

THE STATE OF TEXAS §

COUNTY OF CAMERON §

BE IT REMEMBERED on the 12th day of April 2018, there was conducted a Regular Meeting of the Cameron County Regional Mobility Authority, at the CCRMA Administrative Office, 3470 Carmen Avenue, Suite 5 thereof, in Rancho Viejo, Texas, for the purpose of transacting any and all business that may lawfully be brought before the same.

THE BOARD MET AT:

12:00 Noon

PRESENT:

FRANK PARKER, JR.

CHAIRPERSON

DIRECTOR

HORACIO BARRERA

DIRECTOR

DIRECTOR

MARK ESPARZA

DIRECTOR

NAT LOPEZ

DIRECTOR

DR. MARIA VILLEGAS, M.D.

DIRECTOR (joined via phone 12:06 P.M.)

RUBEN GALLEGOS, JR.

ABSENT

MICHAEL F. SCAIEF

ABSENT

ABSENT

The Meeting was called to order by Chairman Frank Parker, Jr., at 12:00 Noon. At this time, the Board considered the following matters as per CCRMA Agenda posted and filed for Record in the Office of the County Clerk on this 9th day of April, 2018 at 9:54 A.M.



AGENDA

**Regular Meeting of the Board of Directors
Of the
Cameron County Regional Mobility Authority**

**3470 Carmen Avenue, Suite 5
Rancho Viejo, Texas 78575**

April 12, 2018

12:00 Noon

PUBLIC COMMENTS:

1. Public Comments.

PRESENTATIONS, RESOLUTIONS AND/OR PROCLAMATION ITEMS:

2. Presentations/Resolutions/Proclamations.

- A. Presentation of the Fiscal Year 2017 Annual Audit.
- B. Presentation on the Status of the SH 550 Gap 1 Project, CBP FAST Lane Expansion Project and the CBP Primary Lanes Expansion Project.

CONSENT ITEMS:

3. All Item(s) under the Consent RMA Agenda are heard collectively unless opposition is presented, in which case the contested Item will be considered, discussed, and appropriate action taken separately.

- A. Consideration and Approval of the Minutes for:

March 26, 2018 - Special Meeting.

ITEMS FOR DISCUSSION AND ACTION:

4. Action Items.

- A. Approval of Claims.
- B. Consideration and Approval of the Financial Statements and Budget Amendments for the month of February 2018.
- C. Consideration and Approval of Estimated SH 550 Gap 1 Contractor Pay Request for the Month of March and Authority to Release Payment once approval from TxDOT is obtained.
- D. Discussion and Possible Action regarding Bid Number 2018-001-VET for the Veterans International Bridge FAST Lane Project.

- B. Consideration and Approval of an Interlocal Agreement between Cameron County, the Brownsville Navigation District and the Cameron County Regional Mobility Authority for the Port Connector Road Project.**
- F. Consideration and Approval to submit an application for funding for the Port Connector Road Project for Rider 45 funding and approval of a Resolution.**
- G. Consideration and Approval to submit an application for funding for the SH 550 Gap 2 Project for Rider 45 funding and approval of a Resolution.**
- H. Consideration and Approval of an Agreement between the Starr County Industrial Foundation and the Cameron County Regional Mobility Authority to manage and develop transportation projects in Starr County.**
- I. Consideration and Approval to Issue Request for Proposals for Marketing Consultant Services.**
- J. Consideration and Approval to Issue Request for Proposals for Independent Financial Auditor Services.**
- K. Consideration and Approval to Issue Request for Proposals for Bank Depository Services.**

EXECUTIVE SESSION:

5. Executive Session.

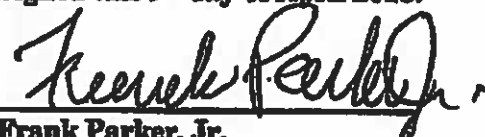
- A. Confer with Legal Counsel regarding the selection of Figg Engineering for negotiations for a General Engineering Contract, pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.071(2).**

6. Action Relative to Executive Session.

- A. Possible Action.**

ADJOURNMENT:

Signed this 9th day of April 2018.


Frank Parker, Jr.
Chairman

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
On: Apr 09, 2018 at 09:54A

Document Number: 00000156

Sylvia Garza-Perez
County Clerk
By
Amanda Barbosa, Deputy
Cameron County

NOTE:

Participation by Telephone Conference Call – One or more members of the CCRMA Board of Directors may participate in this meeting through a telephone conference call, as authorized by Sec. 370.262, Texas Transportation Code. Each part of the telephone conference call meeting that by law must be open to the public shall be audible to the public at the meeting location and will be recorded. On conclusion of the meeting, the recording will be made available to the public.

PUBLIC COMMENTS

1 PUBLIC COMMENTS

Mr. Alfonso Vallejo, Brownsville MPO Deputy Director commented that there was a need for signage to the Brownsville/South Padre Island Airport.

PRESENTATIONS, RESOLUTIONS AND/OR PROCLAMATION ITEMS

NOTE: Director Maria Villegas, M.D. called in via telephone at 12:06 P.M.

2-A Presentation of the Fiscal Year 2017 Annual Audit.

Mr. Adrian Rincones, RMA Chief Financial Officer gave a comprehensive review of the 2017 Annual Independent Financial Audit. Mr. Carlos Barrera with Carr, Riggs & Ingram, LLC went over the Presentation of the Fiscal Year 2017 Annual Audit and highlighted the major components of the Audit.

Director Esparza moved to acknowledge the Presentation of the Fiscal Year 2017 Annual Audit. The motion was seconded by Secretary Barrera and carried as follows:

AYE: Chairman Parker, Secretary Barrera, Director Esparza and Director Lopez.

NAY: None

ABSTAINED: Director Villegas

The Report is as follows:

2-B Presentation of the Status of the SH 550 Gap 1 Project, CBP FAST Lane Expansion Project and the CBP Primary Lanes Expansion Project.

Mr. Daniel Garces with S&B Infrastructure went over the attached Power Point Presentation regarding the SH 550 Gap 1 Project. Mr. Garces also updated the Board on the status of the FAST Lane Project and the Primary Expansion Lanes Project at the Veterans International Bridge.

Secretary Barrera moved to acknowledge the Presentation. The motion was seconded by Director Lopez and carried unanimously.

The Presentation is as follows:

CONSENT ITEMS

ALL ITEM(S) UNDER THE CONSENT RMA AGENDA ARE HEARD COLLECTIVELY UNLESS OPPOSITION IS PRESENTED, IN WHICH CASE THE CONTESTED ITEM WILL BE CONSIDERED, DISCUSSED AND APPROPRIATE ACTION TAKEN SEPARATELY

3-A Consideration and Approval of the Minutes for:

March 26, 2018 – Special Meeting.

Mr. Pete Sepulveda, Jr., RMA Executive Director introduced the item.

Director Esparza moved to approve the minutes for March 26, 2018 Special Meeting. The motion was seconded by Director Lopez and carried unanimously.

ACTION ITEMS

4-A Approval of Claims

The attached claims were presented to the Board of Directors for approval.

Mr. Adrian Rincones, RMA Chief Financial Officer went over the Claims and presented into the record.

Secretary Barrera moved to approve the Claims as presented. The motion was seconded by Director Esparza carried as follows:

AYE: Chairman Parker, Secretary Barrera, Director Esparza and Director Lopez.

NAY: None

ABSTAINED: Director Villegas

The Claims are as follows:

4-B Consideration and Approval of the Financial Statements and Budget Amendments for the month of February 2018.

Mr. Adrian Rincones, RMA Chief Financial Officer went over the Financial Statements and presented them into the record.

Director Esparza moved to approve the Financial Statements for the month of February 2018. The motion was seconded by Secretary Barrera and carried unanimously.

The Financial Statements are as follows:

4-C Consideration and Approval of Estimated SH 550 Gap 1 Contractor Pay Request for the Month of February and Authority to Release Payment once approval from TxDOT is obtained.

This item was covered under Claims and thus, the Board took no action.

4-D Discussion and Possible Action regarding Bid Number 2018-001-VET for the Veterans International Bridge FAST Lane Project.

Mr. Pete Sepulveda, Jr., RMA Executive Director went over the item with the Board and advised the Board of the Engineers recommendation. (see letter attached)

Director Esparza moved to reject the bids and authorized Staff to re-bid the Project. The motion was seconded by Secretary Barrera and carried unanimously.

The Letter is as follows:

4-E Consideration and Approval of an Interlocal Agreement between Cameron County, the Brownsville Navigation District and the Cameron County Regional Mobility Authority for the Port Connector Road Project.

Mr. Pete Sepulveda, Jr., RMA Executive Director went over the item and explained the purpose of the Interlocal Agreement.

Director Esparza moved to approve the Interlocal Agreement between Cameron County, the Brownsville Navigation District and the Cameron County Regional Mobility Authority for the Port Connector Road Project. The motion was seconded by Secretary Barrera and carried unanimously.

The Agreement is as follows:

4-F Consideration and Approval to submit an application for funding for the Port Connector Road Project for Rider 45 funding and approval of a Resolution.

Mr. Pete Sepulveda, Jr., RMA Executive Director went over the item and the need to have applications ready in the event funds become available and there is a funding call.

Director Lopez moved to approve the submittal of an application for funding for the Port Connector Road Project for Rider 45 funding and approval of a Resolution. The motion was seconded by Secretary Barrera and carried unanimously.

4-G Consideration and Approval to submit an application for funding for the SH 550 Gap 2 Project for Rider 45 funding and approval of a Resolution.

Mr. Pete Sepulveda, Jr., RMA Executive Director went over the item and the need to have applications ready in the event funds become available and there is a funding call.

Director Lopez moved to approve the submittal of an application for funding for the SH 550 Gap 2 Project for Rider 45 funding and approval of a Resolution. The motion was seconded by Secretary Barrera and carried unanimously.

4-H Consideration and Approval of an Agreement between the Starr County Industrial Foundation and the Cameron County Regional Mobility Authority to manage and develop transportation projects in Starr County.

Mr. Pete Sepulveda, Jr., RMA Executive Director went over the item and advised the Board of the purpose of the Agreement. There was a discussion on how to handle a management fee for overseeing the scope of work for a specific project. Staff will include the fee in individual Work Authorizations.

Secretary Barrera moved to approve the Agreement between the Starr County Industrial Foundation and the Cameron County Regional Mobility Authority to manage and develop transportation projects in Starr County with changes as discussed which were removing bullet points on Section 4. The motion was seconded by Director Esparza and carried unanimously.

The Agreement is as follows:

4-I Consideration and Approval to Issue Request for Proposals for Marketing Consultant Services.

4-J Consideration and Approval to Issue Request for Proposals for Independent Financial Auditor Services.

4-K Consideration and Approval to Issue Request for Proposals for Bank Depository Services.

Mr. Pete Sepulveda, Jr., RMA Executive Director went over the item with the Board. Mr. Sepulveda advised the Board that there was a need to procure Marketing Services as well as for Independent Auditor. Mr. Sepulveda stated that for the Independent Auditor, the last time the CCRMA used a County's Procurement Process. Thus, we need to RFP those Services. The Bank Depository RFP was issued four years ago so we need to RFP again.

Director Lopez moved to authorize Staff to Issue Request for Proposals for Marketing Consultant Services, Independent Financial Auditor Services and Bank Depository Services. The motion was seconded by Secretary Barrera and carried unanimously.

EXECUTIVE SESSION ITEMS

The Board did not go into Executive Session.

- 5-A Confer with Legal Counsel regarding the selection of Figg Engineering for negotiations for a General Engineering Contract, pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.071(2).

ACTION RELATIVE TO EXECUTIVE SESSION:

- 6-A Confer with Legal Counsel regarding the selection of Figg Engineering for negotiations for a General Engineering Contract, pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.071(2).

Director Lopez moved to TABLE the item. The motion was seconded by Secretary Barrera and carried as unanimously:

ADJOURNMENT

There being no further business to come before the Board and upon motion by Director Esparza and seconded by Secretary Barrera and carried unanimously the meeting was **ADJOURNED** at 12:58 P.M.

APPROVED this 10th day of May 2018.


CHAIRMAN FRANK PARKER, JR.

ATTESTED:


HORACIO BARRERA, SECRETARY

2-A PRESENTATION OF THE FISCAL YEAR 2017 ANNUAL AUDIT.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

A Component Unit of Cameron County, TX



FINANCIAL REPORT 2017

SEPTEMBER 30, 2017

REPORT 2017

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
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September 30, 2017

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Cameron County Regional Mobility Authority
Brownsville, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Cameron County Regional Mobility Authority (the RMA), a component unit of Cameron County, Texas, as of and for the year ended September 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the RMA'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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 respective financial position of the business-type activities of the RMA as of September 30, 2017 and 2016, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 15 to the financial statements, the RMA recorded a prior period adjustment of \$34,495,898 to reflect an acquisition of a capital asset which was not recorded in a prior year. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of changes in net pension liability and related ratios and schedule of employer contributions on pages 4-7 and 42-48 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the RMA's basic financial statements. The schedule of expenditures of state awards is presented for purposes of additional analysis as required by the Texas Single Audit Circular and is not a required part of the basic financial statements.

The schedule of expenditures of state awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United

States of America. In our opinion the schedule of expenditures of state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 9, 2018, on our consideration of the RMA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the RMA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering RMA's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC
Certified Public Accountants

Brownsville, Texas
April 10, 2018

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Management's Discussion and Analysis
September 30, 2017

The following is management's discussion and analysis of the financial performance and activity of the Cameron County Regional Mobility Authority (the RMA), and is designed to provide an overview that users may use to interpret the basic financial statements for the years ending September 30, 2017 and 2016. This discussion and analysis has been prepared by management and should be used in conjunction with the basic financial statements and notes thereafter.

2017 Financial Highlights

- Toll revenue grew to \$2.3 million in 2017 from \$1.2 million in 2016, or a 90 percent increase. Toll operating expenses increased to \$713,760 in 2017 from \$645,224 in 2016, or an 11 percent increase. The primary cause for the increase in revenue and expenses was the deployment of a new customer service center for toll operations with a significant change in revenue structure from the prior outsourced agreement for these services. For the past couple of years, the RMA has been preparing for this transition to provide full service operations internally in order to provide both revenue and cost control measures to improve long term operations and profitability.
- Revenues from general operations and toll operations surpassed budgeted revenues by 1 percent and 18 percent, respectively. Expenses for general operations and toll operations fell within 10 percent and 20 percent below budgeted expenses, respectively.
- Construction work in process incremented to \$24.7 million in 2017 from \$22.2 million in 2016 or an 11 percent increase.
- Long-term bond payable was reduced to \$76.5 million in 2017 from \$77.3 million in 2016, a less than 1 percent decrease.

Overview of Basic Financial Statements

The RMA reports its business-type activities in a single enterprise fund, in which its operations and activities are reported, similar to a private-sector business. The financial statements include comparative Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, and the Statements of Cash Flows. These basic financial statements are prepared in accordance with Generally Accepted Accounting Principles in the United States of America as promulgated by the Governmental Accounting Standards Board, also known as GASB.

The Statement of Net Position reports the net position of the RMA as of the end of each fiscal year presented. Net position represents the residual difference of all other elements of the statement of net position for all years presented in three component categories: net investment in capital assets, restricted, and unrestricted.

The Statement of Revenues, Expenses, and Changes in Net Position present the results of the business activities of the RMA over the course of the fiscal years presented and how ultimately those results affected the change in net position. As an enterprise fund, the RMA reports its operations using the economic resource measurement focus in which all revenues and expenses are recognized in the period which incurred with the difference reported as change in net position.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Management's Discussion and Analysis
September 30, 2017

The Statement of Cash Flows, unlike the Statement of Revenues, Expenses and Changes in Net Position, reflects only the results of business activities as they affect cash over the course of the fiscal years presented. The results are reported in three categories: operating, capital and related financing, and investing activities with the net change in cash as the residual.

The Notes to the Financial Statements provide required disclosures and other information that is essential to a full understanding of the data found in these financial statements, and should be read in conjunction with the MD&A and the basic financial statements.

FINANCIAL ANALYSIS

Summary of Net Position

The RMA's net position includes the total assets minus the total liabilities with the residual difference of net position. The RMA's net position for the years ending September 30, 2017, 2016, and 2015 were approximately \$45.4, \$46.5, and \$13.2 million, respectively. The largest component of total assets for all three years were the non-current assets. Non-current assets account for approximately 97%, 97%, and 96% of total assets for the years 2017, 2016 and 2015, respectively. These assets consist of fixed assets, restricted bond funds, construction in process, and redevelopment assets.

Summary of Net Position

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Assets:			
Current assets	\$ 5,502,751	\$ 4,591,638	\$ 5,276,416
Capital assets, net	100,882,240	101,796,560	104,602,578
Construction and work in process	24,737,056	22,230,768	19,663,812
Other non-current	52,657,808	53,816,698	54,225,627
Total assets	<u>183,779,855</u>	<u>182,435,664</u>	<u>183,768,433</u>
Deferred outflows of resources	104,696	92,323	29,870
Total assets and deferred outflows of resources	<u>\$ 183,884,551</u>	<u>\$ 182,527,987</u>	<u>\$ 183,798,303</u>
Liabilities:			
Current liabilities	\$ 3,508,080	\$ 2,874,651	\$ 2,648,534
Non-current liabilities	134,247,596	133,109,520	133,408,934
Total liabilities	<u>137,755,676</u>	<u>135,984,171</u>	<u>136,057,468</u>
Deferred inflows of resources	775,771	31,341	37,456
Total liabilities and deferred inflows of resources	<u>\$ 138,531,447</u>	<u>\$ 136,015,512</u>	<u>\$ 136,094,924</u>
Net position:			
Net investment in capital assets	\$ 29,483,264	\$ 34,046,338	\$ 35,427,127
Restricted	14,051,439	10,307,998	9,274,689
Unrestricted	1,818,401	2,158,139	3,001,563
Total net position	<u>\$ 45,353,104</u>	<u>\$ 46,512,475</u>	<u>\$ 47,703,379</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Management's Discussion and Analysis
September 30, 2017

Total liabilities as of September 30, 2017, 2016, 2015 were approximately \$137.8 million, \$135.9 million, and \$136.1 million, respectively. Non-current liabilities account for the majority of the total liabilities and consist of Financial Assistance Agreements with the Texas Department of Transportation (TxDOT), amounts due to other agencies, and long term bond payables. A more detailed description is provided in the notes to the financial statements.

Capital & Other Non-Current Assets

Capital assets of the RMA include the infrastructure and toll equipment, of the SH 550, net of accumulated depreciation. The projects undergoing construction, traffic studies, environmental and preliminary engineering studies are recorded as construction in process. As of September 30, 2017 the RMA had a total of sixteen projects under construction in process for a total of \$24.7 million. The total for years ended September 30, 2016, and 2015 were \$22.2 and \$19.6 million respectively.

Capital, Other Non-Current Assets and Deferred Outflows

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Capital Assets:			
Capital assets, net	\$ 100,882,240	\$ 101,796,560	\$ 104,602,578
Non-Current Assets			
Restricted assets	5,159,973	7,076,480	8,898,693
Construction and work in process	24,737,056	22,230,768	19,663,812
Redevelopment and other non-current assets	47,382,303	46,621,328	45,203,258
Prepaid bond insurance	114,104	118,890	123,676
Net pension asset and related deferred outflows	106,124	92,323	29,870
Totals	<u>\$ 178,381,800</u>	<u>\$ 177,936,349</u>	<u>\$ 178,521,887</u>

Non-Current Liabilities

Total Non-Current Liabilities, as of September 30, 2017, 2016, and 2015 were approximately \$135.0, \$133.1, and \$133.4 million, respectively. These amounts include financial assistance agreements with TxDOT. In the totals for long-term bonds payable, the RMA has both tax exempt and non-tax exempt issuances. A more detailed description to these bond issuances can be found in the notes to the financial statements. The RMA completed a bond refunding in December 2016, and later, prior to the issuance of this report in December 2017. The bond rating has been stable for the VRF bonds at AA-. See notes for additional information on the long term debts of the RMA.

Non-Current Liabilities and Deferred Inflows

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Non-Current Liabilities:			
Due to other agencies and other noncurrent liabilities	\$ 16,333,036	\$ 14,348,904	\$ 13,305,416
Liabilities related to redevelopment assets	41,456,609	41,395,770	40,848,309
Long term bond payable and related deferred inflows	77,229,896	77,393,071	79,287,518
Net pension liability and related deferred inflows	3,826	3,116	5,147
Totals	<u>\$ 135,023,367</u>	<u>\$ 133,140,861</u>	<u>\$ 133,446,390</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Management's Discussion and Analysis
September 30, 2017

Changes in Net Position

The RMA's total revenues for the year ending September 30, 2017, 2016, and 2015 were approximately \$7.4 million, \$6.5, and \$4.3 million, respectively. Total expenses for the year ending September 30, 2017, 2016, and 2015 were approximately \$8.6, \$6.9, and \$3.9 million, respectively. Change in net position has resulted in a decrease for the years ended 2016 and 2017. This loss is materially impacted by the annual depreciation expense recorded in operating expenses. The RMA capital assets in operation generate large depreciation expense totals due to the significant book value. The change in net assets, prior to the recording of depreciation expense, for the years 2017, 2016, and 2015 were \$1,831,568, \$1,698,013, and \$1,246,946, respectively.

Changes in Net Position

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Revenues:			
Vehicle registration fees	\$ 3,019,910	\$ 3,156,486	\$ 2,975,240
Toll revenue	2,317,650	1,220,065	510,448
Transportation reinvestment zone	268,848	426,261	378,840
Other operating revenue	401,779	332,034	495,514
Non-operating revenue and capital contributions	1,413,083	1,411,742	8,106
Total Revenues	<u>7,421,270</u>	<u>6,546,588</u>	<u>4,368,148</u>
Expenses:			
Operating	5,120,094	4,307,109	3,085,313
Non-operating	3,460,547	3,430,383	1,698,729
Total Expenses	<u>8,580,641</u>	<u>7,737,492</u>	<u>4,784,042</u>
Change in Net Position	(1,159,371)	(1,190,904)	(415,894)
Net Position-Beginning of Year	<u>46,512,475</u>	<u>47,703,379</u>	<u>12,736,971</u>
Prior Period Adjustment	-	-	35,382,302
Net Position-Beginning of Year, as restated	<u>46,512,475</u>	<u>47,703,379</u>	<u>48,119,273</u>
Net Position End of Year	<u>\$ 45,353,104</u>	<u>\$ 46,512,475</u>	<u>\$ 47,703,379</u>

Contacting the RMA's Financial Management

The financial report is designed to provide customers, investors, and creditors with a general overview of the RMA's finances and to demonstrate the RMA's accountability for all inflows and outflows of resources. If you have any questions about this report or need additional financial information, contact the Cameron County Regional Mobility Authority, 3461 Carmen Avenue, Rancho Viejo, Texas 78575, or visit www.ccrma.org for more information.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Statements of Net Position
September 30, 2017 and 2016

	2017	2016
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 2,327,137	\$ 2,008,726
Prepaid assets	10,378	7,616
Accounts receivable	1,319,706	556,409
Due from other agencies	1,845,530	2,018,887
Total Current Assets	<u>5,502,751</u>	<u>4,591,638</u>
Non-Current Assets		
Restricted Assets		
Cash-trustee funds	2,874,317	4,344,730
Cash-debt reserve	2,285,656	2,268,628
Cash-debt service	-	463,122
Total Restricted Assets	<u>5,159,973</u>	<u>7,076,480</u>
Capital assets, net	100,882,240	101,796,560
Construction and work in process	24,737,056	22,230,768
Redevelopment assets	47,382,303	46,621,328
Prepaid bond insurance	114,104	118,890
Net pension asset	1,428	-
Total Non-Current Assets	<u>178,277,104</u>	<u>177,844,026</u>
Total Assets	<u>183,779,855</u>	<u>182,435,664</u>
Deferred outflows related to pension	<u>104,696</u>	<u>92,323</u>
Total Assets and Deferred Outflows	<u>\$ 183,884,551</u>	<u>\$ 182,527,987</u>
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 2,196,737	\$ 718,861
Accrued interest payable	426,343	450,790
Current maturities of bonds	885,000	1,705,000
Total Current Liabilities	<u>3,508,080</u>	<u>2,874,651</u>
Non-Current Liabilities		
Other noncurrent liabilities	402,736	89,758
Due to other agencies	15,930,300	14,259,146
Liabilities related to redevelopment assets	41,456,609	41,395,770
Long-term bonds payable	76,457,951	77,361,730
Net pension liability	-	3,116
Total Non-Current Liabilities	<u>134,247,596</u>	<u>133,109,520</u>
Total Liabilities	<u>137,755,676</u>	<u>135,984,171</u>
Deferred inflows related to bond refunding	771,945	31,341
Deferred inflows related to pension	3,826	-
	<u>775,771</u>	<u>31,341</u>
Total Liabilities and Deferred Inflows	<u>138,531,447</u>	<u>136,015,512</u>
NET POSITION		
Net investment in capital assets	29,483,264	34,046,338
Restricted	14,051,439	10,307,998
Unrestricted	1,818,401	2,158,139
Total Net Position	<u>45,353,104</u>	<u>46,512,475</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 183,884,551</u>	<u>\$ 182,527,987</u>

See Accompanying Notes to the Financial Statements

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Statements of Revenues, Expenses
and Changes in Net Position
Years Ending September 30, 2017 and 2016

	2017	2016
Operating Revenues		
Vehicle registration fee	\$ 3,019,910	\$ 3,156,486
Toll revenue	2,317,650	1,220,065
Transportation reinvestment zone	268,848	426,261
Interlocal agreement revenue	57,982	-
Other operating revenue	343,797	332,034
Total Operating Revenues	<u>6,008,187</u>	<u>5,134,846</u>
Operating Expenses		
Advertising	56,023	24,927
Depreciation	2,990,939	2,888,917
Insurance	2,478	5,968
Miscellaneous	16,470	22,486
Office expenses	103,901	90,209
Professional services	514,443	287,875
Salaries and contractual services	632,965	300,053
Toll operating expenses	713,760	645,224
Travel	33,650	26,830
Utilities	55,465	14,620
Total Operating Expenses	<u>5,120,094</u>	<u>4,307,109</u>
Operating Income (Loss)	<u>888,093</u>	<u>827,737</u>
Non-Operating Revenues (Expenses)		
Bond issuance costs	(302,881)	-
Interest expense	(3,157,666)	(3,430,383)
Interest income	28,083	17,330
Other revenue	-	9,412
Total Non-Operating Revenue (Expenses)	<u>(3,432,464)</u>	<u>(3,403,641)</u>
Income (Loss) before capital contributions and special item	<u>(2,544,371)</u>	<u>(2,575,904)</u>
Capital Contributions	<u>1,385,000</u>	<u>1,385,000</u>
Change in Net Position	<u>(1,159,371)</u>	<u>(1,190,904)</u>
Net Position-beginning of year	<u>46,512,475</u>	<u>13,207,481</u>
Prior Period Adjustment	-	34,495,898
Net Position-beginning of year, as restated	<u>-</u>	<u>47,703,379</u>
Net Position-end of year	<u>\$ 45,353,104</u>	<u>\$ 46,512,475</u>

See Accompanying Notes to the Financial Statements

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Statements of Cash Flows
Years Ending September 30, 2017 and 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from vehicle registration fees	\$ 2,844,000	\$ 3,180,950
Receipts from toll revenues	1,729,532	1,217,803
Receipts from other operating sources	897,609	989,357
Payments to vendors	(1,544,296)	(1,343,456)
Payments to employees	(633,218)	(313,643)
Net cash provided by (used in) operating activities	<u>3,293,627</u>	<u>3,731,011</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisitions of property and equipment	(2,076,620)	(82,898)
Acquisitions of construction in progress and redevelopment assets	(1,751,376)	(4,303,206)
Payments on interest	(3,874,128)	(3,429,818)
Payments on bond principal	(16,145,000)	(850,000)
Bond proceeds	15,502,119	-
Proceeds related to redevelopment assets	370,347	1,360,483
Advances from TxDOT FAA and other project agreements	3,056,154	786,230
Net cash provided by (used in) capital and related financing activities	<u>(4,918,504)</u>	<u>(6,519,209)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Receipts from interest income	<u>26,781</u>	<u>16,228</u>
Net increase (decrease) in cash and cash equivalents	(1,598,096)	(2,771,970)
Cash and cash equivalents at beginning of year	9,085,206	11,857,176
Cash and cash equivalents at end of year	<u>\$ 7,487,110</u>	<u>\$ 9,085,206</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED) BY OPERATING ACTIVITIES:		
Operating income (Loss)	\$ 888,093	\$ 827,737
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	2,990,939	2,888,917
Changes in assets and liabilities:		
(Increase) decrease in prepaid expenses	(1,460)	(7,616)
(Increase) decrease in due from other agencies	(536,316)	315,717
(Decrease) increase in accounts payable	(34,538)	(231,291)
(Increase) in deferred outflow of resources	(13,091)	(62,453)
Net cash flows provided by operating activities	<u>\$ 3,293,627</u>	<u>\$ 3,731,011</u>

See Accompanying Notes to the Financial Statements

(continued)

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Statements of Cash Flows - Continued
Years Ending September 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
RECONCILIATION OF ENDING CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION:		
Ending cash - Statement of Cash Flows	\$ 7,487,110	\$ 9,085,206
Less: amount reported in restricted assets	<u>5,159,973</u>	<u>7,076,480</u>
Ending cash - Statement of Net Position	<u>\$ 2,327,137</u>	<u>\$ 2,008,726</u>

See Accompanying Notes to the Financial Statements

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 1 – Organization and Summary of Significant Accounting Policies

The financial statements of the RMA have been prepared in conformity with Generally Accepted Accounting Principles in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the RMA's accounting policies are described below:

A. Reporting Entity

The Cameron County Regional Mobility Authority (RMA) was authorized for creation in September 30, 2004 by the Texas Transportation Commission to promote and improve regional mobility within Cameron County. Since its creation, the RMA has committed itself to an ambitious series of economically sustainable projects to improve the quality of life for area residents and enable quality economic development. The RMA receives funds from Vehicle Registration Fees in Cameron County as well as interlocal revenues, toll revenues and grant funds for projects. The RMA is governed by a board of directors consisting of seven members with operations overseen by an Executive Director. The RMA operates with a small group of local staff and contracts many of its services with local area professionals.

In evaluating how to define the RMA, for financial reporting purposes, management has determined that there are no entities over which the RMA exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the RMA. Since the RMA does not exercise significant influence or accountability over other entities, it has no component units.

B. Basis of Accounting

The operations of the RMA are accounted for within a single proprietary (enterprise) fund through which all financial activities are recorded. The measurement focus for an enterprise fund is the flow of economic resources. An enterprise fund follows the accrual basis of accounting. Under the accrual basis of accounting, all assets, liabilities and deferred inflows and outflows of resources associated with the operations are included on the Statement of Net Position. Net position (i.e., total assets and deferred outflows net of total liabilities and deferred inflows) is segregated into amounts of net investment in capital assets, amounts restricted for capital activity, debt service pursuant to the bond indenture, and other contractual restrictions, and amounts which are unrestricted. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of capital assets is recognized in accordance with subsection E of this note.

C. Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 1 – Organization and Summary of Significant Accounting Policies – Continued

D. Cash & Cash Equivalents

Cash and cash equivalents include cash on hand and demand deposits. These deposits are fully collateralized or covered by federal deposit insurance.

E. Accounts Receivable

The accounts receivable totaled \$2,202,526 and \$556,409 at September 30, 2017 and 2016, respectively. The allowance is based on prior years' experience and management's analysis of possible bad debts. For the years ended September 30, 2017 and 2016 the allowance for doubtful accounts was \$882,820 and \$0, respectively. The Company does not require collateral. Accounts are considered overdue when payment has not been received within 30 days of payment due date.

F. Capital Assets

Capital assets which include: property, equipment and infrastructure assets, are reported on the basis of original cost. Depreciation is computed on the straight-line method over the following estimated useful lives:

Road and bridges, 40 years
Improvements, 5-20 years
Buildings, 20-30 years
Equipment, 3-20 years

A full month's depreciation is taken in the month an asset is placed in service. When property and equipment are disposed of, depreciation is removed from the respective accounts, and the resulting gain or loss, if any, is recorded in operations.

G. Capital Contributions

Capital contributions are comprised of federal, state and local grants. The portion of the grants and reimbursements used for capital purposes are reflected as capital contributions in the Statements of Revenues, Expenses and Changes in Net Position. The funds are reimbursable contributions, whereas the RMA first pays for the project and is then reimbursed for all eligible expenses by the granting agency. The RMA considers all grants and contributions to be 100% collectible in accordance with contract terms.

H. Income Taxes

The RMA is a political subdivision of the State of Texas. As such, income earned in the exercise of its essential government functions is exempt from state or federal income taxes.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 1 – Organization and Summary of Significant Accounting Policies – Continued

I. Classification of Operating and Non-Operating Revenues and Expenses

The RMA defines operating revenues and expenses as those revenues and expenses generated by a specified program offering either a good or service. This definition is consistent with GASB Statement No. 9 which defines operating receipts as cash receipts from customers and other cash receipts that do not result from transactions defined as capital and related financing, non-capital financing or investing activities. Operating expenses for the RMA include the costs of administrative expenses, indirect administrative costs, depreciation and costs for contractual services associated with operations. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

J. Net Position

The RMA's policy on net position allows for the following three categories of net position:

- *Net investment in capital assets* – consists of capital assets net of accumulated depreciation, outstanding balances on borrowings attributable to the acquisition of capital assets, and deferred outflows and inflows of resources attributable to the acquisition of capital assets.
- *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.
- *Unrestricted* – consists of assets, deferred outflows, liabilities, and deferred inflows not included in the determination of net investment in capital assets, or the restricted component of net position.

K. Deferred Outflows and Inflows of Resources

The RMA has classified deferred inflows of resources as items that represent acquisition of net position that apply to future periods, and will not be recognized as revenue until then. The RMA has classified as deferred outflows of resources certain items that represent a consumption of resources that applies to future periods and, therefore, will not be recognized as an expense until then.

L. Reclassifications

Certain amounts reported in previous periods have been reclassified to conform to the current year presentation.

M. Restricted Assets

Certain proceeds of the RMA's bonds and grants, as well as certain other resources are classified as restricted assets in the statements of net position because their use is limited by applicable bond covenants, contracts and grant agreements.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 1 – Organization and Summary of Significant Accounting Policies – Continued

M. Restricted Assets – Continued

It is the RMA's policy to first apply restricted resources when an expense is incurred for purposes in which both restricted and unrestricted net assets are available.

N. Long-Term Obligations, Bond Premiums, Discounts, and Issuance Costs

Long-term obligations are reported as liabilities in the statement of net position and consist of bond premiums and discounts. The RMA amortizes premiums and discounts over the estimated life of the bonds as an adjustment to interest expense. Bond issuance cost, other than prepaid insurance, is expensed as incurred, in accordance with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Deferred gains/losses on refunding (the difference between the reacquisition price and the carrying value of the existing debt) are recorded as deferred outflows/inflows of resources and amortized over the shorter of, the life of the original bonds or the life of the refunding bonds.

O. Pensions

For purposes of measuring the net pension liability, net pension asset, deferred outflows of resources and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the RMA's participation in the Texas County and District Retirement System (TCDRS), an agent plan, and additions to/deductions from TCDRS's fiduciary net position have been determined on the same basis as they are reported by TCDRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Subsequent Events

In 2017, the RMA entered into an agreement with Duncan Solutions for the purpose of facilitating toll revenue collections (see footnote 14). On December 27, 2017, Cameron County and the RMA issued Vehicle Registration Fee Revenue Refunding Bonds, Series 2017 in the amount of \$4.4 million. The RMA is obligated to repay the principal and interest amounts on the bonds as detailed in the official statement of the bonds. The Bond Series 2017 has maturities of February 2023 to 2026, and carry interest rates of 5% payable every February 15 and August 15 of each year. Management has evaluated subsequent events through April 10, 2018, which is the date the financial statements were available to be issued.

Q. Fair Value Measurement

In February 2015, GASB issued its Statement No. 72, *Fair Value Measurement and Application*. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The RMA has no investments required to be reported under GASB Statement No. 72 as of September 30, 2017.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 2 – Deposits and Investments

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the RMA will not be able to recover its deposits or its collateral securities that are in the possession of an outside party. The RMA complies with its investment policy for all its cash and cash equivalent accounts, which calls for safety of principal as the first priority in its deposit accounts. The carrying amount of the RMA's cash, cash equivalents, and restricted cash was \$7,487,110 and \$9,085,206 of this total, \$5,159,973 and \$7,076,480 was restricted and held in various bond trustee accounts in the BNY Mellon in accordance with bond indenture agreements as of September 30, 2017 and 2016 respectively. The remainder \$2,327,137 and \$2,008,726 was held in business interest checking accounts as of September 30, 2017 and 2016 respectively. There is no limit on the amount the RMA may deposit in any one institution. However, the Federal Deposit Insurance Corporation only insures up to \$250,000 per institution. The RMA is fully collateralized with pledged securities for amounts in excess of the FDIC limit as of September 30, 2017 and 2016 respectively.

Note 3 – Capital Assets

Depreciation expense for 2017 and 2016 was \$2,990,939 and \$2,002,512, respectively. The following schedule summarizes the Capital Assets and Construction in Process of the RMA as of September 30, 2017:

Capital Assets	October 1, 2016	Additions	Deletions	Reclassifications	September 30, 2017
Depreciable					
Buildings	\$ 202,803	\$ -	\$ -	\$ -	\$ 202,803
Improvements	20,791	-	-	-	20,791
Software	19,792	19,250	-	1,742,202	1,781,244
Infrastructure	99,656,519	309,068	-	-	99,965,587
Equipment	7,591,214	-	-	6,100	7,597,314
Total	\$ 107,491,119	\$ 328,318	\$ -	\$ 1,748,302	\$ 109,567,739
Accumulated Depreciation					
Buildings	\$ (15,210)	\$ (10,140)	\$ -	\$ -	\$ (25,350)
Improvements	(769)	(1,169)	-	-	(1,938)
Software	(11,875)	(97,692)	-	-	(109,567)
Infrastructure	(4,637,063)	(2,495,276)	-	-	(7,132,339)
Equipment	(1,128,392)	(386,662)	-	-	(1,515,054)
Total	\$ (5,793,309)	\$ (2,990,939)	\$ -	\$ -	\$ (8,784,248)
Net Depreciable Assets	\$ 101,697,810	\$ (2,662,621)	\$ -	\$ 1,748,302	\$ 100,783,491
Non-Depreciable					
Land	\$ 98,750	\$ -	\$ -	\$ -	\$ 98,750
Construction in process (CIP)	21,388,876	3,171,562	-	-	24,560,438
Work in process (CIP)	841,892	1,083,027	-	(1,748,302)	176,617
Total Capital Assets & CIP	\$ 124,027,328	\$ 1,591,968	\$ -	\$ -	\$ 125,619,296

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 3 – Capital Assets - continued

2017

The additions related to construction in process are as follows:

<u>Project</u>	<u>Additions</u>
SH 550	\$ 1,976,666
Outer Parkway	632,971
SPI 2nd Access	282,238
SH 32 (East Loop)	211,953
Spur 54	52,062
FM1925	10,619
CC Veterans Bridge	4,664
FM 803	216
Port Isabel Access	173
Total	<u>\$ 3,171,562</u>

The RMA has provided services for the development of projects such as the FM 803 and General Brant Project for which TxDOT sponsored and led construction. Each one of these projects are expected to have reached substantial completion within FY2018. The RMA anticipates the flow through of these costs for services provided through net assets in the upcoming fiscal year.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 3 – Capital Assets – continued

The following schedule summarizes the capital assets and Construction in Process of the RMA as of September 30, 2016:

Capital Assets	(as restated) October 1, 2015	Additions	Deletions	Reclassifications	September 30, 2016
Depreciable					
Buildings	\$ 202,803	\$ -	\$ -	\$ -	\$ 202,803
Improvements	7,791	13,000	-	-	20,791
Software	19,792	-	-	-	19,792
Infrastructure	99,656,519	-	-	-	99,656,519
Equipment	7,521,316	69,898	-	-	7,591,214
Total	\$ 107,408,221	\$ 82,898	\$ -	\$ -	\$ 107,491,119
Accumulated Depreciation					
Buildings	\$ (5,070)	\$ (10,140)	\$ -	\$ -	\$ (15,210)
Improvements	(87)	(682)	-	-	(769)
Software	(7,917)	(3,958)	-	-	(11,875)
Infrastructure	(2,145,648)	(2,491,415)	-	-	(4,637,063)
Equipment	(745,670)	(382,722)	-	-	(1,128,392)
Total	\$ (2,904,392)	\$ (2,888,917)	\$ -	\$ -	\$ (5,793,309)
Net Depreciable Assets	\$ 104,503,829	\$ (2,806,019)	\$ -	\$ -	\$ 101,697,810
Non-Depreciable					
Land	\$ 98,750	\$ -	\$ -	\$ -	\$ 98,750
Construction in process (CIP)	19,431,293	1,969,272	(11,690)	-	21,388,875
Work in process (CIP)	232,519	609,374	-	-	841,893
Total Capital Assets & CIP	\$ 124,266,391	\$ (227,373)	\$ (11,690)	\$ -	\$ 124,027,328

2016

The additions related to construction in process are as follows:

Project	Additions
SPI 2nd Access	\$ 1,400,641
SH 550	331,393
SH 32 (East Loop)	106,429
Outer Parkway	57,541
FM1925	35,853
Spur 54	20,663
Other projects	10,146
FM 803	6,606
Total	\$ 1,969,272

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 4 – Redevelopment Assets

The RMA has authorization by the State to participate, develop, and construct projects on behalf of other entities. The RMA has begun work on several projects in which the RMA will not retain ownership when work is completed. These projects are recorded as Redevelopment Assets on the Statement of Net Position. At completion, these Redevelopment Assets will be removed along with any associated liabilities, and any difference will be adjusted through current operations. The RMA anticipates that in FY2018 these assets may be transferred off the financial statements. The following schedules summarize the Redevelopment Assets shown on the Statement of Net Position as of September 30, 2017, and 2016:

Redevelopment Assets	October 1, 2016	Additions	Deletions	Reclassifications	September 30, 2017
Brownsville/Matamoros					
West Rail Relocation	\$33,915,568	\$ 760,542	\$ -	\$ -	\$34,676,110
Olmito Switchyard	12,705,760	433	-	-	12,706,193
Total Redevelopment Assets	\$46,621,328	\$ 760,975	\$ -	\$ -	\$47,382,303

Redevelopment Assets	October 1, 2015	Additions	Deletions	Reclassifications	September 30, 2016
Brownsville/Matamoros					
West Rail Relocation	\$32,497,498	\$1,418,070	\$ -	\$ -	\$33,915,568
Olmito Switchyard	12,705,760	-	-	-	12,705,760
Total Redevelopment Assets	\$45,203,258	\$1,418,070	\$ -	\$ -	\$46,621,328

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 5 – Disaggregation of Receivable and Payable Balances

Of the current receivables, 52% and 92% are due from the Cameron County for Vehicle Registration Fees, with the remaining 48% and 8% related to toll revenues outstanding as of September 30, 2017 and 2016 respectively. The Due from other agencies consists of amounts pending, reimbursement for construction project expenditures and grant revenue. Payable balances are comprised of 6% and 23% from operations and the remaining 94% and 77% are related to project expenditures at September 30, 2017 and 2016 respectively. The accrued interest payable consists of interest accrued on long-term bond payable at September 30, 2017 and 2016 respectively.

Note 6 – Short-Term Debt-Revolving Line of Credit

The RMA uses a revolving line of credit to finance a variety of transportation projects, including financing construction projects prior to issuance of the related bonds and other project financing. Short-term debt activity for the year ended September 30, 2017 was as follows:

October 1, Beginning Balance	Draws	Repayments	Ending Balance	September 30, Line of Credit Limit
\$ -	\$ -	\$ -	\$ -	\$ 1,000,000

Note 7 – Non-Current Liabilities

Liabilities related to redevelopment assets and due to other agencies are comprised of contributions received by Federal, State, and Local entities for the development of redevelopment assets. The TxDOT Financial Assistance Agreements (FAA) are obligations provided by TxDOT for the further study and development of the associated projects. The TxDOT FAA for the South Padre Island 2nd Access project consists of two separate agreements executed in 2006 and 2014 for the maximum credit limit of \$9.2 million and \$5.1 million respectively. The TxDOT FAA for the West Parkway Project consists of the same agreement executed in 2006 for the SPI 2nd access however this project ultimately was not developed, and the RMA expects to confirm removal of the obligation in the upcoming fiscal year. The TxDOT FAA for the Outer Parkway Project was executed in 2014 for a maximum credit limit of \$5.0 million. For each project development cost, in which an advancement is required from the above mentioned FAA's, the RMA must seek approval for the development cost, scope, and vendor from TxDOT prior to utilizing the funds. Expenditures from these FAA's are considered as part of the State single audit performed during the financial audit for the RMA. Non-Current liabilities related to redevelopment assets are held until the asset is complete and will offset when the asset is removed from financials. For more information on the redevelopment assets see above Note 4.

The following schedule summarizes the Non-Current Liabilities of the RMA as of September 30, 2017:

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 7 – Non-Current Liabilities - continued

Liabilities related to redevelopment assets	October 1, 2016	Additions	Reductions	September 30, 2017	Credit Limit
Due to other agencies - West Rail Project	\$ 29,461,531	\$ 60,839	\$ -	\$ 29,522,370	N/A
Due to other agencies - Olmito Switch Yard Project	11,934,239	-	-	11,934,239	N/A
Total	\$ 41,395,770	\$ 60,839	\$ -	\$ 41,456,609	\$ -
Due to Other Agencies					
TxDot FAA - South Padre Island 2nd Access	\$ 11,847,057	\$ 1,144,863	\$ -	\$ 12,991,920	\$ 14,300,000
TxDot FAA - West Parkway	2,244,589	-	-	2,244,589	N/A
TxDot FAA - Outer Parkway	-	-	-	526,291	5,000,000
Cameron County	167,500	-	-	167,500	N/A
Total	\$ 14,259,146	\$ 1,144,863	\$ -	\$ 15,930,300	\$ 19,300,000

The following schedule summarizes the Non-Current Liabilities of the RMA as of September 30, 2016:

Liabilities related to redevelopment assets	October 1, 2015	Additions	Reductions	September 30, 2016	September 30, 2016
Due to other agencies - West Rail Project	\$ 28,914,069	\$ 547,462	\$ -	\$ 29,461,531	N/A
Due to other agencies - Olmito Switch Yard Project	11,934,239	-	-	11,934,239	N/A
Total	\$ 40,848,308	\$ 547,462	\$ -	\$ 41,395,770	\$ -
Due to Other Agencies					
TxDot FAA - South Padre Island 2nd Access	\$ 11,060,827	\$ 786,230	\$ -	\$ 11,847,057	\$ 14,300,000
TxDot FAA - West Parkway	2,244,589	-	-	2,244,589	N/A
TxDot FAA - Outer Parkway	-	-	-	-	5,000,000
Cameron County	167,500	-	-	167,500	N/A
Total	\$ 13,472,916	\$ 786,230	\$ -	\$ 14,259,146	\$ 19,300,000

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Note 8 – Long-Term Bonds Payable

On April 1, 2010, the RMA issued \$28.7 million of special revenue bonds, consisting of two series of bonds, 2010A and 2010B both secured by Vehicle Registration Fees of Cameron County. The \$13.2 million and \$15.5 million of the 2010A and 2010B bonds were issued as term bonds. The 2010A bonds carry interest rates of 2.0% to 5.0% and mature between February 2012 and February 2026. The 2010B bonds carry an interest rate of 6.5%, maturing on February 2036. All term bonds are subject to mandatory redemption in prescribed amounts before the maturity dates. As of September 30, 2017, \$20.0 million remains outstanding.

In June 2012, the RMA and Cameron County entered into the SH550 Funding and Development Agreement for a project titled "SH550 Direct Connector Transportation Project". Cameron County issued \$40,000,000 Revenue and Tax bonds, Series 2012 (State Highway 550 Project) dated August 8, 2012 providing the construction funding for this project. As a condition, the RMA is obligated to repay the bonds together with interest at the same stated rates the County will pay on the Series 2012 bonds in addition to, if applicable, an administrative fee also known as a "CAF Fee. The bonds carry interest rates of 2.125% to 5.0% and mature between February 2017 and February 2032. In December 2016 through an advanced refunding, a total of \$14.3 million in bonds were advance refunded. As September 30, 2017 \$25.6 million remains outstanding.

In January 2014, Cameron County issued \$5,000,000 Revenue and Tax Bonds, Series 2014 (State Highway 550 Project) dated March 1, 2014. As a condition of such funding, the RMA is obligated to repay the funding together with interest on the unpaid principal balance at the same stated rates of interest the County will pay on the Series 2014 bonds. Similarly, to the Series 2012 Bonds, the RMA is obligated to continue payment of the annual CAF Fee as calculated on the original issuance of the Series 2012 bonds. Series 2014 bonds carry interest rates of 2.0% to 5% and mature between February 2018 and February 2034. In December 2016 through an advanced refunding, a total of \$695,000 in bonds were advance refunded. The amount that remains outstanding as of September 30, 2017 is \$4.3 million.

In March 2015, the RMA issued \$4,500,000 Revenue and Tax Bonds, Series 2015 (State Highway 550 Project) to further provide funds for the "SH550 Direct Connector Transportation Project." The RMA is responsible for repaying the principal and interest amounts as well as the annual CAF Fee on the bonds. The bonds have maturities between February 2020 and February 2025, and they carry interest rates of 2.5% to 3.75%. In December 2016 through an advanced refunding, a total of \$245,000 in bonds were advance refunded. As of September 30, 2017, \$4.3 million remain outstanding.

Bond Refunding

In October 2014, the RMA issued \$6.3 million Vehicle Registration Fee Revenue Refunding Bonds, Series 2014. The Net proceeds of \$6.3 million (net of underwriters, financial advisor, and other costs of issuance) were used to advance refund \$6.2 million of the series 2010A Vehicle Registration Fee Revenue Bonds. Bond proceeds were used to purchase U.S. Government Securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments. As a result, the refunded bonds from the series 2010A Vehicle Registration Fee Revenue were considered to be defeased, and the liability for those bonds has been removed from the long-term debt of the RMA financials. See summary below for additional details of the refunding.

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Note 8 – Long-Term Bonds Payable - continued

On December 29, 2016 Cameron County issued \$15.8 Revenue and Tax Refunding Bonds Series 2016 for the SH550 project. The net proceeds of \$15.6 million (net of underwriters, financial advisor, and other costs of issuance) were used to advance refund \$15.3 of the series 2012, 2014, and 2015 SH550 Revenue bonds. The RMA is obligated to repay the funding together with interest on the unpaid principal balance at the same stated rates of interest the County will pay on the series 2016 bond issuance. Bond proceeds were used to purchase U.S. Government securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments. As a result the refunded bonds from series 2012, 2014, and 2015 SH550 Revenue and Tax bonds were considered to be defeased, and the liability for those bonds has been removed from the long-term debt of the RMA financials. See summary below for additional details of the refunding.

Bond Refunding Series	Amount of Issuance	Cost of Issuance	Bond Premium	Net Proceeds	Average Coupon	Bonds Refunded Series	Principal Amount	Average Coupon of Refunded Bonds	Escrow Defeased
2014 Series Refunding	\$ 6,325,000	\$(164,406)	\$137,092	\$ 6,297,686	2.12%	2010A	\$ 6,220,000	3.77%	Yes
2016 Series Refunding	15,805,000	(306,052)	100,180	\$15,599,128	4.09%	2012	14,340,000	4.92%	Yes
						2014	695,000		
						2015	245,000		
	<u>\$22,130,000</u>	<u>\$(470,458)</u>	<u>\$237,272</u>	<u>\$21,896,814</u>			<u>\$ 21,500,000</u>		

The following schedule summarizes the Long-Term bond payable of the RMA as of September 30, 2017:

Bonds Payable	Balance as of October 1, 2016	Additions	Reductions	Balance as of September 30, 2017	Due within one year
2010 Revenue Bonds	\$ 20,015,000	\$ -	\$ -	\$ 20,015,000	\$ -
Plus Premium on Refunding	13,761	-	(1,529)	12,232	-
2012 Revenue & Tax Bonds	40,000,000	-	(14,340,000)	25,660,000	-
Plus Premium on Refunding	3,862,351	-	(1,426,291)	2,436,060	-
2014 Revenue & Tax Bonds	5,000,000	-	(695,000)	4,305,000	-
Plus Premium on Refunding	139,882	-	(37,129)	102,753	-
2014 Refunding Revenue Bonds	5,475,000	-	(865,000)	4,610,000	(885,000)
Plus Premium on Refunding	97,922	-	(19,586)	78,336	-
2015 Revenue & Tax Bonds	4,500,000	-	(245,000)	4,255,000	-
Plus Discount on Refunding	(37,186)	-	4,583	(32,603)	-
2016 Refunding Revenue & Tax	-	15,805,000	-	15,805,000	-
Plus Premium on Refunding	-	100,180	(4,007)	96,173	-
	<u>\$ 79,066,730</u>	<u>\$15,905,180</u>	<u>\$ (17,628,959)</u>	<u>\$ 77,342,951</u>	<u>\$ (885,000)</u>

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Note 8 – Long-Term Bonds Payable – Continued

The annual requirements to retire the revenue bonds outstanding at September 30, 2017 are as follows:

2010A Bonds Vehicle Registration Fee Revenue				2010B Bonds Vehicle Registration Fee Revenue			
	Principal	Interest	Total	Principal	Interest	Total	
2018	\$ -	\$ 224,000	\$ 224,000	\$ -	\$ 1,017,853	\$ 1,017,853	
2019	-	224,000	224,000	-	1,017,853	1,017,853	
2020	-	224,000	224,000	-	1,017,853	1,017,853	
2021	-	224,000	224,000	-	1,017,853	1,017,853	
2022	-	224,000	224,000	-	1,017,853	1,017,853	
2023-2027	4,480,000	461,750	4,941,750	1,270,000	5,047,660	6,317,660	
2028-2032	-	-	-	7,245,000	3,526,778	10,771,778	
2033-2036	-	-	-	7,020,000	944,471	7,964,471	
	<u>\$ 4,480,000</u>	<u>\$ 1,581,750</u>	<u>\$ 6,061,750</u>	<u>\$ 15,535,000</u>	<u>\$ 14,608,174</u>	<u>\$ 30,143,174</u>	

2012 Revenue & Tax Bonds (SI1550)				2014 Revenue & Tax Bonds (SI1550)			
	Principal	Interest	Total	Principal	Interest	Total	
2018	\$ -	\$ 1,283,000	\$ 1,283,000	\$ -	\$ 169,550	\$ 169,550	
2019	-	1,283,000	1,283,000	-	169,550	169,550	
2020	-	1,283,000	1,283,000	-	169,550	169,550	
2021	-	1,283,000	1,283,000	-	169,550	169,550	
2022	980,000	1,258,500	2,238,500	265,000	165,244	430,244	
2023-2027	5,720,000	5,483,250	11,203,250	1,455,000	685,805	2,140,805	
2028-2032	7,345,000	3,858,625	11,203,625	1,765,000	375,463	2,140,463	
2033-2037	9,430,000	1,772,500	11,202,500	820,000	37,350	857,350	
2038-2043	2,185,000	54,625	2,239,625	-	-	-	
	<u>\$ 25,660,000</u>	<u>\$ 17,559,500</u>	<u>\$ 43,219,500</u>	<u>\$ 4,305,000</u>	<u>\$ 1,942,062</u>	<u>\$ 6,247,062</u>	

2015 Revenue & Tax Bonds (SI1550)				2014 Refunding Bonds Vehicle Registration Fee			
	Principal	Interest	Total	Principal	Interest	Total	
2018	\$ -	\$ 146,688	\$ 146,688	\$ 885,000	\$ 88,100	\$ 973,100	
2019	-	146,688	146,688	905,000	70,200	975,200	
2020	-	146,688	146,688	920,000	51,950	971,950	
2021	-	146,688	146,688	940,000	32,175	972,175	
2022	155,000	144,556	299,556	960,000	10,800	970,800	
2023-2027	900,000	647,081	1,547,081	-	-	-	
2028-2032	1,060,000	489,734	1,549,734	-	-	-	
2033-2037	1,260,000	284,778	1,544,778	-	-	-	
2038-2043	880,000	50,438	930,438	-	-	-	
	<u>\$ 4,255,000</u>	<u>\$ 2,203,339</u>	<u>\$ 6,458,339</u>	<u>\$ 4,610,000</u>	<u>\$ 253,225</u>	<u>\$ 4,863,225</u>	

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Note 8 – Long-Term Bonds Payable – Continued

2016 Refunding Revenue & Tax Bonds (SH550)			
	Principal	Interest	Total
2018	\$ -	\$ 649,700	\$ 649,700
2019	-	649,700	649,700
2020	-	649,700	649,700
2021	-	649,700	649,700
2022	-	649,700	649,700
2023-2027	-	3,248,500	3,248,500
2028-2032	-	3,248,500	3,248,500
2033-2037	1,825,000	3,114,625	4,939,625
2038-2043	13,980,000	1,653,975	15,633,975
	<u>\$ 15,805,000</u>	<u>\$ 14,514,100</u>	<u>\$ 30,319,100</u>

Note 9- Current-Year Defeasance of Debt

In prior years, the RMA defeased certain revenue and tax bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the RMA financial statements. At September 30, 2017, \$9.1 million of bonds outstanding are considered defeased.

Assumptions

On December 29, 2016 the RMA refunded and defeased in substance \$15.3 million of its outstanding series 2012, 2014, and 2015 revenue and tax SH550 project bonds carrying an average interest rate of 4.92%, with new debt of \$15.8 million, issued at a weighted average rate of 4.09%. The new debt was dated December 29, 2016. No sinking funds were proved to the escrow agent from the funding. All issuance costs of the transactions were paid from bond proceeds and a cash contribution from the RMA. Issuance costs were as follows:

Underwriters discount	\$ 103,364
Bond Counsel Fees	\$ 50,500
Costs of Issuance	\$ 145,012
<u>Trustee and Escrow Agent Fees</u>	<u>\$ 7,175</u>
	\$ 306,051

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Note 9- Current-Year Defeasance of Debt – continued

2016 Refunding Revenue & Tax Bonds (SH550)				
	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Total</u>
2017-2034	\$ -		\$ 11,452,767	\$ 11,452,767
2035	580,000	5.00%	635,200	1,215,200
2036	605,000	5.00%	605,575	1,210,575
2037	640,000	5.00%	574,450	1,214,450
2038	670,000	5.00%	541,700	1,211,700
2039	2,980,000	3.75%	469,075	3,449,075
2040	3,100,000	4.00%	351,200	3,451,200
2041	3,545,000	4.00%	218,300	3,763,300
2042	3,685,000	4.00%	73,700	3,758,700
	<u>\$ 15,805,000</u>		<u>\$ 14,921,967</u>	<u>\$ 30,726,967</u>
	Bond Par Value		\$	15,805,000
	Premium		100,180	
	Underwriters Discount		(103,365)	
	Cost of Issuance		(202,687)	
	Net Finance Costs			<u>(205,872)</u>
	Target Value		\$	15,599,128
	Effective Interest Rate			4.18534%

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Note 9- Current-Year Defeasance of Debt – continued

Prior Bond Debt Service				
	Principal	Rate	Interest	Total
2017	840,000	3.00%	650,975	1,490,975
2018	910,000	3.00%	627,663	1,537,663
2019	1,030,000	3.00%	606,100	1,636,100
2020	1,240,000	3.00%	577,313	1,817,313
2021	1,335,000	3.00%	527,813	1,862,813
2022-2038	-	4.92%	8,436,250	8,436,250
2039	2,300,000	5.00%	438,750	2,738,750
2040	2,415,000	5.00%	320,875	2,735,875
2041	2,540,000	5.00%	197,000	2,737,000
2042	2,670,000	5.00%	66,750	2,736,750
	<u>\$ 15,280,000</u>		<u>\$ 12,449,488</u>	<u>\$ 27,729,488</u>

Cash Flow Difference

Old Debt Service Cash Flows		\$ 27,729,488
New Debt Service Cash Flows	<u>30,726,967</u>	
RMA Cash Contribution	<u>246,997</u>	<u>30,973,964</u>
		\$ (3,244,476)

Economic Gain

Present Value of Old Debt Cash Flow (including RMA Cash Contribution)	<u>\$ 16,992,224</u>
Present Value of New Debt Cash Flow	<u>16,302,004</u>
	<u>\$ 690,220</u>

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Note 10 – Interlocal and Grant Agreements

Cameron County

On April 11, 2006 Cameron County (County) entered into an agreement with the RMA whereby the County would provide a loan of \$250,000 for the purpose of assisting the RMA in its organizational efforts. As of September 30, 2016, there was a payment of \$82,500 on this loan, leaving an outstanding balance of \$167,500. There were no payments made during FY2017.

Pass Through Agreement for Payment of Pass Through Tolls by the Department

On February 22, 2012 the RMA and the TxDOT entered into an agreement for the pass through of toll payments for the development and operation of the SH550 Direct Connector toll project. This agreement provides for an annual payment of grant revenue for each vehicle mile traveled on the Direct Connector project for each project anniversary year. The minimum and maximum amount of annual payment are \$1,385,000 and \$2,770,000 respectively. The total maximum amount allowed to be paid through this agreement is \$30,470,000 with funds strictly used for repayment of the associated project bond debt. The revenues from this agreement are included in the pledged revenues for the 2012, 2014, 2015, and 2016 Revenue and Tax Bonds for the SH550 project issued by Cameron County. Revenues are recorded as capital contributions with any receivables included in the restricted portion of net assets.

Transportation Reinvestment Zone No.6

On December 29, 2015, the County and the RMA entered into an agreement to participate in Transportation Reinvestment Zone (TRZ) No.6 in the County of Cameron. A TRZ is a transportation funding tool authorized by Senate Bill 1266 passed in the 80th Texas Legislature in 2007 that utilizes incremental property tax of a geographical area to support the funding of transportation infrastructure needs within the area. The RMA and County have existing TRZ's No. 1-5 that date back to 2010. The purpose of TRZ No. 6 is to expand the geographical area to cover the entire County and increase the number of eligible projects. The interlocal agreement is a long-term agreement with various requirements embedded. The first round of funds from TRZ No. 6 was accrued in FY2017 in the amount of \$268,848.

Advance the Port Connector Project to a Construction Phase

On April 19, 2017 the RMA and the Brownsville Navigation District entered into an agreement for the further advancement of the Port Connector Project to a construction phase. The scope of work is to assist the port in developing an environmental document and ultimately a record of decision to prepare the project for construction. The RMA would be in charge of all coordination and development of the work and the Brownsville Navigation District will contribute \$100,000 to the RMA for its services.

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Note 10 – Interlocal and Grant Agreements - continued

Toll System Implementation Services, Support and Maintenance, and Toll Collection Processing

On June 5, 2017 the RMA and the City of Pharr entered into an agreement for the RMA to provide services for a toll system implementation, maintenance support and toll collection processing for the Pharr International Bridge. The City of Pharr will acquire the services of the RMA and its vendors for the design, testing, implementation, and maintenance of the toll collection system including a full service back office system. The City of Pharr will also allow for the interoperability of the toll collection system of the Pharr International Bridge and that of the SH 550 toll road to improve the electronic toll collection of commercial traffic traveling into Mexico through the Pharr International Bridge. The RMA began the project in FY2017 and is scheduled to complete the implementation in June of 2018.

CCRMA to Develop Projects On Behalf of Cameron County

On August 15, 2017 the RMA and Cameron County entered into an agreement to allow the RMA to develop projects on behalf of Cameron County. The RMA will provide all the necessary coordination with TxDOT and other necessary agencies for the development of transportation projects. Projects include international bridges owned and operated by Cameron County, Interstate development and projects identified within the Transportation Reinvestment Zone No. 6 agreement. Prior to work commencing on either project, the RMA will provide a scope, cost, and overview of work to the Cameron County Commissioners Court for approval.

CCRMA to Provide IT Staff for Maintenance to the International Bridge and Park Systems of Electronic Toll Collection

On October 17, 2017 the RMA and Cameron County entered into an agreement for the provision of IT staff to be used for County Toll Collection Facilities. The IT staff would be a full time RMA employee that specializes in the maintenance and operation of electronic toll collection systems to provide routine maintenance, troubleshooting and support to the County staff. The County will pay the RMA a fixed monthly amount for the life of the agreement and will provide reimbursement to staff expenses such as mileage and other pre-approved expenses.

Note 11 – Advertising

The RMA incurs advertising expenditures to promote community awareness of existing and ongoing projects. These expenditures include public relation events, website and social media marketing of toll operations, and other general advertising-related activities. These expenditures are expensed in the year occurred.

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Note 12 – Risk Management

In conjunction with its normal operations, the RMA is exposed to various risks related to the damage or destruction of its assets from both natural and man-made occurrences; tort/liability claims; error and omission claims, and professional liability claims. As a result of these exposures, the RMA carries insurance with a governmental risk pool under an “all risks” policy. All categories of insurance coverage in place were either maintained at current levels or increased as to overall limits of coverage and reduction of self-retained risk as to reduce the overall exposure of risk to the RMA. There were no settlements in excess of insurance coverage during fiscal years 2017 and 2016.

Note 13 – Litigation

As of September 30, 2017, and 2016, the RMA is involved in various contract disputes related to litigations, claims and assessments of the West Rail Relocation Project. RMA management believes it has substantial defenses against the claims, and the resolution of the matters will not have a material adverse effect on the financial statements. Based on the status of claims and the information available, the RMA believes that a liability has not been incurred as of the date of the financial statements.

Note 14 – Toll Violations Debt Portfolio and Management Practices

Since the inception of tolling operations on the SH550 through December 2016, the RMA used a third party collection agency (GILA Group) to provide toll collection processing and portfolio management services. The GILA Group provided all back-office operations and customer service for the RMA including the billing of its invoices for Pay-By-Mail customers. In December 2016 the RMA began processing all of its toll operations and customer service center operations internally through local staff. The uncollected portfolio that remained with the GILA group will be transferred to a new debt collection agency in which the RMA procured in FY2017 (Duncan Solutions). Through the partnership with Duncan Solutions, the RMA will have both old portfolio invoices (Portfolio I) and new invoices referred (Portfolio II) serviced for additional collection efforts and revenue sharing. Once Duncan Solutions has absorbed the old Portfolio from the GILA group, the RMA anticipates the recording of the asset net of an allowance for bad debt. The RMA anticipates services to begin in March of 2018.

Note 15 – Prior Period Adjustment

On March 8, 2010 the RMA and TxDOT entered into a project development agreement for the SH550 project. This agreement allowed for phases of the project to be developed, designed, and constructed by TxDOT and later assigned to the RMA as owners of the asset for the operations and maintenance of the asset. TxDOT on August 22, 2014, considered the project complete but still had unresolved issues with the RMA regarding the final cost of the project. In March 2017 all matters between parties were resolved. Since TxDOT considered the project complete in August 2014 and because the asset was placed in service that month (evidenced by the RMA collecting tolls on that section of road beginning that month), the RMA should have, at the time, recognized the asset on its books. A prior period adjustment of \$34,495,898 representing the book value of the asset as of

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Note 15 – Prior Period Adjustment - continued

October 1, 2015 has been made in the current year financial statements. The effect of the prior period was an increase to infrastructure capital assets and an increase to net position.

Note 16 – Employee Retirement System

A. Plan Description

The Authority participates as one of 677 nontraditional defined benefit pension plans administered by the Texas County and District Retirement System (TCDRS). The TCDRS is an agency created by the Texas Legislature and administrated in accordance with the TCDRS Act, as an agent multiple-employer retirement system for county and district employees in the State of Texas. The TCDRS Act places the general administration and management of the TCDRS with an independent nine-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TCDRS is not fiscally dependent on the State of Texas. TCDRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tcdrs.org.

All eligible employees of the Authority are required to participate in TCDRS.

B. Benefits Provided

TCDRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act).

Benefit amounts are determined by the sum of the employees contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act. The plan provisions are adopted by the governing body of the employer, within the options available in the TCDRS Act.

Members can retire at ages 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or greater. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

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Note 16 – Employee Retirement System – Continued

Employees Covered by Benefit Terms

At December 31, 2016 and 2015, respectively, valuation and measurement date, the following amount of employees were covered by the benefit terms:

	2016	2015
Inactive employees or beneficiaries currently receiving benefits	0	0
Inactive employees entitled to but not yet receiving benefits	0	0
Active employees	9	6
	9	6

C. Contributions

The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. The deposit rate for employees is 4%, 5%, 6% or 7% of compensation, as adopted by the employer's governing body. The employee contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act. Under the TCDRS Act, the contributions rate of the employer is actuarially determined annually using the Entry Age Normal (EAN) actuarial cost method.

Employees for the Authority are required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the Authority were 10.13%, 9.79%, and 9.67% in calendar years 2015, 2016, and 2017 respectively. The Authority's contributions for the year ended September 30, 2017 and 2016 were \$69,348 and \$55,072, respectively.

D. Net Pension Liability

The Authority's net pension liability (NPL) was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the December 31, 2016 and 2015, respectively, actuarial valuation was determined using the following actuarial assumptions:

	2016	2015
Inflation	3%	3%
Salary increases (including inflation and average)	4.9%	4.9%
Investment rate of return	8.0%	8.1%

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Note 16 – Employee Retirement System - Continued

Mortality rates were based on the following:

Depositing members	The RP-2000 Active Employee Mortality Table for males with a two-year set-forward and the RP-2000 Active Employee Mortality Table for females with a four-year setback, both projected to 2014 with scale AA and then projected with 110% of the MP-2014 Ultimate scale after that.
Service retirees, beneficiaries and non-depositing members	The RP-2000 Combined Mortality Table projected to 2014 with scale AA and then projected with 110% of the MP-2014 Ultimate scale after that, with a one-year set-forward for males and no age adjustment for females.
Disabled retirees	RP-2000 Disabled Mortality Table projected to 2014 with scale AA and then projected with 110% of the MP-2014 Ultimate scale after that, with no age adjustment for males and a two-year set-forward for females.

The actuarial assumptions used in the December 31, 2016 valuation were based on the results of an actuarial experience study for the period January 1, 2009 – December 31, 2012 except where required to be different by GASB 68.

Long-Term Expected Rate of Return

The long-term expected rate of return on TCDRS assets is 8.10% for 2016 and 2017. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2017 information for a 7-10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2013. See Milliman's TCDRS Investigation of Experience report for the period January 1, 2009 – December 31, 2012 for more details.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 16 – Employee Retirement System - Continued

The numbers shown below are based on December 2016 information for a 7-10 year time horizon.

Asset Class	Benchmark	Target Allocation (*1)	Geometric Real Rate of Return (Expected minus inflation) (*2)
US Equities	Dow Jones U.S. Total Stock Market Index	13.5%	4.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (*3)	16.00%	7.70%
Global Equities	MSCI World (net) Index	1.50%	5.00%
International Equities Developed	MSCI World Ex USA (net)	10.00%	4.70%
International Equities Emerging	MSCI EM Standard (net) Index	7.00%	5.70%
Investment Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	0.60%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.70%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	2.00%	3.83%
Direct Lending	S&P/LSTA Leveraged Loan Index	10.00%	8.15%
Distressed Debt	Cambridge Associated Distressed Securities Index (*4)	3.00%	6.70%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	2.00%	3.85%
Master Limited Partnerships (MLPS)	Alerian MLP Index	3.00%	5.60%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (*5)	6.00%	7.20%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composit Index	20.00%	3.85%

(*1) Target asset allocation adopted at the April 2017 TCDRS Board meeting.

(*2) Geometric real rates of return in addition to assumed inflation of 2.0%, per Cliffwater's 2017 capital market assumptions.

(*3) Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

(*4) Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

(*5) Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

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Note 16 – Employee Retirement System - Continued

The numbers shown below are based on December 2015 information for a 7-10 year time horizon.

Asset Class	Benchmark	Target Allocation (*1)	Geometric Real Rate of Return (Expected minus inflation) (*2)
US Equities	Dow Jones U.S. Total Stock Market Index	14.5%	5.45%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (*3)	14.00%	8.45%
Global Equities	MSCI World (net) Index	1.50%	5.75%
International Equities - Developed	50% MSCI World Ex USA (net) + 50% MSCI World ex USA 100% Hedged to USD (net) Index	10.00%	5.45%
International Equities – Emerging	50% MSCI EM Standard (net) Index + 50% MSCI EM 100% Hedged to USD (net) Index	8.00%	6.45%
Investment –Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	1.00%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	5.10%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.09%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	5.00%	6.40%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	8.10%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	3.00%	4.00%
Master Limited Partnerships (MLPS)	Alerian MLP Index	3.00%	6.80%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (*4)	5.00%	6.90%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composit Index	25.00%	5.25%

(*1) Target asset allocation adopted at the April 2016 TCDRS Board meeting.

(*2) Geometric real rates of return in addition to assumed inflation of 1.6%, per Cliffwater's 2016 capital market assumptions.

(*3) Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

(*4) Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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Notes to Financial Statements
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Note 16 – Employee Retirement System - Continued

Discount Rate

The discount rate used to measure the total pension liability for 2016 and 2017 was 8.10%. The rate reflects the long-term rate of return funding valuation assumption of 8.00%, plus a 0.10% adjustment to be gross of administrative expenses as required by GASB 68. The method used to determine the discount rate reflects the following funding requirements under the employer's funding policy and the legal requirements under the TCDRS Act:

- TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UALL) shall be amortized as a level percent of pay over 20-year closed layer periods.
- Under the TCDRS Act, the employer is legally required to make the contribution specified in the funding policy.
- The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost.
- Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable.

The plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active, inactive, and retired members. Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and the net pension liability of the employer is equal to the long-term assumed rate of return on investments.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
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Note 16 – Employee Retirement System - Continued

Changes in the Net Pension Liability

The Authority's changes in net pension liability as of December 31, 2016 were as follows:

Note: Rounding differences may exist below or in other tables in this report.

	Pension Expense/(Income)		Net Pension
	Total Pension Liability (a)	Fiduciary Net Position (b)	Liability/(Asset) (a) - (b)
Balances as of December 31, 2015	\$ 105,935	\$ 102,819	\$ 3,116
Changes for the year:			
Service Cost	97,136	-	97,136
Interest on total pension liability (*1)	12,438	-	12,438
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(4,027)	-	(4,027)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	-	-	-
Benefit payments	-	-	-
Administrative expense	-	(85)	85
Member contributions	-	40,674	(40,674)
Net investment income	-	7,855	(7,855)
Employer contributions	-	56,885	(56,885)
Other (*2)	-	4,764	(4,764)
Balances as of December 31, 2016	\$ 211,482	\$ 212,911	\$ (1,429)

(*1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

(*2) No plan changes valued.

(*3) Relates to allocation of system-wide items.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 16 – Employee Retirement System - Continued

Changes in the Net Pension Liability

The Authority's changes in net pension liability as of December 31, 2015 were as follows:

	Pension Expense/(Income)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a)
Balances as of December 31, 2015	\$ 27,870	\$ 22,723	\$ 5,147
Changes for the year:			
Service Cost	29,965	-	29,965
Interest on total pension liability (*1)	3,177	-	3,177
Effect of plan changes	(7,993)	-	(7,993)
Effect of economic/demographic gains or losses	51,726	-	51,726
Effect of assumptions changes or inputs	1,190	-	1,190
Refund of contributions	-	-	-
Benefit payments	-	-	-
Administrative expense	-	(47)	47
Member contributions	-	33,217	(33,217)
Net investment income	-	(1,137)	1,137
Employer contributions	-	48,069	(48,069)
Other (*2)	-	(6)	6
Balances as of December 31, 2015	\$ 105,935	\$ 102,819	\$ 3,116

(*1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

(*2) Relates to allocation of system-wide items.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 16 – Employee Retirement System - Continued

Sensitivity Analysis

The following presents the net pension liability/(asset) of the Authority, calculated using the discount rate of 8.10%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.10%) or 1 percentage point higher (9.10%) than the current rate:

As of December 31, 2016			
	1% Decrease	Current Discount Rate	1% Increase
	7.10%	8.10%	9.10%
Total pension liability	\$ 251,764	\$ 211,483	\$ 178,781
Fiduciary net position	212,911	212,911	212,911
Net pension liability/(asset)	38,853	(1,428)	(34,130)

As of December 31, 2015			
	1% Decrease	Current Discount Rate	1% Increase
	7.10%	8.10%	9.10%
Total pension liability	\$ 126,541	\$ 105,935	\$ 89,037
Fiduciary net position	102,819	102,819	102,819
Net pension liability/(asset)	23,722	3,116	(13,782)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TCDRS financial report. That report may be obtained on the internet at www.tcdrs.org

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
September 30, 2017

Note 16 – Employee Retirement System – Continued

E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The RMA recognized the following pension expense/(income):

Pension Expense/(Income)	January 1, 2016 to December 31, 2016	January 1, 2015 to December 31, 2015
Service cost	\$ 97,136	\$ 29,965
Interest on total pension liability (1)	12,438	3,177
Effect of plan changes	-	(7,993)
Administrative expenses	85	47
Member contributions	(40,674)	(33,217)
Expected investment return net of investment expenses	(12,388)	(5,113)
Recognition of deferred inflows/outflows of resources		
Recognition of economic/demographic gains or losses	2,049	2,250
Recognition of assumption changes or inputs	52	52
Recognition of investment gains or losses	2,320	1,414
Other (2)	(4,764)	6
Pension expense/(income)	<u>\$ 56,255</u>	<u>\$ (9,412)</u>

(1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

(2) Relates to allocation of system-wide items.

At September 30, 2017, the Authority reported deferred inflows and outflows of resources related to pensions from the following sources:

	2017		2016	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 47,251	\$ 3,826	\$ 49,501	\$ -
Changes of assumptions	1,086	-	1,138	-
Net difference between projected and actual earnings	7,704	-	5,491	-
Contributions made subsequent to measurement date (*1)	48,655	N/A	36,193	N/A
Total deferred inflows/outflows of resources related to pension	<u>\$ 104,696</u>	<u>\$ 3,826</u>	<u>\$ 92,323</u>	<u>\$ -</u>

(*1) Reflects employer contributions made subsequent to the measurement date through the employer's fiscal year end. This amount will be recognized as a reduction in Net Pension liability for the year ending September 30, 2017.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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Notes to Financial Statements
September 30, 2017

Note 16 – Employee Retirement System – Continued

The total of \$48,655 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date, will be recognized as a reduction of net pension liability(asset) for the year ending September 30, 2018. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:

2018	4,421
2019	4,421
2020	4,257
2021	3,007
2022	2,100
Thereafter (*1)	34,019

*(*1) Total remaining balance to be recognized in future years. Note that additional future deferred inflows and outflows of resources may impact these numbers.*

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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Required Supplementary Information – Pension Plan
September 30, 2017

Schedule of Changes in Net Pension Liability and Related Ratios
Year Ended December 31, 2016

	2016	2015
Total Pension Liability		
Service cost	\$ 97,136	\$ 29,965
Interest on total pension liability	12,438	3,177
Effect of plan changes	-	(7,993)
Effect of assumption changes or inputs	-	1,190
Effect of economic/demographic (gains) or losses	(4,027)	51,726
Benefit payments/refunds of contributions	-	-
Net change in total pension liability	<u>105,547</u>	<u>78,065</u>
 Total pension liability, beginning	 <u>105,935</u>	 <u>27,870</u>
Total pension liability, ending (a)	<u>\$ 211,482</u>	<u>\$ 105,935</u>
 Fiduciary Net Position		
Employer contributions	\$ 56,885	\$ 48,069
Member contributions	40,674	33,217
Investment income net of investment expenses	7,855	(1,137)
Benefit payments/refunds of contributions	-	-
Administrative expenses	(85)	(47)
Other	4,762	(5)
Net change in fiduciary net position	<u>110,091</u>	<u>80,097</u>
 Fiduciary net position, beginning	 <u>102,819</u>	 <u>22,722</u>
Fiduciary net position, ending (b)	<u>\$ 212,910</u>	<u>\$ 102,819</u>
 Net pension liability/(asset), ending = (a) - (b)	 <u>\$ (1,428)</u>	 <u>\$ 3,116</u>
Fiduciary net position as a % of total pension liability	<u>100.67%</u>	<u>96.97%</u>
 Pensionable covered payroll	 \$ 581,050	 \$ 474,522
Net pension liability as a % of covered payroll	-0.25%	0.66%

Note: Rounding errors may exist above or in other tables of this report

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Required Supplementary Information – Pension Plan
September 30, 2017

Schedule of Employer Contributions

Year Ending September 30	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll ⁽¹⁾	Actual Contribution as a % of Covered Payroll
2015	33,736	33,736	0	333,027	10.1%
2016	55,072	55,072	0	481,394	11.4%
2017	69,348	69,348	0	714,520	9.7%

⁽¹⁾ TCDRS Calculates actuarially determined contributions on a calendar year basis. GASB Statement No.68 indicated the employer should report employer contributions amounts on a fiscal year basis.

⁽²⁾ Payroll is calculated based on contributions as reported to TCDRS.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Required Supplementary Information – Pension Plan
September 30, 2017

Notes to Schedule of Employer Contributions and Net Pension Liability

Actuarial Methods and Assumptions Used

Following are the key assumptions and methods used in this GASB analysis.

Valuation Timing	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported.
Actuarial Cost Method	Individual entry age normal cost method, as required by GASB Statement No. 68, used for GASB calculations. A slightly different version of the entry age normal cost method is used for the funding actuarial valuation.
Amortization Method	
Recognition of economic/demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions, changes, and inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	
Smoothing Period	5 Years
Recognition Method	Non-asymptotic
Corridor	None
Economic Assumptions	
Inflation	3.00%
Salary Increases	3.5% (made up of 3.0% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.4% per year for a career employee. See table 1 below for merit salary increases.
Investment Rate of Return	8.10%
Cost of Living Adjustments	COLAs for the Cameron County Regional Mobility Authority are not considered to be substantively automatic under GASB Statement No. 68. Therefore, no assumption for the future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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Required Supplementary Information – Pension Plan
September 30, 2017

Table 1
Merit Salary Increases

Years of Service	Before 30	Ages 30-39	Ages 40-49	50 and later
0	5.25%	4.75%	4.25%	3.75%
1	4.50	4.00	3.50	3.00
2	4.00	3.50	3.00	2.50
3	3.50	3.00	2.50	2.00
4	3.00	2.50	2.00	1.50
5	2.65	2.15	1.65	1.15
6	2.40	1.90	1.40	0.90
7	2.20	1.70	1.20	0.70
8	2.05	1.55	1.05	0.55
9	1.95	1.45	0.95	0.45
10	1.85	1.35	0.85	0.40
11	1.75	1.25	0.75	0.40
12	1.65	1.15	0.65	0.40
13	1.55	1.05	0.55	0.40
14	1.56	0.95	0.45	0.40
15	1.35	0.90	0.40	0.40
16	1.25	0.85	0.40	0.40
17	1.15	0.80	0.40	0.40
18	1.10	0.75	0.40	0.40
19	1.05	0.70	0.40	0.40
20	1.00	0.65	0.40	0.40
21	0.95	0.60	0.40	0.40
22	0.90	0.55	0.40	0.40
23	0.85	0.50	0.40	0.40
24	0.80	0.45	0.40	0.40
25	0.75	0.40	0.40	0.40
26	0.70	0.40	0.40	0.40
27	0.65	0.40	0.40	0.40
28	0.60	0.40	0.40	0.40
29	0.55	0.40	0.40	0.40
30 & Up	0.50	0.40	0.40	0.40

*These rates do not include the wage inflation rate of 3.5% per year. For example, a member who entered the system at age 20 and is in the first year of service is assumed to receive an 8.93% total annual increase in his salary. The 8.93% is a combination of the 5.25% merit increase and the 3.5% wage inflation. Note that the two components are compounded, so it is a slightly different result than just adding the two percentages.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Required Supplementary Information – Pension Plan
September 30, 2017

Retirement Age

Annual Rates of Service Retirement*

Age	Male	Female	Age	Male	Female
40-44	4.50%	4.50%	62	25.0%	25.0%
45-49	9.0	9.0	63	16.0	16.0
50	10.0	10.0	64	16.0	16.0
51	10.0	10.0	65	30.0	30.0
52	10.5	10.5	66	25.0	25.0
53	10.5	10.5	67	24.0	24.0
54	10.5	10.5	68	22.0	22.0
55	11.0	11.0	69	22.0	22.0
56	11.0	11.0	70	22.0	22.0
57	11.0	11.0	71	22.0	22.0
58	12.0	12.0	72	22.0	22.0
59	12.0	12.0	73	22.0	22.0
60	14.0	14.0	74**	22.0	22.0
61	12.0	12.0			

* *Deferred Members are assumed to retire (100% probability) at the later of:*

(a) age 60

(b) earliest retirement eligibility

**** For all eligible members ages 75 and later, retirement is assumed to occur immediately.**

Other Terminations of Employment – The rate of assumed future termination from active participation on the plan for reasons other than death, disability or retirement are all set at 0% and the rates vary by length of service, entry-age group (age at hire) and sex. No termination after eligibility for retirement is assumed.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Required Supplementary Information – Pension Plan
September 30, 2017

Withdrawals – Members who terminate may either elect to leave their account with TCDRS or withdraw their funds. The probability that a member elects a withdrawal varies by length of service and vesting schedule. Rates applied to your plan are shown in the table below. For non-depositing members who are not vested, 100% are assumed to elect a withdrawal.

Probability of Withdrawal			
Years of Service	Probability	Years of Service	Probability
0	100%	15	40%
1	100	16	38
2	100	17	36
3	100	18	34
4	100	19	32
5	100	20	30
6	100	21	28
7	100	22	26
8	50	23	24
9	49	24	22
10	48	25	20
11	47	26	15
12	46	27	10
13	44	28*	5
14	42		

** Members with more than 28 years of service are not assumed to refund.*

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Required Supplementary Information – Pension Plan
September 30, 2017

Mortality

Depositing members	The RP-2000 Active Employee Mortality Table for males with a two-year set-forward and the RP-2000 Active Employee Mortality Table for females with a four-year setback, both projected to 2014 with scale AA and then projected with 110% of the MP-2014 Ultimate scale after that.
Service retirees, beneficiaries and non-depositing members	The RP-2000 Combined Mortality Table projected to 2014 with scale AA and then projected with 110% of the MP-2014 Ultimate scale after that, with a one-year set-forward for males and no age adjustment for females.
Disabled retirees	RP-2000 Disabled Mortality Table projected to 2014 with scale AA and then projected with 110% of the MP-2014 Ultimate scale after that, with no age adjustment for males and a two-year set-forward for females.

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

To the Board of Directors
Cameron County Regional Mobility Authority
Brownsville, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Cameron County Regional Mobility Authority (the "RMA"), a component unit of Cameron County, Texas, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the RMA's basic financial statements, and have issued our report thereon dated April 10, 2018.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs (Finding 2017-01) that we consider to be a material weakness.

Compliance and Other Matters

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

RMA's Response to Finding

RMA's response to findings identified in our audit is described in the accompanying Schedule Findings and Questioned Costs. The RMA's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Carr, Riggs & Ingram, LLC

CARR, RIGGS & INGRAM, LLC
Certified Public Accountants

Brownsville, Texas
April 10, 2018

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE STATE OF TEXAS SINGLE AUDIT
CIRCULAR**

To the Board of Directors
Cameron County Regional Mobility Authority
Brownsville, Texas

Report on Compliance for Each Major State Program

We have audited Cameron County Regional Mobility Authority's (the "RMA") compliance with the types of compliance requirements described in the State of Texas Single Audit Circular that could have a direct and material effect on each of the RMA's major state program for the year ended September 30, 2017. The RMA's major state program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state program.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the RMA's major state program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of the State of Texas Single Audit Circular. Those standards and the State of Texas Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the RMA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the RMA's compliance.

Opinion on Each Major State Program

In our opinion, the RMA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended September 30, 2017.

Report on Internal Control over Compliance

Management of the RMA is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the RMA's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State of Texas Single Audit Circular, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the RMA's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & Ingram, LLC
Certified Public Accountants

Brownsville, Texas
April 10, 2018

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Schedule of Expenditures of State Awards
September 30, 2017

State Grantor	Pass-Through Grantor and Number	Name of Grant/Grant ID No.	Federal/State Expenditures(\$)
State Awards			
Texas Department of Transportation	Direct	SH 550 Gap 1 Project - CSJ 0684-01-067	\$ 1,730,522
Texas Department of Transportation	Direct	South Padre Island Second Causeway Interim Project Development Agreement Development Agreement - CSJ 0921-06-163	171,111
Texas Department of Transportation	Direct	Outer Parkway Toll Interim Project Development Agreement - CSJ 0921-06-283	596,669
Total Expenditures of State Awards			\$ 2,498,302

During the year ended September 30, 2017, Cameron County Regional Mobility Authority had no subrecipients.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Schedule of Expenditures of State Awards
Year Ended September 30, 2017

Note 1 – General

The accompanying Schedule of Expenditures of State Awards presents the activity of state expenditures of programs of the Cameron County Regional Mobility Authority (the "RMA"). The RMA reporting entity is defined in Note 1 to the RMA's basic financial statements.

Note 2 – Basis of Accounting

The accompanying Schedule of Expenditures of State Awards is presented using the accrual basis of accounting.

Note 3 – Relationship to Financial Statements

State award expenditures as reported in the accompanying Schedule of Expenditures of State Awards are reflected in the RMA's financial statements as expenses or capital asset additions.

Note 4 – Relationship to State Financial Reports

Amounts reported in the accompanying schedule may not agree with the amounts reported in the related State financial reports filed with the grantor agencies because of the effect of accrual made in the schedule.

Note 5 – Sub-recipients

During the year ended September 30, 2017, Cameron County Regional Mobility Authority had no subrecipients.

Note 6 – Non-cash Assistance, Federal Loans and Loan Guarantees, and Federally Funded Insurance

During the year ended September 30, 2017, Cameron County Regional Mobility Authority did not receive any Non-cash Assistance, Federal Loans and Loan Guarantees, and Federally Funded Insurance.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Schedule of Findings and Questioned Costs – State Awards
For Year Ended September 30, 2017

I. SUMMARY OF INDEPENDENT AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☒ Yes ☐ No
- Significant deficiencies identified that are not considered to be material weaknesses? ☐ Yes ☒ None Reported
- Noncompliance material to financial statements noted? ☐ Yes ☒ No

State Awards

Internal control over the major program:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiencies identified that are not considered to be material weaknesses? ☐ Yes ☒ None Reported

Type of auditors' report issued on compliance for the major program: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with the Texas Uniform Grant Management Standards? ☐ Yes ☒ No

Identification of the major program:

Grant ID Number

Name of State Program or Cluster

CSJ 0684-01-067

SH 550 Gap 1 Project

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Schedule of Findings and Questioned Costs – State Awards – Continued
For Year Ended September 30, 2017

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS – CONTINUED

Dollar threshold used to distinguish type A
and type B state program

\$300,000

Auditee qualified as low-risk auditee?

 X Yes

 No

II. FINANCIAL STATEMENT FINDINGS

Finding 2017-01

CONDITION:

During the current year, the Authority adjusted its financial statements to reflect a material prior period adjustment regarding the capitalization of an infrastructure asset (toll road) that it had maintained and controlled since fiscal year 2014. The events and reasons why this omission existed prior to the current fiscal year was due in part to the Authority's practice and understanding of recording the asset transferred by the State of Texas (TxDOT) to the RMA when the TxDOT officially considered the project completed. This did not happen until the current fiscal year. However, the RMA did have authorization to collect tolls and was responsible for maintenance of the toll road before that time.

CRITERIA:

Management of the Authority is responsible for establishing and maintaining effective internal control over financial reporting. The Authority's financial records should be complete, timely, and maintained in accordance with Generally Accepted Accounting Principles.

CAUSE OF CONDITION:

Although management and those charged with governance were fully aware of the existence of the infrastructure asset (toll road), and were aware that tolls were being collected on its use by the Authority as well as maintenance expenses being incurred, lack of understanding of the principals of accounting dealing with the proper reporting of the asset caused the omission on the financial statements.

POTENTIAL EFFECT OF CONDITION:

The financial statements prepared by management would be incorrect and misleading. Inaccurate accounting distorts the financial statements used by the Board, the public, state agencies and other interested parties.

RECOMMENDATION:

The Authority should strengthen its financial reporting system by obtaining additional and advanced training in governmental financial reporting. Unusual situations will arise in the course of business and management should be well prepared to handle any unusual situation that may arise. In addition, management should also reach out to their external auditors for help in cases where additional consultation is needed.

VIEWS OF RESPONSIBLE OFFICIALS AND CORRECTIVE ACTION PLAN:

Management is in agreement with the finding. Additional and advanced training related to generally accepted accounting principles and governmental accounting will be provided to all those responsible for the preparation of the Authority's financial statements.

III. FINDINGS AND QUESTIONED COSTS FOR STATE AWARDS

None noted which were required to be reported.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Schedule of Findings and Questioned Costs – State Awards – Prior Year
For Year Ended September 30, 2017

II. FINANCIAL STATEMENT FINDINGS

None noted which were required to be reported.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL/STATE AWARDS

None noted which were required to be reported.

**2-B PRESENTATION ON THE STATUS OF THE SH 550 GAP 1 PROJECT, CBP
FAST LANE EXPANSION PROJECT AND THE CBP PRIMARY LANES
EXPANSION PROJECT.**

CCRMA
Project Status Meeting
April 12, 2018



SH550 - GAP 1 PROJECT

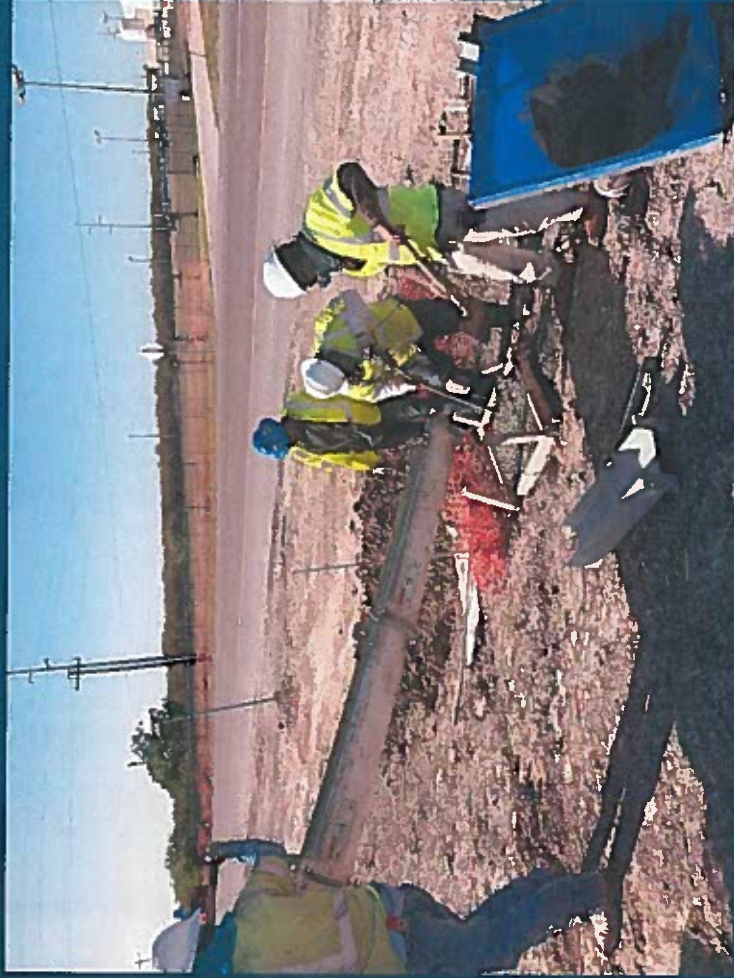
- SH 550 GAP 1 (SBI Team tasked with PS&E and CM)
 - Limits from 0.53 miles east of Old Alice Road to 0.48 miles west of FM 1847, approx. 1.24 miles
- SH 550 Gap 1 Construction Items
 - Construction of tolled lanes with concrete pavement for the first "Gap" of SH 550.
 - Slope erosion repairs and bridge riprap repairs at FM 1847
 - Slope erosion repairs at Union Pacific Railroad Crossing
 - Bridge Construction on Southbound main lanes for Drain Ditch #3



SH550 – GAP 1 PROJECT KEY DATES

- Bids Received on - January 31, 2017
- Acknowledgement from TxDOT received on 4/13/17 for Bid Analysis;
- Pre-Construction Meeting – July 6, 2017
- Notice To Proceed Issued – July 10, 2017
- Actual Construction Start Date – July 10, 2017
- 86% Complete as of March 25, 2018
- Anticipated Project Completion – May 2018
 - Last Concrete Pour 03-23-18

SH550 – GAP 1 Important Task Activities this Period



CONCRETE POURING LARGE SIGN FOUNDATION
(FACING NORTH WEST)



LAST POUR FOR CONCRETE PAVEMENT
(FACING WEST)

SH550 – GAP 1 Important Task Activities this Period



**CONCRETE POUR OF CONCRETE TRAFFIC
BARRIER (FACING WEST)**

SH550 – PAY ESTIMATE #10 – MARCH 2018

Estimate No. 10		
Original Contract Days	180	
Days Added by Change Order	0	
Total Contract Time	180	
Contract Days Previously Billed	143	
Contract Days this Period	20w+ord	
Days Remaining	37	
% Contract Time Utilized	80%	
Contract Amount		\$ 7,138,812.45
Change Order #1 Dollars		\$ -14,700.00
Change Order #2 Dollars		\$ 3,815.00
Change Order #3 Dollars		\$ -6,921.90
Revised Contract Amount		\$ 7,123,005.55
Previous Payments		\$ 4,402,625.44
Balance Due this Estimate		\$ 1,679,914.59
Net Amount Earned to Date		\$ 6,082,540.03
Percentage of Contract Billed to Date	85.39%	
Balance of Contract		\$ 1,040,465.52 14.61%

SH550 – GAP 1 PROJECT STAFFING

BASED ON MARCH ESTIMATE #10

Local (RGV) Contractor Personnel – 32

Non-Local (RGV) Contractor Personnel – 13

Local (RGV) CM Personnel – 1 FTE

Total Personnel – 46 FTE

SH550 – GAP 1 PAYMENT FUNDS DISTRIBUTION

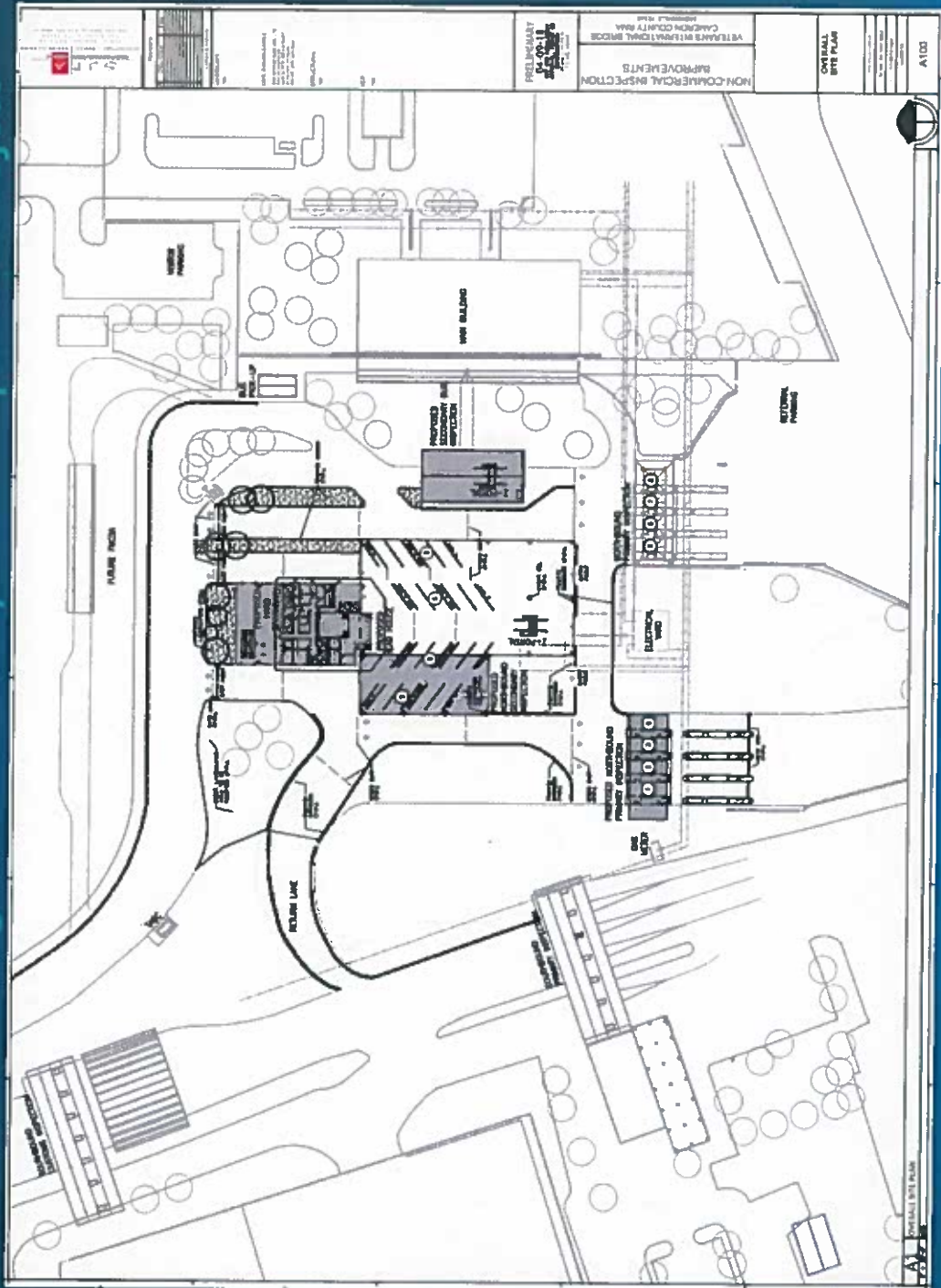
BASED ON MARCH ESTIMATE #10

Total Paid to Date (March 2018 Estimate) – \$6,082,540.03

Local (RGV) Contractor Payments – \$5,060,195.10 (83.19%)

Non-Local (RGV) Contractor Payments – \$1,022,344.93 (16.81%)
(Guard Fencing and Crash Cushions (Laredo Striping) and
BMP Environmental (D&S Const.), Electrical (Levy
Company))

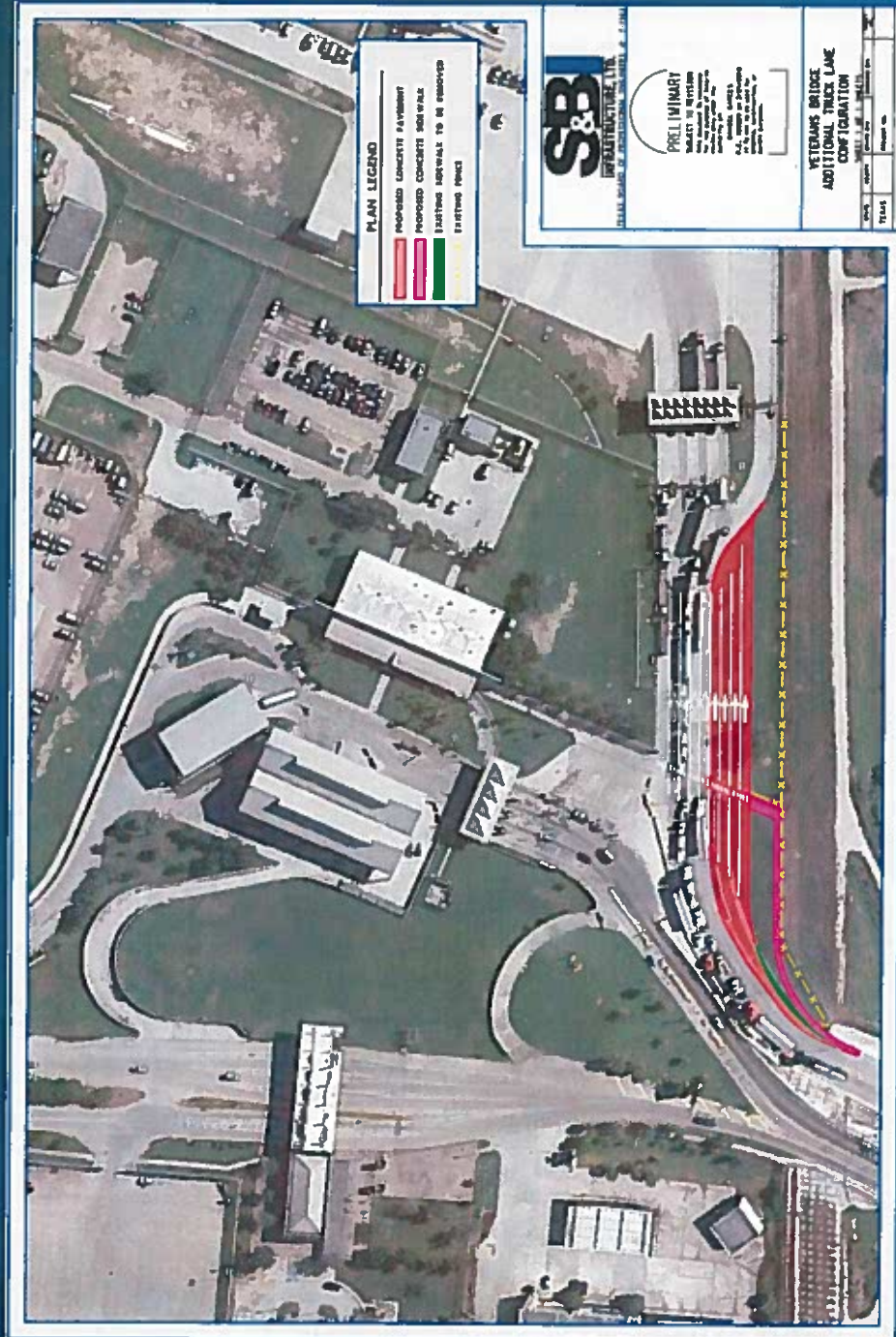
Veterans Bridge – CBP Primary Lanes Expansion Project



Veterans Bridge – Primary Lanes Expansion Project Updates

- Estimated Construction Cost – \$12 Million
- Conceptual Layout / Technical Requirements Package Approval by CBP – April 2018
- Project Design – May to October 2018
- Estimated Letting Date – December 2018
- Project Construction – December 2018 to December 2019
- Go Live (Projected) – January 2020
- CCRMA Submitted Funding Application to Brownsville MPO

Veterans Bridge – CBP Fast Lane Expansion Project



Veterans Bridge – Fast Lane Expansion Project Updates

- Bids Opened – April 5, 2018 (Project Received 2 Bidders)
 - Foremost Bid - \$868,664
 - IOC Bid - \$1,044,758
- Estimated Construction Cost – \$535,000
- Agenda Item to be Discussed

4-A APPROVAL OF CLAIMS.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Invoices Selected for Payment - Claims to be Paid
100 - Operations

Vendor ID	Vendor Name	Invoice Number	Cash Required	Invoice/Credit Description	PROJ Title	Transfer Funds	Funding Source	Bank Account
Carr, Riggs & Ingram	Carr, Riggs & Ingram, LLC	16394957	15,000.00	Financial Audit for FY2017	Indirect	Y	Local	Ope
BNY	Bank of New York Mellon	252-2098433	1,425.00	BNY Mellon texas rev and tax bonds series 2015	Indirect	Y	Local	Ope
Locke Lord	Locke Lord LLP	1402500	217.50	Legal services for the month of Feb 2018	Indirect	Y	Local	Ope
Locke Lord	Locke Lord LLP	1402502	182.25	Legal services for the month of Feb 2018 -	Indirect	Y	Local	Ope
Locke Lord	Locke Lord LLP	1402503	701.44	Legal services for the month of Feb 2018 -	SH 550	Y	Local	Ope
Pathfinder Public Af	Pathfinder Public Affairs,	3	12,324.72	Consulting services for March 2018	Indirect	Y	Local	Ope
Texas Comptroller	Texas Comptroller of	4.06.18	100.00	Annual Membership Participation Fee	Indirect	Y	Local	Ope
The Herald	AIM Media Texas	40016751-0318	2,331.80	Advertisement and invitation to bid for Veterans	CC- Veterans	Y	Local	Ope
The Rentrfrro Law Fir	Rentrfro, Irwin, & Irwin,	022862	2,160.00	Revision and finalization of agreement between	Indirect	Y	Local	Ope
The Rentrfrro Law Fir	Rentrfro, Irwin, & Irwin,	022863	120.00	Legal consultation for different matters for March	West Rail	Y	Local	Ope
The Rentrfrro Law Fir	Rentrfro, Irwin, & Irwin,	022864	11,516.72	Legal consultation for West Rail Matters	West Rail	Y	Local	Ope
The Rentrfrro Law Fir	Rentrfro, Irwin, & Irwin,	022865	<u>360.00</u>	Legal consultation for different matters for March	Indirect	Y	Local	Ope
Report Total			<u>46,439.43</u>					

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Invoices Selected for Payment - Claims to be Paid
525 - Toll Operations

Vendor ID	Vendor Name	Invoice Number	Cash Required	Invoice/Credit Description	PROJ Title	Transfer Funds	Funding Source	Bank Account
Duncan Solutions	Law Enforcement	DMV002080/214	615.68	Out of State DMV Registration Retrival Records	Indirect	Y	Local	PBM/Merc
Fagan Consulting	Fagan Consulting LLC	CCOS1803	4,536.00	Toll Operations Support for March 2018	Indirect	Y	Local	PBM/Merc
Fagan Consulting	Fagan Consulting LLC	PBT1802	11,592.00	Pharr Project Management Feb 2018	Pharr-	Y	Local	PBM/Merc
Fagan Consulting	Fagan Consulting LLC	PBT1803	7,056.00	Pharr Bridge Toll Collections System Implementation for March 2018	Pharr-Reynosa Intl Bridge	Y	Local	PBM/Merc
Matus Contractor Co	Matus Contractor Company	60	4,500.00	SH550 cutting grass, garbage collections and application of herbicide for Paredes Ln section	Indirect	Y	Local	PBM/Merc
PUB	Public Utilities Board	PUB March 2018	239.19	Utilities for SH 550 - DC for March 2018	Direct	Y	Local	PBM/Merc
Time Warner Cable	Time Warner Cable	TWC April 2018	1,839.09	Monthly Internet and phone services	Indirect	Y	Local	PBM/Merc
TollPlus LLC	TollPlus LLC	O17026	14,335.00	Maintenance and Support for BOS	Indirect	Y	Local	PBM/Merc
TollPlus LLC	TollPlus LLC	O17042	14,335.00	BOS Operating & Maintenance Nov 2017	Indirect	Y	Local	PBM/Merc
TollPlus LLC	TollPlus LLC	O18005	14,639.63	BOS Provider Operations & Maintenance March	Indirect	Y	Local	PBM/Merc
Xerox Corporation	Xerox Financial Services	1117113	<u>1,000.77</u>	Printer rent for mail department services	Indirect	Y	Local	PBM/Merc
Report Total			<u>74,688.36</u>					

Total Claims for Approval 121,127.79

**4-B CONSIDERATION AND APPROVAL OF THE FINANCIAL
STATEMENTS AND BUDGET AMENDMENTS FOR THE MONTH OF
FEBRUARY 2018.**

CCRMA

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY



FEBRUARY 2018 FINANCIAL REPORT

PETE SEPULVEDA, JR., EXECUTIVE DIRECTOR

JESUS ADRIAN RINCONES, CPA, CFE, CHIEF FINANCIAL OFFICER

CCRMA MONTHLY FINANCIALS

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Statement of Revenues, Expenses And Changes in Net Position - Unposted Transactions Included In Report
From 2/1/2018 Through 2/28/2018
(In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Operating Revenues				
Vehicle registration fees	261,030	1,172,020	3,150,000	(1,977,980)
TRZ revenue	0	0	275,000	(275,000)
Other revenue	593,332	2,846,734	7,844,000	(4,997,266)
Total Operating Revenues	854,362	4,018,754	11,269,000	(7,250,246)
Operating Expenses				
Personnel costs	47,723	310,566	599,809	289,243
Professional services	12,402	48,162	195,000	146,838
Contractual services	3,806	24,537	350,000	325,463
Debt interest	557,402	707,655	2,214,953	1,507,299
Advertising & marketing	0	5,512	25,000	19,488
Data processing	3,261	5,207	10,000	4,794
Dues & memberships	500	1,570	20,000	18,430
Education & training	290	1,076	8,000	6,924
Fiscal agent fees	0	3,420	45,000	41,580
Insurance	175	4,053	5,000	948
Maintenance & repairs	1,635	1,635	10,000	8,365
Office supplies	6,796	28,549	62,562	34,013
Rent	8,928	21,599	42,000	20,401
Travel	1,888	11,116	25,000	13,884
Utilities	1,040	3,021	8,000	4,979
Other expenses	0	0	5,000	5,000
Total Operating Expenses	645,846	1,177,678	3,625,324	2,447,646
Non Operating Revenue				
Interest income	1,910	10,554	15,000	(4,446)
Other Financing sources	0	33,823	50,000	(16,177)
Total Non Operating Revenue	1,910	44,377	65,000	(20,623)
Changes in Net Assets	210,426	2,885,453	7,708,676	(4,823,223)
Net Assets Beginning of Year	2,675,026	0	0	0
Net Assets End of Year	2,885,453	2,885,453	7,708,676	(4,823,223)

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
- Toll Operations Revenues Expenditures - Cash - Unposted Transactions Included In Report
From 2/1/2018 Through 2/28/2018

	Current Period Actual	Current Year Actual	Annual Budget - Original	Annual Budget Variance - Original	Prior Year Actual
Toll Operating Revenues					
Toll Operating Revenues					
Toll Revenue	1,500.22	5,056.33	2,200.00	2,856.33	155,470.56
Toll Violation Revenue	830.97	12,189.39	7,000.00	5,189.39	121,869.27
Interop Revenue	<u>64,325.42</u>	<u>310,128.42</u>	<u>589,000.00</u>	<u>(278,871.58)</u>	<u>224,740.50</u>
Total Toll Operating Revenues	66,656.61	327,374.14	598,200.00	(270,825.86)	502,080.33
TPS Revenues					
TPS Revenues	<u>143,775.11</u>	<u>822,842.10</u>	<u>1,390,800.00</u>	<u>(567,957.90)</u>	<u>34,743.46</u>
Total TPS Revenues	<u>143,775.11</u>	<u>822,842.10</u>	<u>1,390,800.00</u>	<u>(567,957.90)</u>	<u>34,743.46</u>
Total Toll Operating	<u>210,431.72</u>	<u>1,150,216.24</u>	<u>1,989,000.00</u>	<u>(838,783.76)</u>	<u>536,823.79</u>
Toll Operating Expenses					
Payroll - Direct	3,980.61	17,076.24	0.00	(17,076.24)	0.00
Payroll - Indirect	24,237.18	128,141.62	379,270.00	251,128.38	54,849.32
Payroll Taxes	1,824.50	9,651.11	30,664.00	21,012.89	4,080.80
Payroll Benefits - Retirement	2,277.53	15,710.32	32,252.00	16,541.68	3,776.87
Payroll Benefits TCDRS GTL	30.90	193.63	1,345.00	1,151.37	13.55
Payroll Benefits - Advertising & Contractual	0.00	15,875.30	81,600.00	65,724.70	10,742.82
Legal Expense	1,553.14	9,624.83	60,000.00	50,375.17	11,007.93
Dues & Memberships	0.00	0.00	10,000.00	10,000.00	8,000.00
Education & Training	0.00	2,040.00	30,000.00	27,960.00	0.00
2012 Bond Interest	0.00	3,776.16	5,000.00	1,223.84	2,995.46
Maintenance & Maintenance - SH 550	0.00	1,057.00	6,000.00	4,943.00	1,600.00
Returned Bank Pmt	641,500.00	641,500.00	1,283,000.00	641,500.00	0.00
Fees	1,555.00	6,515.00	25,000.00	18,485.00	7,230.57
Interop Collection	5,640.63	30,343.24	100,000.00	69,656.76	22,515.63
PBM Add on Fees	0.00	48.00	0.00	(48.00)	24.00
PBM Image Review	7,248.49	35,582.21	40,000.00	4,417.79	15,020.31
PBM Pre-Court	159.98	538.60	5,000.00	4,461.40	16,479.84
Office Supplies	0.00	0.00	0.00	0.00	11,539.40
2014 CO Bonds	235.33	1,136.28	4,000.00	2,863.72	477.85
2015 CO Bonds	871.84	6,378.54	25,000.00	18,621.46	8,035.77
Interest Expense	84,775.00	84,775.00	169,550.00	84,775.00	0.00
2016 Series Toll Revenue Bonds	73,343.76	73,343.76	146,688.00	73,344.24	0.00
Postage	324,850.00	324,850.00	649,700.00	324,850.00	0.00
Rent	21,506.36	59,498.35	210,000.00	150,501.65	30,552.70
Travel	1,472.00	7,381.93	25,000.00	17,618.07	4,629.69
Utilities	119.06	1,897.37	12,000.00	10,102.63	6,238.46
Bridge Interoperability	3,449.37	17,475.52	50,000.00	32,524.48	20,002.01
Maintenance	0.00	0.00	2,250.00	2,250.00	0.00
Toll Road Property	0.00	29,559.00	80,000.00	50,441.00	32,767.50
Insurance					
Toll Operational	4,704.00	56,590.50	100,000.00	43,409.50	23,440.00
Toll System Provider	28,029.94	113,032.77	168,000.00	54,967.23	66,437.50
Maintenance					
BOS System Provider	0.00	66,617.31	180,000.00	113,382.69	28,686.68
Maintenance					
Merchant Card	3,232.62	16,954.03	45,000.00	28,045.97	435.15
Out of State DMV	<u>470.08</u>	<u>2,327.52</u>	<u>0.00</u>	<u>(2,327.52)</u>	<u>0.00</u>
Total Toll Operating	<u>1,237,067.32</u>	<u>1,779,491.14</u>	<u>3,956,319.00</u>	<u>2,176,827.86</u>	<u>391,579.81</u>
Changes in Net Assets	(1,026,635.60)	(629,274.90)	(1,967,319.00)	1,338,044.10	145,243.98

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Combined Statement of Revenues and Expenses - Unposted Transactions Included In Report
From 2/1/2018 Through 2/28/2018

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original	Prior Year Actual
Operating Revenues					
Vehicle registration fees	261,030.00	1,172,020.00	3,150,000.00	(1,977,980.00)	1,135,530.00
Toll revenues	370,786.29	2,117,379.45	2,004,000.00	113,379.45	693,348.18
TRZ revenue	0.00	0.00	275,000.00	(275,000.00)	0.00
Other revenue	593,332.16	2,846,733.89	10,177,938.00	(7,331,204.11)	165,973.20
Total Operating Revenues	<u>1,225,148.45</u>	<u>6,136,133.34</u>	<u>15,606,938.00</u>	<u>(9,470,804.66)</u>	<u>1,994,851.38</u>
Operating Expenses					
Personnel costs	80,074.07	497,214.62	1,124,940.00	627,725.38	355,441.46
Accounting software and services	402.00	1,662.00	10,000.00	8,338.00	0.00
Professional services	12,000.00	46,500.00	185,000.00	138,500.00	139,756.00
Contractual services	3,806.45	26,577.43	390,000.00	363,422.57	37,339.31
Debt interest	1,681,870.26	1,832,123.26	4,463,891.00	2,631,767.74	1,644,110.07
Advertising & marketing	1,553.14	15,136.40	85,000.00	69,863.60	12,634.04
Data processing	3,261.40	5,206.50	10,000.00	4,793.50	1,455.00
Dues & memberships	500.00	5,346.16	25,000.00	19,653.84	4,010.46
Education & training	290.00	2,133.00	14,000.00	11,867.00	1,799.00
Fiscal agent fees	0.00	3,420.00	45,000.00	41,580.00	2,170.00
Insurance	175.00	33,611.50	85,000.00	51,388.50	34,590.38
Maintenance & repairs	3,190.00	8,150.00	35,000.00	26,850.00	9,120.57
Office supplies	29,173.96	94,426.19	297,562.00	203,135.81	51,171.07
Road maintenance	36,903.19	226,947.35	495,250.00	268,302.65	118,074.96
Rent	10,399.89	28,981.38	67,000.00	38,018.62	14,295.47
Toll services	12,817.88	96,223.11	149,000.00	52,776.89	66,981.40
Travel	2,006.66	13,013.20	37,000.00	23,986.80	11,641.49
Utilities	4,489.42	20,496.88	58,000.00	37,503.12	22,295.89
Other expenses	0.00	0.00	5,000.00	5,000.00	0.00
Total Operating Expenses	<u>1,882,913.32</u>	<u>2,957,168.98</u>	<u>7,581,643.00</u>	<u>4,624,474.02</u>	<u>2,526,886.57</u>
Non Operating Revenue					
Interest income	1,910.13	10,554.15	15,000.00	(4,445.85)	2,470.08
Other Financing sources	3,838.00	52,650.08	50,000.00	2,650.08	0.00
Total Non Operating Revenue	<u>5,748.13</u>	<u>63,204.23</u>	<u>65,000.00</u>	<u>(1,795.77)</u>	<u>2,470.08</u>
Changes in Net Assets	(652,016.74)	3,242,168.59	8,090,295.00	(4,848,126.41)	(529,565.11)
Net Assets Beginning of Year	<u>3,894,185.33</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Assets End of Year	<u>3,242,168.59</u>	<u>3,242,168.59</u>	<u>8,090,295.00</u>	<u>(4,848,126.41)</u>	<u>(529,565.11)</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Capital Project Expenses - Summarized - Unposted Transactions Included In Report
From 2/1/2018 Through 2/28/2018
(In Whole Numbers)

	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Annual Budget - Original</u>	<u>Annual Budget Variance - Original</u>
Capital Projects				
South Padre Island 2nd Access	0	24,434	1,250,000	1,225,566
Outer Parkway	117,376	166,276	1,500,000	1,333,724
FM 1925	0	0	125,000	125,000
West Rail Relocation	6,779	296,317	500,000	203,683
SH 550	754,031	2,907,365	8,350,000	5,442,635
SH 32 (East Loop)	0	0	5,000,000	5,000,000
Port Connector - SH32	0	53,408	0	(53,408)
Port Isabel Access Rd	0	0	50,000	50,000
Spur 54 Project	0	16,834	15,000	(1,834)
CC- Veterans Bridge	32,715	164,582	0	(164,582)
Pharr-Reynosa Intl Bridge	132,908	326,569	0	(326,569)
Toll Equipment & Operational Infrastructure	0	6,216	1,450,000	1,443,784
Total Capital Projects	<u>1,043,808</u>	<u>3,962,002</u>	<u>18,240,000</u>	<u>14,277,998</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet
As of 2/28/2018
(In Whole Numbers)

	<u>Current Year</u>
ASSETS	
Current Assets:	
Cash and cash equivalents	2,370,488
Restricted cash accounts - debt service	5,716,589
Accounts receivable	
Accounts Receivable - Customers	103,613
TPS Accounts Receivable	2,352,482
Allowance Accounts Receivable - Tolls	(1,458,539)
TPS RBP Accounts Receivable	91,278
Vehicle Registration Fees - Receivable	723,066
Total Accounts receivable	<u>1,811,901</u>
Accounts receivable - other agencies	
Accounts Receivable - Other Agencies	53,625
Due from Other Agencies	<u>1,290,214</u>
Total Accounts receivable - other agencies	1,343,839
Prepaid expenses	<u>10,378</u>
Total Current Assets:	11,253,194
Non Current Assets:	
Capital assets, net	100,932,853
Capital projects in progress	28,205,501
Redevelopment Assets/Other Agencies	
Other Assets	47,382,303
CC FAST Lanes Project Veterans Bridge	105,601
CC Primary Lanes Veterans Bridge	58,981
Pharr Reynosa Intl Bridge Project	<u>318,169</u>
Total Redevelopment Assets/Other Agencies	47,865,054
Unamortized bond prepaid costs	<u>114,104</u>
Total Non Current Assets:	177,117,513
Other	
Deferred Outflows - Differences between expected & actual	47,251
Deferred Outflow - Changes of Assumption	1,086
Deferred Outflows - Net difference projected & actual	7,703
Deferred Outflows - Contributions and measurement date	48,656
Other	<u>1,428</u>
Total Other	<u>106,124</u>
Total ASSETS	<u><u>188,476,830</u></u>
LIABILITIES	
Current Liabilities	
Accounts payable	
AP - Operations	110,108
AP - Project Exenditures	<u>1,625,142</u>
Total Accounts payable	1,735,249
Accrued expenses	429,033
Payroll liabilities	(638)
Line of Credit	
Line of Credit - TRB	<u>982,755</u>
Total Line of Credit	982,755
Deferred revenue	<u>314,710</u>
Total Current Liabilities	3,461,110
Non Current Liabilities	
Due to other agencies	

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet
As of 2/28/2018
(In Whole Numbers)

	<u>Current Year</u>
Cameron County	167,500
Due to other Entity's	2,014,428
Union Pacific - West Rail Project	31,086,807
Union Pacific - Olmito Switchyard	9,919,811
Pharr-Reynosa Project- Accumulation	437,470
Cameron County POV Expansion Veterans	35,512
County Fast Lane Veterans Bridge	<u>96,356</u>
Total Due to other agencies	43,757,883
Due to TxDot	
TxDot FAA - South Padre Island	12,991,920
TxDot FAA - West Parkway	2,244,589
TxDot FAA - Outer Parkway	<u>699,933</u>
Total Due to TxDot	15,936,442
Long term bond payable	<u>77,298,016</u>
Total Non Current Liabilities	136,992,341
Other	
Deferred Inflows	<u>3,826</u>
Total Other	<u>3,826</u>
Total LIABILITIES	<u>140,457,277</u>
NET POSITION	
Beginning net position	
	<u>45,353,103</u>
Total Beginning net position	45,353,103
Changes in net position	
	<u>2,666,450</u>
Total Changes in net position	<u>2,666,450</u>
Total NET POSITION	<u>48,019,553</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>188,476,830</u></u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Statement of Cash Flows

As of 2/28/2018

	<u>Current Period</u>	<u>Current Year</u>
Cash Flows from Operating Activities		
Receipts from Vehicle Registration Fees	187,800.00	1,134,460.00
Receipts from MSB/Interop Toll revenues	10,905.67	264,184.51
Receipts from TPS Toll Revenues	143,959.94	824,795.35
Receipts from Other Operating Revenues	3,838.00	219,018.15
Payments to Vendors	(139,954.93)	(624,137.84)
Payments to Employees	(79,381.40)	(514,380.51)
Total Cash Flows from Operating Activities	<u>127,167.28</u>	<u>1,303,939.66</u>
Cash Flows from Capital and Related Financing Activities		
Acquisitions of Property and Equipment	0.00	(50,613.33)
Acquisitions of Construction in Progress	(772,252.83)	(4,397,380.22)
Payments on interest	(1,681,870.26)	(1,603,750.59)
Payments on Bond Principal	(885,000.00)	(5,365,000.00)
Bond and Debt Proceeds	46,820.52	5,302,502.33
Proceeds related to Redevelopment Assets	(551,626.14)	1,250,464.36
Advances on FAA and Grant Proceeds	593,332.16	4,149,250.30
Total Cash Flows from Capital and Related Financing Activities	<u>(3,250,596.55)</u>	<u>(714,527.15)</u>
Cash Flows from Investing Activities		
Receipts from Interest Income	<u>1,910.13</u>	<u>10,554.15</u>
Total Cash Flows from Investing Activities	<u>1,910.13</u>	<u>10,554.15</u>
Beginning Cash & Cash Equivalents	<u>11,208,595.43</u>	<u>7,487,109.63</u>
Ending Cash & Cash Equivalents	<u><u>8,087,076.29</u></u>	<u><u>8,087,076.29</u></u>



Toll Operations February Updates

Updates from February

Updates	Comments
Sent out set 250 off cycle letters.	
Sent out 25 Last Chance Letters	
Enrolled 33 new vehicles to TxTag	Previous month enrollments were 49. Walk-in enrollments only
18 new DV enrolled	- \$295 DV Tag account replenishment - \$588.88 TPS DV dismissal
Enrolled 1 new commercial accounts	- Established RBP commercial accounts are in good standing. - Working on resolving vehicles issues between sister-companies that move vehicles around. - Working of collecting from one Mexican company.
0 accounts were sent to court	There were delays from DMV that pushed back the court packets to March. We will be sending two groups for court in March if DMV does not delay title history reports for March.
MSB outstanding balance transfer to PAM	- Transfer went smooth and invoice went out to collection customers. - TPS staff received access to DocuPeak for disputes.

Ongoing Items

Upcoming Changes	Comments
CCRMA and Duncan are working on finalizing collection transfer for TPS outstanding balances.	
We are working on preparations for TPS marketing event at the RGV Livestock Show in March.	- We will participate two weekends in March. - TxTag representatives will be assisting one weekend.
Working on "Did you know" questions to educate the customers through social media.	

Attached:

February Traffic Totals

Payments Received for the February

Year Mail Batch Summary

Out of State February Report

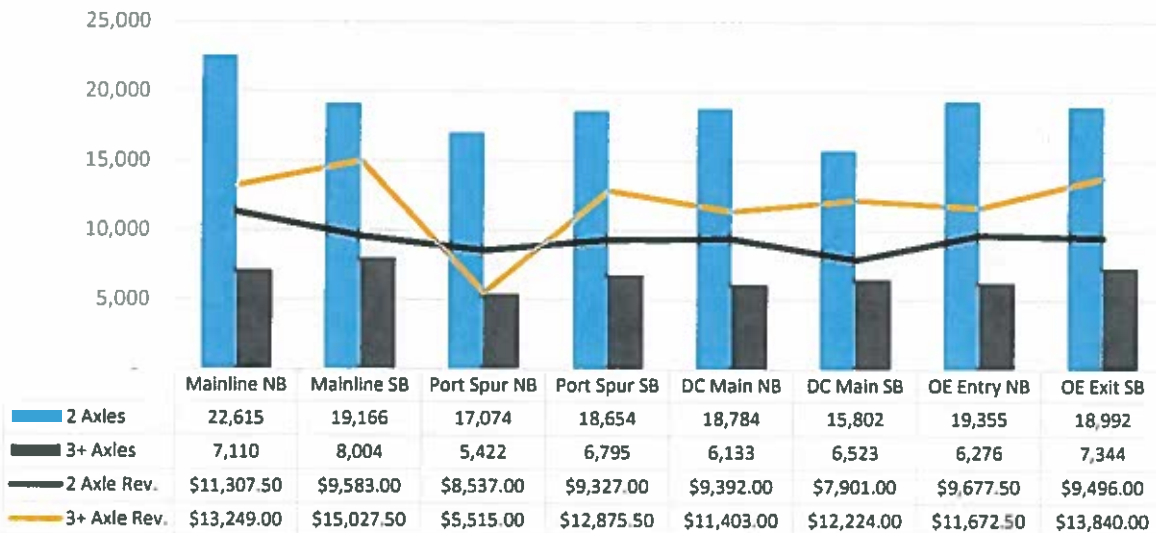
Image Review Totals for the month and year comparisons

Code-Off Totals for the month and year comparisons



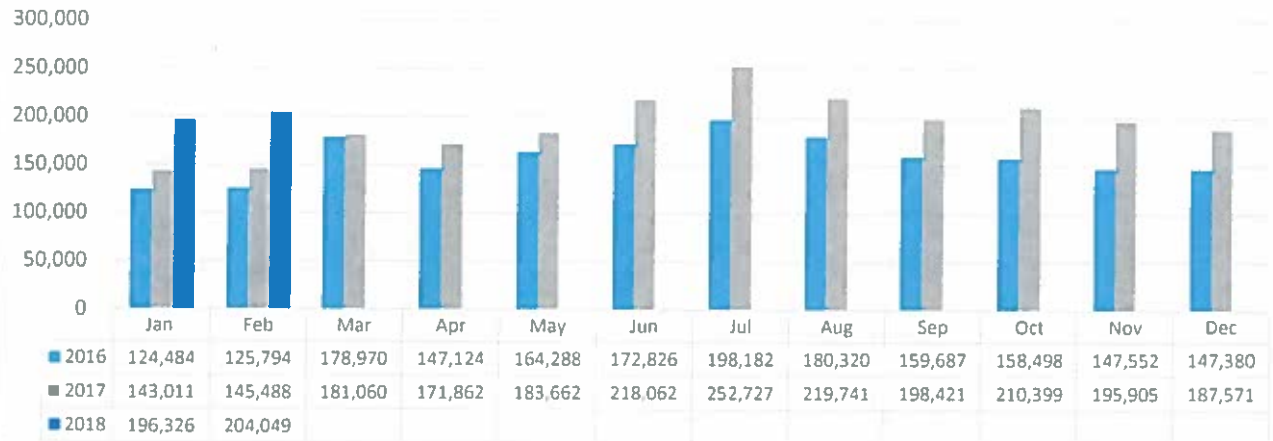
February Transaction and Revenue Data by Axle				
2 Axle Passenger Vehicle vs. 3+ Axles Commercial Vehicle				
per Plaza				
Plaza	2 Axles	3+ Axles	2 Axle Rev.	3+ Axle Rev.
Mainline NB	22,615	7,110	\$ 11,307.50	\$ 13,249.00
Mainline SB	19,166	8,004	\$ 9,583.00	\$ 15,027.50
Port Spur NB	17,074	5,422	\$ 8,537.00	\$ 5,515.00
Port Spur SB	18,654	6,795	\$ 9,327.00	\$ 12,875.50
DC Main NB	18,784	6,133	\$ 9,392.00	\$ 11,403.00
DC Main SB	15,802	6,523	\$ 7,901.00	\$ 12,224.00
OE Entry NB	19,355	6,276	\$ 9,677.50	\$ 11,672.50
OE Exit SB	18,992	7,344	\$ 9,496.00	\$ 13,840.00
Total by Axles	150,442	53,607	\$ 75,221.00	\$ 95,806.50
Month Total		204,049	\$	171,027.50

Month Transactions and Revenue Data by Plaza
2 axle Passenger vs. 3+ axles Commercial Vehicles



Year to Year Traffic Comparison 2015-2017

SH 550 Transactions



Payment Processing 2018

Source	Payment Mode	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
CSC Payments	Bank												
	Cashier Check	\$0.00											
	Cash	\$2,558.74	\$2,304.33										
	Check	\$37,860.82	\$33,755.76										
	CreditCard	\$10,211.09	\$8,430.99										
	DebitCard	\$29,411.63	\$26,268.16										
	MoneyOrder	\$1,831.66	\$1,275.45										
	Total Amount	\$81,873.94	\$72,034.89	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WEB Payments	Bank	\$3,391.51	\$3,349.00										
	CreditCard	\$49,459.33	\$28,182.29										
	DebitCard	\$36,424.74	\$42,795.42										
	Total Amount	\$89,275.58	\$74,326.71	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Combined Total	\$ 171,149.52	\$ 146,361.60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0.00

Mail Batch Summary Report



2018

Month	Toll Bill		1st Notice		2nd Notice		Final Notice		Total Completed
	Generated	Completed	Generated	Completed	Generated	Completed	Generated	Completed	
January	9,039	8,914	5,352	5,751	4,762	5,114	7,416	7,566	27,345
February	9,658	10,330	4,447	4,661	3,770	4,139	3,550	3,550	22,680
March		269		8		3			280
April									-
May									-
June									-
July									-
August									-
September									-
October									-
November									-
December									-
	18,697	19,513	9,799	10,420	8,532	9,256	10,966	11,116	50,305

Out Of State Billing and Payments

2018



Month	Invoiced Amount (w/fees)	Amount Paid	Outstanding Amount
January	\$5,539.59	\$2,355.88	\$3,183.71
February	\$3,505.16	\$667.01	\$2,838.15
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Total	\$9,044.75	\$3,022.89	\$6,021.86

**amounts change from monthly report due to nonpayment and accrual of fees. New payments also affect balance.*



OPERATION OVERVIEW

2018

Month	1st Review	2nd Review	3rd Review	3rd Review %	Total
Misread	52				52
January	53,451	36,025	3,835	4%	93,311
February	77,707	67,213	5,760	4%	150,680
March				#DIV/0!	-
April				#DIV/0!	-
May				#DIV/0!	-
June				#DIV/0!	-
July				#DIV/0!	-
August				#DIV/0!	-
September				#DIV/0!	-
October				#DIV/0!	-
November				#DIV/0!	-
December				#DIV/0!	-
Total p/Review	131,158	103,238	9,595	4%	
Total Images Processed					244,043

OPERATION OVERVIEW

February 2018

CSR	1st Review	2nd Review	3rd Review	Total
Misread			66	66
Dianelys	40,958			40,958
Madeline	17,578	5,153		22,731
AJ	1,600	14,427		16,027
Nena	10,241	2,005		12,246
Luis	234	11,381		11,615
Janett	343	10,847		11,190
Anai	840	9,314		10,154
Raul	1,742	5,415		7,157
Adriana	4,145	2,992		7,137
Ema	26	3,934	2,996	6,956
Cristina		766	2,764	3,530
Liz		979		979
Total Images Processed				150,746

Code Off Report 2018

Gantry	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	AVG
SH550-Main-North	14%	18%											3%
SH550-Main-South	12%	12%											2%
Port Spur NB	12%	11%											2%
Port Spur SB	18%	14%											3%
DC North	12%	13%											2%
DC South	11%	11%											2%
Old Alice Rd E NB	13%	14%											3%
Old Alice Rd X SB	27%	16%											4%

February Breakdown - Reason Codes												
	Main N	Main S	Port Spur N	Port Spur S	DC N	DC S	OAN	OAS	Total			
Temp Plate	610	657	299	446	443	559	561	638	4213			
No Plate	318	383	333	319	212	179	379	145	2268			
Exempt	477	367	207	239	245	191	257	224	2207			
Unreadable	279	272	185	234	253	152	323	205	1903			
Too Bright	578	115	132	698	52	103	103	113	1894			
Not Clear	404	97	97	76	364	72	175	518	1803			
OOC Other	176	180	135	160	144	143	159	200	1297			
Too Dark	140	32	32	23	125	27	69	444	892			
Plate Obstructed	98	92	71	86	96	69	111	77	700			
Undefined	97	53	82	116	50	35	53	65	551			
No Vehicle	393	5	6	6	1	2	6	3	422			
Corrupted	16	10	8	32	5	5	99	43	218			
Blurred Image	41	13	14	10	17	15	22	55	187			
Motorcycle	18	25	22	28	24	20	21	29	187			
Camera Alignment	20	26	10	15	25	9	5	6	116			
Non Vehicle	3	1	3	4			1	1	13			
Plate Mismatch			1	1		1		1	4			
Total per Plaza	3668	2328	1637	2493	2056	1582	2344	2767	14,662			

Total Code Off is 7% of Total Images Reviewed

4-D DISCUSSION AND POSSIBLE ACTION REGARDING BID NUMBER 2018-001-VET FOR THE VETERANS INTERNATIONAL BRIDGE FAST LANE PROJECT.



April 11, 2018

Pete Sepulveda
Executive Director
3461 Carmen Avenue
Cameron County Regional Mobility Authority
Rancho Viejo, Texas 78575

RE: CCRMA Veterans International Bridge Expansion Lane Project

Dear Pete:

S&B Infrastructure, Ltd. has completed a review of the bids received from two bidders on the above referenced project. The amount bid as submitted by Foremost Paving, Inc. was 62% over the engineer's cost estimate and the amount bid as submitted by IOC Company, LLC, was 95% over the engineer's cost estimate. We recommend Cameron County Regional Mobility Authority re-let this project.

Sincerely,

A handwritten signature in blue ink that reads 'Phillip Pawelek'.

Phillip J. Pawelek, P.E.
S&B Infrastructure, Ltd.

- 4-E CONSIDERATION AND APPROVAL OF AN INTERLOCAL
AGREEMENT BETWEEN CAMERON COUNTY, THE BROWNSVILLE
NAVIGATION DISTRICT AND THE CAMERON COUNTY REGIONAL
MOBILITY AUTHORITY FOR THE PORT CONNECTOR ROAD
PROJECT.**

STATE OF TEXAS)
)
CAMERON COUNTY)

INTERLOCAL COOPERATION AGREEMENT

THIS AGREEMENT is entered into and between the COUNTY OF CAMERON, TEXAS, hereinafter referred to as "COUNTY" the CAMERON COUNTY REGIONAL MOBILITY AUTHORITY, hereinafter referred to as "CCRMA" and the BROWNSVILLE NAVIGATION DISTRICT, hereinafter referred to as "PORT", pursuant to V.T.C.A., Government Code, and Chapter 791, whereby:

1. PURPOSE OF INTERLOCAL Cooperative Agreement: To advance the Port Connector Road Project to the Construction Phase.
2. PROJECT TO BE COMPLETED: To develop Design/Engineering Plans for the Port Connector Road Project. The Project limits would be from Ostos Road to SH 4.
3. CCRMA HEREBY AGREES:
 - a. To coordinate with the proper agencies to advance the Project through the Design/Engineering Phases.
 - b. To provide monthly progress reports of activities to the COUNTY and PORT, including preliminary cost estimate and project schedule.
 - c. To coordinate with local MPO's funding opportunities for the Project.
 - d. To utilize their General Engineering Consultants to perform the necessary Design/Engineering Tasks.
 - e. To coordinate the Project with the Texas Department of Transportation (TxDOT).
 - f. To assist PORT through the Advance Funding Agreement (AFA) process with TxDOT.
 - g. To provide funding in the amount not to exceed \$50,000.00 for the design and engineering of the Project.
4. COUNTY AND PORT HEREBY AGREE:
 - a. To individually provide funding in the amount not to exceed \$350,000.00 for a combined total of \$700,000, for the Design and Engineering of the Project.
 - b. To each share 50% of each invoice submitted by the CCRMA up to their respective contribution, not to exceed contribution stated above.
 - c. To pay invoices submitted by CCRMA no later than 30 days from the date received.
 - d. That the project deliverables will become the property of the Port of Brownsville.
5. It is specifically understood and agreed that in the event insufficient funds are appropriated and/or budgeted concerning the obligations under this Interlocal Agreement on behalf of either of the Parties, then the Party with the insufficient funds shall notify the other Parties and this Interlocal Agreement shall thereafter terminate and be null and void on the last day of the fiscal period for which appropriations were made without penalty, liability or expense to the Party.
6. This Interlocal Agreement constitutes a one-time Agreement between the Parties and does not constitute a continuing Agreement for the COUNTY, CCRMA or PORT. Any payments to be paid will be made from current revenues of the paying party.
7. The Rules, Regulations and Orders of COUNTY shall govern this Interlocal Agreement and the Parties agree that County shall supervise the performance of this Interlocal Agreement.

8. This Interlocal Agreement shall have no legal force or effect until such time as it is properly Adopted and Approved by the CAMERON COUNTY COMMISSIONERS COURT, the CAMERON COUNTY REGIONAL MOBILITY AUTHORITY BOARD OF DIRECTORS, and the BOARD OF THE BROWNSVILLE NAVIGATION DISTRICT.

Executed on this 03 day of April, 2018.


Attested by:


Sylvia Garza Perez
County Clerk



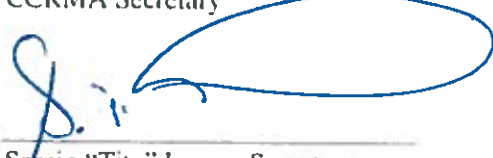

Eddie Treviño, Jr.
County Judge

Attested by:


Horacio Barrera
CCRMA Secretary


Frank Parker, Jr.
CCRMA Chairman

Attested by:


Sergio "Tito" Lopez, Secretary
Brownsville Navigation District


John Wood, Chairman
Brownsville Navigation District

- 4-F CONSIDERATION AND APPROVAL TO SUBMIT AN APPLICATION
FOR FUNDING FOR THE PORT CONNECTOR ROAD PROJECT FOR
RIDER 45 FUNDING AND APPROVAL OF A RESOLUTION.**

STATE OF TEXAS

§

COUNTY OF CAMERON

§

§

RESOLUTION

BE IT RESOLVED THAT ON THE 12TH DAY OF APRIL 2018, THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY BOARD OF DIRECTORS CONVENED IN REGULAR SESSION, AND UPON THE REQUEST OF THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY BOARD OF DIRECTORS, THE FOLLOWING ITEM WAS OFFERED AND ADOPTED, TO WIT:

“CONSIDERATION AND APPROVAL TO SUBMIT AN APPLICATION FOR FUNDING FOR THE PORT CONNECTOR ROAD PROJECT FOR RIDER 45 FUNDING AND APPROVAL OF A RESOLUTION.”

WHEREAS: THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY (CCRMA) MISSION SINCE ITS INCEPTION, IN 2005, IS TO PROMOTE ITS SAFETY AND EFFECTIVE MOBILITY AND TO IMPROVE THE QUALITY OF LIFE FOR AREA RESIDENTS; AND

WHEREAS: THE PORT CONNECTOR ROAD PROJECT BEGINS AT SH 4 AND ENDS IN THE VICINITY OF OSTOS ROAD FOR APPROXIMATELY TWO MILES LONG WOULD BE VITAL FOR THE SUCCESS OF THE PORT OF BROWNSVILLE; AND

WHEREAS: THE PORT CONNECTOR ROAD PROJECT WOULD BE A SAFETY PROJECT SINCE MOST OF THE COMMERCIAL TRAFFIC WILL BE RELOCATED FROM INTERNATIONAL BOULEVARD TO THE NEW SH 32 INCLUDING THE PORT CONNECTOR ROAD WHICH WILL BECOME THE NEW OVERWEIGHT CORRIDOR; AND

WHEREAS: THE CCRMA BELIEVES THAT THE PORT CONNECTOR ROAD IS CRITICAL TO THE FUTURE OF OUR REGION AND WILL HAVE A TREMENDOUS POSITIVE ECONOMIC IMPACT ON BOTH JOB CREATION AND ECONOMIC GROWTH.

NOW, THEREFORE, BE IT RESOLVED THAT THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY BOARD OF DIRECTORS UNANIMOUSLY AUTHORIZES STAFF TO SUBMIT AN APPLICATION FOR FUNDING FOR THE PORT CONNECTOR ROAD PROJECT FOR RIDER 45 FUNDING TO THE TEXAS DEPARTMENT OF TRANSPORTATION AND AUTHORIZE CHAIRMAN PARKER TO SIGN ANY NECESSARY DOCUMENTS.

PASSED, APPROVED AND ADOPTED ON THIS THE 12TH DAY OF APRIL, 2018.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY


FRANK PARKER, JR.
RMA CHAIRMAN

absent

RUBEN GALLEGOS, JR.
RMA VICE CHAIRMAN



HORACIO BARRERA
RMA SECRETARY

absent

MICHAEL F. SCAIEF
RMA TREASURER



MARK ESPARZA
RMA DIRECTOR



NAT LOPEZ
RMA DIRECTOR



DR. MARIA VILLEGAS, M.D.
RMA DIRECTOR

- 4-G CONSIDERATION AND APPROVAL TO SUBMIT AN APPLICATION
FOR FUNDING FOR THE SH 550 GAP 2 PROJECT FOR RIDER 45
FUNDING AND APPROVAL OF A RESOLUTION.**

STATE OF TEXAS

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COUNTY OF CAMERON

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RESOLUTION

BE IT RESOLVED THAT ON THE 12TH DAY OF APRIL 2018, THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY BOARD OF DIRECTORS CONVENED IN REGULAR SESSION, AND UPON THE REQUEST OF THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY BOARD OF DIRECTORS, THE FOLLOWING ITEM WAS OFFERED AND ADOPTED, TO WIT:

“CONSIDERATION AND APPROVAL TO SUBMIT AN APPLICATION FOR FUNDING FOR THE SH 550 GAP 2 PROJECT FOR RIDER 45 FUNDING AND APPROVAL OF A RESOLUTION.”

WHEREAS: THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY (CCRMA) MISSION SINCE ITS INCEPTION, IN 2005, IS TO PROMOTE ITS SAFETY AND EFFECTIVE MOBILITY AND TO IMPROVE THE QUALITY OF LIFE FOR AREA RESIDENTS; AND

WHEREAS: THE SH 550 GAP 2 PROJECT BEGINS AT 0.20 MILES SOUTH OF FM 1847 TO 1.13 MILES SOUTH OF UNION PACIFIC RAILROAD (UPRR) OVERPASS AT FM 3248; AND

WHEREAS: THIS PROJECT WILL PROVIDE SAFETY ENHANCEMENT IN THE AREA AND WILL IMPROVE AND FACILITATE THE FLOW OF TRAFFIC.

NOW, THEREFORE, BE IT RESOLVED THAT THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY BOARD OF DIRECTORS UNANIMOUSLY AUTHORIZES STAFF TO SUBMIT AN APPLICATION FOR FUNDING FOR THE SH 550 GAP 2 PROJECT FOR RIDER 45 FUNDING TO THE TEXAS DEPARTMENT OF TRANSPORTATION AND AUTHORIZE CHAIRMAN PARKER TO SIGN ANY NECESSARY DOCUMENTS.

PASSED, APPROVED AND ADOPTED ON THIS THE 12TH DAY OF APRIL, 2018.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY


FRANK PARKER, JR.
RMA CHAIRMAN

absent

RUBEN GALLEGOS, JR.
RMA VICE CHAIRMAN



HORACIO BARRERA
RMA SECRETARY

absent

MICHAEL F. SCAIEF
RMA TREASURER



MARK ESPARZA
RMA DIRECTOR



NAT LOREZ
RMA DIRECTOR



DR. MARIA VILLEGAS, M.D.
RMA DIRECTOR

- 4-H CONSIDERATION AND APPROVAL OF AN AGREEMENT BETWEEN
THE STARR COUNTY INDUSTRIAL FOUNDATION AND THE CAMERON
COUNTY REGIONAL MOBILITY AUTHORITY TO MANAGE AND
DEVELOP TRANSPORTATION PROJECTS IN STARR COUNTY.**

STATE OF TEXAS)(
)(
COUNTY OF CAMERON)(


AGREEMENT


THIS Agreement is entered into and between the STARR COUNTY INDUSTRIAL FOUNDATION hereinafter referred to as "SCIF" and the CAMERON COUNTY REGIONAL MOBILITY AUTHORITY, hereinafter referred to as "CCRMA", pursuant to V.T.C.A., Transportation Code, Chapter 370, Section 370.033(f), whereby:

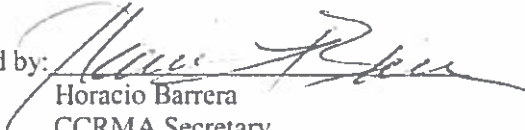
1. **PURPOSE OF THE AGREEMENT:** To allow the CCRMA to assist SCIF in Managing and Developing Projects in the Starr County, Texas area and advance them through the Advanced Project Development (Environmental), Design and Construction Phases on behalf of SCIF.
2. **PROJECTS TO BE COMPLETED:** To assist SCIF in identifying Projects that need to be developed through the Advanced Project Development, Design and Construction Phases.
3. **CCRMA HEREBY AGREES TO:**
 - a. To coordinate and assist in identifying Projects with the SCIF and to assist in advancing the Projects through the Advanced Project Development, Design and Construction Phases.
 - b. To provide monthly progress reports of activities to the SCIF, including list of projects, preliminary cost estimates and project schedules.
 - c. To provide for early consultations with the appropriate transportation entities.
 - d. To provide for early consultations with the environmental agencies.
 - e. To coordinate with the Texas Department of Transportation (TxDOT) and Federal Highway Administration (FHWA) funding opportunities for the Projects.
 - f. To utilize their General Engineering Consultants to perform the necessary project tasks including Advanced Project Development, Design and Construction Tasks.
 - g. To coordinate Projects with TxDOT.
 - h. To coordinate Projects with FHWA.
 - i. To coordinate Projects with the Federal Railroad Administration (FRA).
 - j. To assist SCIF in obtaining funding for the Advance Project Development, Design and Construction Phases.
 - k. To assist SCIF through the Advance Funding Agreement (AFA) process with TxDOT and FRA, if necessary.
 - l. The actions taken by and the decisions made by CCRMA for any of the foregoing items shall be in CCRMA's sole and absolute discretion.
4. **SCIF HEREBY AGREES TO:**
 - a. To reimburse CCRMA Staff time and expenses. CCRMA will invoice the SCIF on a monthly basis for Staff time and expenses.
 - b. To provide local contribution required for the use of state and federal funds for the Advanced Project Development, Design and Construction Phases of the Projects.
 - c. To manage and administer any environmental permits required for the development of the Projects.


- d. To provide the management and oversight required in order to fully comply with all requirements set forth in any agreements with TxDOT, FHWA and Federal Railway Administration. To be responsible for all project expenses, development, internal controls, and financial management of resources in a manner consistent with the requirements set forth by the FHWA, TxDOT, and other laws governing the resources of the local government entity.
5. CCRMA will submit to SCIF the scope and fee for the Projects and will not commence work without SCIF approval of the scope and fee.
6. It is specifically understood and agreed that in the event insufficient funds are appropriated and/or budgeted concerning the obligations under this Agreement on behalf of either of the Parties, then the Party with the insufficient funds shall notify the other Parties and this Agreement shall thereafter terminate and be null and void on the last day of the fiscal period for which appropriations were made without penalty, liability or expense to the Party. Notwithstanding the foregoing, this provision only applies to CCRMA Staff time and expenses not yet incurred at the time of insufficient funds being appropriated and/or budgeted concerning the obligations under this Agreement.
7. This Agreement constitutes a one-time Agreement between the Parties and does not constitute a continuing Agreement for the SCIF and CCRMA. The Agreement expires when the Project is completed or a 30 day termination notice is given by either SCIF or CCRMA. In the event that either party delivers a 30 day termination notice to the other party, SCIF shall reimburse CCRMA for CCRMA Staff time and expenses incurred as of the date of the delivery of the termination notice.
8. The Rules, Regulations and Orders of SCIF shall govern this Agreement and the Parties agree that SCIF shall supervise the performance of this Agreement.
9. This Agreement shall have no legal force or effect until such time as it is properly Adopted and Approved by the STARR COUNTY INDUSTRIAL FOUNDATION BOARD OF DIRECTORS and the CAMERON COUNTY REGIONAL MOBILITY AUTHORITY BOARD OF DIRECTORS.
10. Venue for any cause of action arising out of or related to this Agreement shall be in Cameron County, Texas.
11. If any obligations of CCRMA under this Agreement first need to be approved by TxDOT or another governmental entity, then CCRMA shall not be obligated to perform that obligation until approval is first received from such entity.

Executed on this 12th day of April, 2018.

Attested by: 
Nilda Elizondo
Vice President of Marketing


Rose Benavidez
SCIF President

Attested by: 
Horacio Barrera
CCRMA Secretary


Frank Parker, Jr.
CCRMA Chairman