

THE STATE OF TEXAS §

COUNTY OF CAMERON §

BE IT REMEMBERED on the 10th day of September 2015, there was conducted a Regular Meeting of the Cameron County Regional Mobility Authority, at the Joe G. Rivera and Aurora de la Garza County Annex thereof, in San Benito, 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:

DAVID E. ALLEX
CHAIRPERSON

MICHAEL F. SCAIEF
DIRECTOR

DAVID N. GARZA
DIRECTOR

RUBEN GALLEGOS, JR.
DIRECTOR

MARK ESPARZA
DIRECTOR

NAT LOPEZ
DIRECTOR

DIRECTOR

HORACIO BARRERA
ABSENT

ABSENT

ABSENT

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The Meeting was called to order by Chairman David E. Allex, at 12:12 P.M. At this time, the Board considered the following matters as per RMA Agenda posted and filed for Record in the Office of the County Clerk on this 4th day of September 2015 at 8:33 A.M.



AGENDA

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

**Joe G. Rivera and Aurora de la Garza County Annex
1390 West I69E
San Benito, Texas 78586**

Thursday, September 10, 2015

12:00 Noon

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
On: Sep 04, 2015 at 08:33A

Sylvia Garza-Perez
County Clerk
By
Hilda Perez, Deputy
Cameron County

PUBLIC COMMENTS:

1. Public Comments

PRESENTATIONS, RESOLUTIONS AND/OR PROCLAMATION ITEMS:

2. Presentations/Resolutions/Proclamations

A. Presentation of the Marketing Efforts for the Month of August 2015

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:

August 13, 2015 – Regular 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 August 2015

C. Consideration and Approval of the Budget for FY 2016

- D. Consideration and Approval of the Cameron County Regional Mobility Authority's Investment Policy
- E. Consideration and Approval of the Cameron County Regional Mobility Authority's Time Allocation Policy
- F. Consideration and Approval of Proposal for Investment of Cameron County Regional Mobility Authority Funds
- G. Discussion and Possible action regarding the submittal of applications to the Texas Department of Transportation under the Rider 48 program
- H. Consideration and Approval of a Supplemental Work Authorization with Fagan Consulting for the Toll Back Office Operation

EXECUTIVE SESSION:

5. Executive Session

- A. Confer with Legal Counsel regarding the David Garza vs. Cameron County Regional Mobility Authority Case, Cause No. 2015-DCL-05357-H, the legal status of the case, the handling of the case and legal issues pertaining thereto, pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.071(1)(A) (B) and (2).
- B. Deliberation and Discussion concerning the evaluation and duties of the Cameron County Regional Mobility Authority Executive Director, Pete Sepulveda, Jr., pursuant to V.T.C.A. Government Code, Section 551.074.

6. Action Relative to Executive Session

- A. Possible Action
- B. Possible Action

ADJOURNMENT:

Signed this 4th day of September 2015



David E. Allen
Chairman

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

None were presented.

PRESENTATIONS, RESOLUTIONS AND/OR PROCLAMATION ITEMS

2-A Presentation of the Marketing Efforts for the Month of August 2015

Mrs. Michelle Lopez, RMA Marketing and Communications Director went over a status report for the month of August 2015. The report is attached.

Vice Chair Gallegos moved to acknowledge the marketing report. The motion was seconded by Secretary Garza and carried unanimously.

The Report 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:

August 13, 2015 – Regular Meeting

Director Lopez moved to approve the minutes of August 13, 2015 Regular Meeting. The motion was seconded by Secretary Garza and carried unanimously.

ACTION ITEMS

4-A Approval of Claims

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

Mr. Pete Sepulveda, Jr., RMA Executive Director introduced the claims into the record and recommended approval of the Claims.

Director Scaief moved to approve the Claims. The motion was seconded by Vice Chairman Gallegos and carried unanimously.

The Claims are as follows:

4-B Consideration and Approval of the Financial Statements and Budget Amendments for the month of August 2015

Mr. Adrian Rincones, RMA Controller and Financial Officer went over the attached Financial Statements for the month of August 2015 and the Budget Amendments.

Vice Chair Gallegos moved to approve the Financials and Budget Amendments for the month August 2015. The motion was seconded by Director Esparza and carried unanimously.

The Financials and Budget Amendments are as follows:

4-C Consideration and Approval of the Budget for FY 2016

Mr. Pete Sepulveda, Jr., RMA Executive Director introduced the item and passed on the presentation to Mr. Adrian Rincones, RMA Controller and Financial Officer. Mr. Rincones went over the proposed budget in detail. A discussion between Staff and the Board ensued regarding the projected revenues and expenses, as well as a five year forecast. Staff recommended approval of the FY 2016 Budget.

Director Scaief moved to approve the FY 2016 Budget to include a five year forecast for revenues and expenditures. The motion was seconded by Vice Chair Gallegos and carried unanimously.

The FY 2016 Budget is as follows:

4-D Consideration and Approval of the Cameron County Regional Mobility Authority's Investment Policy

Mr. Adrian Rincones, RMA Controller and Financial Officer went over the purpose of the item and recommended approval of the Investment Policy.

Vice Chair Gallegos moved to approve the Investment Policy. The motion was seconded by Secretary Garza and carried unanimously.

The Investment Policy is as follows:

4-E Consideration and Approval of the Cameron County Regional Mobility Authority's Time Allocation Policy

Mr. Adrian Rincones, RMA Controller and Financial Officer went over the purpose of the item and recommended approval of the Time Allocation Policy.

Director Scaief moved to approve the Time Allocation Policy. The motion was seconded by Vice Chair Gallegos and carried unanimously.

The Time Allocation Policy is as follows:

4-F Consideration and Approval of Proposal of Investment of Cameron County Regional Mobility Authority Funds

Mr. Adrian Rincones, RMA Controller and Financial Officer went over the purpose of the item. Mr. Rincones explained that we have an opportunity to earn approximately \$20,000 in interest on an annual basis. He explained that three proposals were received and that Staff was recommending the proposal from Texas Regional Bank. Attached is a Memorandum from Staff to the Board.

Vice Chair Gallegos moved to approve the proposal from Texas Regional Bank and proceed accordingly. The motion was seconded by Secretary Garza and carried unanimously. Director Scaief and Esparza abstained.

AYE: Chairman Alex, Vice Chair Gallegos, Secretary Garza and Director Lopez

NAY: None

ABSTAINED: Director Scaief and Director Esparza

NOTE: Directors Scaief and Esparza abstained from the vote and discussion. Both Directors filed an Affidavit of Conflict and the Affidavit is filed in the CCRMA's records.

The Memorandum is as follows:

4-G Discussion and Possible Action regarding the submittal of applications to the Texas Department of Transportation under the Rider 48 Program

Mr. Pete Sepulveda, Jr., RMA Executive Director went over the need to submit an application for the construction of a road leading from SH 48 to the Port Isabel/San Benito Navigation District.

Vice Chair Gallegos moved to approve the submittal of an application to the Texas Department of Transportation. The motion was seconded by Director Esparza and carried unanimously.

The Form is as follows:

4-H Consideration and Approval of a Supplemental Work Authorization with Fagan Consulting for the Toll Back Office Operation

Mr. Adrian Rincones, RMA Controller and Financial Officer went over the need for this Supplemental Work Authorization. He explained that funds were being transferred from another Work Authorization.

Director Scaief moved to approve the Supplemental Work Authorization with Fagan Consulting. The motion was seconded by Director Lopez and carried unanimously.

The Supplemental Agreement is as follows:

NOTE: at 1:09 P.M. Director Lopez left the meeting and did not participate in the discussion in Executive Session

EXECUTIVE SESSION ITEMS

Vice Chairman Gallegos moved to go into Executive Session. The motion was seconded by Director Esparza and carried unanimously, the Board met in Executive Session at 1:09 P.M. to discuss the following matter(s):

EXECUTIVE SESSION:

- 5-A Confer with Legal Counsel regarding the David Garza vs. Cameron County Regional Mobility Authority Case, Cause No. 2015-DCL-05337-H, the legal status of the case, the handling of the case and legal issues pertaining thereto, pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.071(1)(A)(B) and (2)**
- 5-B Deliberation and Discussion concerning the evaluation and duties of Cameron County Regional Mobility Authority Executive Director, Pete Sepulveda, Jr., pursuant to V.T.C.A., Government Code, Section 551.074**

Upon motion by Director Scaief seconded by Vice Chair Gallegos and carried unanimously, the Board reconvened into open Session at 1:42 P.M.

ACTION RELATIVE TO EXECUTIVE SESSION:

- 6-A Confer with Legal Counsel regarding the David Garza vs. Cameron County Regional Mobility Authority Case, Cause No. 2015-DCL-05337-H, the legal status of the case, the handling of the case and legal issues pertaining thereto, pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.071(1)(A)(B) and (2)**

Vice Chair Gallegos moved to proceed as discussed in Executive Session. The motion was seconded by Director Esparza and carried unanimously.

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- 6-B Deliberation and Discussion concerning the evaluation and duties of Cameron County Regional Mobility Authority Executive Director, Pete Sepulveda, Jr., pursuant to V.T.C.A., Government Code, Section 551.074**

Vice Chair Gallegos moved to acknowledge the evaluation of the Executive Director. Vice Chair Gallegos stated that the Board was pleased with the Executive Director's performance. The motion was seconded by Director Scaief and carried unanimously.

ADJOURNMENT

There being no further business to come before the Board and upon motion by Secretary Garza seconded by Director Scaief and carried unanimously the meeting was **ADJOURNED** at 1:43 P.M.

APPROVED this 8th day of October 2015.

David E. Allex

CHAIRMAN DAVID E. ALLEX

ATTESTED: 

SECRETARY DAVID N. GARZA

**2-A PRESENTATION OF THE MARKETING REPORT FOR THE MONTH
OF AUGUST 2015**

September 2015 Board Meeting
Marketing Report
Michelle A. Lopez
Marketing & Communications Director



1. SH 550 COMMERCIAL TRUCK STUDY/VIDEO TESTIMONIAL

- i. Commercials are completed.
- ii. Produced two videos: Spanish and English.
- iii. Videos will be used for commercials. They will be posted on our website and social media sites for educational purposes.

2. TOLL VIOLATORS PROSECUTION ONGOING MARKETING

- a. We sent another press release on this campaign
- b. Web ads have been produced to direct online traffic to MSB's homepage to facilitate conversions and "bill lookup".
- c. I was interviewed by KRGV and Televisa regarding the campaign.

Press Release

The Cameron County Regional Mobility Authority (CCRMA) is Preparing to Prosecute Drivers Who Have Unpaid Tolls on the SH 550

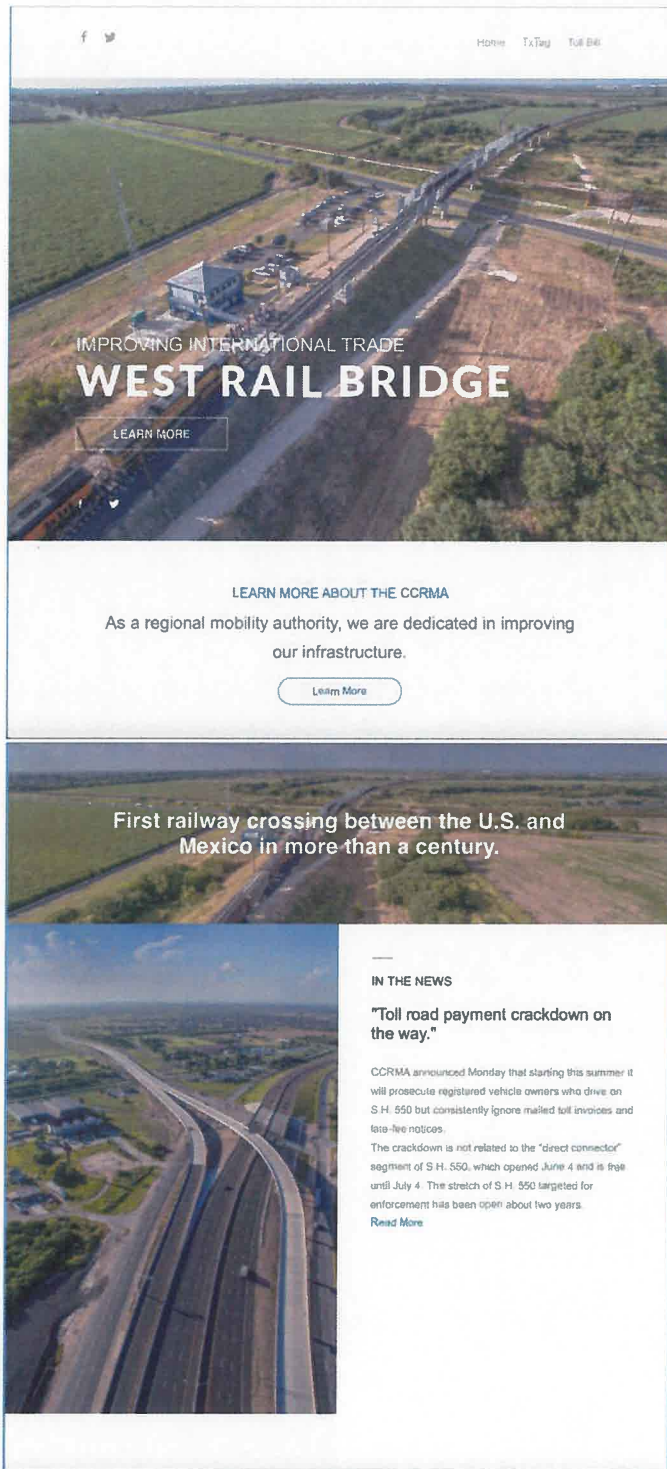
August 26, 2016 - Brownsville, TX - Customers who have used the State Highway 550 (SH550) in Cameron County and have neglected paying their toll bills, will be prosecuted in the near future. Beginning this summer, the CCRMA will initiate legal proceedings against registered vehicle owners who have continuously ignored requests for payment. Once legal proceedings commence a vehicle owner can be charged with a misdemeanor and face additional fines and fees. Resources are available to provide additional customer service and support for customers to avoid getting penalized and to become aware of legal processes.

CCRMA has contracted with MSB to process all billing and violation enforcement for the SH550 toll road. MSB provides payment options and other payment arrangements to avoid prosecution. Customers can contact MSB at 1-866-223-3584 or through www.paycamerontoll.com. Customers may also contact CCRMA at 956-621-5571 or www.ccrma.org for additional questions or concerns.

The CCRMA is an independent agency created to assist the citizens of South Texas, established in 2004. The CCRMA's mission remains to significantly contribute to the region's quality of life by providing effective, safe and accelerated mobility improvements that will encourage economic development and job creation. For additional information and resources, please visit our official website: www.ccrma.org.

3. CCRMA NEWSLETTER:

- a. We have sent out the latest newsletter for the month of September.



The newsletter features a top banner with an aerial view of the West Rail Bridge. The text 'IMPROVING INTERNATIONAL TRADE' is above 'WEST RAIL BRIDGE', which is above a 'LEARN MORE' button. Below this is a section titled 'LEARN MORE ABOUT THE CCRMA' with the text 'As a regional mobility authority, we are dedicated in improving our infrastructure.' and a 'Learn More' button. The next section has a headline 'First railway crossing between the U.S. and Mexico in more than a century.' over an image of the bridge. The final section is titled 'IN THE NEWS' and contains a headline 'Toll road payment crackdown on the way.' followed by two paragraphs of text and a 'Read More' link.

Home TxTag Toll Bill

IMPROVING INTERNATIONAL TRADE
WEST RAIL BRIDGE
LEARN MORE

LEARN MORE ABOUT THE CCRMA
As a regional mobility authority, we are dedicated in improving our infrastructure.
Learn More

First railway crossing between the U.S. and Mexico in more than a century.

IN THE NEWS

"Toll road payment crackdown on the way."

CCRMA announced Monday that starting this summer it will prosecute registered vehicle owners who drive on S.H. 550 but consistently ignore mailed toll invoices and fare-free notices.

The crackdown is not related to the "direct connector" segment of S.H. 550, which opened June 4 and is free until July 4. The stretch of S.H. 550 targeted for enforcement has been open about two years.

[Read More](#)

Learn about its process, deadlines, and fees.


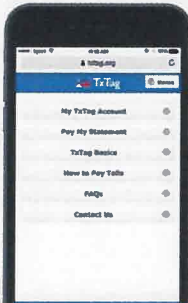
[Learn More](#)

"First U.S. - Mexico rail bridge in more than a century is now operational."

Cameron County, the city of Brownsville and the Cameron County Regional Mobility Authority (CCRMA), all located in Texas, have been working on the rail relocation project for the past 15 years. [Read More](#)

OPEN YOUR TXTAG ACCOUNT
[CLICK HERE](#)

TxTag makes paying tolls simple and fast. There's no stopping or slowing down to pay, no waiting in line at a toll booth, and no searching for change on toll roads across Texas. The thin TxTag sticker goes on the inside of your windshield behind your rearview mirror. An electronic reader above the toll roads sends a signal to the microchip inside the sticker, and tolls are automatically deducted from your prepaid TxTag account.

4. SOCIAL MEDIA MARKETING-

- a. Facebook- For the month of August, we have promoted the West Rail event and the Toll Prosecution Plan. Based on recent user engagement, residents in the area have been inclined to respond positively to multimedia posts. This behavior not only increased our user base, but drove a new metric as well; video views. Local government entities have also been engaged with the content being produced through Facebook. The trend is expected to continue as we proceed with our new marketing initiative which includes educating the public about CCRMA's projects as well as its mission and purpose for the region.
- b.
 - **Page Likes:** 4,175 Total Likes ↑12.7% from last month
 - **Video Views:** 12,316 Total Views
 - **Post Reach:** 17,361 Total Reach ↑14.7% from last week

***Reach Insights:**

22,979 Brownsville, TX
 16,070 Harlingen, TX
 12,774 San Benito, TX
 12,506 McAllen, TX
 11,834 Edinburg, TX
 11,314 Mission, TX
 11,298 Matamoros, TM
 11,228 Weslaco, TX
 11,751 Pharr, TX

- c. Twitter- We now have a total of 1,350 followers on Twitter.

5. WEBSITE-

- a. CCRMA's current website traffic continues to increase regionally. New strategies will be implemented for the following months that will address multiple requests by the team and customers we see frequently.
- i. This includes: New resources, tools and pages that will be accessible through CCRMA's homepage. Through review we noted that online advertising campaigns have been directing traffic to the correct sites. This includes TxTag, CCRMA's homepage, and the Direct Connector's microsite.
- ii. We will also be scheduling maintenance for the entire site on the third Sunday of August. This scheduled maintenance will address page load times to reach an average of .10 seconds. This will improve user interaction and improve pages/session since we are noticing an increase in mobile traffic.

Avg. Page views/Month: 33,800/+13.43

Pages/Session: 2.25

% New Sessions: 73.55%

New Visitor vs. Returning Visitor: 73.6% / 26.4%

Regional Visits based on Traffic (US): per month

Brownsville	19,201
McAllen	4,644
Harlingen	2,609
Mission	2,572
San Benito	1,392
Pharr	1,068
Weslaco	743
SPI	486
Edinburg	375
Rio Grande City	185

List of Regions based on Traffic (MX):

Monterrey	4,969
Matamoros	4,750
Mexico City	1,201
Reynosa	764
San Luis Potosi	382
Tampico	382
Durango	273
Leon	219
Torreon	219

Traffic Acquisition:

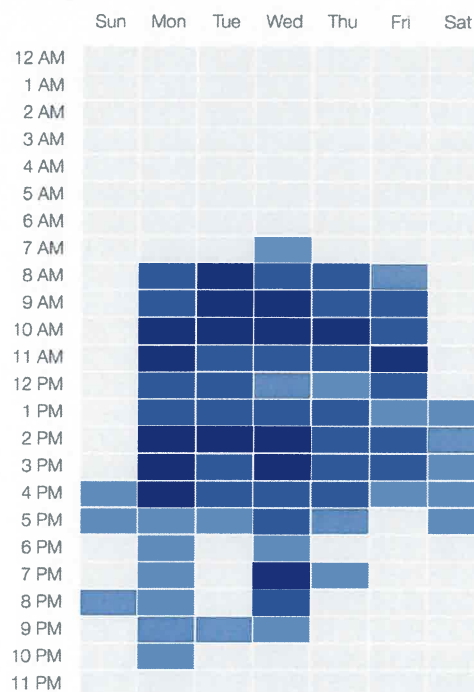
Direct	44.70%
www.ccrma.org	86.42%
www.ccrma.org/projects/sh550	8.30%
www.ccrma.org/txtag	5.28%
Referral	27.00%
www.co.cameron.tx.us	31.79%
www.txdot.gov	10.13%
www.krgv.com	8.35%
www.knvotv48.com	6.40%
Organic Search	19.90%
Google	73.78%
Bing	14.62%
Yahoo!	9.32%
Social	8.40%
Facebook	90.85%
Twitter	6.96%
LinkedIn	2.19%

Keywords used to search: ccrma, cameron county rma, cameron county regional mobility authority, ccrma.org, ccrma texas, Cameron county regional mobility authority west loop project

Time slots:

Darker blue time slots represent when traffic is the heaviest to the website. Light blue represents low web traffic.

We have seen an improved web traffic pattern that spans from Monday to Friday from 8 a.m. to 4 p.m.



1st Level of Interaction:

www.ccrma.org
www.ccrma.org/projects/sh550
www.ccrma.org/projects/westrailrelocation
www.ccrma.org/projects/sh550/directconnector

These are the pages that have captured the most traffic. Once users visit this page, the following levels have been the next pages that they have clicked on.

2nd Level of Interaction:

www.ccrma.org/projects/spi2ndaccess
www.ccrma.org/projects/sh550
www.ccrma.org/txtag/
www.ccrma.org/about/agendas
www.ccrma.org/travel

3rd Level of Interaction:

www.ccrma.org/
www.ccrma.org/projects/spi2ndaccess/resources
www.ccrma.org/projects/sh550
www.ccrma.org/projects/spi2ndaccess
www.ccrma.org/faq

6. TXTAG MOBILE UNIT / PtoII / UNITED FOR VETERANS CAMPAIGN / COMMUNITY EVENTS

- a. The Mobile Unit is currently operating on the 1st and last day of every month at the Cameron County Courthouse. We set up on September 4th. New dates are expected to be implemented with our current community outreach members.
- b. The CCRMA's Mobile Unit is also present in the City of Brownsville's CycloBia meetings and soon to be SPI Cyclovias.
- c. We are also going to begin promoting PToll by Bancpass as another option to pay for our toll road for Cameron County residents.
- d. CCRMA attended "Vision 2015 The South Texas / North Mexico Economic Conference & Expo" on SPI on September 1 & 2. It was the first event hosted by AEM. Pete was a presenter and CCRMA had a booth for the expo.

7. IN THE MEDIA:

- a. <https://www.youtube.com/watch?v=ppkuLjQzFdw>
- b. <http://www.krgv.com/news/local-news/Mexican-Plates-Not-Being-Billed-on-Toll-Road/35112784>
- c. <http://www.krgv.com/news/local-news/Warrants-for-Toll-Road-Violators-Coming/34980746>
- d. <http://www.rtands.com/index.php/track-structure/bridge-retaining-walls/first-us-mexico-rail-bridge-in-more-than-a-century-now-operational.html?channel>

4-A APPROVAL OF CLAIMS



MEMORANDUM

TO: RMA Chairman and Board Members

FROM: Pete Sepulveda, Jr., Executive Director *PSJ*

RE: Claims Item 4-A

DATE: September 10, 2015

Attached are the Claims paid on August 28, 2015 that are being presented for Board acknowledgment.

- Association of Certified Fraud Examiners (ACFE) – CFE Annual Dues for Adrian
- Adrian Rincones – Reimbursement for Office Supplies, Monthly email hosting, Reimbursement for travel expense for use tax on hotel room, reimbursement for mobile hotspot for June-July 2015
- Aflac – Employee August 2015 Contributions
- Chemas Trucking – Drivers for Video shooting on SH 550
- Entravision Communications – Marketing for August 2015
- GE&S – Survey revisions for West Rail
- Jose Martinez – Lane closure support for Toll Gantry Maintenance
- Lelina Uribe – Lane closure support for Toll Gantry Maintenance
- Lock Lorde – Legal Services on Legislative Support for June 2015, Legal Support for SH 550 and prohibiting modes of traffic, TRZ support of SPI project
- Lone Start Shredding – Rancho Viejo Office Shredding for August 2015
- Pete Sepulveda, Jr. – Travel Reimbursement for SPI Meeting with TxDOT, FHWA & GEC
- PUB – SH 550 Utilities
- Rentfro Law Firm – Legal Support for West Rail (General Matters, David & Diane Garza, Interpleader Lawsuit, RECL ED)
- The Brownsville Herald (AIM Media Texas) – Marketing on Local Football Posters
- TXU – Utilities on SH 550
- Valley Trophy Service – West Rail Mementos for Opening Ceremony
- Verizon Wireless – Monthly Fee for July-August 2015
- Xerox Corporation – Monthly rental for Xerox Machine
- Xtreme Security – Security Alarm monthly service

I recommend acknowledgment and approval of the invoices.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Invoices Selected for Payment - Claims to be Paid

Vendor ID	Vendor Name	Invoice Number	Cash Required	Invoice/Credit Description
ACFE	Association of Certified Fraud Examiners	1206167	195.00	ACFE annual dues - Adrian
Adrian	Adrian Rincones	AR DP 8.25.15	42.61	Reimbursement for monthly email hosting
Adrian	Adrian Rincones	AR OS 8.25.15	267.37	Reimbursement for Office supplies purchased
Adrian	Adrian Rincones	AR T 8.25.15	50.74	Reimbursement for Travel expense for use tax on hotel room
Adrian	Adrian Rincones	AR U 8.25.15	131.16	Reimbursement for Mobile Hotspot for June and July
AFLAC	Aflac	380611	265.30	Employee august 2015 contributions
Chemas	Chemas Trucking LLC	62631	180.00	Drivers for Video shooting on SH550
Entravision	Entravision Communications	9	1,000.00	Marketing services for August 2015
GES	Gonzalez Engineering & Surveying, Inc.	205050	3,420.00	Survey revisions to UP parcels West Rail
Locke Lord	Locke Lord LLP	1151390	236.00	Legal services on legislative support for June 2015
Locke Lord	Locke Lord LLP	1151391	420.00	Legal support for SH550 and prohibitin modes of traffic
Locke Lord	Locke Lord LLP	1151392	3,220.00	TRZ support for SPI project
Lone Star Shredding	Lone Star Shredding Document Storage	1920346	52.50	Monthly shredding service
PEDRO SEPULVE...	PEDRO SEPULVEDA JR.	PSJ 8.18.15	797.96	Travel for SPI meeting with TxDot, FHWA, & GEC
PUB	Public Utilities Board	PUB Aug 2015 #8...	268.68	Utilities on SH550
SD Jose Martinez	Jose Martinez	SD 8.22.15	175.00	Lane Closure support for Toll Gantry Maintenance
SD Lelina Uribe	Lelina Uribe	SD 8.22.15 - 2	175.00	Lane Closure support for Toll Gantry Maintenance
The Herald	AIM Media Texas	50001739	150.00	Marketing on Local Football posters
The Rentfro Law ...	The Rentfro Law Firm, PLLC.	019070	2,722.40	Legal support on West Rail project
The Rentfro Law ...	The Rentfro Law Firm, PLLC.	019073	165.80	Legal support on West Rail project
The Rentfro Law ...	The Rentfro Law Firm, PLLC.	19071	244.75	Legal support on West Rail project
The Rentfro Law ...	The Rentfro Law Firm, PLLC.	19072	586.20	Legal support on West Rail project
TXU	TXU Energy	056101390546	1,065.74	Utilities on SH550
Verizon Wireless	Verizon Wireless	7236486849	52.15	Verizon wireless Hotspot Jul-Aug 2015
VTS Awards	Valley Trophy Service Awards	2359	914.85	West Rail Mementos opening ceremony
Xerox	Xerox	720210756	457.89	Monthly rental for Xerox machine
Xtreme Security	Xtreme Security	049404	104.85	Security Alarm monthly service
Report Total			17,361.95	

**4-B CONSIDERATION AND APPROVAL OF THE FINANCIAL
STATEMENTS AND BUDGET AMENDMENTS FOR THE MONTH OF
AUGUST 2015**



August 2015 FINANCIAL STATEMENTS

Pete Sepulveda Jr. Executive Director
Jesus Adrian Rincones CPA, CFE, Chief Financial Officer



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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet
As of 8/31/2015
(In Whole Numbers)

	<u>Current Year</u>
ASSETS	
Current Assets:	
Cash and cash equivalents	
CCRMA Claims Account	21,736
CCRMA Operating Fund	1,957,810
Toll Operators Cash	60
TxTag - Replenishment Account	6,086
CCRMA Bond/Debt Funds	<u>1,219,308</u>
Total Cash and cash equivalents	3,204,999
Restricted cash accounts - debt service	
CCRMA Toll Revenue Funds	45,255
2010 A Debt Reserve	1,038,587
2010 A Debt Service	494,527
2010 B Debt Reserve	1,218,154
2010 B Debt Service	66,365
2012 Bond CAPI funds	144,323
2012 Bond Operating Fund	129,272
2012 Bond Project Funds	4,046,292
2012 Bonds Rate Stabilization Fund	1,138,784
2012 Bonds Debt Service	159,308
2014 Refunding Series Escrow Account	671
2014 Refunding Series 10 Proceeds	5,125
Series 2014 Revenue and Tax	<u>1,750</u>
Total Restricted cash accounts - debt service	8,488,413
Accounts receivable	
Vehicle Registration Fees - Receivable	<u>507,761</u>
Total Accounts receivable	507,761
Accounts receivable - other agencies	
Accounts Receivable - Other Agencies	14,344
Due from Other Agencies	<u>45,866</u>
Total Accounts receivable - other agencies	<u>60,210</u>
Total Current Assets:	12,261,384
Non Current Assets:	
Capital assets, net	
Land & Right of Way	40,000
Buildings	236,557
Improvements	24,996
Furnishings & Equipment	4,043,919
Accumulated Depreciation-Furnishings & Equipment	(515,816)
Software & Technology	179,816
Accumulated Depreciation Software & Technology	(3,958)
Infrastructure & Utilities	12,958,232
Accumulated Depreciation-Infrastructure	<u>(647,912)</u>
Total Capital assets, net	16,315,835
Capital projects in progress	
CIP - Planning & Coordination	638,135
CIP - Preliminary Engineering & Design	3,519,454
CIP - Environmental Studies	14,156,118
CIP - Mitigation	184,321
CIP - Right of Way	104,935
CIP - Utilities	26,242
CIP - Construction	48,486,748

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet
As of 8/31/2015
(In Whole Numbers)

	Current Year
CIP - Construction Management	2,828,931
CIP - Direct Legal Costs	532,165
CIP - Capitalized Interest	3,239,713
CIP - Direct Administration	161,004
CIP - Indirect Administration and Overhead	585,044
Total Capital projects in progress	74,462,808
Other assets	
Other Assets	41,895,820
Total Other assets	41,895,820
Unamortized bond prepaid costs	
2012 Bonds Prepaid Insurance	116,364
2014 Bond Prepaid Insurance	12,098
Total Unamortized bond prepaid costs	128,462
Total Non Current Assets:	132,802,924
Total ASSETS	145,064,308
LIABILITIES	
Current Liabilities	
Accounts payable	
AP - Operations	51,495
AP - Project Exenditures	516,791
Total Accounts payable	568,286
Accrued expenses	
TxTag Customer Deposits	427
Toll Refunds from MSB	2,377
Total Accrued expenses	2,804
Payroll liabilities	
Federal Tax Withholding	7,198
Payroll Tax Payable	5,605
Retirement Contribution Payable	3,044
Health Insurance Payable	600
Aflac Employee Liabilities	50
Dental Insurance Payable	63
Employee Vision Insurance	25
Total Payroll liabilities	16,585
Deferred revenue	
UFV Fund Deposits	774
Deferred Revenue	1,797
Total Deferred revenue	2,571
Total Current Liabilities	590,246
Non Current Liabilities	
Due to other agencies	
Cameron County	167,500
Due to other Govts	2,014,428
Total Due to other agencies	2,181,928
Due to TxDot	
Union Pacific - West Rail Project	27,599,455
Union Pacific - Olmito Switchyard	9,919,811
TxDot FAA - South Padre Island	10,929,961
TxDot FAA - West Parkway	2,244,589
Total Due to TxDot	50,693,816
Long term bond payable	

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet

As of 8/31/2015

(In Whole Numbers)

	Current Year
2010A Bonds Payable	4,480,000
2010A Unamortized Premium	64,212
2010B Bonds Payable	15,535,000
2012 Bonds Payable	40,000,000
2012 Unamortized Premium	4,160,407
2014 Bonds Payable	5,000,000
2014 Bond Premium	155,424
2010A Refund Series 2014	6,325,000
2010A Refund Premium Series 2014	137,092
2015 CO Bonds	4,500,000
2015 CO Bonds Discount	(39,559)
Total Long term bond payable	80,317,576
Total Non Current Liabilities	133,193,320
Total LIABILITIES	133,783,566
NET POSITION	
Beginning net position	7,812,522
Total Beginning net position	7,812,522
Changes in net position	3,468,220
Total Changes in net position	3,468,220
Total NET POSITION	11,280,742
TOTAL LIABILITIES AND NET POSITION	145,064,308

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Statement of Revenues, Expenditures And Changes in Net Assets - Unposted Transactions Included In Report
From 8/1/2015 Through 8/31/2015
(In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Operating Revenues				
Vehicle registration fees	250,332	2,755,343	2,900,000	(144,657)
Toll revenues	45,373	369,805	553,472	(183,667)
TRZ revenue	0	378,840	425,000	(46,160)
Other revenue	0	495,514	500,000	(4,486)
Total Operating Revenues	<u>295,705</u>	<u>3,999,502</u>	<u>4,378,472</u>	<u>(378,970)</u>
Operating Expenses				
Personnel costs	47,675	560,368	584,900	24,532
Professional services	0	22,000	25,000	3,000
Contractual services	11,806	253,270	521,429	268,159
Debt interest	1,786,971	3,531,057	4,518,871	987,814
Advertising & marketing	4,005	56,550	60,000	3,450
Data processing	1,302	9,964	10,000	36
Dues & memberships	195	14,532	14,500	(32)
Education & training	597	3,444	11,000	7,556
Fiscal agent fees	0	15,216	15,000	(216)
Insurance	8,934	41,588	50,000	8,412
Maintenance & repairs	8,741	17,441	20,000	2,559
Office supplies	522	26,031	28,000	1,969
Road maintenance	10,473	147,700	205,000	57,300
Rent	458	6,045	8,000	1,955
Toll services	8,263	55,766	308,472	252,706
Travel	2,152	31,933	40,000	8,067
Utilities	2,543	20,318	20,000	(318)
Total Operating Expenses	<u>1,894,637</u>	<u>4,813,222</u>	<u>6,440,172</u>	<u>1,626,950</u>
Non Operating Revenue				
Interest income	489	7,817	0	7,817
Other Financing sources	0	0	2,061,700	(2,061,700)
Total Non Operating Revenue	<u>489</u>	<u>7,817</u>	<u>2,061,700</u>	<u>(2,053,883)</u>
Changes in Net Assets	<u>(1,598,443)</u>	<u>(805,902)</u>	<u>0</u>	<u>(805,902)</u>
Net Assets Beginning of Year	<u>792,541</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Assets End of Year	<u>(805,902)</u>	<u>(805,902)</u>	<u>0</u>	<u>(805,902)</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Statement of Cash Flows

As of 8/31/2015

	Current Period	Current Year
Cash Flows from Operating Activities		
Receipts from Vehicle Registration Fees	294,097.00	2,870,878.91
Receipts from Toll Revenues	57,109.48	603,314.59
Receipts from TRZ Revenue	0.00	0.00
Payments to Vendors	(59,991.72)	(721,796.69)
Payments to Employees	(47,693.22)	(550,096.87)
Total Cash Flows from Operating Activities	243,521.54	2,202,299.94
Cash Flows from Capital and related Financing Activities		
Acquisitions of Property and Equipment	(9,324.00)	(493,212.06)
Receipts from Grants and Other income	597.99	1,173,915.80
Payments on Interest	(1,786,970.87)	(3,531,057.10)
Acquisitions of Construction in Progress	(516,197.27)	(18,344,858.26)
Principal Payments on Bonds	0.00	3,922,532.85
Proceeds from TxDot FAA	356,597.31	2,111,754.34
Proceeds from Other Governments	0.00	2,230,973.81
Total Cash Flows from Capital and related Financing Activities	(1,955,296.84)	(12,929,950.62)
Net Increase (Decrease) in Cash & Cash Equivalents	(1,711,775.30)	(10,727,650.68)
Beginning Cash & Cash Equivalents	13,405,187.55	22,421,062.93
Ending Cash & Cash Equivalents	11,693,412.25	11,693,412.25

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Capital Projects in Progress - Unposted Transactions Included In Report
From 8/1/2015 Through 8/31/2015
(In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Capital Projects				
South Padre Island 2nd Access	3,220	1,779,933	1,400,000	(379,933)
West Parkway Project	0	68,830	800,000	731,170
Outer Parkway	0	17,959	2,500,000	2,482,041
FM 1925	0	70,147	1,000,000	929,853
West Rail Relocation	8,055	3,191,671	1,000,000	(2,191,671)
Olmito Switchyard	0	75,753	0	(75,753)
SH 550	36,936	9,380,189	18,104,600	8,724,411
SH 32 (East Loop)	0	246,096	7,000,000	6,753,904
FM 803	0	76,734	50,000	(26,734)
Port Isabel Access Rd	0	0	100,000	100,000
FM 509	0	0	1,000,000	1,000,000
North Rail Relocation	0	0	400,000	400,000
Total Capital Projects	<u>48,212</u>	<u>14,907,312</u>	<u>33,354,600</u>	<u>18,447,288</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Statement of Revenues and Expenditures - Unposted Transactions Included In Report
From 8/1/2015 Through 8/31/2015
(In Whole Numbers)

		Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Capital Projects					
South Padre Island 2nd Access	2000				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	145,747	0	(145,747)
CIP - Preliminary Engineering & Design	15110	0	176,272	400,000	223,728
CIP - Environmental Studies	15120	0	1,428,372	1,000,000	(428,372)
CIP - Right of Way	15200	0	13,238	0	(13,238)
CIP - Direct Legal Costs	15300	3,220	16,304	0	(16,304)
Total South Padre Island 2nd Access		3,220	1,779,933	1,400,000	(379,933)
West Parkway Project	2025				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Environmental Studies	15120	0	0	800,000	800,000
CIP - Direct Legal Costs	15300	0	15,162	0	(15,162)
CIP - Direct Administration	15320	0	53,668	0	(53,668)
Total West Parkway Project		0	68,830	800,000	731,170
Outer Parkway	2050				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	12,200	500,000	487,800
CIP - Preliminary Engineering & Design	15110	0	0	1,000,000	1,000,000
CIP - Environmental Studies	15120	0	0	1,000,000	1,000,000
CIP - Direct Legal Costs	15300	0	5,759	0	(5,759)
Total Outer Parkway		0	17,959	2,500,000	2,482,041
FM 1925	2075				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	0	350,000	350,000
CIP - Preliminary Engineering & Design	15110	0	0	350,000	350,000
CIP - Environmental Studies	15120	0	0	300,000	300,000
CIP - Direct Legal Costs	15300	0	16,479	0	(16,479)
CIP - Direct Administration	15320	0	53,668	0	(53,668)
Total FM 1925		0	70,147	1,000,000	929,853
West Rail Relocation	2100				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	23,124	0	(23,124)
CIP - Mitigation	15130	728	3,309	0	(3,309)
CIP - Right of Way	15200	4,417	91,697	0	(91,697)
CIP - Construction	15220	0	2,634,644	1,000,000	(1,634,644)
CIP - Construction Management	15240	0	428,126	0	(428,126)
CIP - Direct Legal Costs	15300	2,911	10,770	0	(10,770)
Total West Rail Relocation		8,055	3,191,671	1,000,000	(2,191,671)
Olmito Switchyard	2150				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Construction	15220	0	75,753	0	(75,753)
Total Olmito Switchyard		0	75,753	0	(75,753)
SH 550	2200				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Preliminary Engineering & Design	15110	0	0	2,500,000	2,500,000
CIP - Mitigation	15130	0	82,175	0	(82,175)
CIP - Utilities	15210	0	0	604,600	604,600
CIP - Construction	15220	0	8,912,598	14,000,000	5,087,402
CIP - Construction Management	15240	36,936	378,364	1,000,000	621,636
CIP - Direct Legal Costs	15300	0	7,051	0	(7,051)
Total SH 550		36,936	9,380,189	18,104,600	8,724,411

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Statement of Revenues and Expenditures - Unposted Transactions Included In Report

From 8/1/2015 Through 8/31/2015

(In Whole Numbers)

		Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
SH 32 (East Loop)	2250				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	200,400	500,000	299,600
CIP - Preliminary Engineering & Design	15110	0	21,328	5,000,000	4,978,672
CIP - Environmental Studies	15120	0	24,368	1,500,000	1,475,632
Total SH 32 (East Loop)		0	246,096	7,000,000	6,753,904
FM 803	2300				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Mitigation	15130	0	7,027	50,000	42,973
CIP - Direct Legal Costs	15300	0	16,039	0	(16,039)
CIP - Direct Administration	15320	0	53,668	0	(53,668)
Total FM 803		0	76,734	50,000	(26,734)
Port Isabel Access Rd	2400				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Environmental Studies	15120	0	0	100,000	100,000
Total Port Isabel Access Rd		0	0	100,000	100,000
FM 509	2450				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Preliminary Engineering & Design	15110	0	0	1,000,000	1,000,000
Total FM 509		0	0	1,000,000	1,000,000
North Rail Relocation	2500				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Environmental Studies	15120	0	0	400,000	400,000
Total North Rail Relocation		0	0	400,000	400,000
Total Capital Projects		48,212	14,907,312	33,354,600	18,447,288

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Toll Revenues and Expenditures - Unposted Transactions Included In Report
From 8/1/2015 Through 8/31/2015

	Current Period Actual	Current Year Actual
Toll Revenues		
Toll Revenue	19,652.91	126,664.83
Toll Violation Revenue	10,219.90	94,391.26
Interop Revenue	15,500.00	148,748.50
Pay by Mail Revenue	0.00	0.00
Total Toll Revenues	<u>45,372.81</u>	<u>369,804.59</u>
Toll Expenditures		
Toll services		
Toll Services	0.00	0.00
Interop Collection Fees	0.00	9,498.86
PBM Add on Fees	2,072.33	6,063.29
PBM Image Review	6,190.87	40,203.59
PBM Pre-Court Program	0.00	0.00
Total Toll services	<u>8,263.20</u>	<u>55,765.74</u>
Toll maintenance		
Maintenance - SH 550	10,473.17	147,699.53
Total Toll maintenance	<u>10,473.17</u>	<u>147,699.53</u>
Total Toll Expenditures	<u>18,736.37</u>	<u>203,465.27</u>
Net Change in Toll Services	<u>26,636.44</u>	<u>166,339.32</u>



To: Pete Sepulveda

From: Adrian Rincones

Date: 9.10.15

Re: Budget Amendment #2 FY2015

Description:

This budget amendment will reallocate funds from our contractual budgeted amount to marketing, maintenance, and office supplies. We have invested more in marketing this year primarily due to the increased focus on branding and toll road marketing. We are also moving funds into our maintenance budget due to the expenses associated with the new building. Office supplies have been higher this year due to the amount of supplies needed to stock and equip our new office building.

We are also reallocating funds from the toll expense category of PBM Image review over to toll road maintenance.

GL#	GL Description	Current	Budget Amended	Net Change
2	60130 Contractual	\$ 470,479.00	\$ 458,229.00	\$ (12,250.00)
	60120 Advertising & Marketing	\$ 55,500.00	\$ 60,000.00	\$ 4,500.00
	60165 Maintenance & Repairs	\$ 15,000.00	\$ 20,000.00	\$ 5,000.00
	60180 Office Supplies	\$ 25,250.00	\$ 28,000.00	\$ 2,750.00
	60178 PBM Image Review	\$ 175,000.00	\$ 100,000.00	\$ (75,000.00)
	60170 Maintenance - SH550	\$ 130,000.00	\$ 205,000.00	\$ 75,000.00
	Total	\$ 871,229.00	\$ 871,229.00	\$ -

Pete Sepulveda, Jr. Executive Director

Date

4-C CONSIDERATION AND APPROVAL OF THE BUDGET FOR FY 2016

Revenues and Expenses

	Adopted Budget 2014	Actual 2014	Variance 2014	Adopted Budget 2015	Budget 2016
Operating Revenue					
Vehicle registration fee	2,800,000	2,932,080	132,080	2,900,000	2,950,000
Transportation reinvestment zone	300,000	295,907	(4,093)	425,000	750,000
Other operating revenue	-	166,602	166,602	-	-
Total Operating Revenue	3,100,000	3,394,589	294,589	3,325,000	3,700,000
Toll Revenue					
Interop AVI Revenue	50,000	111,311	61,311	188,416	230,000
Bridge interoperability	-	-	-	94,208	10,000
PBM toll revenue	75,000	82,675	7,675	111,968	260,000
PBM violation revenue	75,000	79,638	4,638	158,880	175,000
Other toll revenue	-	-	-	-	5,000
Total Toll Revenue	200,000	273,624	73,624	553,472	680,000
Non-Operating Revenue					
Interest revenue	-	8,234	8,234	-	20,000
Other non-operating revenue	-	4,000,000	4,000,000	500,000	300,000
Pass through agreement	-	-	-	-	1,385,000
Total Non-Operating Revenue	-	4,008,234	4,008,234	500,000	1,705,000
Total Revenues	\$ 3,300,000	\$ 7,676,447	\$ 4,376,447	\$ 4,378,472	6,085,000
Salaries and Benefits					
Salaries	483,800	384,822	98,978	460,000	504,040
Auto allowance	-	-	-	-	9,900
OASDI & Medicare	28,100	23,754	4,346	31,500	34,166
Unemployment taxes	2,570	2,814	(244)	5,800	1,350
Health insurance	22,430	20,207	2,223	42,600	89,100
TCDRS	34,900	35,524	(624)	45,000	55,444
Life insurance	-	-	-	-	2,520
Total Salaries and Benefits	571,800	467,121	104,679	584,900	696,520
Administrative and Office Expenses					
Accounting software and services	-	-	-	-	9,900
Advertising and marketing	45,000	30,243	14,757	55,500	25,000
Audit services	25,000	22,500	2,500	25,000	25,000
Consulting	100,000	200,000	(100,000)	248,679	100,000
Contractual	85,000	74,153	10,847	75,000	72,000
Contingency	-	-	-	-	35,000
Data processing	10,000	9,120	880	10,000	3,250
Dues and memberships	9,500	9,101	399	14,500	15,000
Education and training	11,000	4,383	6,617	11,000	10,000
Fiscal Agent Fees	15,000	13,038	1,962	15,000	25,000
Insurance and surety bonds	10,000	22,283	(12,283)	20,000	6,900
Maintenance and repairs	-	-	-	15,000	20,500
Miscellaneous expenses	-	-	-	-	5,000
Office supplies	4,900	10,715	(5,815)	25,250	12,000
Computer equipment and accessories	-	-	-	-	10,000
Office furniture	-	-	-	-	11,000
Postage	100	-	100	-	1,800
Rental and lease	5,000	8,779	(3,779)	8,000	7,500
Travel	40,000	37,081	2,919	40,000	35,000
Utilities	-	10,023	(10,023)	20,000	3,000
Total Administrative and Office Expenses	360,500	451,419	(90,919)	582,929	432,850
Toll Operating Expenses					
Advertising and marketing	-	-	-	-	50,000
Back office system maintenance	-	-	-	-	-
Bridge interoperability collection cost	-	-	-	-	1,500
Bridge interoperability maintenance	-	-	-	-	12,000
Contractual	-	-	-	20,000	24,000

Education and training	-	-	-	-	5,000
Facility landscaping and maintenance	30,000	44,423	(14,423)	30,000	65,000
GEC road inspection	-	-	-	30,000	-
HUB interop collection fees	10,000	5,271	4,729	22,500	21,000
Property insurance	-	-	-	40,000	50,000
Toll system maintenance and monitoring	70,000	-	70,000	70,000	226,300
Operational support	-	-	-	-	61,000
PBM add on fees	-	9,921	(9,921)	-	21,000
PBM court collections	10,000	-	10,000	-	6,000
PBM image review	80,000	48,289	31,711	90,000	30,000
Postage	-	-	-	-	500
Rental expense	-	-	-	-	1,000
Travel	-	-	-	-	8,500
Utilities	-	-	-	-	17,500
Total Toll Operating Expenses	200,000	107,904	92,096	302,500	600,300

Non-Operating Expenses

Cameron County Administrative Fee	200,000	200,000	-	200,000	300,000
Bond issuance costs	-	159,265	(159,265)	-	-
2010A bond interest	1,250,000	796,889	453,111	1,387,713	285,000
2010B bond interest	900,000	1,017,853	(117,853)	1,017,853	1,100,000
2014 refunding 2010A interest	-	-	-	-	145,000
2012 toll revenue bonds interest	1,911,700	2,150,663	(238,963)	1,911,700	2,100,000
2014 CO toll revenue bonds interest	-	-	-	201,605	225,000
2015 CO toll revenue bonds interest	-	-	-	-	175,000
Total Non-Operating Expenses	4,261,700	4,324,670	(62,970)	4,718,871	4,330,000

Total Expenses	\$ 5,394,000	\$ 5,351,113	\$ 42,887	\$ 6,189,200	6,059,670
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Net Change in FY2016 Budgeted totals					25,330
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Non-Cash Expenses

Depreciation	-	524,408	-	-	2,085,000
Other non cash	-	-	-	-	-
Total Non-Cash Expenses	-	524,408	-	-	2,085,000

Estimated Net Cash Position FY2016

Estimated Operating and Restricted Cash at Beginning of Year	13,200,000
Principal Portion of Bond Payments	(850,000)
CCRMA funds for Capital Projects	(1,500,000)
Change from Budgeted Revenue and Expenses	25,330
Estimated Operating and Restricted Cash at End of Year	<u>10,875,330</u>

Estimated Capital Project Expenditures	SPI 2nd					Toll				
	Access	Outer Parkway	FM 1925	SH550	East Loop	West Rail	West Parkway	Operations Projects		
Funding Sources										
TxDot FAA Funds & Other	2,500,000	2,550,000		7,500,000		3,500,000			16,050,000	
MPO Funds					1,000,000		800,000		1,800,000	
TxDot Grant Funds									-	
TxDot Proposition Funds									-	
Federal Grant Funds					1,000,000				1,000,000	
Local Government Funds			100,000	150,000					250,000	
CCRMA funds					150,000			1,350,000	1,500,000	
Total Non-Operating Revenue	2,500,000	2,550,000	100,000	7,650,000	2,150,000	3,500,000	800,000	1,350,000	20,600,000	
Capital Project Expenses										
Construction in Progress									-	
CIP Construction				6,650,000		3,000,000			9,650,000	
CIP Construction management				550,000		500,000			1,050,000	
CIP Planning and coordination		500,000		200,000	400,000		100,000		1,200,000	
CIP Preliminary engineering & design		50,000		100,000	750,000				900,000	
CIP Environmental and social economic studies	2,500,000	2,000,000	100,000		1,000,000		700,000		6,300,000	
CIP Legal costs									-	
Mitigation				150,000					150,000	
Toll Back Office System, Project Host Server, International Bridge Interface				-				1,350,000	1,350,000	
Total Capital Project Expenses	2,500,000	2,550,000	100,000	7,650,000	2,150,000	3,500,000	800,000	1,350,000	20,600,000	

**4-D CONSIDERATION AND APPROVAL OF THE CAMERON COUNTY
REGIONAL MOBILITY AUTHORITY'S INVESTMENT POLICY**

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY INVESTMENT POLICY FISCAL YEAR 2016

I. POLICY

Cameron County Regional Mobility Authority (the “Authority”) recognizes that effective cash management is good fiscal management. Investment earnings are a source of revenue for the Authority. Therefore, it is the Authority’s policy to consider safety and risk of investment, allow for anticipated cash flow requirements, and invest all available funds in conformance with these legal and administrative guidelines, while seeking to optimize investment earnings.

Investments shall be made with the primary objectives of:

- Safety and preservation of principal
- Maintenance of liquidity
- Responsiveness to the public trust
- Diversification of investments
- Optimization of investment earnings

II. PURPOSE

The purpose of this investment Policy is to comply with Chapter 2256 of the Government Code (“Public Funds Investment Act”), which requires the Authority to adopt a written investment policy regarding the investment of its funds and funds under its control. This Investment Policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of the Authority’s funds.

III. SCOPE

This investment policy shall govern the investment of all financial assets of the Authority as accounted for in the Authority’s Financial Statements, including but not limited to, general operating, debts services, and capital project funds.

When possible, the Authority will consolidate cash balances to maximize investment earnings. Investment income will be allocated, if necessary, to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

This Investment Policy shall apply to all transactions involving the financial assets and related activity of the Authority. However, this Policy does not apply to the assets administered for the benefit of the Authority by outside agencies under deferred compensation programs.

IV. INVESTMENT OBJECTIVES

The Authority shall manage and invest its cash with five primary objectives, listed in order of priority: safety, liquidity, public trust, diversification, and yield, expressed as optimization of investment earnings. The safety of the principal invested always remains the primary objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with state and local law.

The Authority shall maintain a comprehensive cash management program, which includes collection of account receivables, vendor payments in accordance with invoice terms, and prudent investment of available cash. Cash management is defined as the process of managing monies in order to insure maximum cash availability and maximum earnings on short-term investment of idle cash.

Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit and interest rate risk.

- Credit Risk – The Authority will minimize credit risk, the risk of loss due to the failure of the issuer or backer of the investment, by:
 - Limiting investments to the safety types of investments
 - Pre-qualifying the financial institutions, pools and broker/dealers with which the Authority will do business
 - Diversifying the investment portfolio so that potential losses on individual issuers' will be minimized.
- Interest Rate Risk – the Authority will minimize the risk that the investment earnings and the market value of investments in the portfolio will fall due to changes in general interest rates, by:
 - Structuring investments to meet cash requirement
 - Investing operating funds primarily in certificates of deposit, shorter term securities, money market mutual funds, or local government investment pools function as money market mutual funds

- Diversifying maturities and staggering purchase dates to minimize the impact of market movements over time.

Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that investments mature concurrent with cash needs. Because all possible cash demands cannot be anticipated, a portion of the portfolio will be invested in bank deposits, money market mutual funds or local government investment pools functioning as money market mutual funds that offer same-day liquidity.

Public Trust

All participants in the Authority's investment process shall seek to act responsibly as custodians of the public trust. Investment Officers shall avoid any transaction that might impair public confidence in the Authority's ability to govern effectively.

Diversification

The investment portfolio shall be diversified to avoid unreasonable risks and over concentration of risks. This is accomplished by structuring the portfolio so that a variety of investments are utilized.

Yield (Optimization of Investment Earnings)

The Investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. "Weighted Average Yield to Maturity" shall be the performance measurement standard for the portfolio.

V. RESPONSIBILITY AND CONTROL

Delegation of Authority

The Authority designates the Coordinator and the Director of Finance/Auditor as the Investment Officers. No person may engage in an investment transaction or the management of Authority's funds except as provided under the terms of this Investment Policy. The investment authority granted to the Investment Officers is effective until rescinded by the Authority's Board of Directors.

Quality and Capability of Investment Management

The Authority shall provide periodic training in investments for the designated Investment

Officers and other investment personnel through courses and seminars offered by professional organizations, associations, and other independent sources in order to insure the quality and capability of investment management in compliance with the Public Funds Investment Act.

Training Requirements

The designated Investment Officers shall attend an investment training sessions no less often than once every two years and shall receive not less than 10 hours of instruction relating to investment responsibilities. A newly appointed Investment Officer must attend a training session of at least 10 hours of instruction within six months of the date the Officer took office or assumed the Officer's duties. The Audit Committee shall annually approve the list of authorized investment training providers.

Internal Controls

The Authority's Director of Finance/Auditor is responsible for establishing and maintaining an internal control structure designed to ensure that the financial assets of the Authority are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Authority shall establish a process for annual independent review by an external auditor in conjunction with the annual audit to assure compliance with policies and procedures. The internal controls shall address the following points.

- Control of collusion
- Separation of transactions authority from accounting and record keeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation for telephone (voice) transactions for investments and wire transfers

Prudence

The standard of prudence to be applied by the Investment Officers shall be the "prudent investor" rule. This states that "investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. In determining whether Investment Officers

have exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- The investment of all funds, or funds under the Authority's control, over which the Investment Officers had responsibility rather than a consideration as to the prudence of a single investment
- Whether the investment decision was consistent with the written approved Investment Policy of the Authority

Indemnification

The Investment officers, acting in accordance with the prudent investor rule and otherwise with respect to the Authority's written procedures and exercising due diligence, shall not be held personally responsible for a specific investment's credit risk or market price changes, provided that these deviations are reported immediately and the appropriate action is taken to control adverse developments.

Ethics and Conflicts of interest

Investment Officers involved in the investment process shall refrain from personal business activity that would conflict with the proper execution and management of the investment program, or that would impair their ability to make impartial decisions. Investment Officers shall disclose all interests in financial institutions with which they conduct Authority business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Investment Officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the Authority.

An Investment Officer of the Authority who has a personal business relationship with an organization seeking to sell an investment to the Authority shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the Authority shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the Authority's Board of Directors.

VI. SUITABLE AND AUTHORIZED INVESTMENTS

Portfolio Management

The Authority currently has a "buy and hold" portfolio strategy. Maturity dates are matched with cash flow requirements and investments are purchased with the intent to be held until maturity. However, investments may be liquidated prior to maturity for the following reasons:

- An investment with declining credit may be liquidated early to minimize loss of principal.

- Cash flow needs of the Authority require that the investment be liquidated.

Investments

Authority funds may be invested in the instruments described below, all of which are authorized by the Public Funds Investment Act. Investment of Authority's funds in any instrument or security not authorized for investment under the Investment Policy is prohibited. The Authority will not be required to liquidate an investment that becomes unauthorized subsequent to its purchase.

I. Authorized

1. Obligations of the United States of America, its agencies and instrumentalities.
2. Certificates of deposit and other evidences of deposit at a financial institution that, a) has its main office or a branch office in Texas and is guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, b) is secured by obligations in a manner and amount provided by law for deposits of the Authority, or c) is executed through a depository institution that has its main office or a branch office in Texas that participated in the Certificate of Deposit Account Registry Service (CDARS) and meets the requirements of the Public Funds Investment Act.
3. Money Market Mutual Funds that are 1) registered and regulated by the Securities and Exchange Commission, 2) invest only in "government" securities or repurchase agreements, 3) rated AAAM, or its equivalent, by at least one nationally recognized rating service, and 4) seek to maintain a net asset value of \$1.00 per share.
4. State and local government investment pools organized under the Inter-local Cooperation Act that 1) meet the requirements of the Public Funds Investment Act, 2) invest only in "government" security or repurchase agreements, 3) are rated no lower than AAAM or an equivalent rating by at least one nationally recognized rating service, and 4) are authorized by resolution or ordinance by the Board of Directors. A public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily and seek to maintain a \$1.00 net asset value. Any investment pool that does not meet the requirements of one that is created to function as money market mutual fund must maintain a maximum average dollar weighted maturity that does not exceed 365 days, or 366 days in the case of a leap year, and must provide a fixed interest rate and fixed maturity term for each pool position.

All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

II. Not Authorized

Investments including interest-only or principal-only strips of obligations with underlying mortgage-backed security collateral, or collateralized mortgage obligations with an inverse floating interest rate coupons or maturity date of over 10 years are strictly prohibited.

With respect to authorized investments, this Policy is more restrictive than the Public Funds Investment Act.

VII. INVESTMENT PARAMETERS

Maximum Maturities

The longer the maturity of investments, the greater their price volatility. Therefore, it is the Authority's policy to concentrate its investment portfolio in shorter-term securities.

The Authority will not directly invest in securities maturing more than two (2) years from the date of purchase.

Diversification

The Authority recognizes that investment risks can result from issuer defaults, market price changes, or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification that shall be achieved by the following general guidelines:

- Diversifying investments to avoid over concentration,
- Prohibiting investment with higher credit risks,
- Varying maturities, and
- Continuously investing a portion of the portfolio in alternatives that offer same day liquidity.

VIII. INVESTMENT STRATEGIES

Investment Strategies by Fund Type

General Operating Funds: These funds shall have as their primary objectives: safety, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements.

1. **Suitability:** Any investment eligible in the Investment Policy is suitable.
2. **Safety:** All investments shall be of high quality securities with no perceived default risk. Market price fluctuations will occur. Managing the weighted average days to maturity for the General Operating Fund's portfolio to less than 365 days and

restricting the maximum allowable maturity to two years will minimize the price volatility of the overall portfolio.

3. **Liquidity:** The General Operating Fund requires the greatest short-term liquidity. Short-term investment pools and money market mutual funds will provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.
4. **Marketability:** Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement. The Authority must maintain a reasonable balance of highly liquid assets relative to less liquid assets to ensure adequate liquidity and diversification mix.
5. **Diversification:** Investment maturities should be staggered throughout the cash flow cycle. Diversifying the appropriate maturity structure out through two years will reduce market cycle risk.
6. **Yield:** Attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury-Bill portfolio will be the minimum yield objective.

Debt Service Funds: Investment strategies for debt service shall have as their objective sufficient investment liquidity to timely meet debt service payment obligations in accordance with provisions in the bond documents.

1. **Suitability:** Any investment eligible in the Investment Policy is suitable.
2. **Safety:** All investments shall be of high quality securities with no perceived default risk. Market price fluctuations will occur. However, by managing Debt Service Funds to not exceed the debt service payment schedule the market risk of the overall portfolio will be minimized.
3. **Liquidity:** Debt Service Funds have predictable payment schedules with reduced liquidity requirements. Investment maturities should not exceed the anticipated cash flow requirements. Investments pool and money market mutual funds may provide a competitive yield alternative for short term fixed maturity investments.
4. **Marketability:** Securities with active and efficient secondary markets are not necessary as the event of an unanticipated cash flow requirement is not probable.
5. **Diversification:** Market conditions influence the attractiveness of fully extending maturity to the next “unfunded” payment date. At no time shall the debt service schedule be exceeded in an attempt to bolster yield.

6. **Yield:** Attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury-Bill portfolio will be the minimum yield objective.

Debt Service Reserves: Investment strategies of debt service reserve funds shall have as their primary objective the generation of a dependable revenue stream from high quality securities in accordance with provisions in the bond documents.

1. **Suitability:** Any investment eligible in the Investment Policy is suitable.
2. **Safety:** All investments shall be of high quality securities with no perceived default risk. Market price fluctuations will occur. However, managing Debt Service Reserve Fund maturities to not exceed the call provisions of the borrowing reduces the investment's market risk if the debt is redeemed and the Reserve Fund liquidated. No stated final investment maturity shall exceed the final maturity of the borrowing.
3. **Liquidity:** Debt Service Reserve Funds have no anticipated expenditures. The Funds are deposited to provide annual debt service payment protection to the debt holders. Market conditions and arbitrage regulation compliance determine the advantage of security diversification and liquidity.
4. **Marketability:** Securities with less active and efficient secondary markets are acceptable.
5. **Diversification:** Market conditions and the arbitrage regulations influence the attractiveness of staggering the maturity of fixed rate investments for Debt Service Reserve Funds. At no time shall the final debt service payment date of the bond issue be exceeded in an attempt to bolster yield.
6. **Yield:** Achieving a positive spread to the applicable borrowing cost is the desired objective. Debt Service Reserve Fund portfolio management shall operate within the limits of the Investment Policy's risk constraints.

Capital Projects Funds: Investment strategies for capital project funds shall have as their primary objective sufficient investment liquidity to timely meet capital project obligations. If the Authority has funds from bond proceeds, they shall be invested in accordance with provisions in the bond documents.

1. **Suitability:** Any investment eligible in the Investment Policy is suitable.
2. **Safety:** All investments shall be of high quality securities with no perceived default risk. Market price fluctuations will occur. However, by managing Capital Project Funds to not exceed the anticipated expenditure schedule the market risk of the overall portfolio will be minimized.

3. **Liquidity:** Capital Project Funds programs have reasonably predictable draw schedules reducing liquidity requirements. Investment pools and money market mutual funds will provide readily available funds or a competitive yield alternative for short term fixed maturity investments.
4. **Marketability:** Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement. The Authority must maintain a reasonable balance of highly liquid assets relative to less liquid assets to ensure adequate liquidity and diversification mix.
5. **Diversification:** Market conditions and arbitrage regulations influence the attractiveness of staggering the maturity of fixed rate investments for Capital Project Funds. Generally, when investment rates exceed the applicable cost of borrowing, the Authority is best served by locking in most investments. If the cost of borrowing cannot be exceeded, then concurrent market conditions will determine the attractiveness of diversifying maturities or investing in shorter and larger amounts. At no time shall the anticipated expenditure schedule be exceeded in an attempt to bolster yield.
6. **Yield:** Achieving a positive spread to the applicable borrowing cost is the desired objective. Capital Project Fund portfolio management shall at all times operate within the limits of the Investment Policy's risk constraints.

IX. SELECTION OF BANKS AND BROKER/DEALERS

Depository

In compliance with statutory requirements, a Depository shall be selected through the Authority's banking services procurement process, which shall include a formal request for proposal (RFP). The selection of a depository will be determined by competitive bid and evaluation of bids will be based on the following selection criteria:

- The ability to qualify as a depository for public funds in accordance with state law.
- The ability to provide requested information or financial statements for the periods specified.
- The ability to meet all requirements in the banking RFP.
- Complete response to all required items in the banking RFP.
- "Best value" net banking service cost, consistent with the ability to provide an appropriate level of service.

- The credit worthiness and financial stability of the bank.

All depository deposits shall be insured or collateralized in compliance with applicable State law. The Authority reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards depository deposits. Depositories will be required to sign a Depository Agreement with the Authority. The collateralized deposit portion of the Agreement shall define the Authority's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- The Agreement must be in writing;
- The Agreement has to be executed by the Depository and the Authority contemporaneously with the acquisition of the asset;
- The Agreement must be approved by the Board of Directors or Designated Committee of the Depository and a copy of the meeting minutes must be delivered to the Authority; and
- The Agreement must be part of the Depository's "official record" continuously since its execution.

Authorized Broker/Dealers

The Audit Committee shall, at least annually, review, revise, and adopt a list of qualified broker/dealers and financial institutions authorized to engage in securities transactions with the Authority. Those firms that become qualified shall provide certification stating the firm has received, read and understood the Authority's Investment Policy and agree to comply with the Policy. Authorized firms include primary dealers or secondary dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule), and qualified depositories.

All broker/dealers who desire to become qualified for investment transactions must supply the following (as appropriate):

- Audited Financial Statements demonstrating compliance with state and federal capital adequacy guidelines
- Proof of FINRA certification
- Proof of State Registration
- Certification of having read and understood and agreeing to comply with the Authority's investment policy and certifying that reasonable procedures and controls have been implemented to preclude investment transactions that are not authorized by the Authority's Policy

All financial institutions who desire to become depositories must supply the following (as appropriate):

- Audited Financial Statements demonstrating compliance with state and federal capital adequacy guidelines
- Proof of State registration

Competitive Bids

It is the policy of the Authority to provide a competitive environment for all individual security purchases and sales, and money market mutual fund and local government investment pool selection. The Investment Officers shall develop and maintain procedures for ensuring a competition in the investment of the Authority's funds.

Delivery vs. Payment

Securities shall be purchased using the **delivery vs. payment** method with the exception of investment pools and mutual funds. Funds will be released after notification that the purchased security has been received.

Investment Advisors

Investment advisors shall adhere to the spirit, philosophy and specific terms of the Policy and shall advise within the same "Standard of Care". Selected investment advisors must be registered under the Investment Advisors Act of 1940 or with the State Securities Board. A contract with an investment advisor may not be for a term longer than two years and must be approved by the Authority's Board of Directors, including any renewals or extensions.

X. SAFEKEEPING OF SECURITIES AND COLLATERAL

XI.

Safekeeping and Custodian Agreements

The Authority shall contract with a bank or banks for the safekeeping of securities either owned by the Authority as part of its investment portfolio or held as collateral to secure financial institution deposits.

Securities owned by the Authority shall be held in the Authority's name as evidence d by safekeeping receipts of the institution holding the securities. Safekeeping institutions shall be independent from the parties involved in the investment transaction.

Collateral for deposits will be held by a third party custodian designated by the Authority and pledged to the Authority as evidence by safekeeping receipts shall be obtained. Collateral may be held by a Federal Reserve Bank or branch of a Federal Reserve Bank, a Federal Home Loan Bank, or a third party bank approved by the Authority and eligible under state law.

Collateral Policy

Consistent with the requirements of the Public Funds Collateral Act, it is the policy of the Authority to require full collateralization of all Authority funds on deposit with a depository bank. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on the deposits less any amount insured by the FDIC. At its discretion, the Authority may require a higher level of collateralization for certain investment securities.

Securities pledged as collateral shall be held by an independent third party with whom the Authority has a current custodial agreement. The Authority's Director of Finance/Auditor is responsible for entering into collateralization agreements with third party custodians in compliance with this Investment Policy. The agreements are to specify the acceptable investment securities for collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities, and the method of valuation of securities. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the Authority. Collateral shall be reviewed at least monthly to assure that the market value of the pledged securities is adequate.

Collateral Defined

The Authority shall accept only the following types of collateral:

- Obligations of the United States or its agencies and instrumentalities.
- Direct obligations of the state of Texas or its agencies and instrumentalities.
- Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized rating firm not less than A or it's equivalent with a remaining maturity of ten (10) years or less.

- A surety bond issued by an insurance company rated as to investment quality by a nationally recognized rating firm not less than A, or its equivalent.
- A letter of credit issued to the Authority by the Federal Home Loan Bank.

Subject to Audit

All collateral shall be subject to inspection and audit by the Authority's designated financial officer of the Authority's independent auditors.

XII. REPORTING

Methods

The Investment Officers shall prepare an investment report at least quarterly in compliance with generally accepted accounting principles and the Public Funds Investment Act. This report will be prepared in a manner that will allow the Authority to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The report will be provided to the Authority.

In conjunction with the annual audit, an independent auditor will perform a formal annual review of the quarterly reports with the results reported to the Board of Directors.

Monitoring Market Value

Market value of all collateral, pools and securities will be monitored periodically and obtained from a reputable and independent source.

XIII. INVESTMENT POLICY ADOPTION

The Authority's Investment Policy shall be adopted by resolution of the Board of Directors. It is the Authority's intent to comply with state laws and regulations. The Authority's Investment Policy shall be subject to revisions consistent with changing laws, regulations and needs of the Authority. The Board of Directors shall annually adopt a resolution stating that it has reviewed the Policy and Investment strategies, approving any changes or modifications.

**4-E CONSIDERATION AND APPROVAL OF THE CAMERON COUNTY
REGIONAL MOBILITY AUTHORITY'S TIME ALLOCATION
POLICY**



COST ALLOCATION PLAN

2016 FISCAL YEAR

**PREPARED IN ACCORDANCE WITH
2 CFR PART 225, COST PRINCIPLES FOR STATE, LOCAL, AND
INDIAN TRIBAL GOVERNMENTS (OMB CIRCULAR A-87)**

**JESUS ADRIAN RINCONES, CPA, CFE
CHIEF FINANCIAL OFFICER**

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY COST ALLOCATION PLAN

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CERTIFICATE OF COST ALLOCATION PLAN

This is to certify that I have reviewed the Cost Allocation Plan submitted herewith and to the best of my knowledge and belief hereby certify that:

1. All costs included in this proposal to establish cost allocations or billings for the 2016 Fiscal Year are allowable in accordance with the requirements of 2 CFR Part 225 "Cost Principals for State, Local, and Indian Tribe Governments," (OMP Circular A-87) and the Federal/State Award(s) to which they apply. Unallowable costs have been adjusted for in allocating costs as indicated in the Cost Allocation Plan.
2. All costs included in this proposal are properly allocable to Federal/State awards on the basis of a beneficial or causal relationship between the expenses incurred and the awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently.

I declare that the foregoing is true and correct.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

X _____

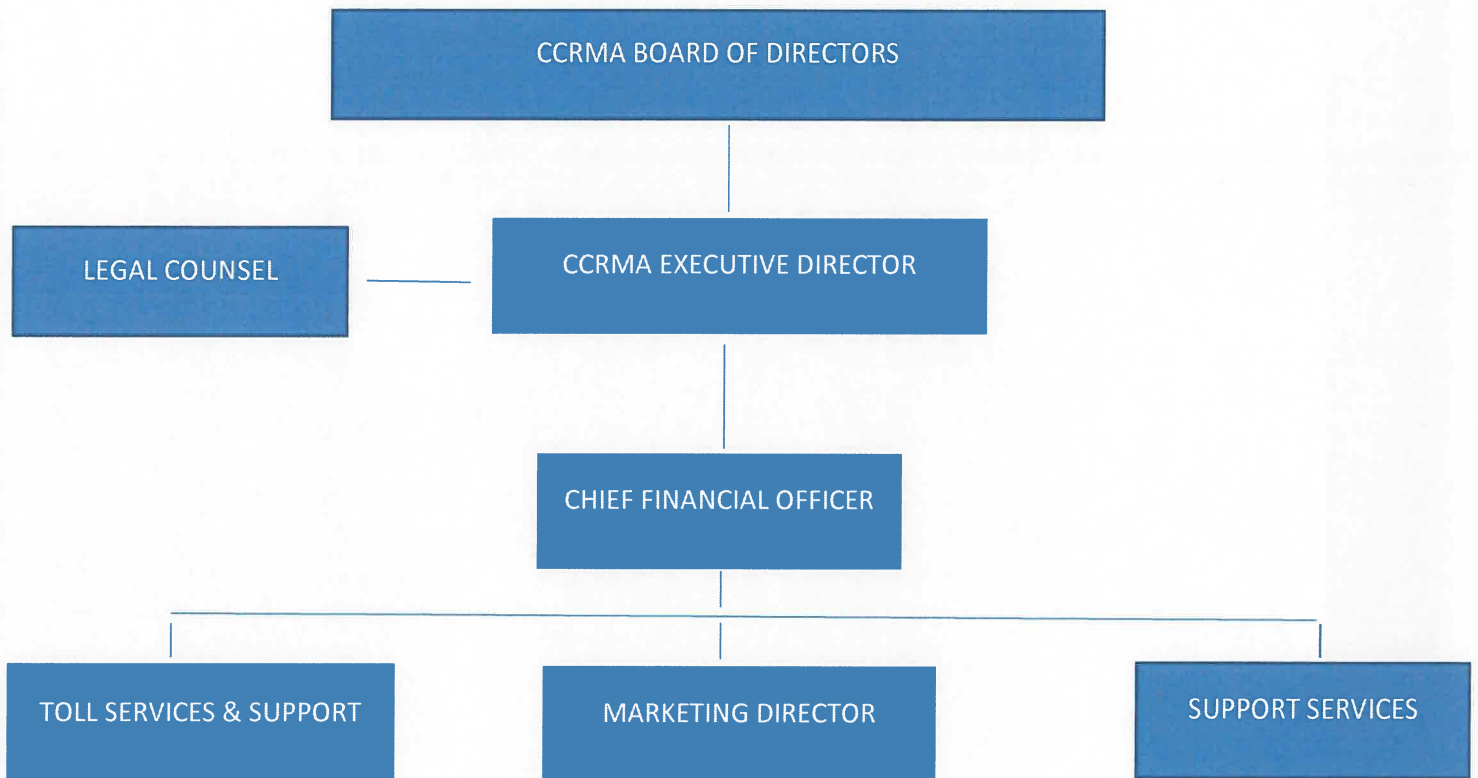
Jesus Adrian Rincones, CPA, CFE
Chief Financial Officer

X September 8, 2015

Date



ORGANIZATIONAL CHART





NARRATIVE

The purpose of this Cost Allocation Plan is to summarize, in writing the methods and procedures the Cameron County Regional Mobility Authority (CCRMA) will use to allocate costs to various Projects, Grants, Contracts and Agreements.

2 CFR 225 (OMB Circular A-87), "Cost Principles for State, Local, and Indian Tribal Governments" establishes principles and standards for determining costs for Federal awards carried out through grants, cost reimbursement contracts, and other agreements with State and local governments and Federally-recognized Indian Tribal Governments. 2 CFR 225 is issued under the authority of the Budget and Accounting Act of 1921, as amended; the Budget and Accounting Procedures Act of 1950, as amended; the Chief Financial Officers Act of 1990; Reorganization Plan No. 2 of 1970; and Executive Order No. 11451 ("Prescribing the Duties of the Office of Management and Budget and the Domestic Policy Council in the Executive Office of the President")

Factors Affecting Allowability of Cost under this Plan:

1. Be necessary and reasonable for proper and efficient performance and administration of Federal/State/Local funds.
2. Be allocable to awards under the provisions of 2 CFR part 225.
3. Be authorized or not prohibited under State and Local laws or regulations.
4. Be consistent with policies, regulations, and procedures that apply to Federal/State/Local awards and other activities of the CCRMA.
5. Be accorded consistent treatment. A cost may not be assigned to a federal award as a direct cost and as an indirect cost for another federal award.
6. Be adequately documented and net of all applicable credits.



Composition of Cost:

Total cost is comprised of the allowable direct cost, plus its allocable portion of allowable indirect costs, less applicable credits.

Direct Costs – Costs that can be identified specifically with a particular final cost objective

Indirect Costs – Costs incurred for a common or joint purpose benefitting more than one cost objective, not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved

DETAIL OF ALLOCATED COSTS

General Approach

1. All allowable direct costs are charged directly to projects, programs, grants, contracts, etc...
2. Allowable direct costs that can be identified to more than one project are prorated individually as direct costs using a base appropriate to the particular cost.
3. All other allowable indirect costs as defined above are allocated to projects, programs, grants, contracts, etc. using a base that results in an equitable distribution.



CCRMA DIRECT COSTS

Costs considered to be allocated as direct costs as mentioned and defined above, are as follows:

- Compensation of executive director
- Contractual cost for the following professional services; engineering, legal, and other project related services
- Construction costs
- Project related equipment costs
- Right of way & utilities
- Project related insurance costs
- Financing interest on construction projects
- Project legal costs

CCMA INDIRECT COSTS

Costs considered to be allocated as indirect costs as mentioned and defined above are as follows:

- Administrative and office personnel compensation & contractual labor
- Education & training
- Dues & membership costs
- Office supplies and other operational costs
- Audit costs
- Other professional services not directly related to projects
- Office & equipment rental costs



SUMMARY OF ALLOCATION BASIS

In order for the CCRMA to promote fair and equitable sharing of indirect costs, recognize the full cost of services, and better manage its resources it must assign an allocation basis that can meet this objective. The allocation basis is designed to have a cause and effect relationship, uphold fairness, be measurable, and match the benefits received. The allocation basis used to determine the applicable direct and indirect costs necessary of allocation is the direct labor percentages of the Executive Director.

Direct Labor for the Director is measured as a percentage of time worked on each individual project. The result is the percentage that is to be used to allocate costs to each individual project. (See Example 1 below)

Example 1

	Executive Director	Allocable cost in \$
Project 1	50%	\$ 50
Project 2	25%	\$ 25
Project 3	25%	\$ 25
	100%	\$ 100



EXECUTED BUDGET

CCRMA executes a board approved budget on or before September 30th of the fiscal year. The budget consists of both operations and capital project transactions. The budget can be amended from time to time within the course of the fiscal year at the discretion of the Controller and Executive Director in accordance with CCRMA Accounting Policies & Procedures Manual.

The budget process involves the use of encumbrances and restrictions on certain assets in meeting compliance with certain agreements and bond indentures.

For more information on budgets, purchasing, and other policies please refer to the CCRMA Accounting Policies & Procedures Manual.

Below is the Executed Budget for the 2016 Fiscal Year.

**4-F CONSIDERATION AND APPROVAL OF PROPOSAL FOR
INVESTMENT OF CAMERON COUNTY REGIONAL MOBILITY
AUTHORITY FUNDS**



MEMORANDUM

TO: CCRMA Board of Directors

FROM: Adrian Rincones
Chief Financial Officer

DATE: September 10, 2015

SUBJ: CCRMA Investment of Debt Service Funds

The CCRMA Currently has approximately \$2.2 million dollars in debt reserve for the 2010 & 2014 Refunding Bonds that are currently earning zero percent interest as well as some idle capital projects funds of the 2015 project funds. We have received proposals from Arbitrage Management Group (AMG), Valley View Consulting, LLC (VVC), and Texas Regional Bank (TRB) on the investment of these funds. All investments proposed will be within compliance of the CCRMA investment policy which takes into account our debt covenants, Texas Public Funds Investment Act, and approval of debt council.

AMG is proposing to trade short term treasuries and other low risk investments with an advisor fee of 20 basis points per trade. VVC is proposing a 5K annual advisor fee for management of investments and trades of low risk short term securities. TRB is proposing laddering short term certificate of deposits (CD's) with no fees on transactions. We are recommending the board provide approval for the CFO to initiate the process for the CCRMA to invest these funds in CD's with TRB for the reasons of avoiding advisor fees, keeping the funds in safe investments with minimal management required, and keeping funds in the local economy.

**4-G DISCUSSION AND POSSIBLE ACTION REGARDING THE
SUBMITTAL OF APPLICATIONS TO THE TEXAS DEPARTMENT OF
TRANSPORTATION UNDER THE RIDER 48 PROGRAM**



Rider 48 Project Nomination Form

Applicant Information

Port:

Address:

City, State, ZIP:

Contact Person:

Phone:

Email:

Eligibility

House Bill 1 (the State budget for the 2016-17 biennium) contained a budget rider of up to \$20 million from the Texas Mobility Fund for port capital improvement projects. Due to constitutional limitations on the use of monies from the Texas Mobility Fund, only certain types of projects may be funded. Projects must benefit the mobility of the traveling public.

Ineligible projects include:

- Routine maintenance, operations, and administrative expenses;
- Planning studies; and
- Channel improvements, security projects, equipment purchases, and terminal improvements.

Is the project a capital improvement or major rehabilitation project? ☐Yes ☐No

Is the project a public highway transportation infrastructure project? ☐Yes ☐No

Can the project be let by the end of 2016? ☐Yes ☐No

Project Description

Describe the proposed project:

- Road name and location
- Limits (mile posts, intersecting roads, etc.)
- Traffic counts (if available) - Provide Average Annual Daily Traffic (AADT) and Average Annual Daily Truck Traffic (AADTT)
- Proposed improvements



Rider 48 Project Nomination Form

- Cost – Attach a detailed cost estimate
 - Total
 - Texas Mobility Fund request
 - Other funding sources (list other funding sources and amounts)
- Attach map or aerial photograph showing project location and limits

Economic Impact

- Describe the expected economic impact of the project:
 - Is the project necessary to attract new business to the port or retain existing business? Please describe.
 - What companies or local businesses will benefit from the project? How?
 - Does the project create or support jobs, directly or indirectly, at the port or in the local community? Please describe.

Operational Impact to the Port

- Describe the expected operational benefits to the port if the project is completed:
 - Reduced wait times?
 - Improved access in and out of the port?
 - New or improved operational capability?

Safety Benefits

- Describe any expected safety benefits of the project?

Other Benefits

- Describe any other anticipated benefits associated with this project. Examples include quality of life, air quality, travel time savings, state of good repair, etc.

Project Readiness Assessment

- All engineering and design work complete? ☐Yes ☐No
- All environmental and construction permits secured? ☐Yes ☐No
- All funding sources secured/committed? ☐Yes ☐No

Additional Supporting Materials



Rider 48 Project Nomination Form

Attach any other supporting materials, such as engineering plans, cost estimates, evidence of financial commitment, permits, etc.

Attach a detailed cost estimate to support the project costs provided under 'Project Description'.

**4-H CONSIDERATION AND APPROVAL OF A SUPPLEMENTAL WORK
AUTHORIZATION WITH FAGAN CONSULTING FOR THE TOLL
BACK OFFICE OPERATION**



Supplemental Task Order

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Task Order Number: 1504 Supplement 1

Task Order Name: Back Office System and Customer Service Center – Phase 2

Task Order Effective Date: August 1, 2015

CCRMA Contact for this Task Order: Jeff Saurenmann

I. Introduction (Statement of Purpose and Need)

Cameron County Regional Mobility Authority (CCRMA) currently operates toll facilities in Cameron County utilizing an electronic toll collection system that employs automatic vehicle identification using transponders and a violation enforcement system with integrated cameras to capture digital images of license plates.

CCRMA contracts with the Central Texas Regional Mobility Authority for access to the Texas Statewide Interoperability System and to provide Customer Service Center (CSC) services for its customers.

In order to better serve CCRMA's customers, increase revenue and financial control, and support local violation processing, collections, and court efforts, CCRMA intends to implement a Back Office System (BOS) and local CSC operations.

A local BOS will allow CCRMA flexibility to implement agency business rules locally related to violation processing while still participating in Statewide Interoperability to support customers with TxTag, TollTag, and EZ-Tag accounts. CCRMA does not intend to issue CCRMA transponders at this time and plans to continue promoting TxTag for CCRMA toll road customers.

CCRMA will establish a local CSC and BOS that includes the following capabilities:

- Print and mail of Toll Bills and Violation Notices
- Collection efforts via mail and outbound calls,
- Image Review of digital vehicle images captured by the current lane system
- Enforcement via the Justice of the Peace Court system
- Payment processing via customer walk-ins and a 3rd party website
- General customer service via phone, email, and storefront
- Establishment of customer violation accounts to capture transaction, payment, demographic and customer interaction history



- Financial, operational, and system performance reporting

This project is currently in the business rules development phase with CCRMA. CCRMA will procure a BOS and may outsource some functions such as a 3rd party website for payment processing and print / mail services for customer correspondence. CCRMA may also partner with other state and local entities to obtain vehicle owner information and information sharing with the court system.

CCRMA has obtained facilities to provide a storefront that will be staffed with a small local team responsible for image review, customer service inquiries, payment processing via phone and walk-ins, collection efforts and establishment of payment plans, and court package creation.

CCRMA has visited other toll agencies of similar size and operations to gain knowledge of their operational and system approach and capabilities.

Fagan Consulting recommends that CCRMA fully review the challenges and costs associated with implementing and maintaining a BOS and CSC operation before moving forward with this effort by performing a cost benefit analysis and considering all potential risks.

It is also suggested this project is managed in multiple phases:

- Phase 1 – Cost / Risk Analysis, site visits, Project Kick-off, and Business Rule development
- Phase 2 – RFP development and issuance, proposal evaluation, vendor selection and contract negotiation,
- Phase 3 – Requirements gathering, traceability, and system design, factory, integration, and site acceptance testing, implementation and post implementation monitoring, and standard operating procedure (SOP) development

Fagan Consulting will assist in this process as requested/directed by CCRMA. Fagan Consulting will closely coordinate with CCRMA's staff during all phases of the project, and work with their partners / vendors as directed by CCRMA.

Fagan Consulting will also have primary responsibility in ensuring the products delivered meet the requirements of the ILA and are fully demonstrated and tested to ensure such.



- Financial, operational, and system performance reporting

This project is currently in the business rules development phase with CCRMA. CCRMA will procure a BOS and may outsource some functions such as a 3rd party website for payment processing and print / mail services for customer correspondence. CCRMA may also partner with other state and local entities to obtain vehicle owner information and information sharing with the court system.

CCRMA has obtained facilities to provide a storefront that will be staffed with a small local team responsible for image review, customer service inquiries, payment processing via phone and walk-ins, collection efforts and establishment of payment plans, and court package creation.



II. Scope of Work – Phase II

Fagan Consulting understands its primary tasks regarding the BOS and CSC operations project include the following:

1. Evaluate the impact of the project from a technological, financial, and operational perspective.
2. Oversight of the development of required system specifications related to systems and operational requirements.
3. Participate in project meetings as toll system and operations subject matter expert.
4. Review, comment on and in some cases develop documentation of envisioned systems to ensure feasibility of integrating the new systems/operations with CCRMA's existing systems/operations.
5. Oversee work and review work product resulting from the project scope described above.

III. Task Outputs by Consultant

Outputs from the task include the following:

1. Support of procurement efforts including RFP development, posting, evaluation, vendor selection, and contractual negotiations
2. Technical information as requested/required by/for Back Office System provider and other partners.
3. Project artifacts including meeting agendas & minutes, project charter, project plan, project schedule, and status reports as required.
4. Development of technical requirements, business rules, and SOPs as needed by CCRMA.
5. Comments related to all submitted documentation regarding efforts described above.

IV. Work Schedule

The work schedule below represents **Phase 2** as described above. The duration of the task is estimated to last from August 2015 through December 2015.



V. Compensation (NOTE: Compensation will be based on actual hours worked and direct billable expenses incurred. The following is a budgetary Maximum-not-to-Exceed amount).

Assigned Staff	Hourly Rate	Total Estimated Hours	Estimated Cost
Fagan	\$190.00	26	\$4,940
Brownsberger	\$188.00	26	\$4,888
Lindsay	\$168.00	12	\$2,016
Saurenmann	\$168.00	138	\$23,184
Sub Total		202	\$35,028
Expenses		0	\$0
Supplemental Cost			\$35,028
Original Cost			\$44,440
Updated Total Cost			\$79,468
Adjustment to previously approved task orders			
1502 Task Order	International Bridge Interoperability		(\$12,260)
1503 Task Order	Local Host Implementation		(\$22,768)
Net Increase			\$0

VI. Task Order Maximum-not-to-Exceed Amount (If applicable).
The maximum-not-to-exceed amount of this task order is \$79,468.

VII. Governing Terms

This Task Order #1504 will be governed by the terms and conditions of the Professional Services Contract between the Cameron County Regional Mobility Authority and Fagan Consulting, LLC dated August 1, 2015, if and as amended (the "Contract"), which is incorporated herein by reference. Any capitalized terms not defined in this Task Order shall have the definitions ascribed to them in the Contract.

The Parties have signed, sealed and delivered this Task Order #1504 effective as of this Task Order Effective Date set forth above.

Cameron County Regional Mobility Authority

By: P. L. H.

Fagan Consulting, LLC (SEAL)

By: Ronald H. Fagan