity Mgmt Complete Comm Strat Fund Cl I | 1,091,871 | 836,556 |
| Total commodity | 1,091,871 | 836,556 |
| Real Estate: | | |
| Vanguard REIT ETF | 994,430 | 817,213 |
| Total real estate | 994,430 | 817,213 |
| Total mutual funds | 8,870,103 | 7,061,842 |
| Collective investment funds: | | |
| Domestic equity: | | |
| Wells Fargo Multi-Manager Small Cap CIT F | 3,904,687 | 3,069,349 |
| Wells Fargo Blackrock S&P Midcap Index CIT F | 4,331,665 | 3,400,961 |
| Wells Fargo Blackrock S&P 500 Index CIT F | 4,407,935 | 3,392,146 |
| Wells Fargo MFS Value CIT F | 1,310,502 | 1,017,448 |
| Wells Fargo T Rowe Price Instit Equity Income Managed CIT F | 873,304 | 677,674 |
| Wells Fargo T Rowe Price Instit Large-Cap Growth Managed CIT F | 1,350,986 | 1,018,995 |
| Wells Fargo Voya Large Cap Growth CIT F | 892,523 | 679,054 |
| Total domestic equity | 17,071,602 | 13,255,627 |
| Fixed income: | | |
| Wells Fargo Core Bond Fund | 6,128,610 | 5,076,577 |
| Wells Fargo Dodge & Cox Intermediate Bond CIT F | 2,873,258 | 2,366,531 |
| Wells Fargo Federated Total Return Bond CIT F | 3,286,199 | 2,707,096 |
| Total fixed income | 12,288,067 | 10,150,204 |
| International equity: | | |
| Wells Fargo Causeway International Value CIT F | 1,752,958 | 1,366,754 |
| Wells Fargo Lazard International Equity CIT F | 1,280,781 | 1,025,165 |
| Total international equity | 3,033,739 | 2,391,919 |
| Total collective investment funds | 32,393,408 | 25,797,750 |
| Total investments | \$ 42,168,639 | \$ 33,898,964 |

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 4: INVESTMENTS (Continued)

Fair Value Measurements

GASB 72, Fair Value Measurements and Application, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement). The three levels of the fair value hierarchy under GASB 72 are described as follows:

Level 1 inputs to the valuation methodology is unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from, or corroborated by, observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 inputs to the valuation methodology are inputs that are unobservable and significant to the fair value measurement.

Valuation Methodology

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2019.

Level 1 Fair Value Measurements

The fair value of mutual funds is based on quoted net asset values of the shares held by the Plan at the end of the year. Accounts are based on available quoted market prices.

Level 2 Fair Value Measurements

The fair value of certain units of Collective Investment Funds is based on significant other observable inputs. Underlying investments include securities, government and agency obligations, and fixed income securities. Securities traded on security exchanges are valued at closing market prices on the valuation date. Securities traded in the over-the-counter market are valued at the last sale on the valuation date, if any, otherwise at the last reported bid price. Government and agency obligations are valued based upon the most recent bid quotation for identical or similar obligations.

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 4: INVESTMENTS (Continued)

Fixed income securities are valued based upon the most recent bid quotation obtained from major market makers or security exchanges. The fair value of the collective trust fund is the respective net asset values reported by the fund daily.

The preceding valuation methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following presents the Plan's fair value measurements at December 31, 2019 and 2018 reported by level, within the fair value hierarchy and segregated by entity size or investment objective.

| Fair Value Measurements | | | |
|--------------------------------|----------------------|--|--|
| | Fair value | Quoted prices in active market for identical assets (Level 1) | Significant other observable inputs (Level 2) |
| December 31, 2019 | | | |
| Money market fund | \$ 905,128 | \$ 905,128 | \$ - |
| Mutual funds | 8,870,103 | 8,870,103 | - |
| Common/ Collective trust funds | 32,393,408 | - | 32,393,408 |
| Total | \$ 42,168,639 | \$ 9,775,231 | \$ 32,393,408 |
| December 31, 2018 | | | |
| Money market fund | \$ 1,039,372 | \$ 1,039,372 | \$ - |
| Mutual funds | 7,061,842 | 7,061,842 | - |
| Common/ Collective trust funds | 25,797,750 | - | 25,797,750 |
| Total | \$ 33,898,964 | \$ 8,101,214 | \$ 25,797,750 |

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. As market interest rates rise, the fair value of an investment held decreased. The Plan's current Investment Policy does not specifically address interest rate risk. The Plan does, however, monitor exposure using the "Segmented Time Distribution" method.

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 4: INVESTMENTS (Continued)

The following is a list of fixed income investments and related maturity schedule (in years) as of December 31, 2019 and 2018. The Maturity schedule is based on the average maturity of the fund as noted by the fund manager.

| Investment Type | Fair Value | Less than | 1 year | 1 - 5 years | 5- 10 years | 10 + years |
|---------------------------------------|----------------------|------------------|----------------|---------------------|---------------------|---------------------|
| December 31, 2019 | | | | | | |
| Collective Investment Funds: | | | | | | |
| Fixed Income | | | | | | |
| WF Core Bond Fund | \$ 6,128,610 | \$ | 61,286 | \$ 3,861,024 | \$ 1,225,722 | \$ 980,578 |
| WF Dodge & Cox Intermediate Bond Fund | 2,873,258 | | 86,198 | 1,494,094 | 689,582 | 603,384 |
| WF Federated Total Return Bond Fund | 3,286,199 | | 131,448 | 690,102 | 98,586 | 1,413,066 |
| Total | \$ 12,288,067 | \$ | 278,932 | \$ 6,045,220 | \$ 2,013,890 | \$ 2,997,027 |

| | | | | | | |
|---------------------------------------|----------------------|-----------|----------------|---------------------|---------------------|---------------------|
| December 31, 2018 | | | | | | |
| Collective Investment Funds: | | | | | | |
| Fixed Income | | | | | | |
| WF Core Bond Fund | \$ 5,076,577 | \$ | 50,766 | \$ 2,182,928 | \$ 2,233,694 | \$ 609,189 |
| WF Dodge & Cox Intermediate Bond Fund | 2,366,531 | | 23,665 | 757,290 | 1,230,596 | 354,980 |
| WF Federated Total Return Bond Fund | 2,707,096 | | 81,213 | 568,490 | 81,213 | 1,055,767 |
| Total | \$ 10,150,204 | \$ | 155,644 | \$ 3,508,708 | \$ 3,545,503 | \$ 2,019,936 |

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the Plan. The Plan's investment policy addresses general provisions relating to common stocks where limits are established on percentage of investing in a particular stock. The policy also stresses high quality and reasonable diversification of fixed income investments with portfolio holdings concentrated in securities rated A or better, limiting 10% of holdings invested in issues rated below BBB, only with management approval.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 4: INVESTMENTS (Continued)

Custodial Credit Risk

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by counterparty, or counterparty's trust department or agent but not in the government's name. This is the risk that in the event of bank or investment failure, the Plan's deposits or investments may not be returned. The Plan's investment policy does not specifically address custodial credit risk; however, all of Defined Benefits' deposits and investments are in the name of the Plan and Trust. As of December 31, 2019 and 2018, the Plan's deposits or investments exposed to custodial credit risk are minimal.

Concentration of Credit Risk

This is the risk of investing predominately in any one type of investment or entity. The Plan recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The Plan's adopted investment policy established diversification as a major objective of the investment program and sets diversification limits for all authorized investment types which are monitored on a monthly basis. Per the policy, no equity holding may exceed 5% of the outstanding voting shares of the issuing corporation. Likewise, regarding fixed income investments, not more than 5% of the market value of the total portfolio may be invested in the debt securities of any one company. As of December 31, 2019 and 2018 there were no exceptions to these policy limits.

The following is the Plan's adopted asset allocation ranges as of December 31, 2019:

| | Target % | Maximum % | Minimum % | Benchmark |
|--------------|----------|-----------|-----------|----------------------------|
| Cash | 2% | 3% | 0% | Treasury Bill Equivalent |
| Equities | 60% | 70% | 50% | S & P 500 |
| Fixed Income | 38% | 50% | 27% | Barclays Capital Aggregate |

Rate of Return

The portfolio is expected to produce a compounded annual absolute return over a market cycle of at least 7.5%. For the year ended December 31, 2019 and 2018, the annual dollar-weighted rate of return on the Plan's investments, net of pension plan investment income, was 18.98 and -5.40 percent, respectively. The dollar-weighted rate of return demonstrates that the present value of future cash flows plus the final market value of investments equal the current market price of investment.

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 4: INVESTMENTS (Continued)

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

| | WF Core Bond Fund CIT F | WF Dodge & Cox Intermed Bond CIT F | WF Federated Total Return Bond CIT F | Total |
|--------------------------|--|---|---|----------------------|
| December 31, 2019 | | | | |
| Cash | \$ - | \$ 28,733 | \$ 32,862 | \$ 61,595 |
| U.S. Treasury | - | 201,128 | - | 201,128 |
| U.S. Agency | - | 1,235,501 | - | 1,235,501 |
| AAA | 4,167,455 | 172,395 | 1,643,100 | 5,982,950 |
| AA | 122,572 | 57,465 | 98,586 | 278,623 |
| A | 735,433 | 201,128 | 427,206 | 1,363,767 |
| BBB | 980,578 | 747,047 | 722,964 | 2,450,588 |
| BB and Below | 122,572 | 229,861 | 361,482 | 713,915 |
| Total | \$ 6,128,610 | \$ 2,873,258 | \$ 3,286,199 | \$ 12,288,067 |
| December 31, 2018 | | | | |
| Cash | \$ - | \$ 23,665 | \$ 27,071 | \$ 50,736 |
| U.S. Treasury | - | 236,653 | - | 236,653 |
| U.S. Agency | - | 899,282 | - | 899,282 |
| AAA | 3,756,667 | 141,992 | 1,272,335 | 5,170,994 |
| AA | 152,297 | 23,665 | 54,142 | 230,104 |
| A | 304,595 | 141,992 | 297,780 | 744,367 |
| BBB | 812,252 | 733,625 | 649,703 | 2,195,580 |
| BB and Below | 50,766 | 165,657 | 297,781 | 514,204 |
| Other | - | - | 108,284 | 108,284 |
| Total | \$ 5,076,577 | \$ 2,366,531 | \$ 2,707,096 | \$ 10,150,204 |

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 5: NET PENSION LIABILITY

The Net Pension Liability is measured as the Total Pension Liability, less the amount of the Plan's Fiduciary Net Position. In actuarial terms, this will be the accrued liability less the market value of assets. The components of the Plan's Net Pension Liability as of December 31, 2019 and 2018 are as follows:

| | 2019 | 2018 |
|-----------------------------|---------------|---------------|
| Total pension liability | \$ 44,625,498 | \$ 40,368,820 |
| Plan fiduciary net position | 42,170,049 | 33,900,178 |
| Net pension liability | \$ 2,455,449 | \$ 6,468,642 |

| | | |
|---|--------|--------|
| Plan fiduciary net position as a percentage of the total pension liability | 94.50% | 83.98% |
|---|--------|--------|

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2019, using the following actuarial assumptions, applied to all periods included in the measurement.

| | |
|---------------------------------|--|
| Actuarial cost method | Entry age normal |
| Inflation | 2.25% |
| Salary increases | 3.50% |
| Mortality | RP-2014 Blue Collar Generational Mortality table with Improvement Scale MP-2019 |
| Ad hoc post-employment benefits | Not applicable |

Long-Term Expected Rate of Plan Returns

The long-term expected rate of return on Plan investments was determined considering historical performance and using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 5: NET PENSION LIABILITY (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2019 are summarized in the following table:

| Asset Class | Target Allocation | Long-term Expected Real Rate of Return |
|-----------------------------|-------------------|--|
| Domestic Equity - Large Cap | 20% | 5.20% |
| Domestic Equity - Mid Cap | 10% | 6.00% |
| Domestic Equity - Small Cap | 10% | 6.30% |
| International Equity | 15% | 5.20% |
| Fixed Income | 38% | 1.30% |
| Domestic Real Estate | 2.5% | 4.30% |
| Commodities | 2.5% | 2.20% |
| Cash | 2% | 0.00% |

Discount Rate

The discount rate used to measure the total pension liability was 7.3%. Pursuant to Paragraph 43 of GASB No. 67, an alternative analysis was performed to compare the Plan's net fiduciary position to projected benefit payments.

1. The Normal Cost represents the annual cost of providing an additional year of pension benefits for active participants.
2. The Unfunded Actuarial Accrued Liability represents the accumulated deficiency of the total cost of benefit payments which have already been earned over the current assets held by the Plan's trust.
3. The Authority's contribution policy is to make an annual payment equal to the Normal Cost plus the amortization payment of the Unfunded Actuarial Accrued Liability. The amortization payment is calculated as a level dollar amount over a period of 15 years from January 1, 2009.
4. A review of actual contributions over the past five years shows that the Authority has made sufficient contributions to meet its funding policy.

On the basis of the above, the projected cash flows will be sufficient to provide the benefit payments to the Plan participants. Thus, the Discount Rate is equal to the long-term expected rate of return of 7.3%.

RTA Employees Defined Benefit Plan and Trust
Notes to Financial Statements

Note 5: NET PENSION LIABILITY (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the Net Pension Liability of the Plan, calculated using the discount rate of 7.3%, as well as what the Plan's Net Pension Liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.3%) or 1-percentage point higher (8.3%) than the current rate:

| | 1% Decrease 6.30% | Current Discount Rate 7.30% | 1% Increase 8.30% |
|-----------------------|----------------------|--------------------------------|----------------------|
| Net pension liability | \$ 7,723,454 | \$ 2,455,449 | \$ (1,951,023) |

Note 6: PLAN TERMINATION

Although it has not expressed any intention to do so, the Authority expressly reserves the right under the Plan to terminate or partially terminate the Plan and its contributions thereunder at any time subject to the provisions set forth in Section 7 of the Plan and by giving written notice of such termination or discontinuation of its contribution to the Trustee. In the event the Plan terminates, or partially terminates, the present value of the benefits shall be determined as of the Plan termination date and the assets of the Trust Fund shall be allocated to the extent they shall be sufficient, after providing for expenses and administration, in the following order:

1. First
 - a. To benefits which are being paid as of three years prior to the date of termination of the Plan, with the amount to be allocated to such benefit, based on the provisions of the Plan in effect during the five-year period immediately preceding the date of termination under which such benefit would be least.
 - b. To benefits which would have been paid as of three years prior to the date of termination (i) if the Participant had retired prior to the three-year period and (ii) if his benefits had commenced (in the normal form of annuity under the Plan) as of the beginning of such three-year period, with the amount to be allocated to each such benefit determined under the provisions of the Plan in effect during the five-year period preceding the date of termination under which the benefit would be the least.
2. Second, to all other vested Accrued Benefits as determined under Section 3.05.
3. Third, to all other Accrued Benefits attributable to non-vested participants.

RTA Employees Defined Benefit Plan and Trust Notes to Financial Statements

Note 6: PLAN TERMINATION (Continued)

For purposes of 1.b.i above, the lowest benefit in pay status during a three-year period shall be considered the benefit in pay status for such period.

If the assets available for allocation to any class specified above are insufficient to satisfy in full the benefits of all individuals within that class, the assets shall be allocated pro-rata among such individuals on the basis of present value (as of the termination date) of their respective benefits.

Note 7: TAX STATUS

On April 27, 2017 the Internal Revenue Service (IRS) issued a favorable determination letter stating that the Plan was in compliance with Section 1.401-1(b)(3) of the Code of Federal Regulations.

Note 8: SUBSEQUENT EVENTS

Management of the Plan evaluated all events or transactions that occurred after December 31, 2019 through November 19, 2020, the date the Plan's financial statements were available to be issued.

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Plan. The occurrence and extent of such impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all which are uncertain.

REQUIRED SUPPLEMENTARY PLAN INFORMATION

RTA Employees Defined Benefit Plan and Trust
Schedule of Net Pension Liability
Last 6 Years

| For the Year Ended December 31, | Total Pension Liability | Plan Fiduciary Net Position | Employer's Net Pension Liability | Plan Fiduciary Net Position as a % of Total Pension Liability | | Covered Payroll | Net Pension Liability (Asset) as a % of Covered Payroll |
|---------------------------------|-------------------------|-----------------------------|----------------------------------|---|----------------------------------|-----------------|---|
| | | | | Plan Fiduciary Net Position | Employer's Net Pension Liability | | |
| 2019 | \$ 44,625,498 | \$ 42,170,049 | \$ 2,455,449 | 94.50% | \$ 10,668,048 | 23.0% | |
| 2018 | 40,368,821 | 33,900,179 | 6,468,642 | 83.98% | 10,677,430 | 60.6% | |
| 2017 | 37,069,237 | 36,440,324 | 628,913 | 98.30% | 9,773,977 | 6.4% | |
| 2016 | 34,966,314 | 32,583,077 | 2,383,237 | 93.18% | 9,178,411 | 26.0% | |
| 2015 | 33,530,870 | 30,210,461 | 3,320,409 | 90.10% | 8,818,232 | 37.7% | |
| 2014 | 31,895,409 | 31,162,434 | 732,975 | 97.70% | 7,274,172 | 10.1% | |

Note to Schedule:

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See notes to required supplementary information.

RTA Employees Defined Benefit Plan and Trust
Schedule of Changes in Net Pension Liability and Related Ratios

| <i>For the year ended December 31,</i> | 2019 | 2018* | 2017 | 2016 | 2015 | 2014 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total Pension Liability | | | | | | |
| Service cost | \$ 879,904 | \$ 1,066,449 | \$ 980,740 | \$ 941,470 | \$ 876,806 | \$ 695,517 |
| Interest on total pension liability | 2,987,293 | 2,780,193 | 2,620,680 | 2,521,413 | 2,396,547 | 2,254,495 |
| Change in excess state money | - | - | - | - | - | - |
| Changes in benefit terms | - | 313,503 | - | - | 115,478 | 391,915 |
| Changes between expected and actual experience | 1,943,344 | (241,238) | 335,013 | (465,534) | (260,046) | 784,295 |
| Changes of assumptions | 373,385 | 1,189,575 | - | - | - | - |
| Contributions - buybacks | - | - | - | - | - | - |
| Benefit payments, including refunds of employee contributions | (1,927,249) | (1,808,898) | (1,833,510) | (1,561,905) | (1,493,324) | (1,248,266) |
| Net change in total pension liability | 4,256,677 | 3,299,584 | 2,102,923 | 1,435,444 | 1,635,461 | 2,877,956 |
| Total pension liability, beginning | 40,368,821 | 37,069,237 | 34,965,814 | 33,530,370 | 31,894,909 | 29,016,953 |
| Total pension liability, ending (a) | \$ 44,625,498 | \$ 40,368,821 | \$ 37,068,737 | \$ 34,965,814 | \$ 33,530,370 | \$ 31,894,909 |
| Plan Fiduciary Net Position | | | | | | |
| Contributions - employer | \$ 3,691,087 | \$ 1,425,533 | \$ 1,383,969 | \$ 1,503,736 | \$ 985,175 | \$ 1,178,498 |
| Investment income net of investment expenses | 6,617,918 | (2,046,180) | 4,409,016 | 2,523,595 | (348,950) | 1,706,547 |
| Benefit payments, including refunds of employee contributions | (1,927,249) | (1,808,898) | (1,833,510) | (1,561,905) | (1,493,324) | (1,248,266) |
| Administrative expenses | (111,886) | (110,600) | (102,228) | (92,810) | (94,874) | (91,465) |
| Other | - | - | - | - | - | - |
| Net change in plan fiduciary net position | 8,269,870 | (2,540,145) | 3,857,247 | 2,372,616 | (951,973) | 1,545,314 |
| Plan fiduciary net position, beginning | 33,900,179 | 36,440,324 | 32,583,077 | 30,210,461 | 31,162,434 | 29,617,120 |
| Plan fiduciary net position, ending (b) | \$ 42,170,049 | \$ 33,900,179 | \$ 36,440,324 | \$ 32,583,077 | \$ 30,210,461 | \$ 31,162,434 |
| Net pension liability, ending = (a) - (b) | \$ 2,455,449 | \$ 6,468,642 | \$ 628,413 | \$ 2,382,737 | \$ 3,319,909 | \$ 732,475 |
| Plan fiduciary net position as a % of total pension liability | 94.50% | 83.98% | 98.30% | 93.19% | 90.10% | 97.70% |
| Covered payroll | \$ 10,668,048 | \$ 10,677,430 | \$ 9,773,977 | \$ 9,178,411 | \$ 8,818,232 | \$ 7,274,172 |
| Net pension liability as a % of covered payroll | 23.02% | 60.58% | 6.43% | 25.96% | 37.65% | 10.07% |

Note to Schedule:

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

*Multiple valuations were performed in 2018. The December 31, 2017 valuation was necessary to roll forward the valuation to December 31, 2018, but was not utilized in the financial statements.

See notes to required supplementary information.

**RTA Employees Defined Benefit Plan and Trust
Schedule of Contributions
Last 10 Years**

| Year Ended December 31 | Actuarially Determined Contribution | Contributions in Relation to the Actuarial Determined Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a % of Covered Payroll |
|------------------------------|---|--|--|----------------------|--|
| 2019 | \$ 1,227,724 | \$ 3,691,087 | \$ (2,463,363) | \$ 10,668,048 | 34.60% |
| 2018 | 1,191,087 | 1,425,533 | (234,446) | 10,677,430 | 13.35% |
| 2017 | 1,399,307 | 1,383,969 | 15,338 | 9,773,977 | 14.16% |
| 2016 | 1,468,804 | 1,503,736 | (34,932) | 9,178,411 | 16.38% |
| 2015 | 983,696 | 985,175 | (1,479) | 8,818,232 | 11.17% |
| 2014 | 695,517 | 1,178,498 | (482,981) | 7,274,172 | 16.20% |
| 2013 | 988,534 | 1,280,330 | (291,796) | 7,474,445 | 17.13% |
| 2012 | 1,125,651 | 1,125,651 | - | 7,221,526 | 15.59% |
| 2011 | 886,742 | 1,064,288 | (177,546) | 7,073,120 | 15.05% |
| 2010 | 1,168,423 | 1,168,423 | - | 7,246,596 | 16.12% |

See notes to required supplementary information.

RTA Employees Defined Benefit Plan and Trust
Schedule of Investment Returns
Last 6 Years

| Year Ended December 31 | Net Money-Weighted Rate of Return |
|---------------------------|---|
| 2019 | 18.98% |
| 2018 | -5.40% |
| 2017 | 13.12% |
| 2016 | 8.01% |
| 2015 | -1.42% |
| 2014 | 5.07 |

Note to Schedule:

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

RTA Employees Defined Benefit Plan and Trust Notes to Required Supplementary Information

Factors that significantly affect trends in amounts reported

For the periods presented, there were no changes of benefit terms or changes in the size or composition of the population covered by the benefit terms which significantly affect trends in the amounts reported. For the December 31, 2019 valuation, the assumed rates of mortality were changed from the RP-2017 Blue Collar Generational Mortality table with Improvement Scale MP-2018 to the RP-2014 Blue Collar Generation Mortality Table with Improvement Scope MP-2019.

Method and assumptions used in calculations of actuarially determined contributions

The following actuarially determined methods and assumptions were used to determine contribution rates reported for the year ended December 31, 2019:

| Valuation Date | December 31, 2019 | | | | | | | | | | | | | | | | |
|-------------------------------|---|-----|------------------|-------|-----|----|-----|-------|-----|----|-----|-------|-----|-------|-----|----|------|
| Actuarial Cost Method | Entry Age Normal Actuarial Cost Method | | | | | | | | | | | | | | | | |
| Amortization Method | Level Dollar | | | | | | | | | | | | | | | | |
| Remaining Amortization Period | Average working lifetime of all participants | | | | | | | | | | | | | | | | |
| Mortality Rate | RP-2014 Blue Collar Generational Mortality table with Improvement Scale MP-2019 | | | | | | | | | | | | | | | | |
| Asset Valuation Method | Fair Market Value based on quoted market prices | | | | | | | | | | | | | | | | |
| Actuarial Assumptions: | | | | | | | | | | | | | | | | | |
| Investment rate of return | 7.30% compounded annually | | | | | | | | | | | | | | | | |
| Inflation rate | 2.25% compounded annually | | | | | | | | | | | | | | | | |
| Retirement age | Later of age 62 with 7 or more years of employment | | | | | | | | | | | | | | | | |
| Disability and rate: | None assumed | | | | | | | | | | | | | | | | |
| Retirement Rates: | | | | | | | | | | | | | | | | | |
| | <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Age</th> <th style="text-align: center;">Retirement Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">55-61</td> <td style="text-align: center;">20%</td> </tr> <tr> <td style="text-align: center;">62</td> <td style="text-align: center;">35%</td> </tr> <tr> <td style="text-align: center;">63-64</td> <td style="text-align: center;">15%</td> </tr> <tr> <td style="text-align: center;">65</td> <td style="text-align: center;">25%</td> </tr> <tr> <td style="text-align: center;">66-67</td> <td style="text-align: center;">20%</td> </tr> <tr> <td style="text-align: center;">68-69</td> <td style="text-align: center;">50%</td> </tr> <tr> <td style="text-align: center;">70</td> <td style="text-align: center;">100%</td> </tr> </tbody> </table> | Age | Retirement Rates | 55-61 | 20% | 62 | 35% | 63-64 | 15% | 65 | 25% | 66-67 | 20% | 68-69 | 50% | 70 | 100% |
| Age | Retirement Rates | | | | | | | | | | | | | | | | |
| 55-61 | 20% | | | | | | | | | | | | | | | | |
| 62 | 35% | | | | | | | | | | | | | | | | |
| 63-64 | 15% | | | | | | | | | | | | | | | | |
| 65 | 25% | | | | | | | | | | | | | | | | |
| 66-67 | 20% | | | | | | | | | | | | | | | | |
| 68-69 | 50% | | | | | | | | | | | | | | | | |
| 70 | 100% | | | | | | | | | | | | | | | | |
| Projected salary increases | 3.5% per year until the assumed retirement age and 15% in year of retirement to account for non-regular compensation, includes inflation at 2.5%. | | | | | | | | | | | | | | | | |
| Cost of Living assumption | 2.5% per year for participants receiving monthly benefits whose benefits began on or before January 1, 2015. | | | | | | | | | | | | | | | | |



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

Comprehensive Annual Financial Report

Corpus Christi, Texas

www.ccrta.org



For the Fiscal Year Ended December 31, 2019



Subject: Ratify the ACH payments made to UMB Bank, NA to satisfy the Authority's 2020 Annual Debt Service requirements of the Revenue Refunding Bonds, Taxable Series 2019

Background

The Corpus Christi RTA issued refunding bonds in 2019 in order to refinance Series 2013 Revenue Bonds originally used for the construction of the Staples Street Center. By issuing the refunding bonds, the Authority was able to capitalize on historically-low bond rates and realize long-term savings on total debt service. Debt service on CCRTA Revenue Refunding Bonds, Taxable Series 2019 is paid twice each year; an interest-only payment in June, and a regular (principal plus interest) payment in December. Debt payments are made to UMB Bank, NA.

Annual Debt Service requirements through 2026 are presented as follows:

Debt Service Schedule

Part 1 of 2

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|------------|------------|--------|------------|--------------|--------------|
| 11/05/2019 | - | - | - | - | - |
| 06/01/2020 | - | - | 317,414.73 | 317,414.73 | - |
| 12/01/2020 | 815,000.00 | 2.095% | 277,352.68 | 1,092,352.68 | - |
| 12/30/2020 | - | - | - | - | 1,409,767.41 |
| 06/01/2021 | - | - | 268,815.56 | 268,815.56 | - |
| 12/01/2021 | 870,000.00 | 2.086% | 268,815.56 | 1,138,815.56 | - |
| 12/30/2021 | - | - | - | - | 1,407,631.12 |
| 06/01/2022 | - | - | 259,741.46 | 259,741.46 | - |
| 12/01/2022 | 890,000.00 | 2.079% | 259,741.46 | 1,149,741.46 | - |
| 12/30/2022 | - | - | - | - | 1,409,482.92 |
| 06/01/2023 | - | - | 250,489.91 | 250,489.91 | - |
| 12/01/2023 | 905,000.00 | 2.103% | 250,489.91 | 1,155,489.91 | - |
| 12/30/2023 | - | - | - | - | 1,405,979.82 |
| 06/01/2024 | - | - | 240,973.83 | 240,973.83 | - |
| 12/01/2024 | 930,000.00 | 2.203% | 240,973.83 | 1,170,973.83 | - |
| 12/30/2024 | - | - | - | - | 1,411,947.66 |
| 06/01/2025 | - | - | 230,729.88 | 230,729.88 | - |
| 12/01/2025 | 950,000.00 | 2.307% | 230,729.88 | 1,180,729.88 | - |
| 12/30/2025 | - | - | - | - | 1,411,459.76 |
| 06/01/2026 | - | - | 219,771.63 | 219,771.63 | - |
| 12/01/2026 | 970,000.00 | 2.407% | 219,771.63 | 1,189,771.63 | - |
| 12/30/2026 | - | - | - | - | 1,409,543.26 |

Identified Need

In order to maintain a strong bond rating, it is necessary that the Authority meet its debt service requirements in a timely manner. In accordance with the bond covenant, the annual debt service obligations are made twice a year. The total amount required to service the annual debt obligations for 2020 is \$1,409,767.35. The first payment was made on April 17, 2020, in the amount of \$317,414.65 for the interest portion of the debt payment. The second payment was made on November 13, 2020, in the amount of \$1,092,352.70 and included \$815,000 for principal and \$277,352.70 for interest.

Disadvantaged Business Enterprise

There is no DBE goal.

Financial Impact

The annual debt service payments are budgeted in the operating budget, in department 65 (Debt Service).

Board Priority

This item aligns with the Board Priority –Transparency.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Ratify the ACH payments made to UMB Bank, NA to satisfy the Authority's 2020 Annual Debt Service requirements of the Revenue Refunding Bonds, Taxable Series 2019.

Respectfully Submitted,

Submitted by: Sandy Roddel
Director of Finance

Reviewed by: Robert M. Saldaña
Managing Director of Administration

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



Subject: Award a Contract to Driverguard, Inc. for Driver Safety Shields

Background

RTA currently operates a fleet of 70 Gillig buses on our fixed route services, and staff is requesting to retrofit 63 of these buses with an advanced Driver Safety Shield. These vehicles have recently been equipped with acrylic barriers that were designed and installed by our vehicle maintenance team. These barriers were installed to provide our bus operators with an additional level of protection from COVID-19 and other bacterial and viral threats.

Identified Need

The existing barriers are only intended to provide additional protection from bacterial and viral threats. Prior to COVID-19, the primary threat to a bus operator was the risk of a physical assault. The purchase and installation of Driver Safety Shields will provide our bus operators with protection from potential physical assaults, assaults using weapons, and from bacterial and viral threats.

Disadvantaged Business Enterprise

For this procurement the DBE participation is zero percent (0%) – Contractors are encouraged to offer contracting opportunities to the fullest extent possible through outreach and recruitment activities to small, minority and disadvantaged businesses.

Financial Impact

The estimated cost of this project prior to issuing the IFB was \$443,240. This project is expected to qualify for a full 100 percent grant funding under the CARES act. We received three bids on the IFB, with Driverguard, Inc. being the only one to meet all of the specifications. The cost of this project is \$129,925.00 and it is expected to qualify for a full 100 percent grant funding under the CARES act.

| Drivers Safety Shields | | |
|-------------------------------|--------------|--------------------|
| IFB No. 2020-FP-12 | | |
| Company | Cost | Meets Specs |
| Driverguard, Inc. | \$129,925.00 | Yes |
| Gillig, LLC | \$105,840.00 | No |
| Power Manufacturing, Inc. | \$66,465.00 | No |

Board Priority

The Board Priority is Safety & Security.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to Award a contract to Driverguard, Inc. for Driver Safety Shields.

Respectfully Submitted,

Submitted by: Bryan 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 Three-Year Contract with one two-year option for Bus and Bus Bench Advertising to Iconic Sign Group, LLC

Background

CCRTA currently contracts with Iconic Sign Group, LLC (awarded in 2015), to sell and service advertising on:

- Bus benches
- Bus stop shelter ad space
- Inside bus advertising posters
- Outside bus advertising including wraps on both sides of buses and the back of buses where available

The contractor is also responsible for all graffiti removal on the advertisement and general appearance of the advertisement itself.

Identified Need

A Request for Proposals (RFP) was discussed and approved at the Administration & Finance Committee meeting held on September 23, 2020. The Board of Directors authorized the Chief Executive Officer or his Designee to issue the RFP at the Board of Directors meeting held on October 7, 2020. An RFP was issued on October 7, 2020, with submission proposals due on November 18, 2020.

The RFP was issued, and four proposals were received from Iconic Sign Group, LLC, Hendrickson Transportation, Hachar Bus Ads of CC, and adsposure. These proposals were first evaluated by five CCRTA Managing and Department Directors for their proposed method of accomplishing work; personnel and equipment; and qualifications, experience and competence. Proposers were given a technical score then price was factored into the evaluation. A summary of the proposals and evaluations are below:

| Firms | Technical Evaluation Average Total (75 Points Max.) | Proposed Revenue Schedule (25 Pts. Max.) | Total Proposal Score (Max. Pts.100) | Three Year Base Total Contract Guarantee |
|--------------------|--|---|--|---|
| Iconic | 72.40 | 16.67 | 89.07 | \$450,000 |
| Hendrickson | 36.60 | 25.00 | 61.60 | \$525,000 |
| Hachar | 52.80 | 16.67 | 69.47 | \$450,000 |
| adsposure | 58.80 | 0.00 | 58.80 | --- |

Staff recommends awarding the three-year base contract to Iconic Sign Group who scored the highest total proposal score (technical evaluation average total and proposed revenue schedule).

Financial Impact

The Iconic Signs Group, LLC contract consists of a three (3) year base with one (1) two-year option. Minimum annual guarantee for this contract is \$150,000 for each year of the three (3) year base, with a total guarantee of \$450,000.

The two-year option would have a minimum annual guarantee of \$160,000 for the first year, and \$170,000 for the second year, for a \$330,000 total guarantee over two years.

Board Priority

This item aligns with the Board Priority – Financial Transparency.

Committee Review

This item completed grading and evaluation after the Committee Meeting agenda deadline had passed.

Recommendation

Staff recommends the Board of Directors authorize the Chief Executive Officer (CEO) or designee to award a three-year contract with one two-year option for bus and bus bench advertising to Iconic Sign Group, LLC.

Respectfully Submitted,

Submitted by: Rita Patrick
Director of Marketing

Final Approval by: 

Jorge G. Cruz-Aedo
Chief Executive Officer



Subject: October 2020 Financial Report

SUMMARY: Results from all Activities Compared to Budget

Total Revenues reported by the **Operating and Capital Budgets** for the month of October totaled **\$3,760,476** of which **\$3,254,060** is from the **Operating Budget** while **\$506,416** is from the **Capital Budget**. The percentage actual to baseline from the \$3,254,060 reached 99.49% of the baseline expectation. Included in this is revenue category is the sales tax estimate of \$2,891,664, the pass through federal grant assistance for sub-recipients of \$192,661, lease income of \$40,753 and investment income of \$8,131. Operating Revenues for October continue to reflect the impact of the Covid-19 pandemic on various aspects of the Authority, as fare revenues reached only 55.34% of the baseline expectation but up by .083% from prior month. Meanwhile, bus and bench advertising reached 85.88% of the baseline expectation. The baseline expectation provides an even 12-month spread to all revenue and expense categories and helps gauge the reasonableness of financial data.

The **Investment Portfolio** closed the month of October with a **Market Value** of **\$45,426,250**, an increase of **\$18,050,801** from the end of 2019 which closed at **\$27,375,449**. In comparison to the **Market Value** ending in September, the **Market Value** for October increased by **\$256,654**, of which \$170,952 is due to the YTD interest earnings for the month while the remaining \$85,702 is primarily due to the timing of invoice payments. The majority of the Authority's holdings are in TexPool Prime which includes Commercial Paper Investments.

Other Revenues which is a component of Operating Revenues, totaled \$24,608 in October. These revenues are typically sporadic and will not usually align with the baseline expectation. The revenue category includes federal and state fuel credits, income from facility rentals, proceeds from insurance claims, and other income.

Sales tax revenue is the largest source of income from **Operating Revenues**. The actual allocation payment for October 2020 will be received December 11, 2020. Because the allocations lag two months behind the sales tax for October is estimated for budget and reporting purposes.

The October allocation is estimated at **\$2,891,664** and represents the amount equal to the same period in 2019. This amount was utilized in order to maintain a conservative forecast for what might emerge in the aftermath of Covid-19 **since adjustments to sales tax payments by the Comptroller are unpredictable**. The most common adjustments come from **Audits** that can lead to sizeable adjustments that may either decrease or increase the sales tax payment. This strategy will assist in responding to revenue shortfalls by allowing ample time to adjust spending and/or evaluate changes in spending patterns. And in the opinion of the most recent S&P report "the Authority maintains exceptional financial metrics" compared with peers.

| Month Revenue was Recognized | 2020 Actual | 2019 Actual | \$ Growth | % Growth |
|------------------------------|----------------------|----------------------|---------------------|---------------|
| January (actual) | \$ 2,532,147 | \$ 2,567,060 | \$ (34,913) | -1.36% |
| February (actual) | 2,593,497 | 2,533,698 | 59,799 | 2.36% |
| March (actual) | 2,856,393 | 2,969,520 | (113,127) | -3.81% |
| April (actual) | 2,463,919 | 2,776,441 | (312,522) | -11.26% |
| May (actual) | 2,791,009 | 2,862,654 | (71,645) | -2.50% |
| June (actual) | 3,348,797 | 3,371,490 | (22,693) | -0.67% |
| July (actual) | 2,744,819 | 3,169,718 | (424,899) | -13.40% |
| August (actual) | 2,792,247 | 2,970,409 | (178,162) | -6.00% |
| September (actual) | 3,024,935 | 2,759,470 | 265,465 | 9.62% |
| October (estimate) | 2,891,664 | 2,891,664 | - | 0.00% |
| November | | | | 0.00% |
| December | | | | 0.00% |
| | \$ 28,039,427 | \$ 28,872,124 | \$ (832,697) | -2.88% |

Sales Tax revenue payment of \$3,024,935 for September was received November 13, 2020 which exceeded the initial budget estimated by \$265,465. The payment included the allocation from internet sales of \$23,033 and an increase of 7.02% from the prior month. RTA started receiving internet sales tax revenue in December 2019, and to date have received **\$214,309**. Retailers started collecting sales tax on internet sales October 1, 2019.

| | | | |
|----------------|----------|---------------|----------------------------------|
| October 2019 | \$10,059 | | |
| November 2019 | 12,664 | 25.89% | increase from prior month |
| December 2019 | 14,454 | 14.13% | increase from prior month |
| January 2020 | 17,773 | 22.96% | increase from prior month |
| February 2020 | 13,611 | 23.41% | decrease from prior month |
| March 2020 | 18,756 | 37.80% | increase from prior month |
| April 2020 | 16,441 | 12.34% | decrease from prior month |
| May 2020 | 19,191 | 16.73% | increase from prior month |
| June 2020 | 26,538 | 38.28% | increase from prior month |
| July 2020 | 20,267 | 23.63% | decrease from prior month |
| August 2020 | 21,522 | 6.19% | increase from prior month |
| September 2020 | 23,033 | 7.02% | increase from prior month |

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.

The sales tax revenue over the last five years' averages to **76.80%** of total income. In 2019 Sales Tax Revenue represented 88% of total revenues. For the last few months, sales tax revenue collected in comparison to other revenue has been significantly lower than normal due to the CARES funding.

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, over 50% of the unrestricted portion is assigned by the Board to fund reserves that are earmarked to meet certain unexpected demands.

The detail of all revenue and expense categories are presented in the following tables, along with the fare recovery ratio for October 2020:

Operating Revenue – October 2020 and Year-To-Date – Revenue Composition

| Revenue Source | October 2020 | % | YTD | % |
|----------------------|---------------------|----------------|----------------------|----------------|
| Passenger Service | \$ 84,884 | 2.35% | \$ 964,477 | 2.08% |
| Bus Advertising | 11,360 | 0.31% | 102,823 | 0.22% |
| Other Revenue | 24,608 | 0.68% | 66,096 | 0.14% |
| Sales Tax Revenue | 2,891,664 | 80.02% | 28,039,427 | 60.50% |
| Grants - Operating | 192,661 | 5.33% | 15,711,605 | 33.90% |
| Grants - Capital | 359,495 | 9.95% | 882,992 | 1.91% |
| Investment Income | 8,131 | 0.23% | 170,952 | 0.37% |
| SSC Lease Income | 40,753 | 1.13% | 404,981 | 0.87% |
| Total Revenue | \$ 3,613,555 | 100.00% | \$ 46,343,353 | 100.00% |

October 2020 Revenue – Operating and Capital Funding and Transfer-In

| | 10/2020 | | | | |
|---|----------------------|---------------------|----------------------|--------------------|----------------------|
| | 2020 Adopted Budget | October 2020 Actual | Baseline into Budget | % Actual to Budget | % Actual to Baseline |
| Revenues | | | | | |
| Passenger service | \$ 1,840,710 | \$ 84,884 | \$ 153,393 | 4.61% | 55.34% |
| Bus advertising | 158,731 | 11,360 | 13,228 | 7.16% | 85.88% |
| Other operating revenues | 622,779 | 24,608 | 51,898 | 3.95% | 47.42% |
| Sales Tax Revenue | 37,762,468 | 2,891,664 | 2,891,664 | 7.66% | 100.00% |
| Federal, state and local grant assistance | 874,476 | 192,661 | 72,873 | 22.03% | 264.38% |
| Investment Income | 565,803 | 8,131 | 47,150 | 1.44% | 17.24% |
| Staples Street Center leases | 486,015 | 40,753 | 40,501 | 8.39% | 100.62% |
| Total Operating Revenues | 42,310,982 | 3,254,060 | 3,270,707 | 7.69% | 99.49% |
| Capital Grants & Donations | 12,631,327 | 359,495 | 359,495 | 2.85% | 100.00% |
| Transfers-In | 1,763,046 | 146,921 | 146,921 | 8.33% | 100.00% |
| Total Revenues & Capital Funding | \$ 56,705,355 | \$ 3,760,476 | \$ 3,777,122 | 6.63% | 99.56% |

Year-to-Date 2020 Revenue – Operating and Capital Funding and Transfer-In

| | 10/2020 | | | | |
|---|----------------------|----------------------|--------------------------|------------------------|----------------------|
| | 2020 Adopted Budget | YTD 2020 Actual | YTD Baseline into Budget | % YTD Actual to Budget | % Actual to Baseline |
| Revenues | | | | | |
| Passenger service | \$ 1,840,710 | \$ 964,477 | \$ 1,533,925 | 52.40% | 62.88% |
| Bus advertising | 158,731 | 102,823 | 132,276 | 64.78% | 77.73% |
| Other operating revenues | 622,779 | 66,096 | 518,983 | 10.61% | 12.74% |
| Sales Tax Revenue | 37,762,468 | 28,039,427 | 28,872,124 | 74.25% | 97.12% |
| Federal, state and local grant assistance | 874,476 | 15,711,605 | 728,730 | 1796.69% | 2156.03% |
| Investment Income | 565,803 | 170,952 | 471,503 | 30.21% | 36.26% |
| Staples Street Center leases | 486,015 | 404,981 | 405,013 | 83.33% | 99.99% |
| Total Operating Revenues | 42,310,982 | 45,460,361 | 32,662,552 | 107.44% | 139.18% |
| Capital Grants & Donations | 12,631,327 | 882,992 | 882,992 | 6.99% | 100.00% |
| Transfers-In | 1,763,046 | 1,469,205 | 1,469,205 | 83.33% | 100.00% |
| Total Revenues & Capital Funding | \$ 56,705,355 | \$ 47,812,558 | \$ 35,014,749 | 84.32% | 136.55% |

OCTOBER 2020 EXPENSES

The results of all expenditure activities, including capital are presented below. The total activities compared well against the baseline. Timing of expenditures such as Debt Service (paid in May and November), and purchases of capital contribute to the anticipated variance between the outcome of operations and the baseline.

October 2020 Total Expenses & Capital Expenditures

| | 10/2020 | | | | |
|--|----------------------|---------------------|----------------------|--------------------|----------------------|
| | 2020 Adopted Budget | October 2020 Actual | Baseline into Budget | % Actual to Budget | % Actual to Baseline |
| Expenditures | | | | | |
| Departmental Operating Expenses | \$ 35,606,645 | \$ 2,719,470 | \$ 2,967,220 | 7.64% | 91.65% |
| Debt Service | 1,423,053 | - | 118,588 | 0.00% | 0.00% |
| Street Improvements | 3,021,641 | 251,803 | 251,803 | 8.33% | 100.00% |
| Subrecipient Grant Agreements | 49,694 | 192,661 | 4,141 | 387.69% | 4652.34% |
| Total Operating Expenses | 40,101,033 | 3,163,935 | 3,341,753 | 7.89% | 94.68% |
| Grant Eligible Costs | 12,631,327 | 359,495 | 359,495 | 2.85% | 100.00% |
| Depreciation Expenses | 3,972,995 | 331,083 | 331,083 | 8.33% | 100.00% |
| Total Expenses & Capital Expenditures | \$ 56,705,355 | \$ 3,854,512 | \$ 4,032,331 | 6.80% | 95.59% |

Year-to-Date 2020 Total Expenses & Capital Expenditures

| | 10/2020 | | | | |
|--|----------------------|----------------------|--------------------------|------------------------|----------------------|
| | 2020 Adopted Budget | YTD 2020 Actual | YTD Baseline into Budget | % YTD Actual to Budget | % Actual to Baseline |
| Expenditures | | | | | |
| Departmental Operating Expenses | \$ 35,606,645 | \$ 27,176,883 | \$ 29,672,204 | 76.33% | 91.59% |
| Debt Service | 1,423,053 | 266,900 | 1,185,878 | 18.76% | 22.51% |
| Street Improvements | 3,021,641 | 2,518,034 | 2,518,034 | 83.33% | 100.00% |
| Subrecipient Grant Agreements | 49,694 | 519,150 | 41,412 | 1044.69% | 1253.63% |
| Total Operating Expenses | 40,101,033 | 30,480,967 | 33,417,528 | 76.01% | 91.21% |
| Grant Eligible Costs | 12,631,327 | 882,992 | 882,992 | 6.99% | 100.00% |
| Depreciation Expenses | 3,972,995 | 3,310,828 | 3,310,829 | 83.33% | 100.00% |
| Total Expenses & Capital Expenditures | \$ 56,705,355 | \$ 34,674,787 | \$ 37,611,349 | 61.15% | 92.19% |

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 2020, total departmental operating expenses realized a favorable variance against the monthly budget as well as the baseline expectation. **We are 10 months into the budget or 83.33% and the majority of the departmental expenses closed the month at or below this benchmark. Only the Materials & Supplies categories exceeded the benchmark, due to the costs of personal protective equipment and cleaning supplies associated with Covid-19, which are costs reimbursed by CARES Act funding.**

October 2020 Departmental Expenses

| Departmental Operating Expense Object Category | 10/2020 | | | | |
|--|----------------------|---------------------|----------------------|--------------------|----------------------|
| | 2020 Adopted Budget | October 2020 Actual | Baseline into Budget | % Actual to Budget | % Actual to Baseline |
| Salaries | \$ 13,257,370 | \$ 1,033,669 | \$ 1,104,781 | 7.80% | 93.56% |
| Benefits | 5,512,012 | 369,122 | 459,334 | 6.70% | 80.36% |
| Services | 4,801,717 | 366,141 | 400,143 | 7.63% | 91.50% |
| Materials & Supplies | 3,047,462 | 287,214 | 253,955 | 9.42% | 113.10% |
| Utilities | 707,280 | 53,144 | 58,940 | 7.51% | 90.17% |
| Insurance | 454,522 | 32,331 | 37,877 | 7.11% | 85.38% |
| Purchased Transportation | 7,105,315 | 554,470 | 592,110 | 7.80% | 93.64% |
| Miscellaneous | 720,966 | 23,379 | 60,081 | 3.24% | 38.91% |
| Total Departmental Operating Expenses | \$ 35,606,645 | \$ 2,719,470 | \$ 2,967,220 | 7.64% | 91.65% |

2020 Year-to-Date Departmental Expenses

| Departmental Operating Expense Object Category | 10/2020 | | | | |
|--|----------------------|----------------------|--------------------------|------------------------|----------------------|
| | 2020 Adopted Budget | YTD 2020 Actual | YTD Baseline into Budget | % YTD Actual to Budget | % Actual to Baseline |
| Salaries | \$ 13,257,370 | \$ 10,403,195 | \$ 11,047,809 | 78.47% | 94.17% |
| Benefits | 5,512,012 | 4,347,732 | 4,593,343 | 78.88% | 94.65% |
| Services | 4,801,717 | 2,865,179 | 4,001,431 | 59.67% | 71.60% |
| Materials & Supplies | 3,047,462 | 2,821,951 | 2,539,552 | 92.60% | 111.12% |
| Utilities | 707,280 | 525,061 | 589,400 | 74.24% | 89.08% |
| Insurance | 454,522 | 313,560 | 378,768 | 68.99% | 82.78% |
| Purchased Transportation | 7,105,315 | 5,563,613 | 5,921,096 | 78.30% | 93.96% |
| Miscellaneous | 720,966 | 336,592 | 600,805 | 46.69% | 56.02% |
| Total Departmental Operating Expenses | \$ 35,606,645 | \$ 27,176,883 | \$ 29,672,204 | 76.33% | 91.59% |

New for 2020 is the allocation of the full labor burden to each respective department. In the past, line items such as **Health Insurance**, **Workers Compensation**, and **Unemployment Insurance** were all charged to the **Human Resources** department. Now, the benefit line is allocated proportionately to its respective department. As such, there is a significantly lower budget amount for the expense function of **Insurance**. The reduction in Insurance has been added to **Benefits** as part of the allocation process.

For October 2020, most expense categories were within a reasonable degree of distance from the baseline expectation. The largest expense category, **Salaries totaled \$1,033,669**, and was within 6% of the baseline expectation. The **Benefits** category also maintained the same baseline expectation with a totaled of \$369,122. Meanwhile the **Materials & Supplies** category appears further from the baseline expectation; however, this category includes much of the costs incurred in response to **Covid-19** and reimbursable under the Cares Grant.

The cost of fuel used in fleet vehicles falls under the Materials & Supplies category. The average price per gallon in **October, for compressed natural gas (CNG), diesel, and unleaded was \$0.69, \$1.37, and \$1.55**, respectively, while the average cost for 2020 for the year-to-date was \$0.67, \$1.46, and \$1.81, respectively.

Total operating expenses are within nine percentage points of the baseline expectation for year-to-date budget 2020, with monthly expenses to-date representing only 76.01% of the budget, compared to the baseline expectation of 83.33%.

Covid-19 Expenses

Because of the accounting treatment associated with the various types of **Covid-19** purchase it is necessary to provide clarification to explain the variances between the financials and any other internal reporting sources.

The financials only report expenditures that have completed the transaction cycle. **Covid-19** expenses in the financials are either a specialized direct expenditure resulting from the pandemic or **normal operating expenses** from specific departments that have been identified by the CARES Act as reimbursable eligible expenses (this includes wages and benefits of certain departments). These expenses when submitted for reimbursement have to be reduced by the amount of fare revenue received as of the reporting period. The specialized direct expenditures flow through a special inventory account for tracking and expensed to the department budgets when the items are taken out of inventory for use. The cost of the items still in inventory are reported in the Statement of Net Position (Balance Sheet) and the items used and taken out of inventory are reported in the Operating and Capital Budget Report.

As of the October financial statements the YTD total of **\$15,192,455** has been recognized as grant revenues from the CARES Act. This represents all eligible costs less the amount of fare revenue received as of this reporting date totaling **\$690,273**. The remaining funds available are expected to be drawn down in November 2020.

| Eligible Reimbursable Expense | Amount |
|--------------------------------------|----------------------|
| Salaries | \$ 5,737,744 |
| Benefits | 2,888,741 |
| Services | 1,034,007 |
| Materials & Supplies | 1,388,527 |
| Utilities | 118,446 |
| Insurance | 63,273 |
| Purchased Transportation | 4,651,989 |
| Total | \$ 15,882,728 |
| Less: Fare Revenue Received | (690,273) |
| Total Grant Reimbursement | \$ 15,192,455 |
| Grant Award | \$ 15,359,362 |
| Grant Balance Available | \$ 166,907 |

Fare Recovery Ratio

| Description | 10/31/2020 | Year to Date |
|-------------------------|-------------------|---------------------|
| Fare Revenue | \$ 84,884 | \$ 964,477 |
| Operating Expenses* | 2,719,470 | 26,371,270 |
| Fare Recovery Ratio | 3.12% | 3.66% |
| *Excluding Depreciation | | |

Note: Same period last year (October) the FRR was 4.80%

NET POSITION

The Total Net Position at the end of the month was **\$94,426,682**, an increase of \$13,109,895 from December 2019, which is due to the combined effect of the CARES Grant funding offset by accruals for depreciation and street improvements. The Total Net Position is made up of three (3) components: Net Investment in Capital Assets, restricted for Debt Service (Bond Contract), and Unrestricted which represents the residual amount of the net position that is available for spending.

The Debt Service restriction of \$1.6 Million was removed as a result of the November 2019 bond refunding due. The purchase of an insurance policy allowed the Authority to release the existing cash reserve of \$1.6 Million which had been restricted for debt service in 2019. Of the unrestricted portion, 42% has been designated by the Board.

Of the Total Net Position of **\$94,426,682**, the portion of the fund balance that is not restricted in accordance to GASB Concepts Statement No 4 is **\$41,167,286**, but only **\$24,013,781** is available for spending as a result of the internal restrictions placed by the Board for specific reserves which total **\$17,153,505**.

FUND BALANCE AS OF OCTOBER 31, 2020:

| | |
|---|-----------------------------|
| <u>FUND BALANCE</u> | |
| Net Invested in Capital Assets | \$ 53,259,396 |
| Restricted for Debt Service | - |
| Unrestricted | 41,167,286 |
| TOTAL FUND BALANCE | <u>94,426,682</u> |
| <u>RESERVES</u> | |
| Net Invested in Capital Assets | 53,259,396 |
| Designated for Debt Service | - |
| Designated for Operating Reserve | 9,310,463 |
| Designated for Capital Reserve | 3,157,831 |
| Designated for Local Share of CIP | 3,972,993 |
| Designated for Employee Benefits Reserve | 712,218 |
| Unrestricted | 24,013,781 |
| TOTAL INVESTED IN CAPITAL & RESERVES | <u>\$ 94,426,682</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 2020

| OPERATING BUDGET | 10/2020 | | | | |
|---|---------------------|---------------------|----------------------|--------------------|----------------------|
| | 2020 Adopted Budget | October 2020 Actual | Baseline into Budget | % Actual to Budget | % Actual to Baseline |
| | A | B | C = A / 12 | B / A | C vs B |
| Revenues | | | | | |
| Passenger service | \$ 1,840,710 | \$ 84,884 | \$ 153,393 | 4.61% | 55.34% |
| Bus advertising | 158,731 | 11,360 | 13,228 | 7.16% | 85.88% |
| Other operating revenues | 622,779 | 24,608 | 51,898 | 3.95% | 47.42% |
| Sales Tax Revenue | 37,762,468 | 2,891,664 | 2,891,664 | 7.66% | 100.00% |
| Federal, state and local grant assistance | 874,476 | 192,661 | 72,873 | 22.03% | 264.38% |
| Investment Income | 565,803 | 8,131 | 47,150 | 1.44% | 17.24% |
| Staples Street Center leases | 486,015 | 40,753 | 40,501 | 8.39% | 100.62% |
| Total Revenues | 42,310,982 | 3,254,060 | 3,270,707 | 7.69% | 99.49% |
| Expenses | | | | | |
| Transportation | 10,158,674 | 707,246 | 846,556 | 6.96% | 83.54% |
| Customer Programs | 564,293 | 48,510 | 47,024 | 8.60% | 103.16% |
| Purchased Transportation | 7,105,315 | 581,558 | 592,110 | 8.18% | 98.22% |
| Service Development | 608,237 | 49,692 | 50,686 | 8.17% | 98.04% |
| MIS | 1,349,557 | 105,276 | 112,463 | 7.80% | 93.61% |
| Vehicle Maintenance | 5,738,762 | 447,920 | 478,230 | 7.81% | 93.66% |
| Facilities Maintenance | 2,834,107 | 267,942 | 236,176 | 9.45% | 113.45% |
| Contracts and Procurements | 323,102 | 25,695 | 26,925 | 7.95% | 95.43% |
| CEO's Office | 1,006,761 | 46,530 | 83,897 | 4.62% | 55.46% |
| Finance and Accounting | 771,199 | 75,060 | 64,267 | 9.73% | 116.80% |
| Materials Management | 188,618 | 18,659 | 15,718 | 9.89% | 118.71% |
| Human Resources | 701,471 | 73,168 | 58,456 | 10.43% | 125.17% |
| General Administration | 595,856 | 29,493 | 49,655 | 4.95% | 59.40% |
| Capital Project Management | 329,103 | 15,195 | 27,425 | 4.62% | 55.40% |
| Marketing & Communications | 685,721 | 30,729 | 57,143 | 4.48% | 53.78% |
| Safety & Security | 1,449,103 | 100,946 | 120,759 | 6.97% | 83.59% |
| Staples Street Center | 996,766 | 95,656 | 83,064 | 9.60% | 115.16% |
| Port Ayers Cost Center | - | 195 | - | 0.00% | 0.00% |
| Debt Service | 1,423,053 | - | 118,588 | 0.00% | 0.00% |
| Special Projects | 200,000 | - | 16,667 | 0.00% | 0.00% |
| Subrecipient Grant Agreements | 49,694 | 192,661 | 4,141 | 387.69% | 4652.34% |
| Street Improvements Program for CCRTA Region Entities | 3,021,641 | 251,803 | 251,803 | 8.33% | 100.00% |
| Total Expenses | 40,101,033 | 3,163,935 | 3,341,753 | 7.89% | 94.68% |
| Revenues Over Expenses - Operating Budget | 2,209,949 | 90,125 | (71,046) | | |
| CIP BUDGET | | | | | |
| | 2020 Adopted Budget | October 2020 Actual | Baseline into Budget | % Actual to Budget | % Actual to Baseline |
| | A | B | C = A / 12 | B / A | |
| Funding Sources | | | | | |
| Transfer In | \$ 1,763,046 | 146,921 | 146,921 | 8.33% | 100.00% |
| Grant Revenue | 12,631,327 | 359,495 | 359,495 | 2.85% | 0.00% |
| Total Funding Sources | 14,394,373 | 506,416 | 506,416 | 3.52% | 100.00% |
| Capital Expenditures | | | | | |
| Grant Eligible Costs | \$ 12,631,327 | 359,495 | 359,495 | 2.85% | 0.00% |
| Depreciation Expenses | 3,972,995 | 331,083 | 331,083 | 8.33% | 100.00% |
| Total Expenditures | 16,604,322 | 690,578 | 690,578 | 4.16% | 100.00% |
| Funding Sources Over Expenditures | (2,209,949) | (184,162) | (184,162) | 8.33% | 100.00% |
| Revenues Over Expenses - Operating Budget | 2,209,949 | 90,126 | (71,046) | | |
| Revenues Over Expenses - CIP Budget | (2,209,949) | (184,162) | (184,162) | | |
| Revenues Over Expenses (including rounding) | (0) | (94,036) | (255,208) | | |

Corpus Christi Regional Transportation Authority
 Operating and Capital Budget Report
 For the month ended October 2020

| OPERATING BUDGET | 10/2020 | | | | |
|---|---------------------|--------------------|--------------------------|------------------------|----------------------|
| | 2020 Adopted Budget | YTD 2020 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 | \$ 1,840,710 | \$ 964,477 | \$ 1,533,925 | 52.40% | 62.88% |
| Bus advertising | 158,731 | 102,823 | 132,276 | 64.78% | 77.73% |
| Other operating revenues | 622,779 | 66,096 | 518,983 | 10.61% | 12.74% |
| Sales Tax Revenue | 37,762,468 | 28,039,427 | 28,872,124 | 74.25% | 97.12% |
| Federal, state and local grant assistance | 874,476 | 15,711,605 | 728,730 | 1796.69% | 2156.03% |
| Investment Income | 565,803 | 170,952 | 471,503 | 30.21% | 36.26% |
| Staples Street Center leases | 486,015 | 404,981 | 405,013 | 83.33% | 99.99% |
| Total Revenues | 42,310,992 | 45,460,361 | 32,662,552 | 107.44% | 139.18% |
| Expenses | | | | | |
| Transportation | 10,158,674 | 7,976,221 | 8,465,561 | 78.52% | 94.22% |
| Customer Programs | 564,293 | 431,098 | 470,244 | 76.40% | 91.68% |
| Purchased Transportation | 7,105,315 | 5,835,948 | 5,921,096 | 82.13% | 98.56% |
| Service Development | 608,237 | 423,527 | 506,864 | 69.63% | 83.56% |
| MIS | 1,349,557 | 1,014,743 | 1,124,631 | 75.19% | 90.23% |
| Vehicle Maintenance | 5,738,762 | 4,145,845 | 4,782,302 | 72.24% | 86.69% |
| Facilities Maintenance | 2,834,107 | 2,230,210 | 2,361,756 | 78.69% | 94.43% |
| Contracts and Procurements | 323,102 | 264,981 | 269,252 | 82.01% | 98.41% |
| CEO's Office | 1,006,761 | 763,609 | 838,968 | 75.85% | 91.02% |
| Finance and Accounting | 771,199 | 618,009 | 642,666 | 80.14% | 96.16% |
| Materials Management | 188,618 | 168,588 | 157,182 | 89.38% | 107.26% |
| Human Resources | 701,471 | 618,795 | 584,559 | 88.21% | 105.86% |
| General Administration | 595,856 | 325,085 | 496,547 | 54.56% | 65.47% |
| Capital Project Management | 329,103 | 174,637 | 274,252 | 53.06% | 63.68% |
| Marketing & Communications | 685,721 | 458,623 | 571,434 | 66.88% | 80.26% |
| Safety & Security | 1,449,103 | 921,351 | 1,207,586 | 63.58% | 76.30% |
| Staples Street Center | 996,766 | 792,569 | 830,638 | 79.51% | 95.42% |
| Port Ayers Cost Center | - | 13,044 | - | 0.00% | 0.00% |
| Debt Service | 1,423,053 | 266,900 | 1,185,878 | 18.76% | 22.51% |
| Special Projects | 200,000 | - | 166,667 | 0.00% | 0.00% |
| Subrecipient Grant Agreements | 49,694 | 519,150 | 41,412 | 1044.69% | 1253.63% |
| Street Improvements Program for CCRTA Region Entities | 3,021,641 | 2,518,034 | 2,518,034 | 83.33% | 100.00% |
| Total Expenses | 40,101,033 | 30,480,967 | 33,417,528 | 76.01% | 91.21% |
| Revenues Over Expenses - Operating Budget | 2,209,949 | 14,979,394 | (754,975) | | |
| CIP BUDGET | | | | | |
| | A | B | C = A / 12 * 10 | B / A | |
| Funding Sources | | | | | |
| Transfer In | \$ 1,763,046 | 1,469,205 | 1,469,205 | 83.33% | 100.00% |
| Grant Revenue | 12,631,327 | 882,992 | 882,992 | 6.99% | 0.00% |
| Total Funding Sources | 14,394,373 | 2,352,197 | 2,352,197 | 16.34% | 100.00% |
| Capital Expenditures | | | | | |
| Grant Eligible Costs | \$ 12,631,327 | 882,992 | 882,992 | 6.99% | 0.00% |
| Depreciation Expenses | 3,972,995 | 3,310,828 | 3,310,828 | 83.33% | 100.00% |
| Total Expenditures | 16,604,322 | 4,193,820 | 4,193,820 | 25.26% | 100.00% |
| Funding Sources Over Expenditures | (2,209,949) | (1,841,623) | (1,841,623) | 83.33% | 100.00% |
| Revenues Over Expenses - Operating Budget | 2,209,949 | 14,979,394 | (754,975) | | |
| Revenues Over Expenses - CIP Budget | (2,209,949) | (1,841,623) | (1,841,623) | | |
| Revenues Over Expenses (including rounding) | (0) | 13,137,771 | (2,596,598) | | |

CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY
Statement of Net Position
Month ended October 31, 2020, and year ended December 31, 2019

| | Unaudited October 31 2020 | Unaudited December 31 2019 |
|---|---------------------------------|----------------------------------|
| ASSETS | | |
| Current Assets: | | |
| Cash and Cash Equivalents | \$ 44,683,574 | \$ 27,157,466 |
| Receivables: | | |
| Sales and Use Taxes | 6,474,935 | 6,183,019 |
| Accrued Interest | - | - |
| Federal Government | 552,623 | 410,980 |
| Other | 175,622 | 1,263,308 |
| Inventories | 1,031,236 | 675,774 |
| Prepaid Expenses | 834,411 | 509,201 |
| Total Current Assets | 53,752,401 | 36,199,748 |
| Non-Current Assets: | | |
| Capital Assets: | | |
| Land | 5,381,969 | 5,381,969 |
| Buildings | 53,734,210 | 53,734,210 |
| Transit Stations, Stops and Pads | 24,409,826 | 24,409,826 |
| Other Improvements | 5,525,123 | 5,525,123 |
| Vehicles and Equipment | 61,516,982 | 61,516,982 |
| Construction in Progress | 234,089 | 167,718 |
| Current Year Additions | 1,431,882 | - |
| Total Capital Assets | 152,234,080 | 150,735,827 |
| Less: Accumulated Depreciation | (82,197,549) | (78,886,721) |
| Net Capital Assets | 70,036,532 | 71,849,106 |
| Total Non-Current Assets | 70,036,532 | 71,849,106 |
| TOTAL ASSETS | 123,788,933 | 108,048,854 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Deferred outflow related to pensions | 4,131,381 | 4,131,381 |
| Deferred outflow on extinguishment of debt | 3,487,864 | 3,487,864 |
| Total Deferred Outflows | 7,619,245 | 7,619,245 |
| TOTAL ASSETS AND DEFERRED OUTFLOWS | 131,408,178 | 115,668,099 |
| LIABILITIES AND NET POSITION | | |
| Current Liabilities: | | |
| Accounts Payable | 845,927 | 736,501 |
| Current Portion of Long-Term Liabilities: | | |
| Long-Term Debt | 815,000 | 815,000 |
| Compensated Absences | 276,864 | 276,864 |
| Sales Tax Audit Funds Due | - | 246,366 |
| Distributions to Regional Entities Payable | 6,043,356 | 3,525,322 |
| Other Accrued Liabilities | 721,020 | 718,297 |
| Total Current Liabilities | 8,702,168 | 6,318,350 |
| Non-Current Liabilities: | | |
| Long-Term Liabilities, Net of Current Portion: | | |
| Long-Term Debt | 19,450,000 | 19,450,000 |
| Compensated Absences | 269,885 | 269,885 |
| Sales Tax Audit Funds Due | 1,177,096 | 930,730 |
| Net Pension Liability | 2,455,449 | 2,455,449 |
| Net OPEB Obligation | 970,134 | 970,134 |
| Total Non-Current Liabilities | 24,322,564 | 24,076,198 |
| TOTAL LIABILITIES | 33,024,732 | 30,394,548 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Deferred inflow related to pensions | 3,956,764 | 3,956,764 |
| TOTAL LIABILITIES AND DEFERRED INFLOWS | 36,981,496 | 34,351,312 |
| Net Position: | | |
| Net Invested in Capital Assets | 53,259,396 | 55,071,970 |
| Unrestricted | 41,167,286 | 26,244,817 |
| TOTAL NET POSITION | \$ 94,426,682 | \$ 81,316,787 |

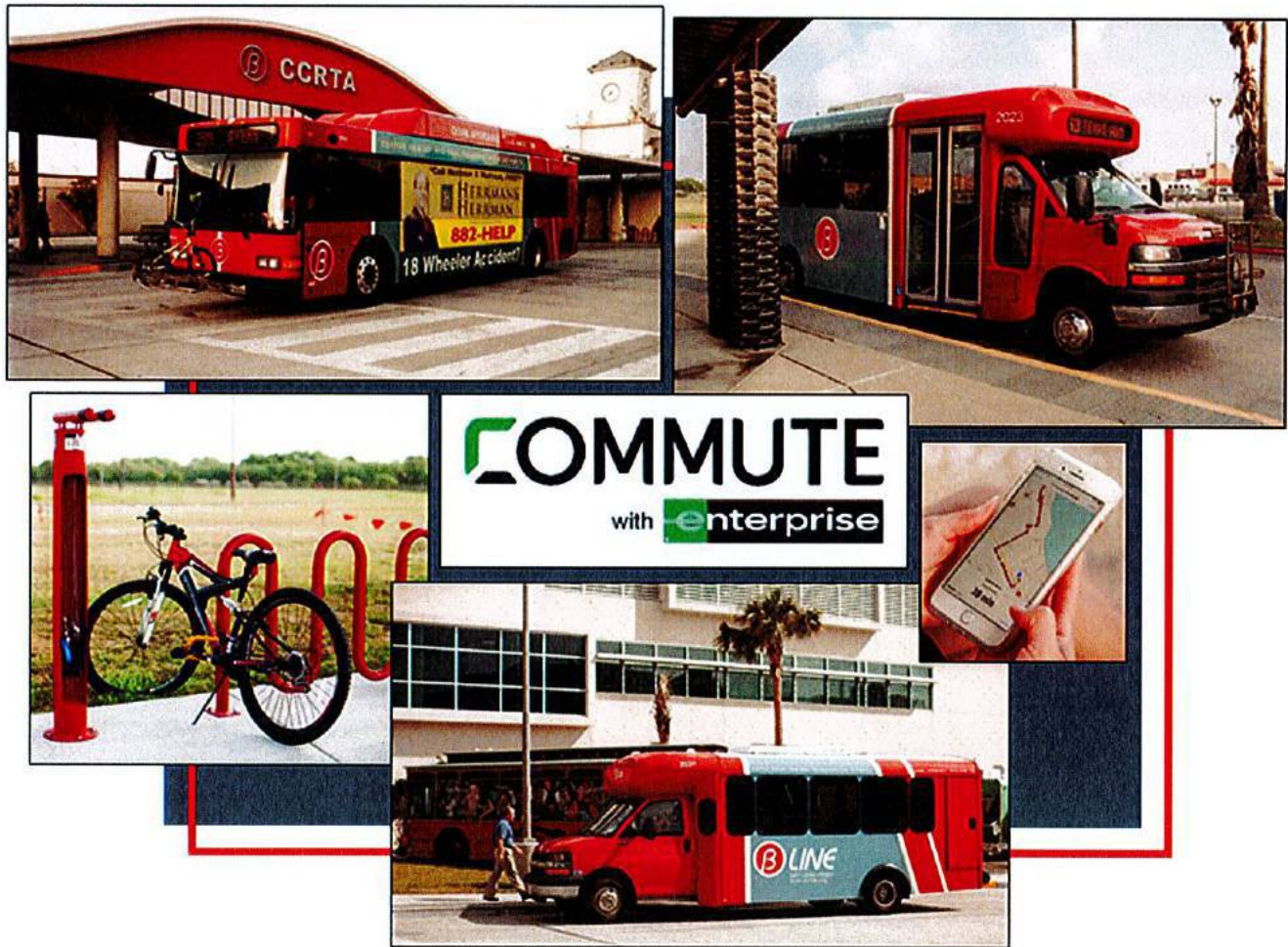
**Corpus Christi Regional Transportation Authority
Statement of Cash Flows (Unaudited)
For the month ended October 31, 2020**

| | <u>10/31/2020</u> |
|--|------------------------------------|
| Cash Flows From Operating Activities: | |
| Cash Received from Customers | \$ 210,457 |
| Cash Received from Bus Advertising and Other Ancillary | 72,810 |
| Cash Payments to Suppliers for Goods and Services | (1,565,624) |
| Cash Payments to Employees for Services | (1,081,305) |
| Cash Payments for Employee Benefits | (146,602) |
| Net Cash Used for Operating Activities | <u>(2,510,264)</u> |
| Cash Flows from Non-Capital Financing Activities: | |
| Sales and Use Taxes Received | 2,792,247 |
| Grants and Other Reimbursements | 12,012 |
| Distributions to Subrecipient Programs | (192,661) |
| Distributions to Region Entities | - |
| Net Cash Provided by Non-Capital Financing Activities | <u>2,611,598</u> |
| Cash Flows from Capital and Related Financing Activities: | |
| Federal and Other Grant Assistance | 325,349 |
| 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 | (480,218) |
| Net Cash Used by Capital and Related Financing Activities | <u>(154,869)</u> |
| Cash Flows from Investing Activities: | |
| Investment Income | 8,131 |
| Purchases of Investments | - |
| Maturities and Redemptions of Investments | - |
| Premiums/Discounts on Investments | - |
| Net Cash Provided by Investing Activities | <u>8,131</u> |
| Net decrease in Cash and Cash Equivalents | (45,405) |
| Cash and Cash Equivalents (Including Restricted Accounts), October 1, 2020 | 44,728,979 |
| Cash and Cash Equivalents (Including Restricted Accounts), October 31, 2020 | \$ <u><u>44,683,574</u></u> |



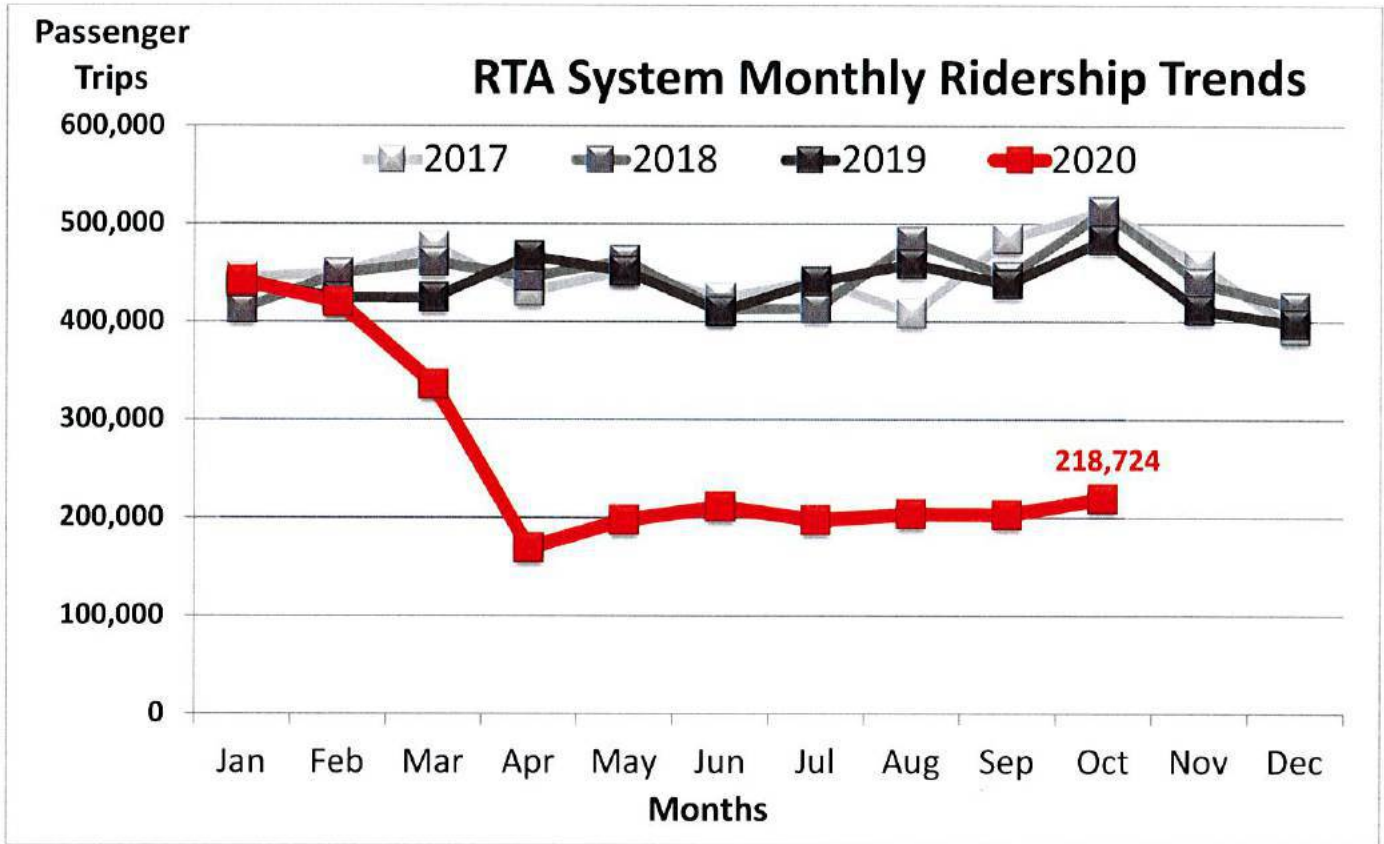
Subject: October 2020 Operations Report

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



System-wide Ridership and Service Performance Results

In October 2020, system-wide ridership levels continued to be adversely impacted by the COVID-19 pandemic. Boardings totaled 218,724 which represents a decrease of 54.8% as compared to 483,793 boardings in October 2019 or 265,069 fewer boardings this month.

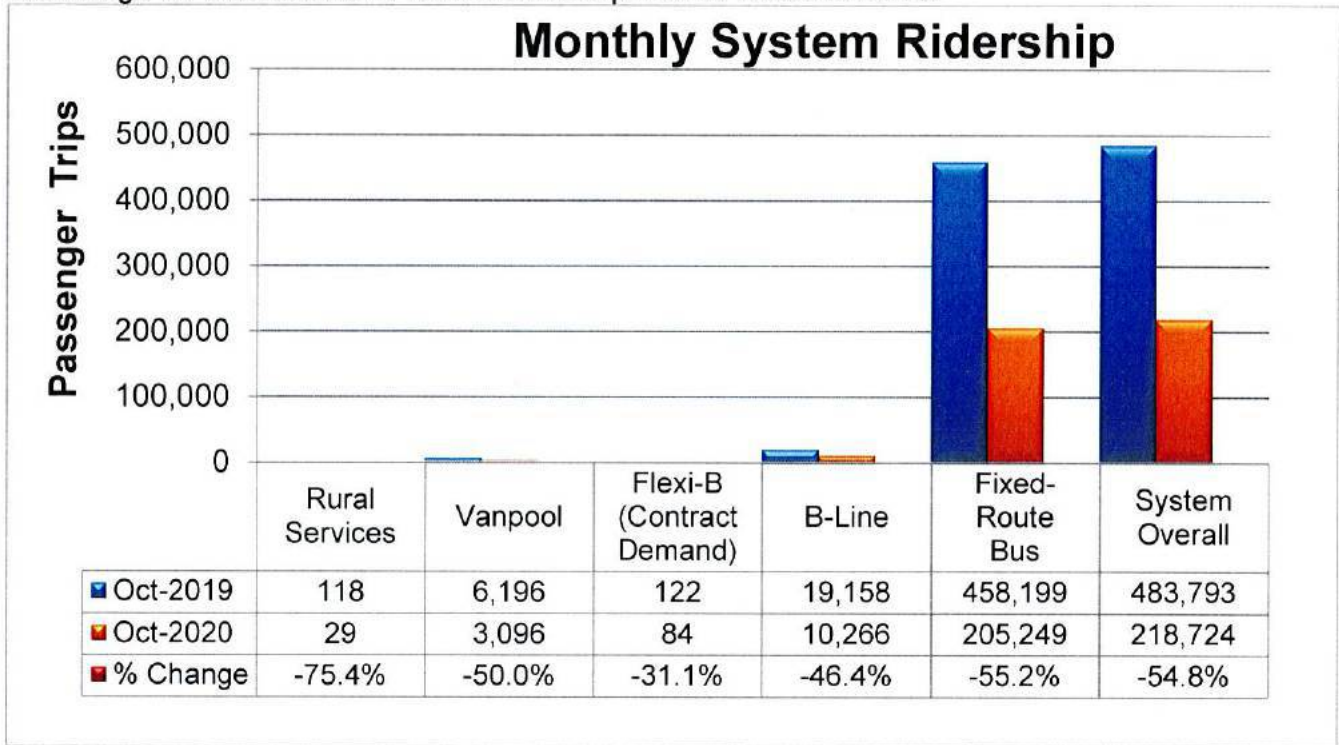


| October 2019 | October 2020 | Variance |
|--------------|--------------|----------|
| 23 Weekdays | 22 Weekdays | -1 |
| 4 Saturdays | 5 Saturdays | +1 |
| 4 Sundays | 4 Sundays | - |
| No Holiday | No Holiday | - |
| 31 Days | 31 Days | - |

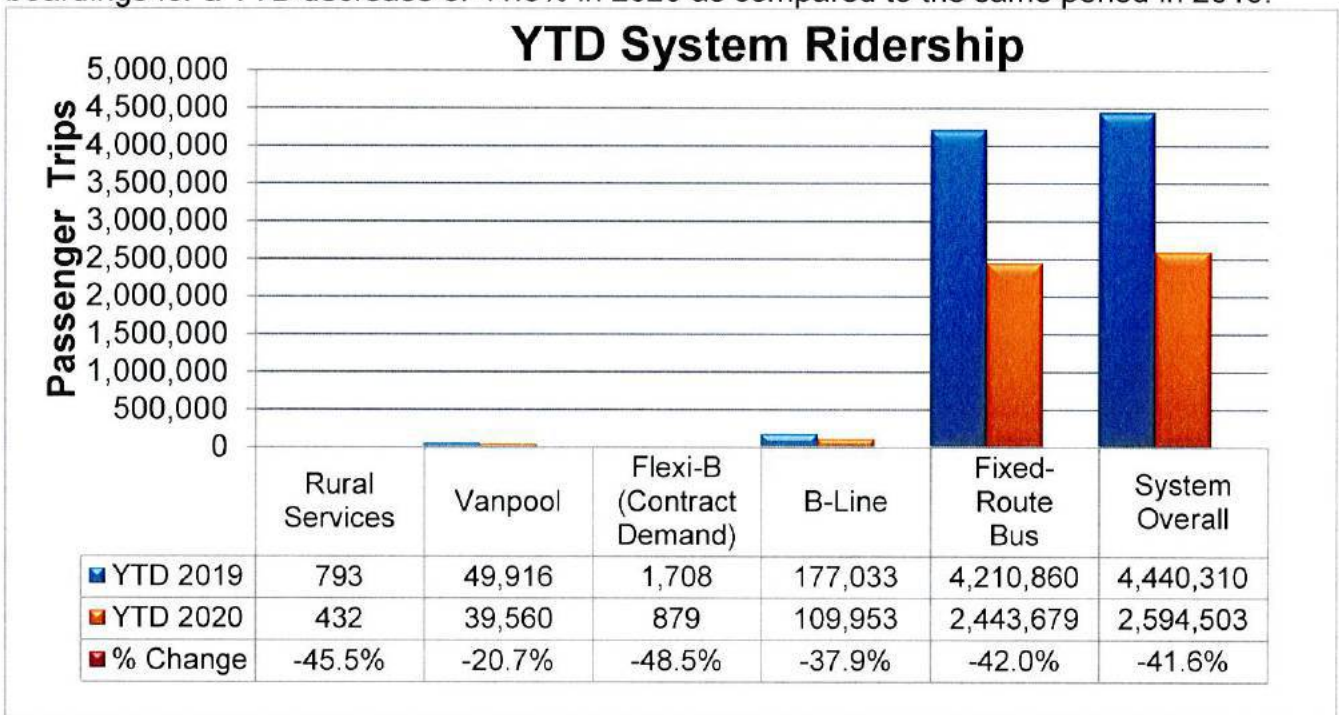
In October 2020, the average retail price for unleaded gas in Corpus Christi was approximately \$1.81 per gallon compared to approximately \$2.26 per gallon in October 2019¹. October rainfall continued to be well below normal at 1.37 inches and less than last year which received only 1.44 inches in October 2019. Historically, the average rainfall in October is 3.63 inches.² The average high temperature was normal at 85 degrees.

1. GasBuddy.com historical data at <http://www.gasbuddy.com>.
 2. <https://www.usclimatedata.com/climate/corpus-christi/texas/united-states>

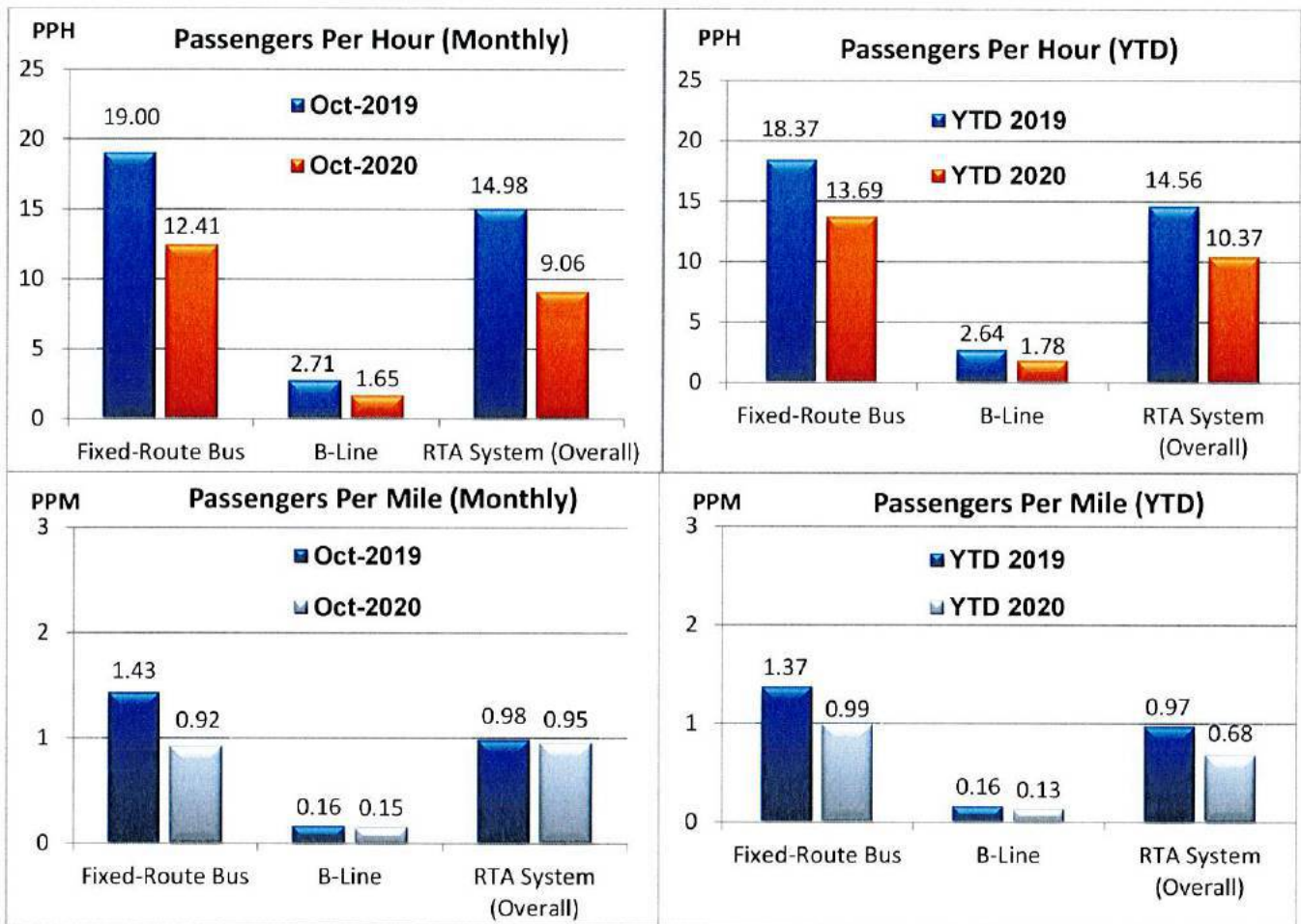
The chart below shows monthly ridership results for all services. CCRTA recorded 265,069 fewer boardings for a decrease of 54.8% as compared to October 2019.



The chart below shows YTD ridership results for all services. CCRTA has recorded 1,845,807 fewer boardings for a YTD decrease of 41.6% in 2020 as compared to the same period in 2019.



The following charts report system-wide productivity for the month of October 2020 vs. October 2019 and YTD figures.



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

| Schedule Adherence | Standard | Jul-20 | Aug-20 | Sep-20 | Oct-20 | 4-Month Average |
|-------------------------------|-------------|--------|--------|--------|--------|-----------------|
| Early Departure | <1% | 0.0% | 0.7% | 0.3% | 0.0% | 0.3% |
| Departures within 0-5 minutes | >85% | 94.1% | 96.1% | 92.4% | 96.5% | 94.8% |
| Monthly Wheelchair Boardings | No standard | 2,954 | 3,213 | 3,331 | 3,423 | 3,230 |
| Monthly Bicycle Boardings | No standard | 4,636 | 4,608 | 4,312 | 4,876 | 4,608 |

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

| | |
|---------------|---|
| On Detour | <ul style="list-style-type: none"> • North Beach-U.S. 181 realignment (Harbor Bridge reconstruction) <ul style="list-style-type: none"> ➤ Routes 76 & 78 |
| On Detour | <ul style="list-style-type: none"> • Winnebago & Lake St.-(Harbor Bridge reconstruction): Began August 2020 <ul style="list-style-type: none"> ➤ Route 12 |
| On Detour | <ul style="list-style-type: none"> • Morgan Ave. (Crosstown-Ocean) 15-month project: To be complete July 2021 <ul style="list-style-type: none"> ➤ Route 23 |
| On Detour | <ul style="list-style-type: none"> • Leopard Street TxDOT Project (Mexico to Doss St.) (24) month project: To be complete late 2021 <ul style="list-style-type: none"> ➤ Routes 27 |
| On Detour | <ul style="list-style-type: none"> • Everhart Road (Holly Rd-SPID) (22) month project: Began September 2019 <ul style="list-style-type: none"> ➤ Route 32 |
| On Detour | <ul style="list-style-type: none"> • Everhart Road (SPID-McArdle): Project to begin mid-June 2021. <ul style="list-style-type: none"> ➤ Route 32 |
| On Detour | <ul style="list-style-type: none"> • Ayers Street (SPID-Gollihar) (28) month project: Began January 2020 <ul style="list-style-type: none"> ➤ Route 19 |
| No Detour | <ul style="list-style-type: none"> • S. Staples St. (Kostoryz- Baldwin) (29) month project: To begin Dec. 2020 <ul style="list-style-type: none"> ➤ Route 29 |
| On Detour | <ul style="list-style-type: none"> • Laguna Shores Rd. (SPID-Wyndale) (14) month, (3) Phase project: Began October 26, 2020 with anticipated completion in October 2022 <ul style="list-style-type: none"> ➤ Routes 3 & 4 |
| Future Detour | <ul style="list-style-type: none"> • Leopard St. (Nueces Bay to Palm) (14) month project: Began October 2020 with anticipated completion in late 2021 <ul style="list-style-type: none"> ➤ Routes 27 |
| Future Detour | <ul style="list-style-type: none"> • Leopard St. (Crosstown to Palm) (14) month project: To begin January 2021 with anticipated completion in mid-2022 <ul style="list-style-type: none"> ➤ Routes 27 |
| Future Detour | <ul style="list-style-type: none"> • Airline Rd. (SPID-McArdle) (7) month project: To begin January 2021 <ul style="list-style-type: none"> ➤ Routes 26 & 65 |
| No Detour | <ul style="list-style-type: none"> • McArdle Road (Carroll-Kostoryz) (6) month project: To begin early-2021 <ul style="list-style-type: none"> ➤ Route 19 |
| No Detour | <ul style="list-style-type: none"> • Gollihar Road (Greenwood-Crosstown) In design. To begin mid-2021 <ul style="list-style-type: none"> ➤ Routes 23 & 25 |
| No Detour | <ul style="list-style-type: none"> • S. Alameda St. (Louisiana-Chamberlain) (12) month project: To begin mid-2021 <ul style="list-style-type: none"> ➤ Routes 5 & 17 |

In October 2020, there were 9 detoured routes or 28% out of 32 fixed route services travelling on the local street network. Detoured services include: 3, 4, 12, 19, 23, 27, 32, 76 & 78.

In the future, at least 2 additional routes will be detoured due to construction projects: 26 & 65.

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

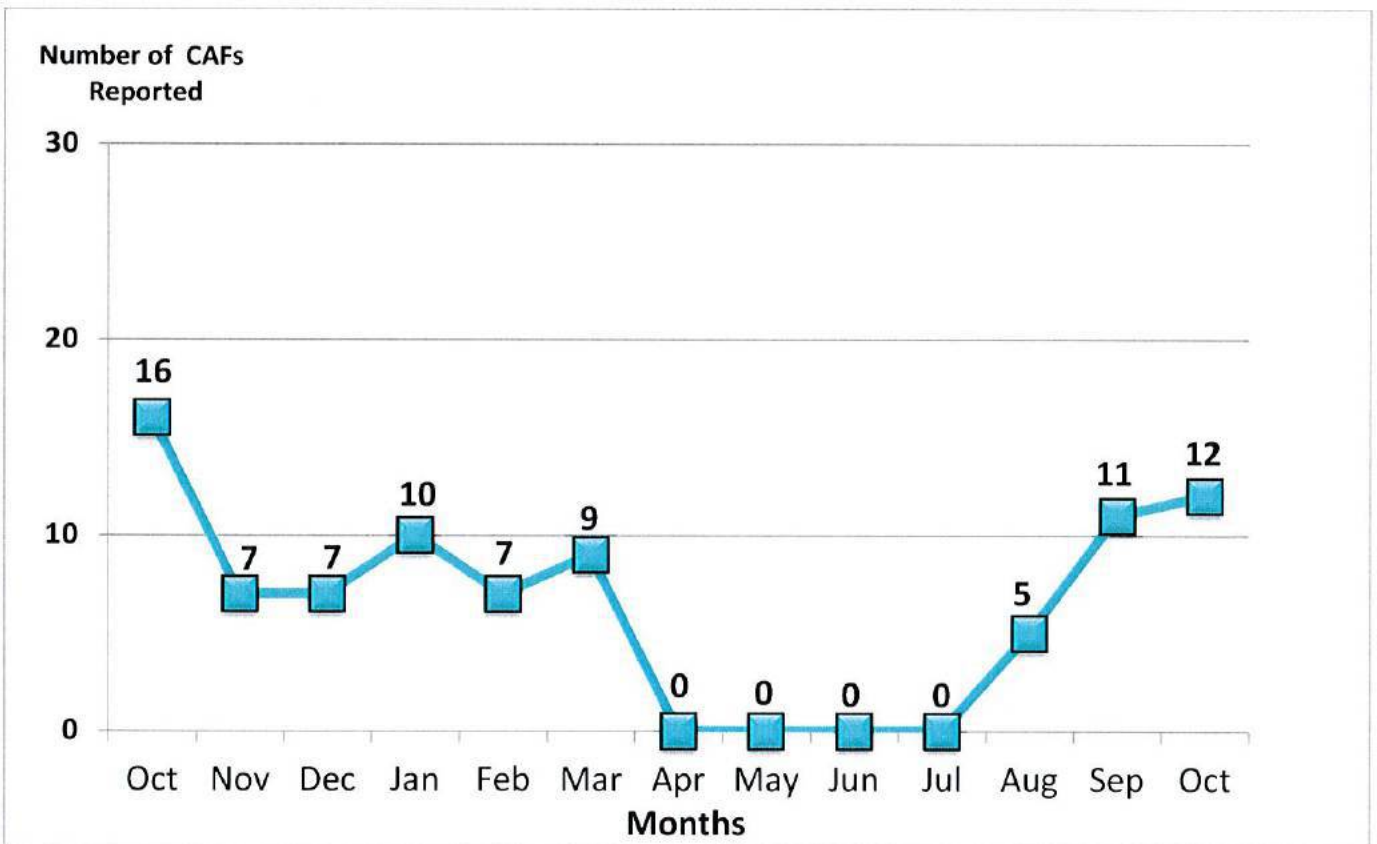
In October 2020, B-Line service metrics were impacted by the COVID-19 pandemic.

- Productivity: **1.65** 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): **5,948** did not meet the contract standard of 12,250 miles.
- Ridership Statistics: **6,910** ambulatory boardings; **2,631** wheelchair boardings

| Metric | Standard | Jul-20 | Aug-20 | Sep-20 | Oct-20 | (4) Month-Ave. |
|------------------------------|-------------|--------|--------|--------|--------|----------------|
| Passengers per Hour | 2.50 | 1.60 | 1.61 | 1.65 | 1.65 | 1.63 |
| Denials | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.0% |
| Miles Between Road calls | 12,250 | 6,877 | 5,740 | 6,130 | 5,948 | 6,174 |
| Monthly Wheelchair Boardings | No standard | 2,203 | 2,127 | 2,359 | 2,631 | 2,330 |

1. Customer Programs Monthly Customer Assistance Form (CAF) Report

For October 2020, Customer Service received and processed 12 Customer Assistance Forms (CAF's) of which all were verified as valid. No commendations were received this month.



Route Summary Report for October 2020:

| 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 | 1 |
| #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 | 1 |
| #19G Greenwood | | #76 Harbor Bridge Shuttle | |
| #19M McArdle | | #78 North Beach Shuttle | |
| #21 Arboleda | | #90 Flexi-B Port Aransas | |
| #23 Molina | | #93 Flex | |
| #25 Gollihar/Greenwood | | #94 Port Aransas Shuttle | |
| #26 Airline/Lipes | 1 | #95 Port Aransas Express | |
| #27 Northwest | 2 | B-Line (Paratransit) Services | |
| #27x Northwest (Express) | | Safety/Transportation | 2 |
| #28 Leopard/Omaha | | Facilities Maintenance | |
| #29 Staples | | Customer Service Department | |
| #29F Staples/Flour Bluff | 1 | Service Development/Facilities | |
| #29SS Staples/Spohn South | 1 | Facilities/Service Development | |
| #30 Westside/Health Clinic | | Transportation (Other) | 1 |
| #32 Southside | 1 | TOTAL CAF's | 12 |

October 2020 CAF Breakdown by Service Type:

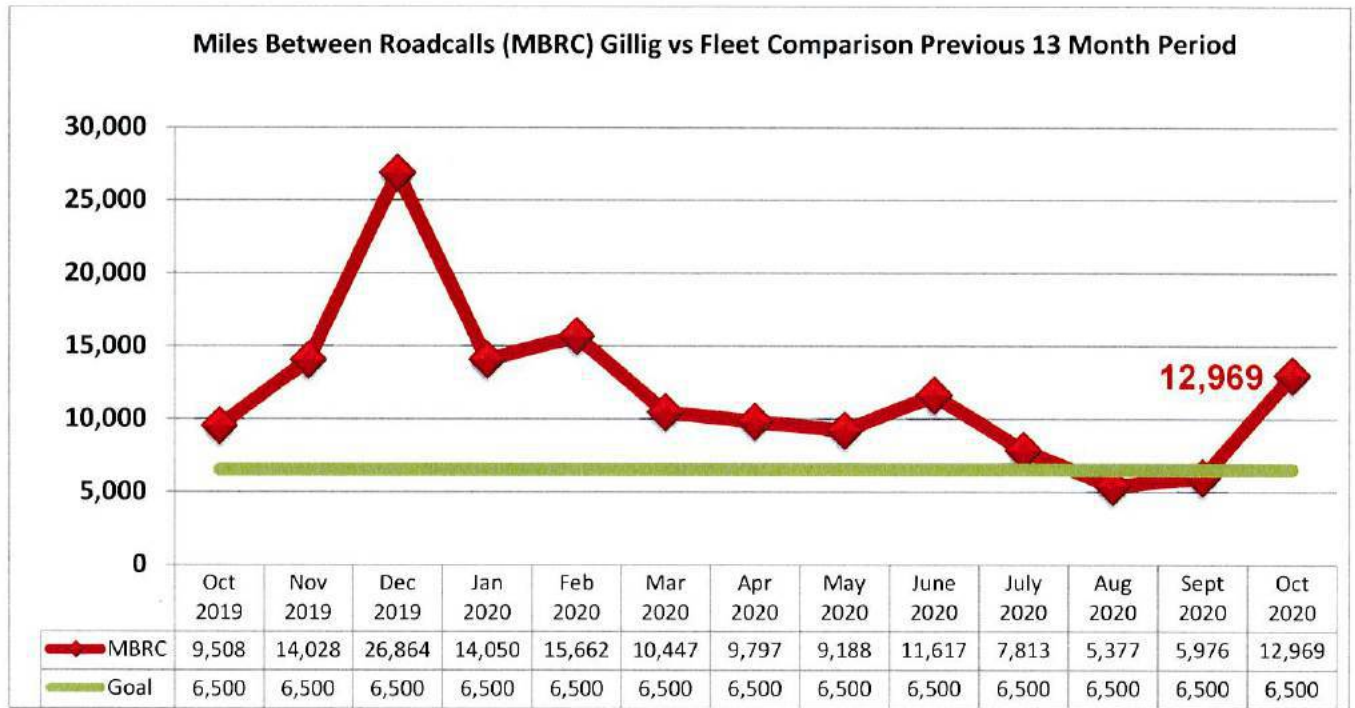
| CAF Category | RTA Fixed Route | B-Line ADA Paratransit | MV Fixed Route | Totals |
|-------------------------|-----------------|------------------------|----------------|-----------|
| ADA | 1 | | | 1 |
| Service Stop Issues | 3 | | 1 | 4 |
| Driving Issues | 3 | | | 3 |
| Customer Services | 1 | | | 1 |
| Late/Early – No Show | | | | |
| Alleges Injury | | | | |
| Fare/Transfer Dispute | 1 | | | 1 |
| Clean Trash Can | | | | |
| Dispute Drop-off/Pickup | | | | |
| Add Bench/Stop | | | | |
| Tie Down Issues | | | | |
| Inappropriate Behavior | | | | |
| B-line Calls | | | | |
| Incident at Stop | | | | |
| Incident on Bus | | | | |
| Incident at Station | | | | |
| Policy | | | | |
| Denial of Service | | | | |
| Safety & Security | 2 | | | 2 |
| Rude | | | | |
| Facility Maintenance | | | | |
| Service Development | | | | |
| Transportation (Other) | | | | |
| Over Crowded Vehicle | | | | |
| Route Suggestion | | | | |
| Service Maintenance | | | | |
| Commendations | | | | |
| Total CAFs | 11 | 0 | 1 | 12 |

CAF Reports: Current and Historical Trends



Vehicle Maintenance Department: Miles Between Road Calls Report

In October 2020, there were 12,969 miles between road calls (MBRC) recorded as compared to 9,508 MBRC in October 2019. 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

Administration Finance Committee Member Inquiry

| Meeting Date | Agenda Item # | Member Name | Inquiry | Response | Response Date |
|--------------|---------------|---------------|---|--|---------------|
| 10/28/2020 | 10. | M. Woolbright | <p>In reference to Recommend the Board of Directors Authorize the Chief Executive Officer (CEO) or Designee to Accept the Investment Performance Evaluation Report on the Defined Benefit Plan a requirement of the Pension Review Board (PRB) Filing with the State, Mr. Woolbright asked, part of our decision as a board to raise our funded status and potential of the possible downturn, which ended up being prophetic and we got lucky with that, but I don't think that was just the cola?</p> | <p>Mr. Saldana responded we adjusted the one time cola, we adjusted the mortality rate table, and then we lowered our expected return from seven and a half to 7.25. So a combination of a lot of those things is what the two and a half million covered.</p> | 11/18/2020 |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Board Member Inquiry

| Meeting Date | Agenda Item # | Member Name | Inquiry | Response | Response Date |
|--------------|---------------|-------------|--------------|----------|---------------|
| | | | No Questions | | |
| | | | | | |
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