



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



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Prepared By :

Finance Department

Victor J. Barron, Chief Financial Officer



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INTRODUCTORY SECTION



IMPROVING MORE THAN JUST ROADS

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
3461 Carmen Avenue
Rancho Viejo, Texas 78575
(956) 621-5573

Pete Sepulveda, Jr.
Executive Director

Victor J. Barron
Chief Financial Officer

Date: March 21, 2026
Board of Directors & Citizens of Cameron County:

We are pleased to present the Annual Comprehensive Financial Report (“ACFR”) for Cameron County Regional Mobility Authority (“CCRMA”) for the fiscal year ended September 30, 2025. The purpose of the report is to provide the Board of Directors, creditors, and other interested parties with transparent financial information about the CCRMA.

This report was prepared by the CCRMA’s Finance Department. The ACFR includes all the disclosures necessary to enable the reader to gain an understanding of the CCRMA’s financial activities. Management assumes full responsibility for the completeness and reliability of all the information presented in this report. We believe the information and data contained herein are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the CCRMA.

The accompanying financial statements have been prepared in conformity with Generally Accepted Accounting Principles (“GAAP”) in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted primary standard setting body for establishing governmental and accounting reporting standards. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (“MD&A”). The letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found in the financial section of this report.

In developing and evaluating the accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding: (1) the reliability of financial reporting (2) the effectiveness and efficiency of operations and (3) the compliance with applicable laws and regulations. The concept of reasonable assurance recognizes that (1) cost of a control should not exceed the benefits likely derived and (2) the evaluation of costs and benefits requires estimates and judgement by management.

All internal controls evaluations occur within the framework. We believe the CCRMA’s internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The CCRMA's financial statements were audited by Burton McCumber & Longoria, LLP, an independent audit firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the CCRMA, for fiscal year ended September 30, 2025, are free of material misstatements. The audit was conducted in accordance with Generally Accepted Auditing Standards ("GAAS").

The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the CCRMA's financial statements as of and for the fiscal year ended September 30, 2025, are presented in conformity with GAAP. The auditors' report is presented as the first part of the financial section of this report.

PROFILE OF THE CCRMA

The CCRMA was authorized for creation on September 30, 2004, by the Texas Transportation Commission to promote and improve regional mobility within Cameron County. Since its creation, the CCRMA has committed itself to an ambitious series of economically sustainable projects to improve the quality of life for area residents and enable quality economic development. The CCRMA collaborates closely with cities across Cameron County as well as our neighbor to the South, State of Tamaulipas, to accelerate mobility improvements that strengthen the regional competitiveness.

The CCRMA also maintains a strong partnership with the Texas Department of Transportation, working together on multiple transportation projects across Cameron County. The CCRMA has the authority to undertake projects related to highways, rail, air and seaport advancing a comprehensive mobility vision for the region.

The CCRMA receives funds from Vehicle Registration Fees in Cameron County as well as interlocal revenues, toll revenues and grant funds for projects. The CCRMA is governed by a board of directors consisting of seven members with operations overseen by an Executive Director. The CCRMA operates with a small group of local staff and contracts many of its services with local area professionals.

Transportation Reinvestment Zone ("TRZ") revenues are restricted for the development of transportation projects identified within the establishment of the zone as per the interlocal agreement with Cameron County. The existing TRZ has established over 50 eligible projects that can receive funds from the TRZ for development.

The CCRMA relies on charges from users of the toll road system to fund operations, debt service, and future projects. The CCRMA is organized into multiple operating units, all of which report directly to the Executive Director, as follows: (i) Administration, and (ii) Tolling Operation Processing. As of September 30, 2025, the CCRMA currently has 26 full-time employees.

BUDGETARY CONTROLS

The annual budget serves as the foundation for the CCRMA's financial planning and control. This budget is presented to the Board of Directors for their review. The CCRMA is required to adopt a final budget by the first day of the new fiscal year. The adopted budget is appropriated by fund and line item. The CCRMA's fiscal year begins October 1st and ends September 30th. Oversight authority and responsibility for the CCRMA rests with the Board of Directors.

ECONOMIC OVERVIEW AND OUTLOOK

Cameron County and neighboring Hidalgo County are two of the fastest growing Metropolitan Statistical Areas (MSA's) in the nation, at around 40% increases per 10-year cycle. Across the border, the metro areas of Mexico are increasing by 80% per 10-year cycle. Cameron County doesn't just have more people in cars; there's a continued increase in the travel of goods. Critical commerce access is provided through the County by means of the Gulf Intracoastal Canal (GICC) connecting the deep-water port in Brownsville, and the ports in Harlingen and Port Isabel. Access also is provided to deep-water ports north and south of the Rio Grande Valley (RGV), including Corpus Christi and Tampico, Mexico, respectively. Major freight rail access to Mexico for the Union Pacific Railroad (UPRR) is through Cameron County and can be expanded through various parts of the Rio Grande Valley for additional rail cargo access.

The CCRMA has embarked on an exciting and ambitious program, focusing on several capacity projects and highway network improvements. The adoption of a long-range Strategic Plan in the early stages of formulation of the CCRMA's proposed System projects was critical to the success of its program. The Plan not only outlines the basic elements of the System of projects, but also serves to focus the efforts of public information and involvement and serves to guide the sequencing, development, and implementation of all the anticipated projects within the region in the future. The Strategic Plan for 2022-2026 is broad and flexible with the understanding that transportation planning is always confronted with new and unforeseen challenges.

The CCRMA is poised for these changes and is ready to work with the new Federal Highway Administration (FHWA) as well as any changes resulting from the next Texas Legislative Session.

In 2025, the CCRMA partnered with Hidalgo County Regional Mobility Authority (HCRMA) to expand interoperability beyond the county. As we continue to look ahead to 2026, the FUEGO tag an Automatic Vehicle Identification (AVI) used for Electronic Tolling Collection will be interoperable at Cameron County's international bridges and coastal parks. We will also continue to work with other governmental entities to support several major initiatives. Our goal is to ensure our tag enables seamless, border-to-border travel from Mexico to Canada and beyond.

MAJOR INITIATIVES & SIGNIFICANT EVENTS

The passing of House Bill (HB) 3588 by the Texas Legislature in 2003 brought about major innovative reform in how essential transportation projects can be funded. The traditional methods of financing to develop local transportation systems, particularly the gas tax and local tax base can no longer be relied upon to keep pace with rising transportation costs. The Texas Legislature approved the establishment of Regional Mobility Authorities (CCRMA's) as an innovative transportation tool to accelerate projects and create new revenue streams for local transportation system projects. The Texas Transportation Commission (TTC) approved the creation of the Cameron County Regional Mobility Authority (CCRMA) on September 30, 2004, to promote and improve regional mobility within Cameron County, South Texas and internationally with the northern Tamaulipas region of Mexico.

In 2013 and 2015 the Texas Legislature again carried major reform with new transportation funding later to be known as Proposition 1, and Proposition 7, respectively. This new funding was not a result of increase in taxes, rather a redistribution of oil and gas revenues, sales tax, and rental and vehicle sales tax. Voters overwhelmingly approved both propositions again making a bold statement of the importance and need for transportation improvements in the State. In November 2021 the Proposition 2 amended Texas Constitution Art. 8, sec. 1-g(b) to authorize counties to issue bonds or notes to raise funds for transportation infrastructure in underdeveloped areas. Already, cities and towns have the authority to fund projects with this financing method. Counties would repay these bonds by pledging increased property tax revenues, but these funds cannot be used for construction, maintenance, or acquisition of toll roads. This Proposition 2 allows counties to use a vital financing tool to develop more transportation projects.

On July 15, 2024, Harris County Toll Road Authority (HCTRA) assumed responsibility for the CCRMA back-office operations meaning that the Fuego Tag is now operable with all toll roads in the State of Texas, Kansas, Oklahoma, Florida and Colorado. This allows regional drivers to travel seamlessly without the hassle of managing multiple tags. FUEGO Tag continues to expand access and offer more convenient options for drivers throughout the region and beyond.

Capital Projects

The Cameron County Regional Mobility Authority works with numerous cities to improve the region's mobility. These unique partnerships leverage the CCRMA's unique organizational structure to develop and construct the projects on an accelerated timeline. The CCRMA looks forward to our continued partnerships to improve our region's quality of life.

The following list of projects are ones in which the CCRMA utilized financial resources in fiscal year 2025. These projects are all in different phases of development and CCRMA will continue development and using various teams and resources.

SPI 2nd Access

In December 2023, the Texas Transportation Commission placed the SPI 2nd Causeway as an On-System Project. It is now SH 104, and the Texas Department of Transportation will fund the development and construction of the 2nd Causeway. Anticipated environmental clearance is Fall 2027.

SH 104 (South Padre Island 2nd Access) project is one of the most critical safety projects in the state of Texas and the most environmentally complex project in the United States.

The South Padre Island (or Island) is home to nearly 3,000 residents and during peak seasons, there are millions of visitors. With an increasing number of vehicles destined to travel to SPI to work or to visit and only one access to the mainland, additional means of access to and from SPI are needed to alleviate traffic congestion and improve safety.

The CCRMA, in partnership with TxDOT continues to develop SH 104. The new access will provide an additional emergency evacuation route and improve emergency response times. Along with the further development of a new access, we open the doors to economic development in the northern part of the island. The SPI 2nd Access will provide a secondary evacuation route for South Padre Island residents and visitors in the event of a hurricane or closure incidents on the existing causeway while improving safety by reducing congestion on the existing Queen Isabella Memorial Causeway during weekends, spring break, summer peak season and other holidays. Finally, the project would foster economic development on South Padre Island and on the mainland of Cameron County.

SH 104 (Second Access Project to South Padre Island) will involve a second crossing on a new location to South Padre Island to provide a much-needed alternate route from the island to the mainland. The second causeway also would facilitate evacuation of South Padre Island in the event of a hurricane or other natural disaster. The project will include a bridge approximately 8 miles long as well as improvements to roadways on the mainland and on the Island. The total length of the SH 104 Project is approximately 17.6 miles.

Outer Parkway

The Outer Parkway would provide a new east-west travel route in northeastern Cameron County. It would extend from I-69E to FM 106 in the vicinity of FM 1847. Although construction may be phased, the ultimate facility would consist of two lanes in each direction, separated by a wide center median reserved for future transportation use. Similar to the SPI 2nd Access project when TxDOT changed their policy on toll roads, this project was placed on hold. Local funds are being used to complete the environmental phase. This project now lies inside the boundaries of the RGV MPO and thus, additional funding opportunities will be available in the future. This is one of three components that will tie Edinburg, Texas to South Padre Island, Texas. Two components, the I-69 Connector from Edinburg to Harlingen, Texas and SH 104 (2nd Causeway) are funded and/or On System.

US 77 - I-69E Plan

This project is a collaborative multi-county project that will extend existing U.S. 77 from Corpus Christi to Brownsville to Interstate standards.

More than a third of Texans live in the counties along the path of the Interstate 69 System. Approximately 900 miles of the future I-69 in Texas remain to be upgraded to full interstate standard. Interstate access will bring new economic development opportunities to the communities. Every new mile of the interstate will enhance safety for traveling Texans and congestion relief projects at urban and rural choke points add to driver safety.

The I-69 System in Texas is being built as a series of incremental upgrade projects on US 59, US 77, US 281, SH 44, and Loop 20. The System routes already provide key avenues for coastal evacuation and more upgrade projects will reduce evacuation gridlock and travel times. The entire I-69 System is part of the Texas Highway Freight Network and a key part of the Texas and national supply chain.

I-69 will provide the freight corridor needed to link border ports of entry with seaports and inland commercial centers.

SH 550 GAP II

The SH 550 Gap II is the final Gap Project in the completion of the SH 550 from I-69E to the Port of Brownsville. The SH 550 Gap II Project limits are 0.2 miles south of FM 1847 to 1.13 miles south of Union Pacific Railroad. The project has completed the environmental, right-of-way and utility relocation phase, and now requires the updating of existing design plans to the most current interstate standards. The project requires a bridge structure over the rail line. When completed, Interstate 169 will connect the Port of Brownsville to I-69E.

This is a significant infrastructure improvement for the City of Brownsville, Cameron County and the Port of Brownsville. As the Port of Brownsville continues to lure industry from the energy, space and from other sectors, having an interstate is crucial. The Rio Grande Valley MPO (RGVMPO) and the CCRMA have allocated construction funds for this project. The project has \$28.4 million available in funding for construction.

East Loop

The East Loop Project consists of the construction of a 10.1 mile long 4-lane overweight corridor from the Port of Brownsville to IH-69E / U.S. 77 at the Veterans International Bridge. The design includes a 6-lane section at the intersection with I-69E which transitions to a 4-lane non-controlled access curb and gutter facility access roadway from I-69E / U.S. 77 to Azucena Avenue. It continues as a 4-lane divided roadway with a 16-foot raised median and open ditches to FM 3068 and then turns north along FM 1419 and connects to SH 4. The project will continue north to connect to the south side of the Port of Brownsville with a two-lane entrance. The proposed project will provide greater international access and movement of goods to Mexico through the Veterans International Bridge, which provides access to the West to Monterrey via MEX-2. Design is complete and right of way acquisition has begun. This will be a TxDOT On System project in the future.

FM 509

FM 509 will be constructed to add a two-lane rural roadway from FM 508 intersection to FM 1599. The Project will be approximately 3 miles long and will be constructed at a cost of approximately \$11.3million. Efforts are currently being made to incorporate alignments with the Outer Parkway Project. CCRMA is completing the environmental document and preliminary engineering utilizing local funds. Construction will be funded by TxDOT.

Interlocal Agreement Projects

Cameron County

Free Trade Bridge Customs and Border Protection (CBP) Donation Acceptance Program (DAP) Project

CCRMA performed construction phase services and construction management services for the Free Trade Bridge CBP DAP Project (remodeling of the CBP Export Dock). Project is complete.

Old Alice Road

The Old Alice Road Project is located within the city limits of Brownsville and Los Fresnos, TX. The existing roadway consists of sections that are unpaved and paved. The proposed improvements are to reconstruct and widen the existing roadway to provide for a paved four lane urban roadway with shoulders, continuous left turn lane, and sidewalks within the existing right-of-way. These improvements will provide a roadway that will meet the anticipated increase in traffic volumes, reduce traffic congestion, improve traffic and pedestrian mobility, improve roadway drainage and improve community connectivity between Sports Park Boulevard and SH100.

The right of way is in place, design is completed, and the project will be environmentally cleared by March 2026. This project is expected to let in May 2026 and has an estimated construction cost of \$37 million.

West Blvd. (Roadway)

West Boulevard would intersect, from north to south: FM 3248, Madrid Avenue, Morrison Road, and FM 802. The project consists of constructing a two-lane roadway and a six-foot-wide sidewalk on the east side of the roadway that would provide a new north-south travel route for pedestrians within the former right-of-way rail. The overall objective of constructing West Boulevard is to improve the operational efficiency of the roadway network in Brownsville. By building the roadway in the former location of a railroad, CCRMA will avoid displacing any residents or businesses and minimize the environmental impact. When complete, West Boulevard will provide the citizens of Brownsville with a multi-modal corridor that will allow cyclists, pedestrians, and motorists a new route to travel from north to south.

The project is in the process of completing the design and environmental phase, right of way is in place and is projected to let in FY 2027 at an estimated construction cost of \$11.2 million.

Flor de Mayo

The Flor de Mayo International Bridge is a project in the early development phase and CCRMA will be providing in-kind services to prepare project for planning and coordination, and funding. A feasibility study was completed for the project in March of 2019. This project would help the growing demand of international travel and reduce future vehicle congestion as well as promote investments in the industrial sector of the border area. Presidential Permit was received on May 2024. Coordination with U.S. Federal agencies is on-going.

Dana Road

On March 3, 2020, the CCRMA, City of Brownsville and the Cameron County entered in an agreement to allow the CCRMA, as Project Sponsor to develop Preliminary Engineering and Environmental documents as well as Plans, Specifications and Estimates, and complete any project development activities to develop the project to a Ready-to-Let Status for construction. This project has Category 7 funds for Construction at the Rio Grande Valley Metropolitan Planning in addition to local funds listed in this agreement being used to expedite project development. In addition to serving as Project Sponsor, the CCRMA was responsible for the preparation of the Environmental document, Traffic studies and Cultural Resource studies. The project is environmentally cleared, and has begun the right of way acquisition process and Project letting is September 2027. The Project is approximately 2.4 miles from FM 3248 to FM 802 This project consists of expanding a two-lane road to a two-lane road with a continuous left turn lane and full shoulders. These improvements will reduce congestion, improve safety and mobility, and provide pedestrian and cyclist accommodation. at an estimated construction cost of \$21.7 million.

North Williams Road

The CCRMA, as the Project Sponsor is developing Preliminary Engineering and Environmental documents as well as completing any project development activities to develop the project to an approved schematic and environmental clearance for final design and construction by TxDOT. To advance FM 1846 (Williams Road) Project to Ready-to-Let Status with TxDOT. This is an expansion from a two-lane road to a four-lane road from Business 77 to San Jose Ranch Road, approximately 1.6 miles. This will be a TxDot funded project. CCRMA is completing the environmental document and preliminary engineering utilizing local funds. 100% schematic is scheduled to be submitted in April 2026 and estimated environmental clearance is expected in September 2026.

South Williams Road

The CCRMA, as the Project Sponsor is developing Preliminary Engineering and Environmental documents, Right of Way acquisition, coordinate utility adjustments, and develop PS&E as well as completing any project development activities to develop the project to a shovel ready status for local let constructions with TxDot oversight. This will be a new alignment from I-69E to South Parallel Corridor, approximately 1.5 miles. This will open development in an area South of I-69E.

US 281 Connector Project

CCRMA is authorized to complete the final environmental document and schematics for the 281 Connector Project as well as negotiations with U.S. Army Corps of Engineers, Coast Guard, USFWS, TPWD and other state and federal agencies including coordination with TxDOT as well as any other coordination required by TxDOT. An alternative analysis is underway.

South Parallel Corridor

The South Parallel Corridor Phase III project limits are from FM 2520 (Sam Houston Blvd) to FM 1577 and will complete the South Parallel Corridor Project. This 10+ mile corridor is part of a larger rural corridor project that begins at I-2 Interstate and ends at FM 1577 (Previously known as the Dixieland Road project). The project has been under development since the early 2000s as a new location corridor designed to alleviate congestion along the I-2 interstate, by creating an option to link cities and larger towns such as the Harlingen Commercial shopping district to the remainder of southern rural Cameron County. The segment of this corridor from I-2 to FM 509 has been constructed. The entire corridor has received NEPA environmental clearance and construction is on-going for the segment from FM 509 to FM 2520. The completion of this corridor would serve to connect several north-south Major Collectors (FM 1479, FM 509, FM 2520, FM 732, and FM 1577) and serve as the only continuous Minor Arterial serving the project vicinity south of the I-2 Interstate and north of US 281 (Military Highway).

The project has submitted 100% Plans, Specifications and Estimates (PS&E) to TxDOT that are pending approval and utility coordination is underway. Upon approval, the project will be ready to let and move into construction by FY 2027 at an estimated construction cost of \$11.1 million.

Gateway Bridge

CCRMA will provide assistance through the Project Development Study that the General Services Administration (GSA) is conducting at the Gateway Bridge in anticipation of the Re-Modernization of the Gateway Bridge. Project is fully funded by GSA. Design build contract awarded by GSA and Construction will began on January 2026.

Gateway Pedestrian Bridge Project

Cameron County received a Presidential Permit on August 2025 for a new pedestrian bridge at Gateway Bridge. The new pedestrian bridge would be located to the west of the existing bridge. New County and federal facilities would be required.

City of Brownsville

Morrison Road

This is a new roadway from 1847 to FM 511 in Brownsville. Project requires the preliminary engineering tasks in order to complete an environmental document. The CCRMA provides direct resources of staff through in-kind services to the completion of the environmental document. All consultant costs are funded through CAT 7 funds from the RGVMPPO. An interlocal agreement with the City of Brownsville requires the City to fund the local match required by the CAT 7 funds. FHWA has approved a Functional Classification on the project for one segment from FM 1847 to Dana Avenue.

City of Los Fresnos

Whipple Road

This project involves the expansion of the existing road in Los Fresnos. The CCRMA provides direct resources of staff through in-kind services to the completion of the environmental document. All consultant costs are funded through CAT 7 funds from the RGVMPPO and an interlocal agreement with the City of Los Fresnos requires the City to fund the local match required by the CAT 7 funds. Schematics are 100% complete, and the environmental document is at 90%.PS&E is 60% complete.

FM 1847 Sidewalk Project

The CCRMA developed Preliminary Engineering and Environmental documents as well as Plans, Specifications, and Estimates, and completed project development activities required to develop the project to a Ready-to-Let Status for construction. This project had Texas Alternative Set-Aside (TASA) funds for Construction at the Rio Grande Valley Metropolitan Planning Organization in addition to the local funds listed in this agreement that were used to expedite project development. The project consisted of construction of sidewalk and ramp upgrade to American With Disability Act (“ADA”) standards on west side of FM 1847 where there are no existing sidewalks connecting large residential areas to the Los Fresnos High School and Park. Construction is complete.

Los Fresnos Hike and Bike Trail

The CCRMA is to develop Preliminary Engineering and Environmental documents as well as Plans, Specifications, and Estimates, and complete any project development activities required to develop the project to a Ready-to-Let Status for construction. This project has Category 7 for construction at the Rio Grande Valley Metropolitan Planning Organization in addition to the local funds listed in this agreement being used to expedite project development.

City of San Benito

Stenger Road

The CCRMA developed Preliminary Engineering and Environmental documents as well as completed project development activities to develop the project to an approved schematic and received environmental clearance for final design and construction by the CCRMA under the purview of TxDOT. To advance the Stenger Road Transportation Alternatives Set Aside Project to a Ready-to Let Status with TxDOT. Project limits are from West Business 77 to Fannin Street approximately 1.1 miles. Project is under construction.

City of Primera

Primera Road

The CCRMA, as Project Sponsor is to develop Preliminary Engineering and Environmental documents as well as completing any project development activities required to develop the project to and approved schematic and environmental clearance for final design and construction by the CCRMA under the purview of TxDOT.

To advance the Primera Road Transportation Alternatives Project to a Ready-to-Let Status with TxDOT. The project is located in Primera, Texas and consist of installing a sidewalk along the north Right of Way of Primera Road. The project will begin at Alonzo Road and end at the east city limit near the intersection of Primera Road and US 77 Frontage Road. The concrete sidewalk will be eight feet wide, approximately 2.75 miles.

Military Highway Water Supply Corporation (MHWSC)

The CCRMA developed Utility Conflict Construction Design plans for MHWSC for adjustment of utilities along US 281. Project is complete.

Acknowledgements

The preparation of this report could not have been accomplished without the contribution of the Finance Department and our independent auditors' Burton McCumber and Longoria, LLP. We would also like to particularly thank the Board of Directors for their continued dedication to supporting the highest level of prudent fiscal management.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Cameron County Regional Mobility Authority for its annual comprehensive financial report for the fiscal year ended September 30, 2024. This is the third consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Respectfully submitted:



Pete Sepulveda, Jr.
Executive Director



Victor J. Barron
Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Cameron County Regional Mobility Authority
Texas**

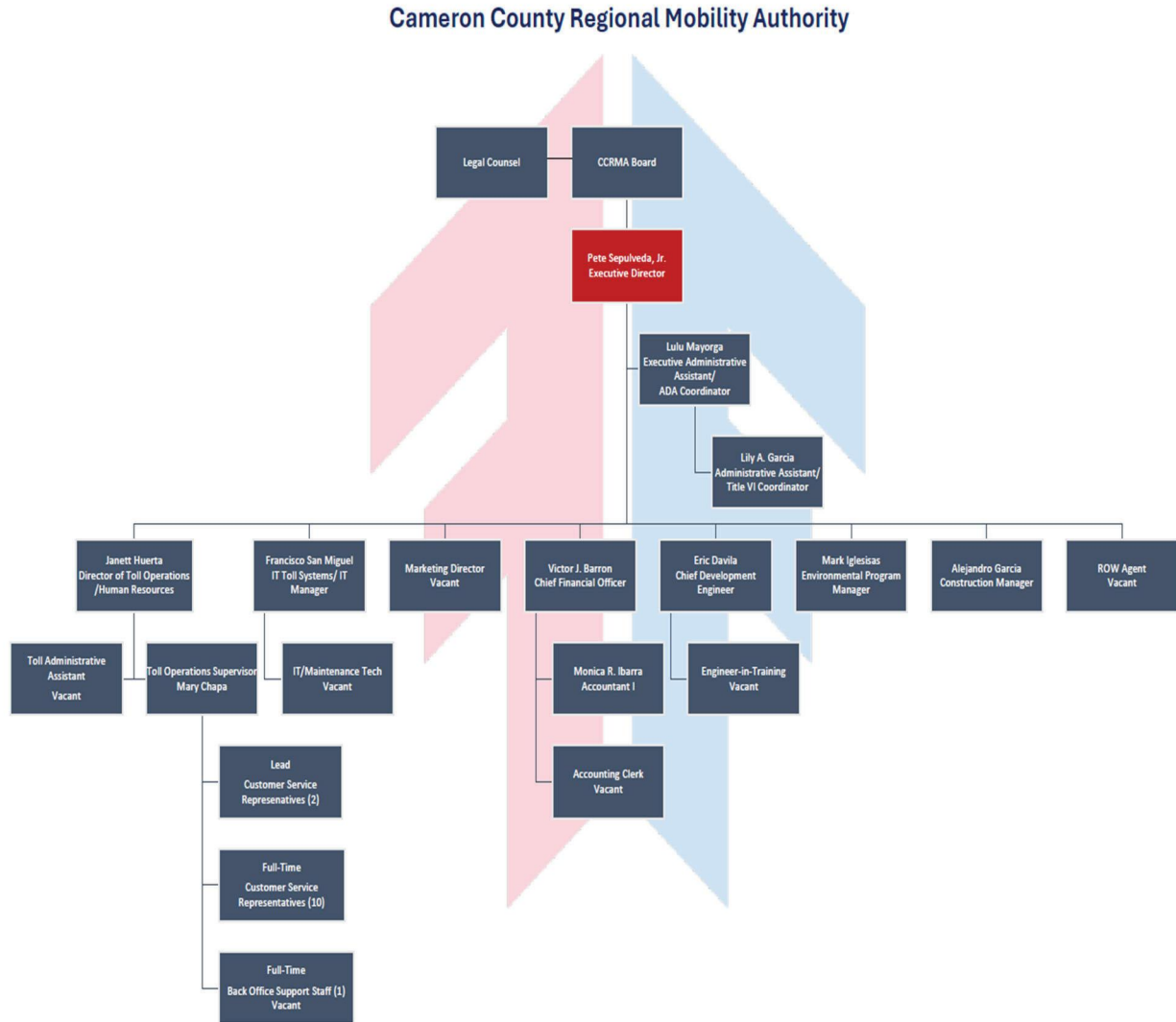
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morill

Executive Director/CEO

ORGANIZATIONAL CHART



CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

List of Principal Officials

Appointed

Frank Parker Jr.	Chairman
Michael Scaief	Vice-Chairman
Al Villarreal	Treasurer
Arturo Nelson	Secretary
Mark Esparza	Director
Leo Garza	Director
Albert Garza III	Director

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Cameron County Regional Mobility Authority

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of the Cameron County Regional Mobility Authority (the "CCRMA"), a component unit of Cameron County, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the CCRMA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the CCRMA, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the CCRMA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the CCRMA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CCRMA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the CCRMA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page 20 and the Pension Plan information on pages 66 through 68 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2026, on our consideration of the CCRMA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CCRMA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CCRMA's internal control over financial reporting and compliance.

Burton, McCumber, & Longoria LLP

Brownsville, Texas
March 21, 2026

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2025

The following is a narrative overview and analysis of the financial performance and activity of the Cameron County Regional Mobility Authority (the CCRMA) for the fiscal year ended September 30, 2025. Please consider the information presented here in conjunction with the transmittal letter, financial statements, and related footnotes. This management discussion and analysis (MD&A) includes comparative data for the prior year.

FINANCIAL HIGHLIGHTS

- The CCRMA's total assets and deferred outflow of resources at fiscal year-end exceed its liabilities and deferred inflows of resources at the end of the fiscal year 2025 by \$74,803,125 (total net position). The total amount of \$10,917,582 (unrestricted net position) may be used to meet the CCRMA's outgoing obligations to citizens and creditors.
- Net position increased by \$11,224,315 or 17.65% compared to prior year.
- The CCRMA general debt obligation decreased \$2,755,000 or -4.03%

OVERVIEW OF THE FINANCIAL STATEMENTS

The CCRMA reports its business-type activities in a single enterprise fund, in which its operations and activities are reported similar to a private-sector business. The financial statements include Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. These basic financial statements are prepared in accordance with Generally Accepted Accounting Principles in the United States of America as promulgated by the Governmental Accounting Standards Board also known as GASB. The basic financial statements can be found on pages 29-33 of this report.

The Statement of Net Position presents the CCRMA's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources with the difference reported as net position. Net position represents the residual difference of all other elements of the statement of net position for all three component categories: net investment in capital assets, restricted, and unrestricted.

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

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

The Notes to the Financial Statements provide required disclosures and other information that are essential to a full understanding of the data found in these financial statements and should be read in conjunction with the MD&A and the basic financial statements. The notes on the financial statements can be found on page 34 of this report.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2025

OVERVIEW OF THE FINANCIAL STATEMENTS

Other information in addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the CCRMA's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on page 65 of this report.

FINANCIAL ANALYSIS

Summary of Net Position

The CCRMA's net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. The CCRMA's net position for the years ending September 30, 2025 and 2024, were approximately \$74.8 and \$63.5 million, respectively. The largest component of total assets for all two years were the non-current assets. Non-current assets accounts for approximately 84% and 88% of total assets for the years 2025, and 2024, respectively. These assets consist of capital assets, restricted bond funds construction in progress, and deferred outflow of resources. Liabilities consist of current liabilities and deferred inflow of resources.

Summary of Net Position

	2025	2024	Change	Percentage of Change
Assets and Deferred Outflows of Resources				
Current assets	\$ 26,886,694	\$ 17,750,334	9,136,360	51.47%
Capital assets, net	107,905,557	110,687,015	(2,781,459)	-2.51%
Other non-current	31,823,268	25,649,123	6,174,144	24.07%
Total assets	166,615,519	154,086,472	12,529,047	8.13%
Deferred outflows of resources	258,993	235,270	23,723	10.08%
Total assets and deferred outflows of resources	\$ 166,874,512	\$ 154,321,742	12,552,770	8.13%
Liabilities and Deferred Inflows of Resources				
Current liabilities	5,343,187	5,921,505	(578,317)	-9.77%
Non-current liabilities	86,490,262	84,633,377	1,856,885	2.19%
Total liabilities	91,833,449	90,554,882	1,278,568	1.41%
Deferred inflows of resources	237,938	188,050	49,888	26.53%
Total liabilities and deferred inflows of resources	\$ 92,071,387	\$ 90,742,932	1,328,456	1.46%
Net position:				
Net investment in capital assets	\$ 29,056,410	\$ 29,553,298	(496,888)	-1.68%
Restricted	34,829,133	28,122,114	6,707,019	23.85%
Unrestricted	10,917,582	5,903,398	5,014,184	84.94%
Total net position	\$ 74,803,125	\$ 63,578,810	11,224,315	17.65%

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2025

- Current assets increased by \$9,136,360, or 51.47%, primarily due to increased cash advances related to interlocal project agreements.
- Capital assets, net of accumulated depreciation, declined by \$2,781,459, or -2.51%. During fiscal year 2025, capital asset additions totaled \$814,425 and were more than offset by depreciation expense of \$3,595,883.
- Deferred outflows of resources increased by \$23,723, attributable to pension-related deferrals recognized during fiscal year 2025.
- Current liabilities decreased by \$578,317, or -9.77%, while noncurrent liabilities increased by \$1,856,885, or 2.19%, compared to the prior year.
- Pension-related deferred inflows increased by \$49,888 from the previous year. These balances fluctuate annually due to differences between projected and actual experience, changes in actuarial assumptions, and proportionate share adjustments as required by GASB Statement No. 68. Additional pension details are provided in Note 12 (pages 56-64).
- The largest component of CCRMA's net position, representing 38.84%, reflects its investment in capital assets, including land, buildings, equipment, software systems, infrastructure, and construction in progress, net of related outstanding debt.
- Restricted net position totaled \$34,829,133 and accounted for 46.56% of total net position. These resources are externally restricted by statutory requirements, bond covenants, and grant provisions. The remaining unrestricted net position totaled \$10,917,582 and is available to meet CCRMA's obligations. CCRMA reported positive balances in all three net position categories at the conclusion of fiscal year 2025.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2025

Changes in Net Position

The CCRMA's total revenues and capital contributions for the year ending September 30, 2025, and 2024 were approximately \$31.4 million and \$30.0 million, respectively. Total expenses for the year ending September 30, 2025 and 2024 were approximately \$20.2 million and \$23.9 million, respectively. Change in net position has resulted in an increase in year 2025, an increase in 2024. The CCRMA's capital assets in operating generate large depreciation expense recorded in operating expenses. The changes in net operating income prior to the recording of depreciation expense for the years 2025 and 2024 were \$17,680,891 and \$11,587,059, respectively.

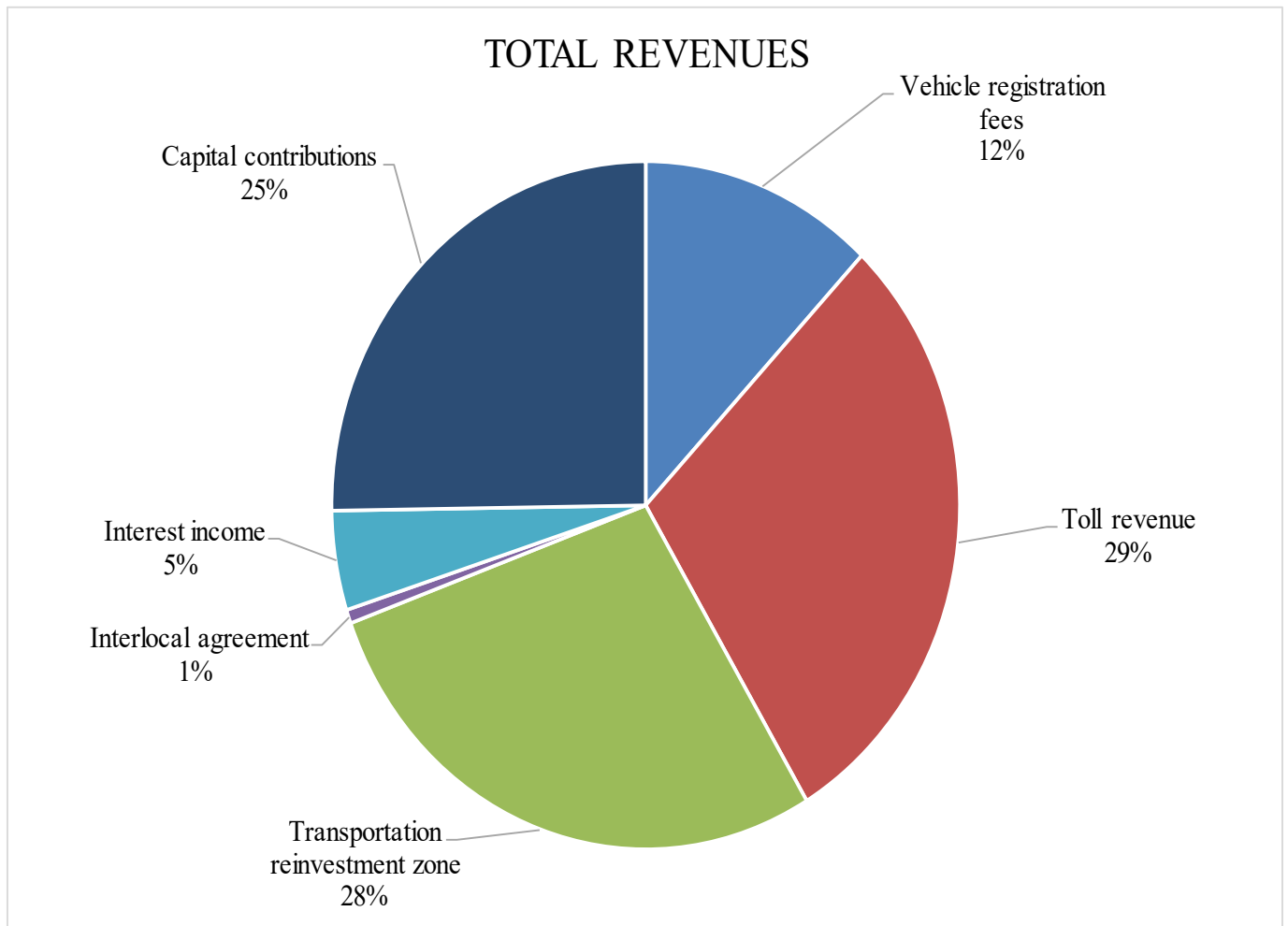
Changes in Net Position

	2025	2024	Change	Percentage of Change
Revenues:				
Operating				
Vehicle registration fees	\$ 3,799,080	\$ 3,494,940	304,140	8.70%
Toll revenue	9,242,474	5,677,554	3,564,920	62.79%
Transportation reinvestment zone	8,808,638	7,624,815	1,183,823	15.53%
Interlocal agreement and other	202,746	356,164	(153,418)	-43.08%
Total Revenues	<u>22,052,938</u>	<u>17,153,473</u>	<u>4,899,465</u>	28.56%
Expenses:				
Operating				
Advertising	167,103	116,942	50,161	42.89%
Contingency	122,618	1,237,917	(1,115,299)	-90.09%
Depreciation	3,595,883	3,555,537	40,346	1.13%
Insurance	4,208	11,229	(7,022)	-62.53%
Office expenses	117,568	175,050	(57,483)	-32.84%
Professional services	1,007,327	610,577	396,750	64.98%
Salaries and contractual services	2,096,438	1,730,782	365,656	21.13%
Toll operating expenses	721,298	1,548,341	(827,043)	-53.41%
Travel	59,123	63,009	(3,885)	-6.17%
Utilities	76,365	72,567	3,797	5.23%
Total Operating Expenses	<u>7,967,931</u>	<u>9,121,951</u>	<u>(1,154,020)</u>	-12.65%
Net Operating Income	14,085,007	8,031,522	6,053,485	75.37%
Non-Operating Revenues (Expenses)				
Bond issuance costs	-	(103,297)	103,297	-100.00%
Interest expense	(2,192,764)	(2,206,209)	13,445	-0.61%
Interest income	1,470,179	1,107,080	363,099	32.80%
Insurance recovery	-	821,848	(821,848)	-100.00%
Redevelopment project expense	(10,085,234)	(12,541,355)	2,456,121	-19.58%
Total Non Operating Revenue (Expenses)	<u>(10,807,819)</u>	<u>(12,921,933)</u>	<u>2,114,114</u>	-16.36%
Total Non-Operating (Expenses)				
(Loss) before capital contributions	3,277,188	(4,890,411)	8,167,599	-167.01%
Capital contributions	<u>7,947,127</u>	<u>12,778,646</u>	<u>(4,831,519)</u>	-37.81%
Change in Net Position	11,224,315	7,888,235	3,336,080	42.29%
Net Position- Beginning of Year	<u>63,578,810</u>	<u>55,690,575</u>	<u>7,888,235</u>	14.16%
Net Position End of Year	<u>\$ 74,803,125</u>	<u>\$ 63,578,810</u>	<u>11,224,315</u>	17.65%

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2025

Revenues -Total revenues increased by \$431,045 as shown on Changes in Net Position.

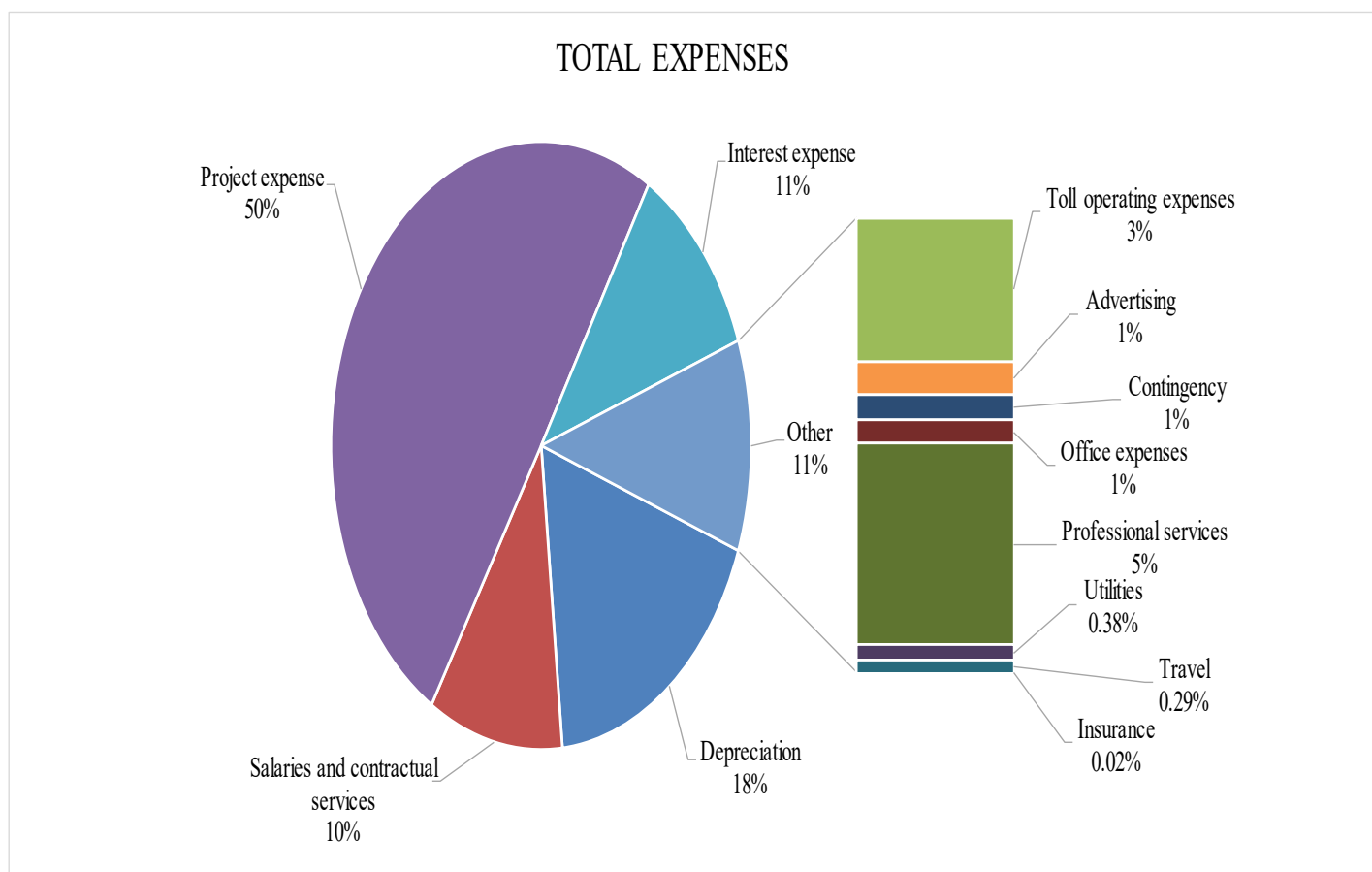
- Vehicle registration fees totaled \$3,799,080 in fiscal year 2025, an increase of \$304,140 from the prior year, largely due to higher registration renewals.
- Toll revenues increased by \$3,564,920 in fiscal year 2025, totaling \$9,242,474, compared to \$5,677,554 in the prior fiscal year. The increase was driven by higher traffic counts, greater tag penetration, and the implementation of a new collection agency.
- Transportation Reinvestment Zone revenues totaled \$8,808,638 in fiscal year 2025, reflecting an increase of \$1,183,823 from the previous year due to increased property value assessments.
- Interest income increased by \$363,099, driven by higher cash advance funding levels and stable interest rates.
- Interlocal agreements and capital contributions declined by \$4,831,519, mainly because of fewer interlocal agreement projects progressing during the period.



CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2025

Expenses – Total operating expenses decreased by \$1,154,020 or -12.65% as shown on Changes in Net Position.

- Salaries and contractual services represent one of the largest expense categories, accounting for 10% of total expenses. This category increased by \$365,656 compared to the prior year.
- Toll operating expenses decreased by \$827,043 and comprised 3% of total expenses. The reduction is primarily due to an interlocal agreement with the Harris County Toll Road Authority for back-office operations.
- Interest expense declined by \$13,445 and represents 11% of total expenses. The decrease resulted from lower interest rates on refunding bonds.
- Project development expenses are the largest expense category, accounting for 50% of total expenses. These costs decreased by \$2,456,121 due to project development reaching completion or materializing.
- The remaining 26% of expenses consist of depreciation (18%) and other expenses (8%), which include professional services, utilities, advertising, contingency, office expenses, insurance, and travel.



CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2025

Capital Assets and Debt Administration

The CCRMA's investment in capital assets as of September 30, 2025, amounts to \$107,905,557 (net of accumulated depreciation). The total decrease in the CCRMA's net investment in capital assets for the current fiscal year was \$2,781,459 or – 2.51%. The investment in capital assets includes land, buildings, improvements, software, infrastructure, and construction in progress net of related liabilities.

Additional information can be found in Note 3 on page 41 of this report. The following represents capital assets by category net of their related accumulated depreciation:

	<u>2025</u>	<u>2024</u>
Land	\$ 154,268	\$ 154,268
Construction in progress (CIP)	20,923,994	20,568,813
Buildings	530,905	568,065
Improvements	252,813	208,371
Software	2,332,075	2,581,055
Infrastructure	79,876,852	82,266,450
Equipment	3,834,650	4,339,993
Total Capital Assets	<u>\$ 107,905,557</u>	<u>\$ 110,687,015</u>

Long-term Debt

As of September 30, 2025, the CCRMA had long term debt outstanding of \$65,600,000. The total decrease to long term debt for the current fiscal year was \$2,755,000 or -4.03%. Additional information can be found in Note 6 on pages 45-48 of this report.

	<u>2025</u>	<u>2024</u>
2014 Revenue & Tax Bonds	\$ -	\$ 290,000
2015 Revenue & Tax Bonds	3,575,000	3,755,000
2016 Refunding Revenue & Tax	15,805,000	15,805,000
2017 Refunding Revenue Bonds	1,185,000	2,320,000
2019 Refunding Revenue Bonds	14,925,000	14,925,000
2020 Refunding Revenue & Tax	23,155,000	24,305,000
2021 Revenue Bonds	3,925,000	3,925,000
2024 Refunding Revenue Bonds	3,030,000	3,030,000
Total Long-Term Debt	<u>\$ 65,600,000</u>	<u>\$ 68,355,000</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2025

Economic Factors

- Registered vehicles increased by 2.29% compared to the prior year, reaching 366,844 in 2025.
- Redevelopment projects undertaken in collaboration with local governmental entities remained steady during 2025.
- Toll road traffic counts rose by 24% from the previous year, totaling 8,374,024 vehicle trips in 2025.
- Toll road revenue increased by 62% compared to the prior year, with further growth anticipated in fiscal year 2026 due to continued increases in toll traffic.

Request for information

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

BASIC FINANCIAL STATEMENTS

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Statement of Net Position
September 30, 2025

ASSETS:	
Current Assets:	
Cash and cash equivalents	\$ 7,069,115
Prepaid items	53,465
Accounts receivable, net	3,140,596
Due from other agencies	2,418,997
Total Current Assets	<u>12,682,173</u>
Current Restricted Assets	
Restricted cash - debt service	2,940,000
Restricted cash - interlocal projects	10,036,959
Restricted cash - bond proceeds	1,227,562
Total Restricted Current Assets	<u>14,204,521</u>
Total Current Assets	<u>26,886,694</u>
Non-Current Assets:	
Non Current Restricted Assets:	
Cash - TRZ project funds	20,212,981
Cash - trustee debt reserve funds (BNYM)	9,099,172
Cash - trustee debt reserve funds (TRB)	2,234,129
Net pension asset	201,170
Prepaid bond insurance	75,816
Capital assets, net	
Land	154,268
Construction in progress	20,923,994
Buildings	743,204
Improvements	281,029
Software	3,740,565
Infrastructure	108,996,686
Equipment	8,805,243
Accumulated depreciation	<u>(35,739,432)</u>
Total Capital Assets, Net	<u>107,905,557</u>
Total Non-Current Assets	<u>139,728,825</u>
Total Assets	<u>166,615,519</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pension	258,993
Total Deferred Outflows of Resources	<u>258,993</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 166,874,512</u>

(Continued)

See Accompanying Notes to the Financial Statements

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Statement of Net Position - Continued
September 30, 2025

LIABILITIES:	
Current Liabilities:	
Accounts payable	\$ 2,115,373
Accrued interest	287,814
Current portion of long-term debt	2,940,000
Total Current Liabilities	<u>5,343,187</u>
Non-Current Liabilities:	
Due to other agencies	13,084,420
Long-term debt	64,119,002
Unearned revenue	9,286,840
Total Non-Current Liabilities	<u>86,490,262</u>
Total Liabilities	<u>91,833,449</u>
DEFERRED INFLOW OF RESOURCES	
Deferred charge on refundings	101,603
Deferred inflows related to pension	136,335
Total Deferred Inflow of Resources	<u>237,938</u>
Total Liabilities and Deferred Inflow of Resources	<u>92,071,387</u>
NET POSITION:	
Net investment in capital assets	29,056,410
Restricted	
Debt service	14,273,302
Redevelopment projects	20,354,661
Net pension	201,170
Unrestricted	10,917,582
Total Net Position	<u>74,803,125</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 166,874,512</u>

(Concluded)

See Accompanying Notes to the Financial Statements

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
**Statement of Revenues, Expenses
and Changes in Net Position**
For the Year Ended September 30, 2025

Operating Revenues	
Vehicle registration fees	\$ 3,799,080
Toll revenue	9,242,474
Transportation reinvestment zone	8,808,638
Interlocal agreement revenues	202,746
Total Operating Revenues	<u>22,052,938</u>
Operating Expenses	
Advertising	167,103
Contingency	122,618
Depreciation	3,595,883
Insurance	4,208
Office expenses	117,568
Professional services	1,007,327
Salaries and contractual services	2,096,438
Toll operating expenses	721,298
Travel	59,123
Utilities	76,365
Total Operating Expenses	<u>7,967,931</u>
Net Operating Income	<u>14,085,007</u>
Non-Operating Revenues (Expenses)	
Interest expense	(2,192,764)
Interest income	1,470,179
Redevelopment project expense	(10,085,234)
Total Non-Operating (Expenses)	<u>(10,807,819)</u>
(Loss) before capital contributions	3,277,188
Capital Contributions	<u>7,947,127</u>
Change in Net Position	11,224,315
Net Position-beginning of year	<u>63,578,810</u>
Net Position-end of year	<u>\$ 74,803,125</u>

See Accompanying Notes to the Financial Statements

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

(A Component Unit of Cameron County, Texas)

Statement of Cash Flows

For the Year Ended September 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts from vehicle registration fees	\$ 3,984,900
Receipts from toll revenues	6,972,284
Receipts from other operating sources	14,739,347
Payments to vendors	(2,233,770)
Payments to employees	(2,053,795)
Net cash provided by operating activities	<u>21,408,966</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Acquisitions of property and equipment	(459,244)
Acquisitions of construction in progress and redevelopment project expenses	(10,440,415)
Payments on interest	(2,182,987)
Payments on bond principal	(2,940,000)
Advances from TxDOT and other project agreements	7,921,288
Net cash used in capital and related financing activities	<u>(8,101,359)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Receipts from interest income	<u>1,470,179</u>
Net cash provided by investing activities	<u>1,470,179</u>

Net increase in cash and cash equivalents	14,777,786
Cash and cash equivalents at beginning of year	<u>38,042,132</u>
Cash and cash equivalents at end of year	<u><u>\$ 52,819,918</u></u>

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:

Net operating income	\$ 14,085,007
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	3,595,883
Changes in assets and liabilities:	
(Increase) in prepaid expenses	(3,910)
(Increase) accounts receivable	(1,773,776)
Decrease in due from other agencies	1,151,722
Decrease in net pension asset	88,459
Decrease in prepaid bond insurance	4,786
(Increase) in deferred outflow of resources	(23,723)
(Decrease) in accounts payable	(753,542)
(Decrease) in accrued interest	(9,776)
(Decrease) due to other agencies	(25,000)
Increase in unearned revenue	5,022,949
Increase in deferred inflow of resources	<u>49,888</u>

Net cash flows provided by operating activities	<u><u>\$ 21,408,966</u></u>
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See Accompanying Notes to the Financial Statements

(continued)

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Statements of Cash Flows - Continued
Year Ending September 30, 2025

RECONCILIATION OF ENDING CASH AND CASH EQUIVALENTS TO THE
STATEMENT OF NET POSITION:

Ending cash - Statement of Cash Flows	\$ 52,819,918
Less: amount reported in restricted assets	<u>45,750,803</u>
Ending cash - Statement of Net Position	<u><u>\$ 7,069,115</u></u>

See Accompanying Notes to the Financial Statements

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 1 – Organization and Summary of Significant Accounting Policies

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

A. Reporting Entity

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

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

B. Basis of Accounting

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

C. Estimates

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

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

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

D. Cash & Cash Equivalents

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

E. Accounts Receivable

The net accounts receivable as of September 30, 2025, is \$3,140,596 which is comprised of \$11,300,620 of gross receivables related to tolls and vehicle registration fees with an allowance of \$8,160,024. The CCRMA does not require collateral. Accounts are considered overdue when payment has not been received within 30 days of payment.

F. Capital Assets

Capital assets which include land, buildings, improvement, software, infrastructure, and equipment, are recorded at historical cost, or estimated historical cost constructed. Capital assets are defined as assets with an initial and individual cost of \$5,000 or more and an estimated useful life in excess of two years. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Life in Years</u>
Buildings	20-30 years
Improvements	5-20 years
Software	3-15 years
Infrastructure	40 years
Equipment	3-20 years

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

G. Capital Contributions

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

H. Income Taxes

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

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

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

I. Prepaid Items

Certain payments to vendors reflect costs to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenses when consumed rather than when purchased.

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

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

K. Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The CCRMA's policy on net position allows for the following three categories of net position:

Net investment in capital assets consists - of capital assets net of accumulated depreciation, outstanding balances on borrowings attributable to the acquisition of capital assets, unspent bond proceeds, and deferred outflows and inflows of resources attributable to the acquisition of capital assets.

Restricted – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. These resources are for debt service requirements, redevelopment projects, and net pension assets.

Unrestricted – consists of assets, deferred outflows of resources, liabilities, and deferred inflows of resources not included in the determination of net investment in capital assets, or the restricted component of net position.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

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

L. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods. The CCRMA has the following items classified as deferred outflows of resources:

- Deferred outflows consist of deferred charges on refundings pension contributions after measurement date, the differences in projected and actual earnings on pension assets, and changes in pension assumptions. Pension contributions after measurement date are deferred and recognized in the following fiscal year. The difference in projected and actual earnings on pension assets are amortized over a closed five-year period. Pension assumption changes are recognized over the average remaining service life for all members.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net asset that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The CCRMA has the following items classified as deferred inflows of resources:

- Deferred inflows consist of differences in expected and actual pension experience. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Difference in expected and actual pension experience is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price.

M. Restricted Assets

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

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

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

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

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

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

O. Pensions

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

P. Investments

Investments are recorded at fair value. In February 2015, GASB issued its Statement No. 72, *Fair Value Measurement and Application*. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The CCRMA has investments required to be reported under GASB Statement No. 72 as of September 30, 2025.

Q. Toll Revenue and Vehicle Registration Fees

Toll revenues and vehicle registration fees are reported under the accrual basis of accounting. These revenues are recognized in the period in which they are earned.

R. Implementation of New Accounting Pronouncements

GASB No. 101, "Compensated Absences." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends December 31, 2024. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That goal is met by bringing recognition and measurement guidance into a consistent framework and updating specific disclosure requirements. The impact on the financial statements as a result of implementation of this standard was immaterial.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

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

R. Implementation of New Accounting Pronouncements - Continued

GASB Statement No. 102, Certain Risk Disclosures, requires a government to assess and disclose information regarding certain concentrations or constraints and related events that may have a substantial impact and negatively affect the level of service a government provides. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. GASB 102 didn't have a material effect on the CCRMA's financial statements

GASB No. 103, "Financial Reporting Model Improvements." The requirements of the Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2026.

GASB No. 104, "Disclosure of Certain Capital Assets." The requirements of the Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2026.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 2 – Deposits and Investments

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the CCRMA will not be able to recover its deposits or its collateral securities that are in the possession of an outside party. The CCRMA complies with its investment policy for all its cash and cash equivalent accounts, which calls for safety of principal as the priority in its deposit accounts. As of September 30, 2025, the carrying amount of the CCRMA's cash, cash equivalents, and restricted cash was \$52,819,918 of this total, \$45,750,803 was restricted and held in various bond trustee accounts in BNY Mellon and interest checking accounts in accordance with bond indenture agreements. The remainder, \$7,069,115, was held in business interest checking accounts. There is no limit on the amount the CCRMA may deposit in any one institution. However, the Federal Deposit Insurance Corporation only insures up to \$250,000 per institution. The CCRMA is fully collateralized with pledged securities and a letter of credit with Federal Home Loan Bank for amounts in excess of the FDIC limit for the year ended September 30, 2025.

Legal Contractual Provisions Governing Investments

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the CCRMA to adopt, implement, and publicize an investment policy. The policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit.

The Statutes authorize the CCRMA to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) banker's acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the CCRMA to have independent auditors perform test procedures related to investment practices as provided by the Act. The CCRMA is in substantial compliance with the requirements of the Act and with local policies.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

For the Year Ended September 30, 2025

Note 3 – Capital Assets

Depreciation expense for 2025 was \$3,595,883. The following schedule summarizes the capital assets and construction in progress of the CCRMA as of September 30, 2025:

Capital Assets	October 1, 2024	Additions	September 30, 2025
Non-Depreciable Capital Assets			
Land	\$ 154,268	\$ -	\$ 154,268
Construction in progress (CIP)	20,568,813	355,181	20,923,994
Total Non-depreciable Capital Assets	20,723,081	355,181	21,078,262
 Depreciable Capital Assets			
Buildings	743,204	-	743,204
Improvements	223,131	57,898	281,029
Software	3,740,565	-	3,740,565
Infrastructure	108,604,104	392,582	108,996,686
Equipment	8,796,479	8,764	8,805,243
Total Depreciable Capital Assets	122,107,483	459,244	122,566,727
 Less: Accumulated Depreciation			
Buildings	(175,139)	(37,160)	(212,299)
Improvements	(14,760)	(13,456)	(28,216)
Software	(1,159,510)	(248,980)	(1,408,490)
Infrastructure	(26,337,654)	(2,782,180)	(29,119,834)
Equipment	(4,456,486)	(514,107)	(4,970,593)
Total Accumulated Depreciation	(32,143,549)	(3,595,883)	(35,739,432)
Total Depreciable Capital Assets, Net	89,963,934	(3,136,639)	86,827,295
Total Capital Assets	<u>\$ 110,687,015</u>	<u>\$ (2,781,458)</u>	<u>\$ 107,905,557</u>

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 4 – Disaggregation of Receivable and Payable Balances

Accounts receivable consisted of the following at September 30, 2025:

	<u>Total</u>
Vehicle registration fees	\$ 644,025
Tolls accounts receivable, net	<u>2,496,571</u>
Total Accounts Receivable, Net	<u><u>\$ 3,140,596</u></u>

Accounts payable consisted of the following at September 30, 2025:

Operation payables	\$ 993,594
Project payables	<u>1,121,779</u>
Total Accounts Payable	<u><u>\$ 2,115,373</u></u>

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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Notes to Financial Statements
For the Year Ended September 30, 2025

Note 5 – Non-Current Liabilities

Unearned revenue relates to funds received for projects developed in which the CCRMA will not retain ownership or maintenance of the project.

Amounts in Due to Other Agencies include the TxDOT Financial Assistance Agreements (FAA) amounts which are obligations provided by TxDOT for the further study and development of the following associated projects.

The TxDOT FAA for the South Padre Island 2nd Access project consists of two separate agreements executed in 2006 and 2014 for the maximum credit limit of \$9.2 million and \$5.1 million, respectively.

On April 11, 2006, Cameron County (County) entered into an agreement with the CCRMA whereby the County would provide an interest free loan of \$250,000 for the purpose of assisting the CCRMA in its organizational efforts. As of September 30, 2025, there was an outstanding balance of \$92,500.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 5 – Non-Current Liabilities – Continued

The following schedule summarizes the non-current liabilities of the CCRMA as of September 30, 2025:

Unearned Revenue	October 1, 2024	Additions	Reductions	September 30, 2025
<i>Cameron County</i>				
Dana Road	\$ 165,190	\$ -	\$ -	\$ 165,190
Dana Road (ARPA)	-	700,000	(700,000)	-
East Loop	-	-	-	-
Flor De Mayo	544,508	-	(314,043)	230,465
Flor De Mayo (ARPA)	-	626,041	-	626,041
Gateway Bridge	138	-	-	138
International Bridges	23,275	-	-	23,275
Los Indios Dock Renovation	-	1,175,034	(1,080,714)	94,320
Old Alice Road	1,398,077	-	(15,594)	1,382,483
Outer Parkway	-	3,000,000	(690,529)	2,309,471
Participation Fee	3,000	-	-	3,000
South Parallel (ARPA)	-	2,000,000	-	2,000,000
SPI Second Access	264,541	-	(264,541)	-
Veterans International Bridge	65,277	-	(40)	65,237
Whipple Road (ARPA)	-	400,000	(400,000)	-
<i>City of Brownsville</i>				
Dana Road	33,511	-	-	33,511
East Loop	1,338,522	-	(108,711)	1,229,811
Morrison Road	10,917	-	-	10,917
West Rail	124,960	-	-	124,960
<i>City of Los Fresnos</i>				
Sidewalk Project	11,844	49,364	(50,801)	10,407
Whipple Road	6,256	492,218	(14,726)	483,748
Hike & Bike	79,586	150,000	(33,023)	196,563
<i>City of Primera</i>				
Sidewalk Project	84,067	87,500	(62,924)	108,643
<i>Military Highway Water Supply Corp</i>				
US 281	-	877,619	(857,901)	19,718
Tolls				
Other	110,221	58,721	-	168,942
Total Unearned Revenue	<u>\$ 4,263,890</u>	<u>\$ 9,616,497</u>	<u>\$ (4,593,547)</u>	<u>\$ 9,286,840</u>
Due to Other Agencies				
TxDot FAA - South Padre Island 2nd Access	\$ 12,991,920	\$ -	\$ -	\$ 12,991,920
Cameron County	<u>117,500</u>	<u>-</u>	<u>(25,000)</u>	<u>92,500</u>
Total Due to Other Agencies	<u>\$ 13,109,420</u>	<u>\$ -</u>	<u>\$ (25,000)</u>	<u>\$ 13,084,420</u>

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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Notes to Financial Statements
For the Year Ended September 30, 2025

Note 6 – Long-Term Debt

The following items comprise the CCRMA's outstanding debt at September 30, 2025.

Description	Interest rates %	Date of Issuance	Date of Maturity	Bonds Outstanding
SH550 Highway Project Revenue and Tax Bonds, Series 2015	2.75%-3.75%	2015	2040	\$ 3,575,000
Revenue and Tax Refunding Bonds, Series 2016	3.75%-5.00%	2016	2042	15,805,000
Vehicle Registration Revenue Refunding Bonds, Series 2017	4.00%-5.00%	2017	2026	1,185,000
Vehicle Registration Revenue Refunding Bonds, Series 2019	5.00%	2019	2036	14,925,000
Revenue and Tax Refunding Bonds, Series 2020	5.00%	2020	2038	23,155,000
Vehicle Registration Revenue Bonds, Series 2021	3%	2021	2041	3,925,000
Revenue and Tax Refunding Bonds, Series 2024	5%	2024	2034	3,030,000
Total Debt				65,600,000
Premium on Debt				1,480,269
(Discounts)				(21,267)
Net Total Debt				<u>\$ 67,059,002</u>

In June 2012, the CCRMA and Cameron County entered into the SH550 Funding and Development Agreement for a project titled "SH550 Direct Connector Transportation Project". Cameron County issued \$40,000,000 Revenue and Tax bonds, Series 2012 (State Highway 550 Project) dated August 8, 2012 providing the construction funding for this project. As a condition, the CCRMA is obligated to repay the bonds together with interest at the same stated rates the County will pay on the Series 2012 bonds in addition to, if applicable, an administrative fee also known as a "CAF Fee. The bonds carry interest rates of 2.1% to 5.0% and mature through February 2038. In December 2016 through an advance refunding, a total of \$14.3 million in bonds were refunded. In March 2020, \$25 million were advance refunded.

In January 2014, Cameron County issued \$5,000,000 Revenue and Tax Bonds, Series 2014 (State Highway 550 Project) dated March 1, 2014. As a condition of such funding, the CCRMA is obligated to repay the funding together with interest on the unpaid principal balance at the same stated rates of interest the County will pay on the Series 2014 bonds. Similar to the Series 2012 Bonds, the CCRMA is obligated to continue payment of the annual CAF Fee as calculated on the original issuance of the Series 2012 bonds. Series 2014 bonds carry interest rates of 2.0% to 5.0% and mature through February 2034. In December 2016 through an advanced refunding, a total of \$695,000 in bonds were refunded.

In March 2015, the CCRMA issued \$4,500,000 Revenue and Tax Bonds, Series 2015 (State Highway 550 Project) to further provide funds for the "SH550 Direct Connector Transportation Project." The CCRMA is responsible for repaying the principal and interest amounts as well as the annual CAF Fee on the bonds. The bonds have maturities between February 2020 and February 2040 and carry interest rates of 2.75% to 3.75%. In December 2016 through an advanced refunding, a total of \$245,000 in bonds were refunded.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 6 – Long-Term Debt – Continued

On August 31, 2021, the CCRMA issued Vehicle Registration Revenue Bonds, Series 2021 in the amount of \$3.925 million. The CCRMA is obligated to repay the principal and interest amounts on the bonds as detailed in the official statement of the bonds. The Bond Series 2021 has maturities of February 2022 to 2041 and carry interest rates of 3% payable February 15 and August 15 of each year. Bond proceeds will be used for the purpose of paying project costs, funding the debt service and paying cost of issuance of the bonds.

Advanced Refunding and Defeased Debt

On December 29, 2016 Cameron County issued \$15.8 Revenue and Tax Refunding Bonds Series 2016 for the SH550 project. The net proceeds of \$15.6 million (net of underwriters, financial advisor, and other costs of issuance) were used to advance refund \$15.3 of the series 2012, 2014, and 2015 SH550 Revenue bonds. The CCRMA is obligated to repay the funding together with interest on the unpaid principal balance at the same stated rates of interest the County will pay on the series 2016 bond issuance. Bond proceeds were used to purchase U.S. Government securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments. As a result, the refunded bonds from series 2012, 2014, and 2015 SH550 Revenue and Tax bonds were considered to be defeased, and the liability for those bonds has been removed from the long-term debt of the CCRMA financials. The bonds have maturity between February 2035 and February 2042, and they carry interest rates of 3.75% to 5.0%.

On December 27, 2017, Cameron County and the CCRMA issued Vehicle Registration Fee Revenue Refunding Bonds, Series 2017 in the amount of \$4.4 million. The net proceeds of \$4.8 million (net of underwriters, financial advisor, and other cost of issuance) were used to advance refund \$4.4 million of Series 2010A Revenue bond. The CCRMA is obligated to repay the principal and interest amounts on the bonds as detailed in the official statement of the bonds. The Bond Series 2017 has maturities of February 2023 to 2026 and carry interest rates of 5% payable every February 15 and August 15 of each year. The bonds have maturity between February 2023 and February 2026, and they carry interest rates of 4.0%.

On March 26, 2019, the CCRMA issued Vehicle Registration Fee Revenue Refunding Bonds, Series 2019 in the amount of \$14.9 million. The net proceeds of \$14.9 million (net of underwriters, financial advisor, and other cost of issuance) were used to advance refund \$15.5 million of Series 2010B Revenue bond. The CCRMA is obligated to repay the principal and interest amounts on the bonds as detailed in the official statement of the bonds. The Bond Series 2019 has maturities of February 2027 to 2036 and carry interest rates of 5% payable February 15 and August 15 of each year. Bond proceeds were used to purchase U.S. Government Securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments. As a result, the refunded bonds from the series 2010B Vehicle Registration Fee Revenue were considered to be defeased, and the liability for those bonds has been removed from the long-term debt of the CCRMA financial statements.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 6 – Long-Term Debt – Continued

On March 31, 2020, the CCRMA issued Revenue and Tax Refunding Bonds, Series 2020 (SH 550 Project) in the amount of \$26.9 million. The net proceeds of \$26.9 million (net of underwriters, financial advisor, and other cost of issuance) were used to advance refund \$25.5 million of Series 2012 Revenue bond. The CCRMA is obligated to repay the principal and interest amounts on the bonds as detailed in the official statement of the bonds. The Bond Series 2020 has maturities of February 2021 to 2038 and carry interest rates of 5% payable February 15 and August 15 of each year. Bond proceeds were used to purchase U.S. Government Securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments.

On April 1, 2024, the CCRMA issued Revenue and Tax Refunding Bonds, Series 2024 (SH 550 Project) in the amount of \$3.0 million. The net proceeds of \$3.0 million (net of underwriters, financial advisor, and other cost of issuance) were used to advance refund \$3.4 million of Series 2014 Revenue bond. The CCRMA is obligated to repay the principal and interest amounts on the bonds as detailed in the official statement of the bonds. The Bond Series 2024 has maturities of February 2026 to 2034 and carry interest rates of 5% payable February 15 and August 15 of each year.

See summary below for additional details of the refunding:

Bond Refunding Series	Amount of Issuance	Cost of Issuance	Bond Premium	Net Proceeds	Average Coupon	Bonds Refunded Series	Principal Amount	Average Coupon of Refunded Bonds	Escrow Defeased
2014 Series									
Refunding	\$ 6,325,000	\$ (164,406)	\$ 137,092	\$ 6,297,686	2.12%	2010A	\$ 6,220,000	3.77%	Yes
2016 Series									
Refunding	15,805,000	(306,052)	100,180	15,599,128	4.09%	2012	14,340,000	4.92%	Yes
						2014	695,000		
						2015	245,000		
2017 Series									
Refunding	4,470,000	\$ (150,253)	\$ 456,100	4,775,847	4.00%	2010A	4,480,000	5.00%	Yes
2019 Series									
Refunding	14,925,000	\$ (278,173)	\$ 1,546,268	16,193,095	4.25%	2010B	15,535,000	6.55%	Yes
2020 Series									
Refunding	26,925,000	\$ (346,214)	\$ -	26,578,786	2.51%	2012	25,005,000	4.99%	Yes
2024 Series									
Refunding	3,030,000	\$ (103,297)	\$ 297,865	3,224,568	4.00%	2014 SH 550	3,200,000	5.00%	Yes
	<u>\$ 68,450,000</u>	<u>\$ (1,245,098)</u>	<u>\$ 2,239,640</u>	<u>\$ 69,444,542</u>			<u>\$ 66,520,000</u>		

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 6— Long-Term Debt – Continued

The following schedule summarizes the long-term bond liabilities of the CCRMA as of September 30, 2025:

Vehicle Registration Fee Bonds	October 1, 2024	Reductions	September 30, 2025	Due within one year
2017 Refunding Revenue Bonds	\$ 2,320,000	\$ (1,135,000)	\$ 1,185,000	\$ 1,185,000
2019 Refunding Revenue Bonds	14,925,000	-	14,925,000	-
2021 Revenue Bonds	3,925,000	-	3,925,000	-
	<u>21,170,000</u>	<u>(1,135,000)</u>	<u>20,035,000</u>	<u>1,185,000</u>
Premiums	1,309,641	(162,799)	1,146,842	-
Total Vehicle Registration Fee Bonds	<u>22,479,641</u>	<u>(1,297,799)</u>	<u>21,181,842</u>	<u>1,185,000</u>
Revenue & Tax Bonds (SH550)				
2014 Revenue & Tax Bonds	290,000	(290,000)	-	-
2015 Revenue & Tax Bonds	3,755,000	(180,000)	3,575,000	185,000
2016 Refunding Revenue & Tax	15,805,000	-	15,805,000	-
2020 Refunding Revenue & Tax	24,305,000	(1,150,000)	23,155,000	1,300,000
2024 Refunding (2014 Revenue Bond)	3,030,000	-	3,030,000	270,000
	<u>47,185,000</u>	<u>(1,620,000)</u>	<u>45,565,000</u>	<u>1,755,000</u>
Premiums	373,110	(39,683)	333,427	-
Discounts	(22,685)	1,418	(21,267)	-
Total Revenue & Tax Bonds (SH 550)	<u>47,535,425</u>	<u>(1,658,265)</u>	<u>45,877,160</u>	<u>1,755,000</u>
Total Long-Term Debt	<u>\$ 70,015,066</u>	<u>\$ (2,956,064)</u>	<u>\$ 67,059,002</u>	<u>\$ 2,940,000</u>

The annual debt requirements to maturities are as follows:

Year Ending September 30,	Principal	Interest	Total
2026	\$ 2,940,000	\$ 2,257,389	\$ 5,197,389
2027	3,090,000	2,158,409	5,248,409
2028	3,275,000	2,046,537	5,321,537
2029	3,460,000	1,927,010	5,387,010
2030	3,670,000	1,799,670	5,469,670
2031-2035	20,565,000	7,013,806	27,578,806
2036-2040	20,540,000	3,353,196	23,893,196
2041-2045	8,060,000	310,675	8,370,675
Total	<u>\$ 65,600,000</u>	<u>\$ 20,866,692</u>	<u>\$ 86,466,692</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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For the Year Ended September 30, 2025

Note 7 – Interlocal and Grant Agreements

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

On February 22, 2012, the CCRMA and the TxDOT entered into an agreement for the pass through of toll payments for the development and operation of the SH550 Direct Connector toll project. This agreement provides for an annual payment of grant revenue for each vehicle mile traveled on the Direct Connector project for each project anniversary year. The minimum and maximum amount of annual payment are \$1,385,000 and \$2,770,000, respectively. The total maximum amount allowed to be paid through this agreement is \$30,470,000 with funds strictly used for repayment of the associated project bond debt. The revenues from this agreement are included in the pledged revenues for the 2012, 2014, 2015, and 2016 Revenue and Tax Bonds for the SH550 project issued by Cameron County. Revenues are recorded as capital contributions with any receivables included in the restricted portion of net assets. The remaining obligation by TxDot as of September 30, 2025, is \$15,621,780.

Transportation Reinvestment Zone No.6

On December 29, 2015, the County and the CCRMA entered into an agreement to participate in Transportation Reinvestment Zone (TRZ) No.6 in the County of Cameron. A TRZ is a transportation funding tool authorized by Senate Bill 1266 passed in the 80th Texas Legislature in 2007 that utilizes incremental property tax of a geographical area to support the funding of transportation infrastructure needs within the area. The CCRMA and Cameron County have existing TRZ's No. 1-5 that date back to 2010. The purpose of TRZ No. 6 is to expand the geographical area to cover the entire County and increase the number of eligible projects. The interlocal agreement is a long-term agreement with various requirements embedded. Total revenue recognized since inception as of September 30, 2025 is \$27,030,086.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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Notes to Financial Statements
For the Year Ended September 30, 2025

Note 7 – Interlocal and Grant Agreements - Continued

CCRMA to Develop Projects On Behalf of Cameron County

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

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

On October 17, 2017, the CCRMA and Cameron County entered into an agreement for the provision of IT staff to be used for County Toll Collection Facilities. The IT staff would be a full time CCRMA employee that specializes in the maintenance and operation of electronic toll collection systems to provide routine maintenance, troubleshooting and support to the County staff. The County will pay the CCRMA a fixed monthly amount of \$3,333 for the life of the agreement and will provide reimbursement to staff expenses such as mileage and other pre-approved expenses.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 7 – Interlocal and Grant Agreements - Continued

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

On June 10, 2019, the CCRMA and the Cameron County entered into an agreement for the CCRMA to provide services for a toll system implementation, maintenance support and toll collection processing for the International Bridge and the Park User Fee Systems. As of September 30, 2025, the project is ongoing.

CCRMA Executive Director to Perform as Interim County Administrator

On July 22, 2019, the CCRMA and Cameron County entered into an agreement for Executive Director to perform interim administrator duties for Cameron County. The County will pay the CCRMA a fixed monthly amount of \$13,000 for the life of the agreement. On October 26, 2021, the agreement was extended for thirty-six (36) months. On September 29, 2023, the agreement was extended forty-eight (48) months, September 30, 2027, unless otherwise amended, terminated, or modified. On September 4, 2025, the agreement amended the fixed monthly amount to \$18,000 and extended the agreement forty-eight (48) months, September 30, 2029.

CCRMA Advanced Funding Agreements with Texas Department of Transportation

On November 7, 2019, the CCRMA Board of Directors passed a resolution authorizing the execution of an Advanced Funding Agreement with the Texas Department of Transportation for the development of the East Loop project with use of Federal, State and Local funds in the amount of \$4,025,000.

On December 12, 2019, the CCRMA Board of Directors passed a resolution authorizing the execution of an Advanced Funding Agreement with the Texas Department of Transportation for the development of the West Boulevard project with use of Federal and Local funds in the amount of \$1,000,000.

On May 28, 2020, the CCRMA Board of Directors passed a resolution authorizing the execution of an Advanced Funding Agreement with the Texas Department of Transportation for the development of the SH 550 GAP II project with use of Federal Funds in the amount of \$17,500,000. On December 12, 2024, the CCRMA Board of Directors passed a resolution authorizing the execution of amending the Advanced Funding Agreement with the Texas Department of Transportation for the development of the SH 550 GAP II project with use of Federal Funds.

On February 24, 2023, the CCRMA Board of Directors passed a resolution authorizing the execution of an Advanced Funding Agreement with the Texas Department of Transportation for the development of Dana Avenue project with use of Federal and Local funds in the amount of \$20,804,163. On February 24, 2025, the CCRMA Board of Directors passed a resolution authorizing the execution of an Advanced Funding Agreement with the Texas Department of Transportation for Bridge Replacement (NBI: 21-031-0-C003-05-001).

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 7 – Interlocal and Grant Agreements – Continued

On November 27, 2023, the CCRMA Board of Directors passed a resolution authorizing the execution of an Advanced Funding Agreement with the Texas Department of Transportation for the development of the Stenger Concrete Path project with use of Federal and Local funds in the amount of \$1,994,877.

On January 11, 2024, the CCRMA Board of Directors passed a resolution authorizing the execution of an Advanced Funding Agreement with the Texas Department of Transportation for the development of the Whipple Road project with use of Federal State and Local funds in the amount of \$10,910,682.

On May 30, 2024, the CCRMA Board of Directors passed a resolution authorizing the execution of an Advanced Funding Agreement with the Texas Department of Transportation for the development of the West Blvd (New Multimodal) project with use of Federal and Local funds in the amount of \$10,371,128.

On March 28, 2025, the CCRMA Board of Directors passed a resolution authorizing the execution of an Amended Advanced Funding Agreement with the Texas Department of Transportation for the Morrison Road for updated limits from 1847 to Dana Road following the division of the project into two sections.

Transportation Reinvestment Zone No.6

On October 27, 2020, the CCRMA and Cameron County entered into an agreement to amend the Transportation Reinvestment Zone (TRZ) No.6 in the County of Cameron.

Cameron County to utilize the CCRMA's consultant for upcoming 89th Legislative Session

On December 3, 2024, the CCRMA and Cameron County entered into an agreement to allow the CCRMA's Consultant, Pathfinder Public Affairs, to assist with legislation and other issues associated with the 89th Legislative Session and the Special Sessions as well as any future Special Sessions.

The cost of the services and the amount of this agreement is \$120,000 which will be paid by the County. The agreement will cover period from January 1, 2025, and will terminate December 31, 2025, unless extended by action of both CCRMA and Cameron County.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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Notes to Financial Statements
For the Year Ended September 30, 2025

Note 7 – Interlocal and Grant Agreements – Continued

CCRMA to collaborate with Cameron County for Marketing Services

On April 13, 2021, the CCRMA and the Cameron County entered in an agreement to allow the CCRMA to collaborate with Cameron County International Bridge System and the Cameron County Parks System on marketing efforts with a goal of increasing traffic for both County and CCRMA. On June 20, 2023, the agreement was extended until September 30, 2027.

CCRMA to utilize the Cameron County Sign Shop Services and Use of County Equipment to install Equipment on SH 550 Toll Road.

On May 24, 2022, the CCRMA and the Cameron County entered in an agreement to allow the CCRMA to use the County's sign shop services as it relates to replacing or repairing signs along SH550 Toll Road, Additionally, to allow the CCRMA the use of county equipment and personnel to install any necessary equipment on SH550 Toll Road.

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

On November 22, 2022, the agreement was signed to utilize The Revenue Markets, Inc. to serve as the Tolling Consultant in connection with the acquisition and installation of toll collection software and equipment.

Harris County Toll Road Authority Tolling Services Agreement

On July 17, 2023, the CCRMA and Harris County Toll Road Authority (HCTRA) entered into an agreement in which HCTRA will provide interoperability and tolling services for CCRMA toll roads.

On July 15, 2024, Harris County Toll Road Authority (HCTRA) assumed responsibility for the CCRMA back-office operations meaning that the Fuego Tag will now be operable with all toll roads in the State of Texas, Kansas, Oklahoma, Florida and Colorado.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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Notes to Financial Statements
For the Year Ended September 30, 2025

Note 8 – Advertising

The CCRMA incurs advertising expenses to promote community awareness of existing and ongoing projects. These expenditures include public relation events, website, social media marketing of toll operations, and other general advertising-related activities. These expenses are expensed in the year incurred. For the year ended September 30, 2025, the CCRMA expended \$167,103 in advertising.

Note 9 – Risk Management

In conjunction with its normal operations, the CCRMA is exposed to various risks related to the damage or destruction of its assets from both natural and man-made occurrences; tort/liability claims; error and omission claims, and professional liability claims. As a result of these exposures, the CCRMA carries insurance with a governmental risk pool under an “all risks” policy. All categories of insurance coverage in place were either maintained at current levels or increased as to overall limits of coverage and reduction of self-retained risk as to reduce the overall exposure of risk to the CCRMA. There were no settlements in excess of insurance coverage during fiscal years 2023, 2024 and 2025.

The organization is exposed to liquidity risk, the risk of not having sufficient cash to meet obligations when due. Liquidity is managed through cash flow monitoring, maintenance of adequate reserves, and access to short-term borrowing options. Management believes current liquidity resources are sufficient to support ongoing operations.

Note 10 – Related Party Transactions

Certain members of the governing board have relationships with organizations that conduct business with CCRMA. These relationships may give rise to transactions that are considered related party transactions under generally accepted accounting principles (GAAP). Management believes that all such transactions were conducted in the ordinary course of business and on terms comparable to those that would be obtained in arm’s-length transactions.

Banking Relationship

A member of the governing board is affiliated with a financial institution in which the CCRMA maintains deposit accounts. At year end, the CCRMA held cash balances totaling \$2,186,466 with this institution.

Collection Agency

A member of the governing board has a relationship with a collection agency utilized by the CCRMA for the recovery of delinquent receivables. During the current fiscal period, payments to this agency totaled \$9,273. Amounts payable to the collection agency at year end were \$233,967.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 10 – Related Party Transactions - Continued

Engineering Firm

A member of the governing board is associated with an engineering firm that provides professional services to the CCRMA. During the current fiscal period, payments to this firm totaled \$2,211,188. Amounts payable to the engineering firm at year end were \$173,148.

Management has implemented policies and procedures requiring disclosure of such relationships and, where applicable, recusal of board members from decisions involving these entities. The CCRMA is not aware of any instances in which these relationships resulted in terms that were not consistent with those available to unrelated parties

Note 11 – Subsequent Events

Subsequent events have been evaluated through March 21, 2026, the date the financial statements were available to be issued.

On December 11, 2025, the CCRMA and Cameron County entered into an agreement to allow the CCRMA's Consultant, Pathfinder Public Affairs, to assist with legislation and other issues associated with the 90th Legislative Session and the Special Sessions as well as any future Special Sessions.

The cost of the services and the amount of this agreement is \$120,000, which will be paid by the County. The agreement will cover period from January 1, 2026, and will terminate December 31, 2026, unless extended by action of both CCRMA and Cameron County.

On November 5, 2025, the CCRMA and Hidalgo County Regional Mobility Authority (HCRMA) entered into an agreement in which CCRMA will provide tolling services and other necessary customer service center functions required for effective toll revenue collection.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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Notes to Financial Statements
For the Year Ended September 30, 2025

Note 12 – Employee Retirement System

A. Plan Description

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

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

B. Benefits Provided

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

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

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

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 12 – Employee Retirement System – Continued

B. Benefits Provided - Continued

Employees Covered by Benefit Terms

At December 31, 2024 valuation and measurement date, the following amount of employees were covered by the benefit terms:

	<u>2024</u>
Number of inactive employees entitled to but no yet receiving benefits:	24
Number of active employees:	20
Average monthly salary*:	\$6,493
Average age*:	43.17
Average length of service in years*:	9.58

** Averages reported for active employees*

C. Contributions

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

Employees for the CCRMA are required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the CCRMA were 8.72%, 8.85% and 11.77% in calendar years 2023, 2024, and 2025 respectively. The CCRMA's contributions for the year ended September 30, 2025 was \$203,594.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

For the Year Ended September 30, 2025

Note 12 – Employee Retirement System – Continued

D. Net Pension Asset

The CCRMA's net pension asset (NPA) was measured as of December 31, 2024, and the total pension liability used to calculate the net pension asset was determined by an annual actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability/asset in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

	<u>2024</u>
Inflation	2.50%
Salary increases (including inflation and average)	4.7%
Investment rate of return	7.5%

Mortality rates were based on the following:

Depositing members

135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Service retirees, beneficiaries and non-depositing members

135% of Pub-2010 General Retirees Amount-Weighted Mortality. Table for males and 120% Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Disabled retirees

160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality. Table for males and 125% PUB-2010 General Disabled Retirees Amount-Weighted Mortality. Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

The demographic assumptions were developed from an actuarial experience investigation of TCDRS over the years 2017-2020. They were recommended by Milliman and adopted by the TCDRS Board of Trustees in December 2021. All economic assumptions were recommended by Milliman and adopted by the TCDRS Board of Trustees in March 2021. These assumptions, except where required to be different by GASB 68, are used to determine the total pension liability as of December 31, 2024. The assumptions are reviewed annually for continued compliance with relevant actuarial standards of practice.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 12 – Employee Retirement System - Continued

Long-Term Expected Rate of Return

The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2025 information for a 10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed in detail at a minimum of every four years, and is set based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The assumption for the long-term expected return is reviewed annually for continued compliance with the relevant actuarial standards of practice. Milliman relies on the expertise of Cliffwater in this assessment.

The numbers shown below are based on January 2025 information for a 10-year time horizon.

Asset Class	Benchmark	Target Allocation ⁽¹⁾	Geometric Real Rate of Return ⁽²⁾
US Equities	Dow Jones U.S. Total Stock Market Index	13.00%	5.35%
Global Equities	MSCI World (net) Index	4.00%	5.15%
Int'l Equities - Developed Markets	MSCI World Ex USA (net) Index	6.00%	4.75%
Int'l Equities - Emerging Markets	MSCI Emerging Markets (net) Index	0.00%	4.75%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	2.55%
Strategic Credit	FTSE High Yield Cash-Pay Capped Index	9.00%	3.70%
Direct Lending	Morning LSTA US Leveraged Loan TR USD Index	16.00%	6.85%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽³⁾	4.00%	6.80%
REIT Equities	67% FTSE NAREIT All Equity REIT's Index + 33% S&P		
	Global REIT (net) Index	2.00%	3.95%
Master Limited Partnerships	Alerian MLP Index	2.00%	4.95%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁴⁾	6.00%	5.75%
Private Equity	Cambridge Associates Global Private Equity & Venture		
	Capital Index ⁽⁵⁾	25.00%	8.15%
Hedge Funds	Index	6.00%	3.60%
Cash Equivalents	90-Day U.S. Treasury	2.00%	1.10%

⁽¹⁾ Target asset allocation adopted at the March 2025 TCDRS Board meeting.

⁽²⁾ Geometric real rates of return equal the expected return minus the assumed inflation rate of 3.5%, per Cliffwater's 2025 capital market assumptions.

⁽³⁾ Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

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

⁽⁵⁾ Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 12 – Employee Retirement System - Continued

Discount Rate

The discount rate is the single rate of return that, when applied to all projected benefit payments results in an actuarial present value of projected benefit payments equal to the total of the following:

1. The actuarial present value of benefit payments projected to be made in future periods in which (a) the amount of the pension plan's fiduciary net position is projected to be greater than the benefit payments that are projected to be made in that period and (b) pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term rate of return, calculated using the long-term expected rate of return on pension plan investments.
2. The actuarial present value of projected benefit payments not included in (1), calculated using the municipal bond rate.

Therefore, if plan investments in a given future year are greater than projected benefit payments in that year and are invested such that they are expected to earn the long-term rate of return, the discount rate applied to projected benefit payments in that year should be the long-term expected rate of return on plan investments. If future years exist where this is not the case, then an index rate reflecting the yield on a 20-year, tax-exempt municipal bond should be used to discount the projected benefit payments for those years.

The determination of a future date when plan investments are not sufficient to pay projected benefit payments is often referred to as a depletion date projection. A depletion date projection compares projections of the pension plan's fiduciary net position to projected benefit payments and aims to determine a future date, if one exists, when the fiduciary net position is projected to be less than projected benefit payments.

The funding requirements under the employer's funding policy and the legal requirements under the TCDRS Act are such that a depletion is not projected to occur. To illustrate this, we have shown the projection of the Fiduciary Net Position in the following exhibit ("Projection of Fiduciary Net Position").

Since the fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments. For GASB 68 this long-term assumed rate of return is net of investment expenses, but gross of administrative expenses. Therefore, we have used a discount rate of 7.60% which reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Notes to Financial Statements
For the Year Ended September 30, 2025

Note 12– Employee Retirement System - Continued

Changes in the Net Pension Liability/(Asset)

At December 2024, the CCRMA reported a net pension asset of \$201,170. The changes in net pension asset are the following.

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

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances as of December 31, 2023	\$ 1,809,648	\$ 2,099,277	\$ (289,629)
Changes for the year:			
Service Cost	262,928	-	262,928
Interest on total pension liability ⁽¹⁾	156,599	-	156,599
Effect of plan changes ⁽²⁾	151,457	-	151,457
Effect of economic/demographic gains or losses	(3,040)	-	(3,040)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(24,581)	(24,581)	-
Benefit payments	-	-	-
Administrative expenses	-	(1,390)	1,390
Member contributions	-	109,556	(109,556)
Net investment income	-	218,743	(218,743)
Employer contributions	-	139,594	(139,594)
Other ⁽³⁾	-	12,982	(12,982)
Balances as of December 31, 2024	\$ 2,353,011	\$ 2,554,181	\$ (201,170)

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

⁽²⁾ Reflects plan changes adopted effective in 2025.

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

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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Notes to Financial Statements
For the Year Ended September 30, 2025

Note 12 – Employee Retirement System - Continued

Sensitivity Analysis

The following presents the net pension asset of the CCRMA, calculated using the discount rate of 7.60%, as well as what the CCRMA's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.60%) or 1 percentage point higher (8.60%) than the current rate:

	As of December 31, 2024		
	1% Decrease	Current	1% Increase
	6.60%	Discount Rate	8.60%
		7.60%	
Total pension liability	\$ 2,735,132	\$ 2,353,011	\$ 2,041,107
Fiduciary net position	<u>2,554,181</u>	<u>2,554,181</u>	<u>2,554,181</u>
Net pension liability/(asset)	\$ <u>180,951</u>	\$ <u>(201,170)</u>	\$ <u>(513,074)</u>

Pension Plan Fiduciary Net Position

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

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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Notes to Financial Statements
For the Year Ended September 30, 2025

Note 12– Employee Retirement System – Continued

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

The CCRMA recognized \$261,004 for the year ended September 30, 2025.

Pension Expense/(Income)	January 1, 2024 to December 31, 2024
Service cost	\$ 262,928
Interest on total pension liability ⁽¹⁾	156,599
Effect of plan changes	151,457
Administrative expenses	1,390
Member contributions	(109,556)
Expected investment return net of investment expenses	(168,355)
Recognition of deferred inflows/outflows of resources	-
Recognition of economic/demographic gains or losses	(17,309)
Recognition of assumption changes or inputs	6,836
Recognition of investment gains or losses	(10,004)
Other ⁽²⁾	(12,982)
Pension expense/(income)	<u>\$ 261,004</u>

⁽¹⁾ Reflects the change in the liability due to the time value of money.

TCDRS does not charge fees or interest.

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

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
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Notes to Financial Statements
For the Year Ended September 30, 2025

Note 12 – Employee Retirement System – Continued

At September 30, 2025, the CCRMA reported deferred inflows and outflows of resources related to pensions from the following sources:

	2025	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 125,203	\$ 43,109
Changes of assumptions	140	45,122
Net difference between projected and actual earnings	10,992	-
Contributions made subsequent to measurement date ⁽¹⁾	-	170,762
Total deferred outflow/inflow of resources related to pension	\$ 136,335	\$ 258,993

The total of \$170,762 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date, but before the end of the reporting period will be recognized as a reduction of net pension liability(asset) in the subsequent fiscal year. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	
December 31,	
2025	\$ (18,166)
2026	16,547
2027	(24,340)
2028	(14,170)
2029	(5,203)
Thereafter ⁽²⁾	(2,772)

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REQUIRED SUPPLEMENTARY INFORMATION

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Plan Year Ended December 31,

Total Pension Liability / Asset	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Service cost	\$ 262,928	\$ 205,127	\$ 189,786	\$ 193,620	\$ 206,038	\$ 193,459	\$ 147,778	\$ 110,207	\$ 97,136	\$ 29,965
Interest on total pension liability	156,599	129,661	107,376	89,674	79,557	59,273	39,371	26,057	12,438	3,177
Effect of plan changes	151,456	-	-	-	-	-	-	-	-	(7,993)
Effect of assumption changes or inputs	-	-	-	9,903	66,872	-	-	(228)	-	1,190
Effect of economic/demographic (gains) or losses	(3,040)	(5,375)	7,776	(48,187)	(140,071)	(12,772)	14,126	(9,238)	(4,027)	51,726
Benefit payments/refunds of contributions	(24,580)	(40,669)	(13,915)	(2,813)	(1,672)	(2,554)	-	-	-	-
Net change in total pension liability	543,363	288,744	291,023	242,197	210,724	237,406	201,275	126,798	105,547	78,066
Total pension liability, beginning	1,809,648	1,520,905	1,229,882	987,685	776,961	539,556	338,281	211,483	105,936	27,870
Total pension liability, ending (a)	\$ 2,353,011	\$ 1,809,649	\$ 1,520,905	\$ 1,229,882	\$ 987,685	\$ 776,961	\$ 539,556	\$ 338,281	\$ 211,483	\$ 105,936
Fiduciary Net Position										
Employer contributions	\$ 139,594	\$ 145,102	\$ 131,784	\$ 107,968	\$ 106,691	\$ 113,914	\$ 98,760	\$ 74,062	\$ 56,885	\$ 48,069
Member contributions	109,556	111,365	84,414	78,379	77,958	84,450	71,197	53,613	40,674	33,217
Investment income net of investment expenses	218,743	187,396	(108,907)	264,984	86,733	89,253	(5,091)	33,131	7,855	(1,137)
Benefit payments/refunds of contributions	(24,580)	(40,669)	(13,915)	(2,813)	(1,672)	(2,554)	-	-	-	-
Administrative expenses	(1,390)	(1,096)	(988)	(846)	(812)	(637)	(438)	(250)	(85)	(47)
Other	12,982	11,479	29,786	5,505	5,497	6,820	5,101	1,709	4,764	(6)
Net change in fiduciary net position	\$ 454,905	\$ 413,577	\$ 122,174	\$ 453,177	\$ 274,396	\$ 291,246	\$ 169,529	\$ 162,266	\$ 110,092	\$ 80,096
Fiduciary net position, beginning	2,099,277	1,685,699	1,563,525	1,110,348	835,952	544,706	375,176	212,911	102,819	22,723
Fiduciary net position, ending (b)	\$ 2,554,183	\$ 2,099,277	\$ 1,685,699	\$ 1,563,525	\$ 1,110,348	\$ 835,952	\$ 544,706	\$ 375,176	\$ 212,911	\$ 102,819
Net pension liability/(asset), ending = (a) - (b)	\$ (201,172)	\$ (289,629)	\$ (164,797)	\$ (333,643)	\$ (122,663)	\$ (58,991)	\$ (5,150)	\$ (36,895)	\$ (1,428)	\$ 3,116
Fiduciary net position as a % of total pension liability	108.55%	116.00%	110.84%	127.13%	112.42%	107.59%	100.95%	110.91%	100.68%	97.06%
Pensionable covered payroll	\$ 1,565,085	\$ 1,590,927	\$ 1,205,917	\$ 1,119,704	\$ 1,113,692	\$ 1,206,422	\$ 1,017,093	\$ 765,897	\$ 581,050	\$ 474,522
Net pension liability as a % of covered payroll	-12.85%	-18.21%	-13.67%	-29.80%	-11.01%	-4.89%	-0.51%	-4.82%	-0.25%	0.66%

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here.

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

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Required Supplementary Information
Schedule of Employer Contributions

Year Ending September 30,	Actuarially Determined Contribution ⁽¹⁾	Actual Employer Contribution ⁽¹⁾	Contribution Deficiency (Excess)	Pensionable Covered Payroll ⁽²⁾	Actual Contribution as a % of Covered Payroll
2015	\$ 48,069	\$ 48,069	\$ -	\$ 474,522	10.1%
2016	56,885	56,885	-	581,050	9.8%
2017	74,062	74,062	-	765,897	9.7%
2018	98,760	98,760	-	1,017,093	9.7%
2019	113,404	113,914	(510)	1,206,422	9.4%
2020	106,691	106,691	-	1,113,692	9.6%
2021	107,380	107,968	(588)	1,119,704	9.6%
2022	130,480	131,784	(1,304)	1,205,917	10.9%
2023	138,729	145,102	(6,373)	1,590,927	9.1%
2024	138,510	139,594	(1,084)	1,565,085	8.9%

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

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

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Required Supplementary Information
Notes to Schedule of Employer Contributions

Actuarial Methods and Assumptions Used

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

Valuation Timing

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of fiscal year in which contributions are reported.

Actuarial Cost Method

Entry Age

Amortization Method

Level percentage of payroll closed 5

Asset Valuation Method

Year smoothed fair value

Inflation

2.50%

Salary Increases

Varies by age and service. 4.7% average over career including inflation

Investment Rate of Return

7.50%, net of administrative and investment expenses, including inflation

Retirement Age

Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.

Mortality

135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Changes in assumptions and Methods Reflected in the Schedule of Employer Contributions:

2015 : New inflation, mortality and other assumptions were reflected.
2017: New mortality assumptions were reflected.
2019: New inflation, mortality and other assumptions were reflected.
2022: New investment return and inflation assumptions were reflected.

Changes in Plan Provisions Reflected in the Schedule of Employer Contributions:

2015 : No changes in plan provisions were reflected in the Schedule.
2016: No changes in plan provisions were reflected in the Schedule.
2017: New Annuity Purchase Rates were reflected for benefits earned after 2017.
2018: No changes in plan provisions were reflected in the Schedule.
2019: No changes in plan provisions were reflected in the Schedule.
2020: No changes in plan provisions were reflected in the Schedule.
2021: No changes in plan provisions were reflected in the Schedule.
2022: No changes in plan provisions were reflected in the Schedule.
2023: No changes in plan provisions were reflected in the Schedule.
2024: No changes in plan provisions were reflected in the Schedule.

STATISTICAL SECTION

This part of the Cameron County's Regional Mobility Authority's financial reports presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the CCRMA's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the CCRMA's financial performance and well-being have changed over time.	71
Revenue Capacity	
These schedules contain information to help the reader assess the CCRMA's most significant local revenue source, Toll Revenue and Vehicle Registration Fees.	73
Debt Capacity	
These schedules present information to help the reader assess the affordability of the CCRMA's current levels of outstanding debt and the CCRMA's ability to issue additional debt in the future.	77
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the CCRMA's financial activities take place.	79
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the CCRMA's financial report relates to the services the CCRMA provides and the activities it performs	81

Source: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for relevant years.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Net Position
Last Ten Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net position:										
Net investment in capital assets	\$ 34,046,338	\$ 29,483,264	\$ 33,477,290	\$ 31,413,068	\$ 30,243,709	\$ 26,777,488	30,171,201	\$ 30,298,362	\$ 29,553,298	\$ 29,056,410
Restricted	10,307,998	14,051,439	8,531,623	8,503,228	10,199,547	18,001,712	16,739,689			
Debt service								10,927,534	11,416,132	14,273,302
Redevelopment Assets								9,517,906	16,416,353	20,354,661
Net pension								164,797	289,629	201,170
Unrestricted	2,158,139	1,818,401	3,307,651	5,188,994	5,351,986	3,703,112	5,143,486	4,781,976	5,903,398	10,917,582
Total Net Position	<u>\$ 46,512,475</u>	<u>\$ 45,353,104</u>	<u>\$ 45,316,564</u>	<u>\$ 45,105,290</u>	<u>\$ 45,795,242</u>	<u>\$ 48,482,312</u>	<u>\$ 52,054,376</u>	<u>\$ 55,690,575</u>	<u>\$ 63,578,810</u>	<u>\$ 74,803,125</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Changes in Net Position
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Revenues										
Vehicle registration fees	\$ 3,156,486	\$ 3,019,910	\$ 3,213,630	\$ 3,278,433	\$ 3,251,304	\$ 3,509,231	\$ 3,461,110	\$ 3,499,780	\$ 3,494,940	\$ 3,799,080
Toll revenue	1,220,065	2,317,650	3,170,003	3,569,112	3,464,661	4,337,380	4,602,523	4,966,718	5,677,554	9,242,474
Transportation reinvestment zone	426,261	268,848	574,508	644,077	1,311,065	2,208,261	3,078,965	3,462,631	7,624,815	8,808,638
Interlocal agreement revenues	-	57,982	91,787	264,796	291,770	281,150	368,082	336,316	351,973	202,746
Other operating revenues	332,034	343,797	347,104	237,284	-	-	8,787	15,082	4,191	-
Total Operating Revenues	5,134,846	6,008,187	7,397,032	7,993,702	8,318,800	10,336,023	11,519,467	12,280,527	17,153,473	22,052,938
Operating Expenses										
Advertising	24,927	56,023	54,772	58,643	40,648	35,117	71,002	90,536	116,942	167,103
Contingency	-	-	-	-	-	-	-	-	1,237,917	122,618
Depreciation	2,888,917	2,990,939	3,158,737	3,269,965	3,273,021	3,275,226	3,324,533	3,502,282	3,555,537	3,595,884
Insurance	5,968	2,478	4,869	1,968	798	1,085	11,545	11,128	11,229	4,208
Office expenses	90,209	103,901	158,564	169,139	162,502	183,858	264,579	121,943	175,050	117,568
Professional services	287,875	514,443	309,643	375,246	485,607	669,701	432,842	590,936	610,577	1,007,327
Salaries and contractual services	300,053	632,965	876,265	1,185,618	1,382,296	1,473,927	1,639,190	1,851,694	1,730,782	2,096,438
Toll operating expenses	645,224	713,760	954,843	1,133,927	1,123,558	1,223,885	1,307,532	1,600,346	1,548,341	721,298
Travel	26,830	33,650	37,031	48,666	25,972	14,197	23,862	57,759	63,009	59,123
Utilities	14,620	55,465	53,114	57,559	69,213	73,102	63,447	67,973	72,567	76,364
Project expenses	-	-	-	-	-	-	-	-	-	-
Miscellaneous	22,486	16,470	-	-	-	-	-	-	-	-
Total Operating Expenses	4,307,109	5,120,094	5,607,838	6,300,731	6,563,615	6,950,098	7,138,532	7,894,597	9,121,951	7,967,931
Net Operating Income	827,737	888,093	1,789,194	1,692,971	1,755,185	3,385,925	4,380,935	4,385,930	8,031,522	14,085,007
Non-Operating Revenues (Expenses)										
Bond issuance costs	-	(302,881)	(150,253)	(278,173)	(379,264)	(153,503)	-	-	(103,297)	-
Interest expense	(3,430,383)	(3,157,666)	(3,330,383)	(2,968,836)	(2,540,023)	(2,239,981)	(2,293,074)	(2,349,355)	(2,206,209)	(2,192,764)
Interest income	17,330	28,083	46,755	94,548	61,050	70,241	155,055	554,056	1,107,080	1,470,179
Other revenue	9,412	-	-	-	-	-	-	-	821,848	-
Redevelopment project expense	-	-	(6,510,808)	(3,077,608)	(3,756,156)	(1,840,847)	(8,260,585)	(16,871,846)	(12,541,355)	(10,085,234)
Total Non-Operating (Expenses)	(3,403,641)	(3,432,464)	(9,944,689)	(6,230,069)	(6,614,393)	(4,164,090)	(10,398,604)	(18,667,145)	(12,921,933)	(10,807,819)
(Loss) before capital contributions	(2,575,904)	(2,544,371)	(8,155,495)	(4,537,098)	(4,859,208)	(778,165)	(6,017,669)	(14,281,215)	(4,890,411)	3,277,188
Capital Contributions	1,385,000	1,385,000	10,002,761	4,325,824	5,657,258	3,465,235	9,589,733	17,917,414	12,778,646	7,947,127
Special item-settlement proceeds										
Change in Net Position	(1,190,904)	(1,159,371)	1,847,266	(211,274)	798,050	2,687,070	3,572,064	3,636,199	7,888,235	11,224,315
Net Position-beginning of year	13,207,481	46,512,475	45,353,104	45,316,564	45,105,290	45,795,242	48,482,312	52,054,376	55,690,575	63,578,810
Prior Period Adjustment	34,495,898	-	(1,883,806)	-	(108,098)	-	-	-	-	-
Net Position-end of year	\$ 46,512,475	\$ 45,353,104	\$ 45,316,564	\$ 45,105,290	\$ 45,795,242	\$ 48,482,312	\$ 52,054,376	\$ 55,690,575	\$ 63,578,810	\$ 74,803,125

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Traffic Count Table
Last Ten Years

Segment	2016 *	2017	2018	2019	2020	2021	2022	2023	2024	2025
Port Spur North Bound	-	233,172	300,974	311,550	368,766	533,496	635,519	700,643	871,128	1,100,448
Port Spur South Bound	-	289,684	357,856	380,933	435,872	610,110	735,563	788,769	956,398	1,163,998
SH550 Direct Connector - North	-	247,124	340,573	392,597	429,723	601,375	789,384	804,603	1,068,098	1,351,718
SH550 Direct Connector - South	-	234,377	299,483	345,874	431,016	618,907	811,530	886,173	1,039,646	1,310,435
SH550 Old Alice Rd E NB	-	254,991	219,421	63,167	59,726	15,921	-	65,138	181,659	219,497
SH550 Old Alice Rd X SB	-	280,171	223,998	58,092	60,225	119,868	100,172	141,242	179,056	214,823
SH550-Main-North	-	307,806	371,083	428,174	506,442	736,895	857,674	979,867	1,180,336	1,470,676
SH550-Main South	-	317,531	386,766	457,638	501,413	940,693	745,081	1,070,816	1,273,429	1,542,429
TOTALS	-	<u>2,164,856</u>	<u>2,500,154</u>	<u>2,438,025</u>	<u>2,793,183</u>	<u>4,177,265</u>	<u>4,674,923</u>	<u>5,437,251</u>	<u>6,749,750</u>	<u>8,374,024</u>

Source : Kapsch Maintenance Support System

* Data Not Available

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Toll Rate Schedule
Last Ten Years

SH550 Toll Road	Two Axle Vehicles		Three Axle Vehicles		Four Axle Vehicles		Five Axle Vehicles		Six Axle Vehicles	
Segment	Tag Rate ¹	Pay-By-Mail (PBM) ¹	Tag Rate ¹	Pay-By-Mail (PBM) ¹	Tag Rate ¹	Pay-By-Mail (PBM) ¹	Tag Rate ¹	Pay-By-Mail (PBM) ¹	Tag Rate ¹	Pay-By-Mail (PBM) ¹
Port Spur North Bound	\$ 0.50	\$ 0.67	\$ 1.00	\$ 1.33	\$ 1.50	\$ 2.00	\$ 2.00	\$ 2.66	\$ 2.50	\$ 3.33
Port Spur South Bound	\$ 0.50	\$ 0.67	\$ 1.00	\$ 1.33	\$ 1.50	\$ 2.00	\$ 2.00	\$ 2.66	\$ 2.50	\$ 3.33
SH550 Direct Connector - North	\$ 0.50	\$ 0.67	\$ 1.00	\$ 1.33	\$ 1.50	\$ 2.00	\$ 2.00	\$ 2.66	\$ 2.50	\$ 3.33
SH550 Direct Connector - South	\$ 0.50	\$ 0.67	\$ 1.00	\$ 1.33	\$ 1.50	\$ 2.00	\$ 2.00	\$ 2.66	\$ 2.50	\$ 3.33
SH550 Old Alice Rd E NB	\$ 0.50	\$ 0.67	\$ 1.00	\$ 1.33	\$ 1.50	\$ 2.00	\$ 2.00	\$ 2.66	\$ 2.50	\$ 3.33
SH550 Old Alice Rd X SB	\$ 0.50	\$ 0.67	\$ 1.00	\$ 1.33	\$ 1.50	\$ 2.00	\$ 2.00	\$ 2.66	\$ 2.50	\$ 3.33
SH550-Main-North	\$ 0.50	\$ 0.67	\$ 1.00	\$ 1.33	\$ 1.50	\$ 2.00	\$ 2.00	\$ 2.66	\$ 2.50	\$ 3.33
SH550-Main South	\$ 0.50	\$ 0.67	\$ 1.00	\$ 1.33	\$ 1.50	\$ 2.00	\$ 2.00	\$ 2.66	\$ 2.50	\$ 3.33

Source : CCRMA website

¹ These rates have not changed since its inception, March 10, 2011.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Vehicles Registered
Last Ten Years

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Vehicles Registered Total	<u>301,047</u>	<u>306,178</u>	<u>317,364</u>	<u>323,110</u>	<u>323,317</u>	<u>345,128</u>	<u>348,578</u>	<u>350,188</u>	<u>358,638</u>	<u>366,844</u>
Vehicles Registered	<u><u>301,047</u></u>	<u><u>306,178</u></u>	<u><u>317,364</u></u>	<u><u>323,110</u></u>	<u><u>323,317</u></u>	<u><u>345,128</u></u>	<u><u>348,578</u></u>	<u><u>350,188</u></u>	<u><u>358,638</u></u>	<u><u>366,844</u></u>

Source : Cameron County ACFR 2025

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Vehicle Registration Fee Rates
Last Ten Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Vehicle Registration Fee Rates	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Outstanding Debt
Last Ten Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Vehicle Registration Fee Bonds	\$ 20,150,000	\$ 24,625,000	\$ 23,730,000	\$ 22,215,000	\$ 21,295,000	\$ 24,280,000	\$ 23,320,000	\$ 22,265,000	\$ 21,170,000	\$ 20,035,000
Premiums	-	90,568	457,840	1,836,554	1,668,999	1,798,041	1,635,241	1,472,441	1,309,641	1,146,842
Revenue Bonds	54,975,000	50,025,000	50,025,000	50,025,000	51,945,000	51,135,000	50,060,000	48,810,000	47,185,000	45,565,000
Premium	-	2,634,986	2,503,286	2,371,586	412,841	281,140	149,440	139,543	373,110	333,427
Discounts	-	(32,603)	(31,186)	(29,769)	(28,352)	(26,935)	(25,518)	(24,101)	(22,685)	(21,267)
Total Long-Term Debt	<u>\$ 75,125,000</u>	<u>\$ 77,342,951</u>	<u>\$ 76,684,940</u>	<u>\$ 76,418,371</u>	<u>\$ 75,293,488</u>	<u>\$ 77,467,246</u>	<u>\$ 75,139,163</u>	<u>\$ 72,662,883</u>	<u>\$ 70,015,066</u>	<u>\$ 67,059,002</u>
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Texas Department of Transportation Cameron County	\$ 14,090,646 167,500	\$ 15,762,800 167,500	\$ 16,016,688 167,500	\$ 16,016,688 167,500	\$ 16,016,688 167,500	\$ 16,016,688 167,500	\$ 16,016,688 117,500	\$ 16,016,688 117,500	\$ 12,991,920 117,500	\$ 12,966,920 117,500
Total Due to Other Agencies	<u>\$ 14,258,146</u>	<u>\$ 15,930,300</u>	<u>\$ 16,184,188</u>	<u>\$ 16,184,188</u>	<u>\$ 16,184,188</u>	<u>\$ 16,184,188</u>	<u>\$ 16,134,188</u>	<u>\$ 16,134,188</u>	<u>\$ 13,109,420</u>	<u>\$ 13,084,420</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Ratio of Debt Per Capita
Last Ten Years

Fiscal Year	Total Outstanding Debt	Registered Vehicles	Debt Per Capita
2025	65,600,000	366,844	178.82
2024	68,355,000	358,638	190.60
2023	71,075,000	350,188	202.96
2022	73,380,000	348,578	210.51
2021	75,415,000	345,128	218.51
2020	73,240,000	323,317	226.53
2019	72,240,000	323,110	223.58
2018	73,755,000	317,364	232.40
2017	74,650,000	306,178	243.81
2016	75,125,000	301,047	249.55

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Full-Time Equivalent Employees
Last Ten Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Administrative	5	5	5	6	7	7	8	8	8	8
Toll Processing	2	5	6	6	8	9	9	11	11	18
Total Full Time Employees	7	10	11	12	15	16	17	19	19	26

Source: CCRMA Payroll Department

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Ten Principal Employers
Fiscal Years 2025 And 2016

EMPLOYER	TYPE OF ACTIVITY	FISCAL YEAR 2025			FISCAL YEAR 2016		
		NO. OF EMPLOYEES	RANK	PERCENT OF CAMERON COUNTY EMPLOYMENT ¹	NO. OF EMPLOYEES	RANK	PERCENT OF CAMERON COUNTY EMPLOYMENT ²
Brownsville ISD	Education	5,686	1	3.67%	7,670	1	5.54%
SpaceX	Aerospace	4,000	2	2.58%			
Valley Baptist Health System	Medical	*	3	*	3,971	2	2.87%
Wal-Mart Stores, Inc.	Retail	*	4	*	1,413	8	1.02%
Harlingen CISD	Education	2,544	5	1.64%	3,321	3	2.40%
HEB Grocery	Retail	*	6	*			
Cameron County	Government	1,955	7	1.26%	1,950	4	1.41%
Los Fresnos CISD	Education	1,655	8	1.07%			
San Benito CISD	Education	1,480	9	0.95%	1,675	6	1.21%
University of Texas Rio Grande Valley	Education	1,388	10	0.95%	1,734	5	1.25%
Caring For You Home Health	Medical	1,273		0.82%			
City of Brownsville	Government	1,207		0.78%	1,227	10	0.89%
Abundant Life Home Health	Medical	900		0.58%	1,300	9	0.94%
Keppel Amfels	Manufacturing	*		*	1,650	7	1.19%

Sources: Texas Education Agency, Cameron County, UTRGV, City of Brownsville, Caring For You Home Health, and Abundant Life Home Health.

¹U.S. Department of Labor Statistics - 2025 Preliminary Total Employment - 155,068

²U.S. Department of Labor Statistics - 2016 Total Employment - 138,352

*Number of Employees unavailable

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Operating Indicators by Function
Last Ten Years

	2016 *	2017	2018	2019	2020	2021	2022	2023	2024	2025
Toll Road Transactions	-	2,164,856	2,500,154	2,438,025	2,793,183	4,177,265	4,674,923	5,437,251	6,749,750	8,374,024
Registered Vehicles	301,047	306,178	317,364	323,110	323,317	345,128	348,578	350,188	358,638	366,844

Source : Kapsch Maintenance Support System
Cameron County ACFR 2025

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
(A Component Unit of Cameron County, Texas)
Capital Asset Statistics by Function
Last Ten Years

Function/Programs	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Toll Administration Building	-	1	1	1	1	1	1	1	1	1
Administration Building	-	-	-	-	-	1	1	1	1	1
Toll Road	-	-	-	-	-	-	-	-	-	-
Road Miles	17	17	17	17	17	17	17	17	17	17
Lane Miles	50	50	50	50	50	50	50	50	50	50

Source : CCRMA Departments

COMPLIANCE SECTION

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

To the Board of Directors
Cameron County Regional Mobility Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Cameron County Regional Mobility Authority, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise Cameron County Regional Mobility Authority's basic financial statements, and have issued our report thereon dated March 21, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Burton, McCumber & Longoria LLP

Brownsville, Texas
March 21, 2026