ANNUAL COMPREHENSIVE FINANCIAL REPORT 2023

Port of Corpus Christi Authority of Nueces County, Texas
For the year ended 12.31.23

The ARC Integrity awaits offloading of military cargo at Port of Corpus Christi Cargo Dock 8 in June 2023.

PORT CORPUS CHRISTI®

Annual Comprehensive Financial Report

Port of Corpus Christi Authority
of Nueces County, Texas

For the Year Ended December 31, 2023

Prepared by the Finance Department

Cindy Bertolami
Chief Financial Officer

INTRODUCTORY SECTION

The new Liebherr Mobile Crane is unloaded from the vessel Pijlgracht at Port of Corpus Christi Cargo Dock 8 in November 2023.

PORT CORPUS CHRISTI®

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April 07, 2024

To Chairman Engel, Distinguished Members of the Port Commission of the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), and the Readers of this Report:

Ladies and Gentlemen:

Texas state law requires that every navigation district or port authority publish at the close of each fiscal year a complete set of audited financial statements. This report, the Annual Comprehensive Financial Report ("ACFR"), is published to fulfill that requirement for the year ended December 31, 2023. The ACFR includes descriptions of the Authority's operations, facilities, and various statistics, and provides the reader with the Authority's financial condition and activities that demonstrate strong and responsible growth over a sustained period, and record growth for the past six consecutive years.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Mauldin and Jenkins, LLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Authority's financial statements for the year ended December 31, 2023. The independent auditor's report is located at the front of the financial section of this report.

The Authority's management follows a comprehensive set of financial policies and guidelines with oversight from the Port Commission. The Authority operates as an enterprise, using the revenues generated in return for services provided to enhance and maintain the Corpus Christi Ship Channel, provide reliable infrastructure for Authority customers, and acquire property that can be used to enhance economic development that benefits the entire region. The Authority is committed to full transparency in financial reporting, exceeding requirements to provide business insights to stakeholders, and took steps in 2023 to provide additional access to the public into the financial affairs of the Authority throughout the year.

The Port Commission adopts an annual budget each year, on a basis consistent with accounting principles generally accepted in the United States of America for proprietary funds, as a prudent management tool. Monthly and quarterly financial reports are prepared for management to maintain proper budgetary control. Those reports are provided to Commissioners monthly and are reviewed by the Port Commission in a public Commission meeting on a quarterly basis, and subsequently posted on the Authority's website.

The Authority's Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it. Among other things, it contains a detailed description of the Authority's views on both the micro and macro-economic conditions under which we operate.

PROFILE OF THE AUTHORITY

The Authority is located along the southeastern coast of Texas on the Gulf of Mexico approximately 150 miles north of the Mexican border and approximately 200 miles south of Houston. The Authority maintains one of the deepest ports along the Gulf of Mexico coast with a current channel depth of 47 feet Mean Lower Low Water ("MLLW") in parts and 54 feet MLLW in parts, and an authorized depth of 54 feet MLLW for all the main Corpus Christi Ship Channel, which is currently in the midst of a fully authorized and funded deepening and widening project. The Authority's port facilities are part of the Port of Corpus Christi complex. The Authority, formed in 1922, has been a deep draft port since its opening in 1926. The Corpus Christi Ship Channel is approximately 36 miles long and links the Authority's Inner Harbor, Ingleside, and Harbor Island locations with the Gulf of Mexico, and the six-mile-long La Quinta Ship Channel, which diverges from the main channel south of the City of Ingleside, Texas. The Corpus Christi Ship Channel is also directly connected to the Texas and Louisiana Gulf Intra-Coastal Waterway.

The Authority is a navigation district and independent political subdivision of the State of Texas, having boundaries co-extensive with those of Nueces and San Patricio Counties, Texas. The Authority operates under the provisions of Article XVI, Section 59, of the Texas Constitution and related laws of the State of Texas, particularly Sections 60 and 62 of the Texas Water Code, and all amendments thereto. The Authority is a separate and distinct governmental entity and operates independently of the local municipalities and counties with its own governing body called the Port Authority Commission ("Port Commission"). The Port Commission is comprised of seven commissioners, each who serve staggered terms of three years without pay. At least one appointment is made to the Port Commission each year. Three commissioners are appointed by the Corpus Christi City Council, the governing body of the City of Corpus Christi; three commissioners are appointed by the Nueces County Commissioners Court, the governing body of Nueces County; and one commissioner is appointed by the San Patricio County Commissioners Court, the governing body of San Patricio County. In the event the Port Commission deems it necessary to issue tax-supported bonds, it must request the Nueces County Commissioners Court call an election to do so. The Commissioners Court would call the election, canvas the vote, and if the bond issue is approved, thereafter set the necessary tax rate to service the bonds.

The Authority directly employs nearly 300 highly trained individuals in a variety of key roles, including engineering services, environmental planning and compliance, police operations and emergency management, maintenance, bulk material handling, harbormaster operations, accounting and finance, risk management, long range planning, real estate, and talent development / human resources. The Authority, however, is responsible for generating far more employment throughout the region and the state. The most recent study of the Authority's economic impact by the South Texas Economic Development Center at Texas A&M University Corpus Christi revealed port customer operations were directly and indirectly responsible for nearly 100,000 jobs across the state.

The Authority plays an active role in shaping public policy in both the maritime and energy industries. Authority staff and commissioners hold key positions on various commissions, committees, and advisory boards across the region, the State of Texas, and at a national level with a focus on innovations in responsible energy development and freight mobility. Active participation in numerous trade associations help shape supportive policy by informing and ensuring that elected officials, legislators, stakeholders, and regulators have the data-driven information they need to make policy decisions that affect our industry, our stakeholders, and our community.

BUSINESS OF THE AUTHORITY

The executive staff, under the leadership of the Chief Executive Officer, manages the day-to-day operations of the Authority and assists the Commission in planning for the future. Port Commission efforts are directed toward encouraging industrial expansion, attracting new cargos, building, and maintaining marine terminals and related transportation infrastructure, setting operational policy, and cooperating with the State and Federal Governments as a local sponsor in maintaining and further improving vital navigation channels and other forms of freight transportation.

The Authority is a "landlord" Port Authority, whereby it owns land, develops land, and leases land and facilities to third parties across a broad spectrum of industrial sectors. The Authority is also the primary non-federal sponsor of the Corpus Christi Ship Channel. The Authority owns docks, wharves, piers, rail infrastructure, roads, transit sheds, open storage facilities, freight handling facilities and equipment, warehouses, a grain elevator, a bulk material handling terminal, and a conference center. In addition, the Authority owns and maintains a large portfolio of area for the placement of dredged material. The Authority-owned docks include ten general cargo docks, sixteen liquid bulk cargo docks, two dry bulk material docks, two bagging facilities, a shipside grain elevator, cotton storage facilities, and a conference center. Most of the privately-owned facilities at the Authority are owned by, and operated exclusively for, the various refineries, petrochemical plants, crude oil terminals, dry bulk facilities, an LNG export terminal, and other industries that line the Corpus Christi Ship Channel and the La Quinta Channel. A listing of the public and private docks by type is included in the Statistical Section of the Authority's ACFR.

The Authority derives revenue from nearly all facilities, public and private, along the Corpus Christi and La Quinta Ship Channels. Since 2019, the authority has overseen the opening of new public or private docks for South Texas Gateway, Pin Oak Terminals, EPIC Midstream, South Texas Cement, Gulf Coast Growth Ventures, and the Plains All-American/Enterprise Products Eagle Ford joint venture. The Authority has served the local economy for a century, celebrating the 100-year anniversary of its founding in 2022, and is continually diversifying, upgrading, and expanding its facilities to better serve industry and shippers throughout Texas and the nation.

The Authority is currently ranked as the third largest port in the nation in terms of total tonnage and is the largest gateway for energy related exports in the United States. In 2023, the Authority set a new annual tonnage record surpassing 200 million tons, more than 8% higher than the previous year. It was the sixth consecutive year establishing a new tonnage record, and double the tonnage moved just six years ago. Three new crude oil pipelines from the Permian Basin that opened in 2018 and 2019, combined with large investments in terminal and storage capacity in the Authority's operating area, have made the Authority and its customers the leading destination for export crude oil. In 2023, the Authority's customers increased their export of crude oil from 1.9 million barrels per day to 2.2 million barrels per day.

The Authority seeks to raise the standard of living and enhance the quality of life in the surrounding regions, and works to achieve that goal through its financial resilience and by providing commercial shippers with first-class channels, docks, and facilities for handling their cargo, by providing public facilities designed to attract more job-inducing commerce, by funding significant environmental protection and sustainability programs, and by supporting local non-profits and charitable organizations whose mission is to help those in our community who are less fortunate. The Authority negotiates directly with potential customers who need use of the facilities we provide, always with an eye on improvement of the region's economic fortunes.

MAJOR INITIATIVES

Corpus Christi Ship Channel Improvement Project

The most immediate and critical capital project the Authority has managed over the past several years is the congressionally authorized Corpus Christi Ship Channel Improvement Project ("Channel Improvement Project" or "CIP"). The four-phase CIP will provide both a safer transit through our waterways and enhance the fluidity of the Ship Channel by allowing larger vessels to transit with more cargo, while providing for two-way transits through most of the Ship Channel.

Since signing a Project Partnership Agreement (PPA) with the U.S. Army Corps of Engineers (USACE) in 2017 to deepen and widen the Corpus Christi Ship Channel, the project has been fully funded by the Authority and the Federal Government. The Authority has provided over $176 million in funds and in-kind services for the project; and the project had been included in four Presidential Budgets (FY'19, '20, '21 and '23) and two USACE Work Plans (FY'18 and FY'19), totaling $405 million of Federal funding.

The first construction contract to deepen and widen the Corpus Christi Ship Channel was completed in 2020 by Great Lakes Dredge & Dock Company. Dredging of the second contract was completed by Callen Marine, Ltd. in July 2023. Also in July 2023, vessels began transiting the Corpus Christi Ship Channel from the Gulf of Mexico to Ingleside at the new depth which allows for transit if more fully loaded vessels from the key crude oil export terminals located at Ingleside Point. The third construction contract is expected to be complete and operational by Q4 2024. The fourth and final phase of the CIP stretches from Chemical Turning Basin to the Viola Turning Basin in the Inner Harbor. The U.S. Army Corps of Engineers awarded the contract for the fourth phase in September 2023 to Callan Marine, Ltd., with anticipated project completion in the first half of 2025.

Approval of Strategic Plan 2026

In 2014, the Authority undertook its inaugural strategic planning process. The effort ultimately yielded the Authority's current vision, mission, and six strategic goals, which define the Authority's overarching priorities. Those priorities should remain relevant indefinitely, while the specific/measurable/time-bound objectives that directly support those priorities are updated on a recurring (3 year) basis. At the end of 2022, the Authority approved the next iteration of its Strategic Plan, replacing Strategic Plan 2023 with Strategic Plan 2026. The new plan includes twice as many objectives as its predecessor, which speaks to the maturation of the planning culture within the Authority. These objectives define specific strategies for enhancing Authority operations and are thus inherently interdisciplinary. Staff from all departments drove—with input throughout from our governing Commissioners— development of these objectives and are now accountable for them. In so much as these objectives will guide the allocation of staff time and financial resources, the process of developing them in the public realm is an act of transparency in governance.

Energy Evolution

The Authority and its customers have grown into the largest gateway of American produced energy exports in the country over the past five years, and the Authority believes that there is significant additional growth for our existing traditional energy customers in the coming decade. Most global economies will likely continue to be powered predominantly by oil and gas derivatives, and thus we will continue to work to remain the most efficient gateway on the Gulf Coast for traditional energy products.

However, as the Authority embraces and expands our role in the traditional energy marketplace, we are actively working to define our niche in the energy industry's push to commercialize large-scale use of low-carbon fuels. If we are committed to remaining the *Energy Port of the Americas™*—and indeed we are—then we must cultivate the technologies, customer base, and commercial ventures that will make our gateway relevant not just in 5 or 15 years but also in 50 years and beyond.

The Authority has taken conscious steps to create the framework for customers who seek to produce low-carbon energy alternatives, particularly hydrogen and hydrogen derivatives, and has made demonstrable progress in developing a scalable, centralized carbon management solution for existing and future customers. We believe that our efforts to assist our customers in their efforts to mitigate the climate impacts of our industry will help ensure that the Authority is the cornerstone of the global energy marketplace for decades to come. The Authority itself moved to 100% renewable power sources in 2018, one of the first port authorities in the world to do so and is in the final stages of permitting a 500MW+ solar PV facility on Port Property to help meet the mounting regional demand for energy to power clean hydrogen projects.

The Authority is cultivating multiple, integrated campuses for scalable hydrogen and hydrogen-derivative production within both counties in which we operate. As a landlord port authority, we can strategically co-locate complimentary projects in that value chain to create efficiencies and economies of scale that should yield a very competitive levelized cost of produced hydrogen. Engagement with potential customers ranges from early interest to signed option agreements for projects that will utilize both electrolysis of water and thermal conversion of natural gas to produce hydrogen.

The world energy marketplace is consolidating around hydrogen as a future fuel, not as a wholesale replacement for fossil fuels but as another flexible option to help us meet aggressive global decarbonization targets. After a year-long application process, the Port of Corpus Christi Horizons Clean Hydrogen Hub (HCH2) was designated one of three national "Hub Alternates" by the US Department of Energy (DOE), placing the Port on ready reserve in case DOE's negotiations with any of the seven selected Hubs falter. The planning and analyses required for the Hubs application process brought clarity of mission and strategy and has helped identify new ways to engage with and invest in the Port's surrounding communities. The Horizons Hub stands to accelerate hydrogen market adoption and help drive substantive decarbonization of key industrial sectors while conferring tremendous benefits to the communities within the proposed Hub.

The Authority owns over 30,000 acres of uplands and submerged land, a portion of which is well suited for permanent geologic storage of captured carbon dioxide (CO2), referred to as carbon capture and sequestration (CCS), based on proximity to target sources (e.g., the emitters) and parcel size and shape. This "pore space" can potentially accommodate hundreds of tons of pressurized, injected CO2 over multiple decades. In 2022, the Authority established a lease option agreement for this pore space with a private sector partnership between Talos Energy Inc. and Howard Energy Partners; that option was then exercised in early 2023. In 2023, the Port of Corpus Christi was awarded $16.4 million through the DOE Carbon Storage Assurance Facility Enterprise (CarbonSAFE) initiative to conduct subsurface characterization of potential CO2 storage resources both on- and offshore. The Authority is also working with private sector entities who may wish to develop a scalable, offshore CCS deployment on submerged lands owned and leased by the Texas General Land Office (GLO). The Authority can assist through provision of right of ways, leasing of land for pressurization and pump stations, and facilitation with existing customers within the Port Complex.

Environmental Stewardship

The Authority's commitment to environmental leadership, locally and within the international maritime industry, is codified in one of our six Strategic Goals. Environmental leadership means proactively going beyond compliance; to this end, the Authority has a progressive Environmental policy approved by the Port Commission that defines six environmental precepts. All our decisions are evaluated against these six precepts, and we have also set aspirational performance targets for ourselves in each of the six areas:

1. Air Quality
2. Water Quality
3. Soils and Sediments Quality
4. Habitat Preservation & Restoration
5. Climate Resilience & Adaptation
6. Climate Action

The established targets are measurable, and time bound and are supported by a department-level work plan. The Authority completed 86% of the initiatives identified in the 2023 work plan and are making steady progress towards achieving the established performance targets. Additionally, for accountability, progress on meeting our targets is presented at Port Commission meetings on a semi-annual basis. The Port of Corpus Christi has purchased 100 percent renewable electricity since 2017 and is a member of the U.S. Environmental Protection Agency's (EPA) Green Power Partnership.

We revisit our environmental policy and the performance targets roughly every three years, on a cadence that allows us to formulate updated objectives for inclusion in our organizational Strategic Plan, which we update with the same frequency. We have also voluntarily undertaken international 3rd party standards and certifications in the form of ISO 14001 Environmental Management Systems, the Green Marine Maritime Certification program, and U.S. Environmental Protection Agency's Green Power Partnership. The Authority has maintained its ISO 14001 certification for 16 years which includes a third-party audit every year. The most recent third-party audit was a certification audit and resulted in no findings. Additionally, in 2023, the Port of Corpus Christi performance under the Green Marine Certification program was verified as accomplishing the highest level of performance in all applicable performance indicators. That is achieving Level 5 in seven performance indicators under Port sector. This status is also published by Green Marine on their website annually.

The Authority maintains a robust recycling program and in 2023 incorporated auditing and accountability requirements in the recycling management contract to ensure robustness and accuracy. In addition, through a grant awarded to the Authority by the U.S. Environmental Protection Agency, the Authority continues to operate a trash skimming device diverting 76 cubic yards of trash and debris from the waterway. The trash skimming device is located where trash runs off from an urbanized area into the ship channel. The Authority is collaborating with local partners, such as the Texas State Aquarium, and environmental groups, such as the Coastal Bend Bays Foundation, to raise awareness and promote personal responsibility.

The Authority is the sole or primary funder for several local environmental groups that provide relevant and important services to protect the environment in the Coastal Bend Region. These organizations include the Coastal Bend Air Quality Partnership, Coastal Bend Bays & Estuaries Program, Corpus Christi Area Oil Spill Control Association, and the Pollution Prevention Partnership hosted by Texas A&M University Corpus Christi. The Coastal Bend Air Quality Partnership is undertaking the development of a Coastal Bend Community Air Action Plan and the Authority is deeply involved in the working groups established as part of that effort.

Other notable highlights in 2023, include:

- Completing a Marine Emissions Capture Pilot Study utilizing funds from a grant issued by Texas Commission on Environmental Quality.
- Developing framework for an Environmental Sustainability Action Plan and beginning to identify and prioritize environmental initiatives.
- Constructing two green infrastructure projects for management of stormwater runoff from Port facilities in accordance with our Stormwater Master Plan.
- Facilitating use of dredge material from Channel Improvement Project for reuse beneficially constructing a living shoreline to restore and protect a severely eroded shoreline.

Community Engagement

As the Authority's leadership position in the global energy marketplace has grown, the ability to make more substantial investments in the community has increased in parallel.

Through the Texas Water Code Section 60.201, the Authority is allowed to set aside a Promotion and Development (P&D) Fund of not more than five percent (5%) of its gross income from operations each calendar year to support:

- *any activity or matter incidental to the advertising, development, or promotion of the district or its ports, waterways, harbors, or terminals;*
- *furthering the general welfare of the district and its facilities; or*
- *the betterment of the district's relations with steamship and rail lines, shippers, consignees of freight, governmental officials, or others interested or sought to be interested in the ports, waterways, harbors, or terminals.*

Historically, the Authority committed two to three percent of its annual revenues to a P&D Fund used to help support our communities and further the goals listed above. The categories that outlined how this money is allocated have evolved through the years, but the purpose has not: i.e., to help our communities prosper, while proactively protecting the environment and setting future generations up for success.

The Authority has an interest in partnering with community groups to educate and inform the public about Authority projects and programs, as well as funding sponsorships that focus on one of the Authority's Areas of Impact:

- Community Vitality
- Economic Development & Job Creation
- Education and Workforce Development
- Health Care and Safety
- Sustainability and Environmental Stewardship

In recent years, the amount allocated to the P&D Fund has increased not only because the Authority's revenues have grown to record levels, but also because the level of need has risen in the communities we serve. This was especially true after the COVID-19 pandemic surfaced in Spring 2020 and inflicted heavy financial and emotional damage on local nonprofit organizations, small businesses, and schools. The growth in percentage approved in 2020, coupled with the significant growth in Authority revenues has led to a tremendous total growth in community investment distributed through the P&D Fund - from $1.3 million in 2018 to $5.9 million in 2023.

From education to safety, and from job training to health care access, the Authority continues to advance quality of life for residents of the Coastal Bend. In 2022, the Port of Corpus Christi began partnering with the STEM nonprofit organization, Learning Undefeated, to teach high school students about environmental sustainability through their newest innovation, the PORT-Able Learning Lab. This $300k annual investment is a new STEM program designed to empower and educate high school students about current environmental issues while also opening career opportunities in the energy industry.

Increased prosperity begets an increased responsibility to help those in need and to better the quality of life for those who call the South Texas Coastal Bend home. The Authority believes it is not only meeting that responsibility but exceeding it in tangible, meaningful ways that will yield a positive impact on future generations for decades to come.

Large-Scale Seawater Desalination Plant Permitting

The Coastal Bend region is completely dependent upon surface water and has been in varying stages of drought conditions for much of the past decade. New industry development, whether in manufacturing or new energy value chains, is heavily dependent on a reliable water source, as are most of the existing industries in the region. The Authority is supporting the regional water provider, the City of Corpus Christi, in creating options for water resource development by undertaking regulatory permitting for two potential seawater desalination facilities on Authority-owned property.

ECONOMIC OUTLOOK

The Authority expects minimal incremental growth in 2024, with full year crude oil exports that match what we saw in the second half of 2023. Production from the Texas oil fields is expected to grow for the foreseeable future and seeks outlets to foreign markets; and demand for Texas energy in Europe and elsewhere continues to remain strong due to its reliability and low cost to produce. As the leading U.S. energy export gateway, much of that increase would be shipped by the Authority's customers. Although the region is getting close to maximum pipeline capacity, it is expected that continued production growth and strong demand throughout the world will lead to continued future growth in capacity in the region in the next several years. It is the position of the Authority that robust worldwide demand for fossil fuels will endure for many decades to come, even as the United States energy industry takes proactive steps to reduce the environmental impacts of their operations and governments push for reduced emissions and conversion to more sustainable energy sources. Countries across the globe are converting to natural gas fired power generation, which represents growing demand opportunities for the Port of Corpus Christi, with exports of liquified natural gas (LNG) from Cheniere Energy's Corpus Christi Liquefaction, LLC (CCL) plant slated to grow beginning in 2025 because of an already announced and under construction expansion of the facility.

AWARDS AND ACKNOWLEDGMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Port of Corpus Christi Authority of Nueces County, Texas, for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022. This was the 40th consecutive year that the Authority has received this prestigious award. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

We wish to express our appreciation for the efficient and dedicated services of the entire staff of the Authority's Accounting and FP&A Departments, who were primarily responsible for assembling and compiling the data comprising the ACFR. It should also be noted that the preparation of this report would not have been possible without the teamwork of the Authority’s most important asset, its people. Adhering to its SEAPORT Values (Safety, Empowerment, Accountability, Preparedness, Optimism, Respect, and Teamwork), Authority Staff are dedicated to their overall fiduciary role to ensure the transparency and responsibility of the funds entrusted to them by the Port Commission. The performance of Staff could not be possible without the extraordinary governance of the Port Commission, who uphold the highest of standards in transparent and responsible governance and policymaking.

Respectfully Submitted,

Kent A. Britton	Cindy Bertolami
Chief Executive Officer	Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Port of Corpus Christi Authority of Nueces County Texas

For its Comprehensive Annual Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morrill

Executive Director/CEO

PORT COMMISSION, PORT OF CORPUS CHRISTI AUTHORITY	
Chief Executive Officer	**Kent Britton**
Chief Financial Officer	Cindy Bertolami
Director Accounting	Marie-Eve Reyes
Director of Real Estate	Sam Esquival
Manager of Foreign Trade Zone	Danielle Converse
Director of Procurement	Eduardo Belmarez
Director of Information Technology	Brooks Lobingier
Chief Talent Officer	Brenda Reed
Chief Operating Officer	Clark Robertson
Director of Engineering Services	Natasha Fudge
Chief of Design & Construction	vacant
Chief of Design & Construction	Jacob Morales
Chief of Program Management	Sonya Lopez-Sosa
Director of Channel & DMPA Development	Dan Koesema
Director of Operations	Tony MacDonald
Harbormaster	Russell Cordo
Manager of Bulk Terminal	Ronald Sapp
Manager of Dock and Rail Operations	John Slubar
Facilities Manager	Craig Gotthardt
Safety Manager	vacant
Senior Maintenance & Logistics Manager	Jesse Robinson
Director Marine Assets	Tom Mylett
Director of Port Security	Mark Gutierrez
Chief of Port Police	Eric Giannamore
Emergency Management Manager	Danielle Hale
Chief External Affairs Officer	Omar Garcia
Director of Community Relations	Rosaura Bailey
Director of Communications	Lisa Hinojosa
Director of Government Affairs	Neldo Olivo
Director of Trade Development	Yudi Takizawa
Chief Strategy & Sustainability Officer	Jeff Pollack
Director of Environmental Planning & Compliance	Sarah Garza
Director of Planning	Leslie Ruta

PORT COMMISSIONERS

Charles W. Zahn, Jr., Chairman

David P. Engel, Vice-Chair

Wes Hoskins, Secretary

Rajan Ahuja, Commissioner

Gabe Guerra, Commissioner

Dr. Bryan Gulley, Commissioner

Diane Gonzalez, Commissioner

EXECUTIVE STAFF

Kent Britton, Chief Executive Officer
Omar Garcia, Chief External Affairs Officer
Clark Robertson, Chief Operating Officer
Brenda Reed, Chief Talent Officer
Jeff Pollack, Chief Strategy & Sustainability Officer
Cindy Bertolami, Chief Financial Officer
Rosaura Bailey, Director of Community Relations
Nelda Olivo, Director of Government Affairs
Natasha Fudge, Director of Engineering Services
Sarah Garza, Director of Environmental Planning & Compliance
Tony MacDonald, Director of Operations
Tom Mylett, Director Marine Assets
Mark Gutierrez, Director of Port Security
Sam Esquivel, Director of Real Estate
Brooks Lobingier, Director of Information Technology
Marie-Eve Reyes, Director of Accounting
Yudi Takizawa, Director of Trade Development
Eduardo Belmarez, Director of Procurement
Lisa Hinojosa, Director of Communications
Dan Koesema, Director of Channel & DMPA Development
Leslie Ruta, Director of Planning

PORT CORPUS CHRISTI®

FINANCIAL SECTION

The ARC Patriot military vessel departs the Port of Corpus Christi in November 2023.

PORT CORPUS CHRISTI®

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Port Commissioners
Port of Corpus Christi Authority of Nueces County, Texas
Corpus Christi, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the **Port of Corpus Christi Authority of Nueces County, Texas** (the “Authority”), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of December 31, 2023, the changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Authority 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 opinion.

Emphasis of Matter

The Authority implemented the provisions of Governmental Accounting Standards Board Statement No. 96, *Subscription Based IT Arrangements*, as of January 1, 2023. This standard significantly changed the financial accounting and reporting of the Authority’s subscription-based IT arrangements. Our opinions are not modified with respect to this matter.

Responsibilities of Management

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 Authority'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 opinion. 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 Authority'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority'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 pages 6 through 15), the Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios (on page 41), the Schedule of Employer Contributions to the Pension Plan (on page 42), and the Schedule of Changes in Total OPEB Liability and Related Ratios (on page 43) 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The supplemental schedules, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal and state awards is presented for the purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State of Texas Grant Management Standards* and is also not a part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules and the schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, the statistical section, and the Additional Information (Continuing Disclosure Under SEC Rule 15c2-12) as listed in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinion 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*

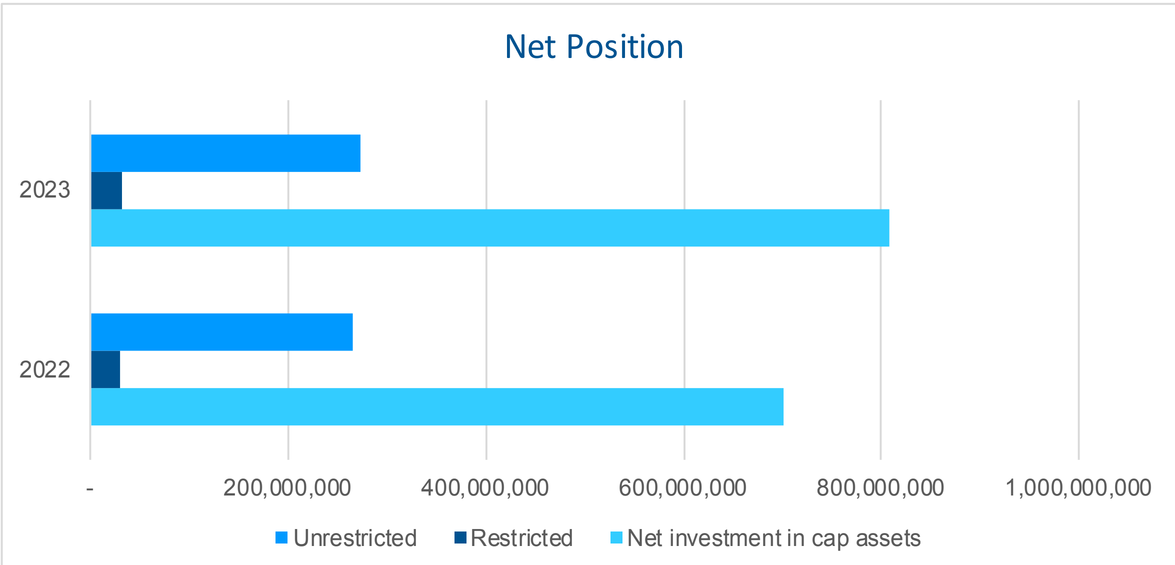
In accordance with *Government Auditing Standards*, we have also issued our report dated April 7, 2024, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and 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 Authority'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 the Authority's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Savannah, Georgia
April 7, 2024

As management of the Port of Corpus Christi Authority of Nueces County, Texas (Authority), we offer readers as an introduction to the Authority's financial statements, this narrative overview and analysis of the Authority's activities and financial performance for the year ended December 31, 2023. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements taken as a whole. All amounts, unless otherwise indicated, are expressed in whole dollars.

FINANCIAL HIGHLIGHTS



- The total net position of the Authority at December 31, 2023 was $1,113,244,704 increasing $116,861,935 or 11.7% over the prior year as restated.
- The net investment in capital increased $107,022,764 over the prior year as a result of capital additions net of depreciation of $97,410,347 and a decrease in the related capital debt as a result of existing debt requirements.
- Restricted net position increased $2,505,117 over the prior year. The required restriction for debt service increased $1,675,446. Escrow funds included total $634,714.
- Unrestricted net position of $272,652,022 may be used to meet the Authority's current ongoing obligations to employees and creditors and increased $7,334,054 over the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Authority's basic financial statements are comprised of the financial statements and the notes to the financial statements. The basic financial statements can be found on pages 16 through 40 of this report. Since the Authority is comprised of a single enterprise fund, no fund level financial statements are shown. This report also contains other supplementary information in addition to the basic financial statements themselves.

Basic Financial Statements

The basic financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business. These statements offer short and long-term financial information about its activities.

The Statement of Net Position presents information on all the Authority's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. The assets and liabilities are presented in a format which distinguishes between current and long-term assets and liabilities. Net position increases when revenues exceed expenses. An increase in assets without a corresponding increase to liabilities results in increased net position, which indicates an improved financial position.

The Statement of Revenues, Expenses, and Changes in Net Position accounts for all of the Authority's current year's revenues and expenses. All changes in net position are reported as soon as the underlying event occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., earned but unused vacation leave).

The Statement of Cash Flows primary purpose is to provide information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

Required Supplementary Information

In addition to the financial statements and accompanying notes, this report also presents certain *required supplementary information* that further explains and supports the information in the basic financial statements found on pages 41 - 43 of this report.

FINANCIAL ANALYSIS

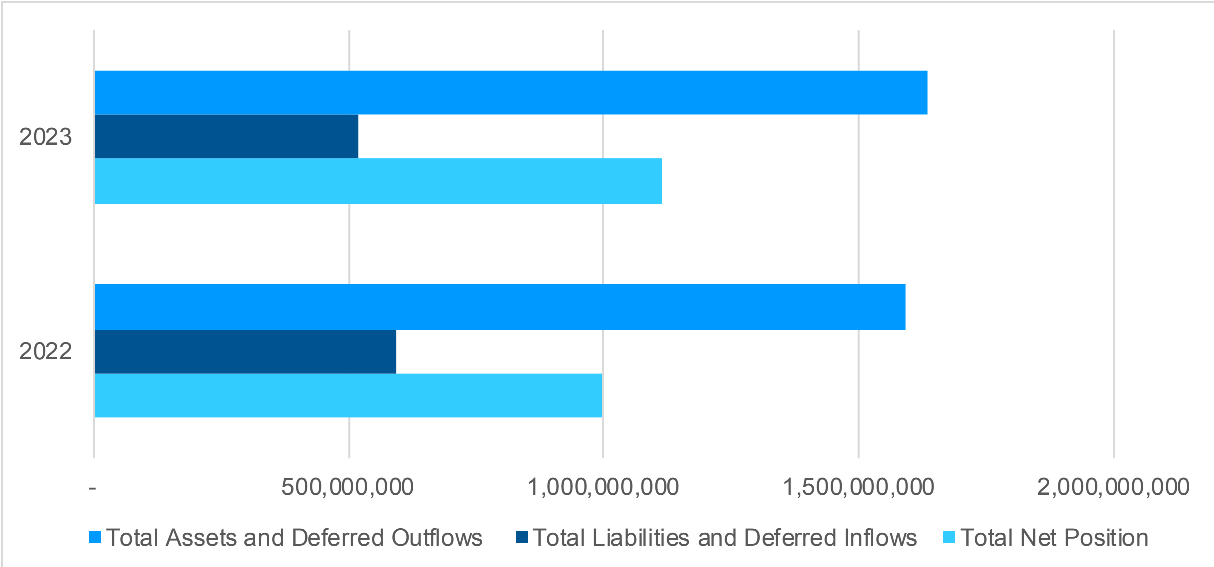
The fundamental question that is most asked of business is, as a whole "Are you better off or worse off as a result of the year's activities?" The Statement of Net Position, and the Statements of Revenues, Expenses, and Changes in Net Position report information about the Authority's activities in a way that will help answer this question. These two statements report the net position of the Authority and changes in it. Over time, increases or decreases in the Authority's net position are one indicator of whether its financial health is improving or deteriorating.

Statement of Net Position

Net Position is the difference between the Authority's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Over time, increases or decreases in net position may serve as an indicator of whether the Authority's financial position is improving or deteriorating.

The following condensed Statement of Net Position provides an overview of the Authority's net position as of December 31, 2023 and 2022:

	2023	2022	2023-2022 Change
Assets			
Current assets	$ 333,295,935	$ 337,994,596	$ (4,698,661)
Restricted assets	31,820,194	28,683,833	3,136,361
Capital assets	1,105,541,776	1,008,131,429	97,410,347
Other non-current assets	157,205,301	210,955,881	(53,750,580)
Total Assets	**1,627,863,206**	**1,585,765,739**	**42,097,467**
Deferred Outflows of Resources			
Deferred outflows	5,873,367	5,169,755	703,612
Total Assets and Deferred Outflows of Resources	**1,633,736,573**	**1,590,935,494**	**42,801,079**
Liabilities			
Current liabilities	42,424,473	39,240,764	3,183,709
Long-term debt, net of current portion	274,295,586	284,339,380	(10,043,794)
Unearned revenue and capital leases, net of current portion	-	-	-
Other liabilities	5,526,749	4,974,002	552,747
Total Liabilities	**322,246,808**	**328,554,146**	**(6,307,338)**
Deferred Inflows of Resources			
Deferred inflows	198,245,061	265,998,579	(67,753,518)
Total Liabilities and Deferred Inflows of Resources	**520,491,869**	**594,552,725**	**(74,060,856)**
Net Position			
Net investment in capital assets	808,772,488	701,749,724	107,022,764
Restricted	31,820,194	29,315,077	2,505,117
Unrestricted	272,652,022	265,317,968	7,334,054
Total Net Position	**$ 1,113,244,704**	**$ 996,382,769**	**$ 116,861,935**



The Authority's net position of $1,113,244,704 at the close of 2023 increased by $116,861,935 over 2022. The largest portion of the Authority's net position (72.7%) reflects its net investment in capital assets. The Authority uses these capital assets to provide services to its customers and consequently, these assets are not available for future spending. Although the Authority's investment in capital assets is reported net of related debt and construction and retainage payables, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position (24.5%) may be used to meet the Authority's ongoing obligations to employees and creditors. The remainder of the Authority's net position (2.8%) represents resources that are subject to external legal restrictions on how they may be used.

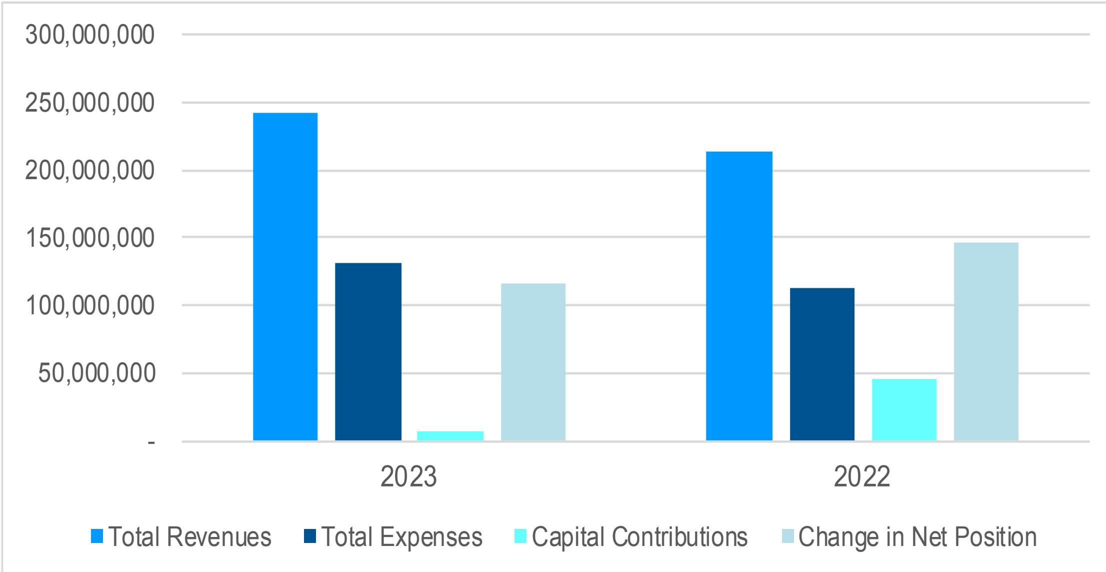
The Authority's total assets and deferred outflows increased by $42,801,079 (2.7%) over 2022. Most of this increase is in Net capital assets and is shown in detail on page 7 of the Management's Discussion and Analysis.

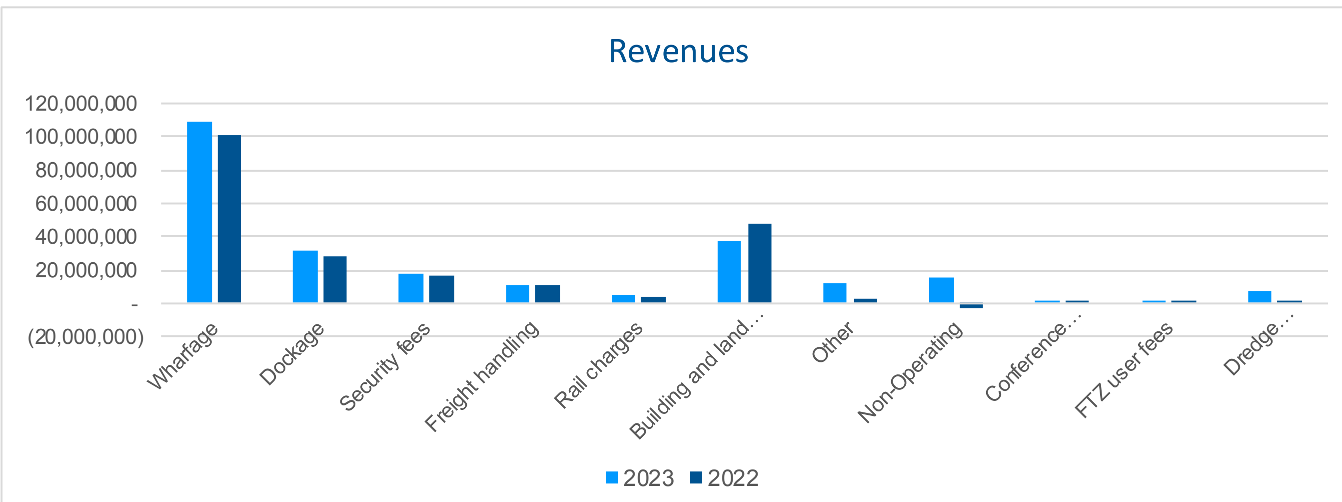
The Authority's total liabilities and deferred inflows decreased by $74,060,856 (12.4%) below 2022. Current liabilities have increased $3,183,709. Deferred inflows decreased $67,753,518 as part of GASB Statement No. 87. Long term debt, net of current portion, as noted on page 7, has decreased by $10,043,794 from 2022. This decrease includes the change in the Authority's revenue bonds and compensated absences.

Statement of Revenues, Expenses, Change in Net Position

The Statement of Revenues, Expenses, and Change in Net Position serve as a measure to determine how successful the Authority was during the past year in recovering its costs through its user fees and other charges, as well as its profitability and credit worthiness. The following Statement of Revenues, Expenses, and Change in Net Position summarizes the operations of the Authority for the years ended December 31, 2023 and 2022:

	2023	2022	2023-2022 Change
Revenues			
Operating revenues:			
Wharfage	$ 109,041,748	$ 100,935,902	$ 8,105,846
Dockage	31,995,536	28,068,071	3,927,465
Security fees	18,383,241	16,917,513	1,465,728
Freight handling	11,245,390	11,345,942	(100,552)
Rail charges	5,631,480	3,784,735	1,846,745
Building and land rentals	37,129,428	47,849,586	(10,720,158)
Conference center services	1,870,759	1,636,593	234,166
FTZ user fees	246,500	244,500	2,000
Dredge placement fees	7,257,336	1,466,667	5,790,669
Other	2,743,383	3,423,029	(679,646)
Total operating revenues	225,544,801	215,672,538	9,872,263
Investment income (loss)	14,761,885	(3,211,567)	17,973,452
Federal and other grant assistance	1,139,590	704,232	435,358
Total Revenues	**241,446,276**	**213,165,203**	**28,281,073**
Expenses			
Operating expenses:			
Maintenance and operations	40,895,035	33,096,143	7,798,892
General and administrative	51,421,517	45,982,327	5,439,190
Depreciation	26,743,013	23,632,566	3,110,447
Total operating expenses	119,059,565	102,711,036	16,348,529
Interest expense and fiscal charges	12,297,347	12,406,874	(109,527)
(Gain) loss on disposal of assets	738,954	(2,826,224)	3,565,178
Total Expenses	**132,095,866**	**112,291,686**	**19,804,180**
Income Before Contributions	**109,350,410**	**100,873,517**	**8,476,893**
Capital Grants and Contributions	7,511,525	46,372,797	(38,861,272)
Changes in Net Position	116,861,935	147,246,314	(30,384,379)
Total Net Position, Beginning of Year, as restated	996,382,769	849,136,455	147,246,314
Total Net Position, End of Year	**$ 1,113,244,704**	**$ 996,382,769**	**$ 116,861,935**





Operating revenues in 2023 increased by $9,872,263 or (4.6%) over 2022. The major variances in revenues from 2023 to 2022 are as follows:

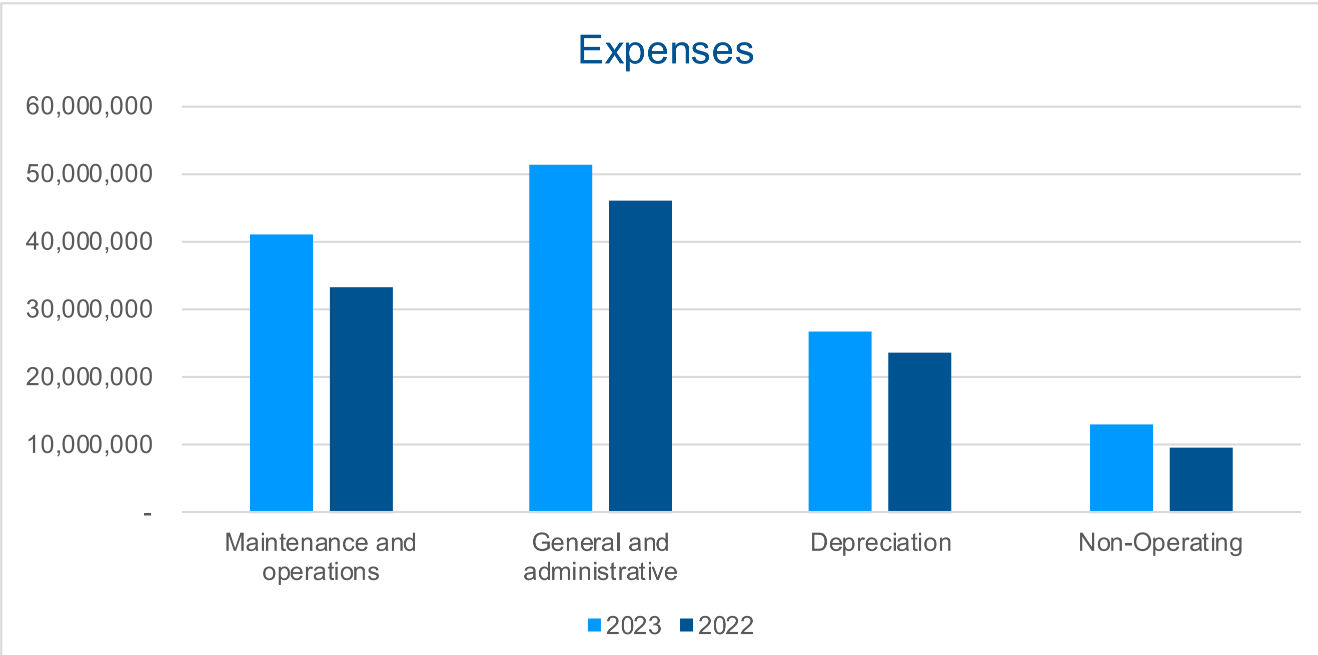
• Wharfage	$	8,105,846
• Dockage		3,927,466

Wharfage increased $9,134,984 at the private oil docks continuously driven by the two largest crude oil export terminals, Enbridge (Ingleside Energy Center) and South Texas Gateway, now owned by Gibson Energy. Both terminals gained market share overall in Corpus Christi growing respectively 29% and 28% in 2023 versus 2022. The two facilities in Ingleside are the only two in the area that are capable of handling Very Large Crude Carriers, and finishing deepening Ingleside to 54 foot last summer, enabled these two terminals to fully load a Suezmax and load additional 200 thousand barrels in a VLCC, increasing the economies of scale. The Authority's overall increase in crude oil exports increased from 1.9 million barrels per day in 2022 to 2.2 million barrels in 2023. The Authority remains the largest crude oil export gateway in the United States keeping close to 60% of the total market share in 2023.

The increase in wharfage at the bulk docks of $1,256,318 was a result of the increases in Barite, Pet Coke and Steel (Pig Iron) businesses. A slight recovery was also observed in grain movements from the grain elevator. These positive volumes more than offset the slowdown observed from the breakbulk segment, specifically from Wind and Military cargoes.

The increase in dockage was primarily at South Texas Gateway, which as noted above, saw significant overall increases in shipments and resultant fees paid to the Authority in 2023 compared to the prior year.

Non-operating revenues have increased $15,197,243 over 2022 mainly due to investment income as a result of significant interest rate increases over past 18 months.



Operating expenses in 2023 increased $16,348,529 or (15.9%) over 2022. The major variances in expenses from 2023 to 2022 are as follows:

• Employee services	$	6,159,205
• Depreciation		3,027,392
• Administrative services		2,206,287
• Contracted services		2,039,605
• Insurance		1,527,595
• Maintenance		1,336,487

Employee services increased as a result of an increase in staffing and benefits. Depreciation expense continues to increase as the Authority purchases and constructs additional capital assets. Administrative costs increased due to an increase in expenditures from the Promotion and Development Fund as well as increased supply costs. Insurance increased as a result of higher property values. Maintenance expense increased mainly due to an increase in maintenance and repairs to the Authority's infrastructure and dredging.

Capital Grants and Contributions

Capital grants and contributions decreased $38,861,272 from 2022. The Authority is the recipient of a number of federal and state grants from a variety of programs. These grant funds are recorded on the basis of project expenditures made. As projects are advanced and expenditures incurred, grant funds are requested on a reimbursement basis and then recognized.

Capital grants and contributions at December 31, 2023 include the following:

• Security improvements	$	3,476,372
• Federal/state disaster grants		2,490,727
• State funded road construction		1,690,628
• Environmental programs		257,205

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Authority's investment in capital assets as of December 31, 2023, amounts to $1,104,808,490 (net of accumulated depreciation). This investment in capital assets includes port facilities, elevator and bulk terminal facilities, machinery and equipment, property and buildings, furniture and equipment, intangibles and construction in progress. This amount represents a net increase (additions net of retirements and depreciation) of $96,677,061 or 9.6%. Additional information regarding the Authority's capital assets can be found in Note 4 to the financial statements on page 27.

Major capital asset activity during 2023 include the following:

• Land purchases	$ 36,129,045
• Railroads	15,091,470
• Port facilities	13,917,410
• Machinery & Equipment	9,604,375
• Bulk facilities	9,180,163

	2023	2022	2023-2022 Change
Capital assets, not being depreciated:			
Land	$ 299,670,902	$ 263,541,857	$ 36,129,045
Channel and waterfront improvements	79,277,883	79,277,883	-
Intangibles	387,429	387,429	-
Construction in progress	288,046,415	252,759,281	35,287,134
	667,382,629	595,966,450	71,416,179
Capital assets, being depreciated:			
Port facilities	334,501,001	306,036,545	28,464,456
Buildings and improvements	81,640,276	85,177,850	(3,537,574)
Machinery and equipment	20,302,992	19,610,461	692,531
Intangibles	981,592	1,340,123	(358,531)
	437,425,861	412,164,979	25,260,882
Net Capital Assets	**$ 1,104,808,490**	**$ 1,008,131,429**	**$ 96,677,061**

Long-Term Debt

On May 27, 2015, the Authority issued $115,000,000 in taxable revenue bonds for the purposes of acquiring land and acquiring, purchasing, constructing, enlarging, extending, repairing or developing facilities or aids incident to or useful or necessary in the operation or development of the Authority's ports and waterways or in aid of navigation and commerce. The bonds are secured by the pledged revenues from the operation of Port Facilities after the deduction of maintenance and operating expenses other than those related to depreciation or the interest expense on the bonds.

On August 8, 2018, the Authority issued $92,530,000 in Series A Non-Taxable revenue bonds for the purpose of the Corpus Christi Ship Channel Project to deepen and widen the main channel and to add barge lanes. Also on that date, the Authority issued $115,000,000 in Series B Taxable revenue bonds for the purpose of acquisition, design, construction, reconstruction, repair, rehabilitation, improvement and equipping the Port facilities in the Authority's capital improvement program, including the acquisition of land for authorized Authority purposes and construction of the Corpus Christi Ship Channel Project.

Additional information regarding the Authority's long-term debt can be found in Note 8 to the financial statements on page 28. As of December 31, 2023, the Authority had long-term debt outstanding of $284,339,380. The following table summarizes the Authority's long-term debt outstanding as of December 31, 2023 and 2022.

		2023		2022		2023-2022 Change
Revenue bonds	$	271,535,000	$	289,580,000	$	(18,045,000)
Bond premium		12,804,380		14,500,369		(1,695,989)
Total	**$**	**284,339,380**	**$**	**304,080,369**	**$**	**(19,740,989)**

The Authority's outstanding Revenue Bonds, Series 2015 (Taxable) ("Prior Lien Revenue Bonds") have been assigned an A+ rating from S&P Global Ratings and an Aa3 rating from Moody's Investor Services. The Authority's outstanding Senior Lien Revenue Bonds have been assigned an A+ rating from S&P and an A1 rating from Moody's. In accordance with the Authority's general revenue bond covenants, the Authority is required to maintain a revenue bond coverage of at least 1.25 times the average annual debt service requirements. As of December 31, 2023, the Authority's revenue bond coverage was 7.53 times the average annual remaining debt service requirements.

ECONOMIC OUTLOOK

2022 brought new challenges that impacted both the local region and global trade markets with the U.S., EU, and other global allies' sanctions placed on Russian crude oil and natural gas as a result of the Russian invasion of the sovereign territory of Ukraine. In 2023, this translated into continued increases in demand for Texas-produced energy, as reflected in the throughput at the Authority's LNG and crude terminals. Economies around the world continued to be impacted by inflation and interest rates while central banks continued an active fight to lower that inflation.

Repeated higher demand out of Europe for crude oil, refined products, and LNG, resulted in record tonnage shipment levels again in 2023, marking the sixth straight year of new highs. Following a 2022 year which the Authority's customers saw significant positive changes in several areas, overall movements of crude oil increased by 12.5% over 2022 to 126 million tons, led by crude oil exports rising from 1.9 million barrels per day in 2022 to 2.2 million barrels per day in 2023. The Authority's customers set new records for total shipments throughout the year.

Texas has experienced unprecedented growth in crude oil production, with crude oil production from the Permian and Eagle Ford shale growing from just over 1 million barrels per day in 2010 to 5.6 million barrels per day in 2023. During COVID, the Authority continued to grow overall shipments by increasing the share of that production that was being exported from Corpus Christi, taking market share from other gateways and becoming the largest export gateway for energy in the United States in the process. In the post-pandemic years, the Authority has continued to grow its share of total crude oil exports from the United States, reaching just over 60% of total exports in 2023. The Authority continues to play a vital role as a major refining hub, as well as a logistical and distribution center for cargoes used in drilling, hydraulic fracturing, pipeline projects, and renewable energy projects such as wind energy components.

The Authority continues to leverage its history and recent success in the traditional energy space to support diversification of the energy marketplace including renewable electricity generation (wind and solar) and production of low-carbon hydrogen and hydrogen co-products. To this end, the Authority is in the advanced stages of permitting a large solar photovoltaic generation and has signed lease option agreements with large-scale hydrogen producers for potential future production sites. In October, the Authority's proposed Horizons Clean Hydrogen Hub was designated as one of three Hub Alternates by the United States Department of Energy ("USDOE').

The Authority is also partnering to cultivate a scalable carbon management solution in the Coastal Bend, including capture of industrial carbon emissions and both onshore and offshore geologic sequestration. To date, the Authority has conducted a feasibility level routing analysis for CO2 delivery infrastructure, has leased about one third of its pore space for potential CCS deployment, and continues to work with potential future customers to provide support for both onshore and offshore solutions. The Authority was the recipient of two grants totaling $16.4 million in February 2023 through the U.S. Department of Energy's Carbon Storage Assurance Facility Enterprise (CarbonSAFE), which will facilitate the collection of geologic data under both Port-owned and State-owned properties.

The most immediate and critical project the Authority has managed over the past several years is the congressionally authorized Corpus Christi Ship Channel Improvement Project ("Channel Improvement Project" or

"CIP"). The four-phase CIP will provide both a safer transit through our waterways and enhance the fluidity of the Ship Channel by allowing larger vessels to transit with more cargo, while providing for two-way transits through most of the Ship Channel. The project is fully funded by both the Authority and the Federal Government, with the Authority contributing roughly $175 million and the Federal government just over $400 million to date. The first construction contract to deepen and widen the Corpus Christi Ship Channel was completed in 2020 by Great Lakes Dredge & Dock Company. Dredging of the second contract was completed by Callan Marine, Ltd. in July 2023. In July 2023, vessels began transiting the Corpus Christi Ship Channel from the Gulf of Mexico to Ingleside at the new depth which allows for transit of more fully loaded vessels from the key crude oil export terminals located at Ingleside Point. The third construction contract is expected to be complete and operational by Q4 2024. The fourth and final phase of the CIP stretches from Chemical Turning Basin to the Viola Turning Basin in the Inner Harbor. The U.S. Army Corps of Engineers awarded the contract for the fourth phase in September 2023 to Callan Marine, Ltd., with anticipated project completion in the first half of 2025.

The Coastal Bend region is completely dependent upon surface water and has been in varying stages of drought conditions for much of the past decade. New industry development, whether in manufacturing or new energy value chains, is heavily dependent on a reliable water source, as are most of the existing industries in the region. The Authority is supporting the regional water provider, the City of Corpus Christi, in creating options for water resource development by undertaking regulatory permitting for two potential seawater desalination facilities on Authority-owned property.

The Authority expects minimal incremental growth in 2024, with full year crude oil exports that match what we saw in the second half of 2023. Production from the Texas oil fields is expected to grow for the foreseeable future and seeks outlets to foreign markets; and demand for Texas energy in Europe and elsewhere continues to remain strong due to its reliability and low cost to produce. As the leading U.S. energy export gateway, much of that increase would be shipped by the Authority's customers. Although the region is getting close to maximum pipeline capacity, it is expected that continued production growth and strong demand throughout the world will lead to continued future growth in capacity in the region in the next several years. It is the position of the Authority that robust worldwide demand for fossil fuels will endure for many decades to come, even as the United States energy industry takes proactive steps to reduce the environmental impacts of their operations and governments push for reduced emissions and conversion to more sustainable energy sources. Countries across the globe are converting to natural gas fired power generation, which represents growing demand opportunities for the Port of Corpus Christi, with exports of liquified natural gas (LNG) from Cheniere Energy's Corpus Christi Liquefaction, LLC (CCL) plant slated to grow beginning in 2025 because of an already announced and under construction expansion of the facility.

With over $311 million of cash, cash equivalents and investments on hand at the end of 2023, access to $50 million line of credit with Frost Bank and the potential to raise additional capital as needed, the Authority is well positioned to maintain existing assets, invest in assets or additional property to facilitate regional growth, and to navigate any short to medium term disruptions in revenues generated through customer shipments. In addition, the Authority will take appropriate measures to control both operational and capital spending in 2024 and future years to ensure the financial viability of the organization in the event of any changes in our revenue outlook.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Authority's Chief Financial Officer, 400 Harbor Drive, Corpus Christi, TX 78401.

ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents (Note 2)	$	81,546,981
Investments (Note 2)		199,857,535
Accounts receivable (Note 3)		20,722,479
Lease receivable (Note 6)		22,483,330
Interest receivable		1,395,137
Intergovernmental receivable		2,992,376
Inventory		1,376,762
Prepaid expenses		2,921,335
Total current assets		333,295,935
NON-CURRENT ASSETS:		
RESTRICTED ASSETS:		
Restricted cash and cash equivalents (Note 2)		29,857,496
Net pension asset (Note 9)		1,327,984
Escrow agreement (Note 5)		634,714
Total Restricted Assets		31,820,194
CAPITAL ASSETS:		
Capital assets, not being depreciated (Note 4)		667,382,629
Capital assets, being depriciated, net (Note 4)		437,425,861
Subscription based IT arrangements (Note 7)		733,286
Capital Assets, Net		1,105,541,776
OTHER NON-CURRENT ASSETS::		
Lease receivable (Note 6)		157,205,301
Total Other Non-Current Assets		157,205,301
Total Non-Current Assets		1,294,567,271
TOTAL ASSETS		1,627,863,206
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow related to pensions (Note 9)		5,801,090
Deferred outflow related to OPEB (Note 10)		72,277
Total Deferred outflows of resources		5,873,367
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		1,633,736,573
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES:		
Accounts payable		23,285,341
Accrued expenses		2,831,867
Accrued interest payable		1,052,403
Unearned revenue		2,382,621
Current maturities of long-term debt (Note 8)		10,630,562
Compensated absences, current portion (Note 8)		2,241,679
Total Current Liabilities		42,424,473
NON-CURRENT LIABILITIES:		
Security deposits		750,000
Long-term debt, net of current liabilities (Note 8)		274,295,586
Compensated absences, net of current portion (Note 8)		2,868,577
Total OPEB liability (Note 10)		1,908,172
Total Non-Current Liabilities		279,822,335
TOTAL LIABILITIES		322,246,808
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow related to pensions (Note 9)		45,878
Deferred inflow related to OPEB (Note 10)		206,567
Deferred inflow related to Leases (Note 6)		197,992,616
Total Deferred Inflows of Resources		198,245,061
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		520,491,869
NET POSITION:		
Net investment in capital assets (Note 13)		808,772,488
Restricted:		
Bond interest and redemption		29,840,527
Escrow agreement (Note 5)		634,714
Law enforcement		16,969
Pension benefits		1,327,984
Unrestricted		272,652,022
TOTAL NET POSITION	$	1,113,244,704

See accompanying notes to financial statements

OPERATING REVENUES:		
Wharfage	$	109,041,748
Dockage		31,995,536
Security fees		18,383,241
Freight and material handling		11,245,390
Rail Charges		5,631,480
Building and land rentals		37,129,428
Conference center services		1,870,759
FTZ user fees		246,500
Dredge placement fees		7,257,336
Other		2,743,383
Total Operating Revenues		225,544,801
OPERATING EXPENSES:		
Maintenance and operations		40,895,035
General and administrative		51,421,517
Depreciation		26,743,013
Total Operating Expenses		119,059,565
Operating Income		106,485,236
NON-OPERATING REVENUES (EXPENSES):		
Investment income		14,761,885
Federal and other grant assistance		1,139,590
Interest expense and fiscal charges		(12,297,347)
Loss on disposal of assets		(738,954)
Net Non-Operating Expenses		2,865,174
Income Before Capital Grants and Contributions		109,350,410
CAPITAL GRANTS AND CONTRIBUTIONS		7,511,525
Change in net position		116,861,935
Total Net Position, Beginning of Year		996,382,769
Total Net Position, End of Year	$	1,113,244,704

See accompanying notes to financial statements

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	$ 212,451,884
Cash payments to suppliers for goods & services	(52,904,192)
Cash payments to employees for services	(37,231,247)
Net Cash Provided by Operating Activities	122,316,445
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Operating grants received	1,214,745
Net Cash Provided by Noncapital Financing Activities	1,214,745
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition and construction of capital assets	(124,246,559)
Proceeds from sale of capital assets	87,530
Capital grants and contributions	7,887,523
Principal payment on capital debt	(9,175,000)
Interest expense and fiscal charges	(16,856,092)
Net Cash Used in Capital and Related Financing Activities	(142,302,598)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investment income	9,082,384
Proceeds from sale and maturities of investments	128,007,572
Purchase of investments	(89,262,292)
Net Cash Provided by Investing Activities	47,827,664
Net increase in cash and cash equivalents	29,056,256
Cash and Cash Equivalents, Including Restricted Accounts:	
Beginning	82,348,221
Ending	$ 111,404,477

See accompanying notes to financial statements

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating income	$ 106,485,236
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	26,743,013
Changes in assets and liabilities:	
Decrease in accounts and intergovernmental receivables	166,421
Decrease in lease receivables	42,575,810
Increase in inventories	(419,972)
Increase in prepaid items	(682,470)
Decrease in net pension asset	9,215,542
Increase in deferred outflows of resources - pension and OPEB	(703,612)
Increase in accounts payable and accrued expenses	4,536,224
Decrease in unearned revenue	(253,819,081)
Decrease in total OPEB liability	(119,927)
Increase in compensated absences	200,461
Increase in deferred inflows of resources	188,138,800
Net cash provided by operating activities	$ 122,316,445

Noncash Investing, Capital, and Financing Activities

Amortization of premium on investments	$ (409,609)
Change in fair value of investments	(5,878,757)
Change in accrued interest on investments	(206,882)
Change in intergovernmental receivables	451,152
Amortization of premium on revenue bonds	(840,406)
Acquisition of capital assets accrued but not paid	3,544,121
Net non-cash investing, capital, and financing activities	$ (3,340,381)

See accompanying notes to financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Port of Corpus Christi Authority of Nueces County, Texas (Authority) have been prepared in conformity with accounting principles generally accepted 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. The more significant of the Authority's accounting policies are described below.

GENERAL HISTORY OF THE PORT OF CORPUS CHRISTI AUTHORITY

The Nueces County Navigation District No. 1 was created November 30, 1922, by an order of the Commissioners Court of Nueces County, Texas after an election duly held on October 31, 1922, at which time the establishment of said district was submitted to the qualified taxpaying voters of Nueces County, Texas. The territorial boundaries of the District were made co-extensive with those of Nueces County. In 2003, Senate Bill 1934 was passed that allowed for the annexation of San Patricio County into the territorial jurisdiction of the Authority. The District was organized under Article III, Section 52, of the Constitution of the State of Texas, but has since been transferred to and is operating under Article XVI, Section 59, of the Texas Constitution and related laws of the State of Texas, particularly Sections 60 and 62 of the Texas Water Code and all amendments thereto. The Authority being a navigation district and political subdivision of the State of Texas is a separate and distinct entity from Nueces County and operates independent with its own Port Commission as its governing body. The only relationship the Authority and Nueces County have is that in the event the Port Commission deems it necessary to issue tax supported bonds, it must request the Commissioners Court of Nueces County to call an election. The Commissioners Court shall call the election, canvas the vote, and if the bond issue is approved, thereafter set the necessary tax rate to service the bonds. The original property, plant and equipment of the Authority were acquired with funds from the sale of bonds, the interest and sinking funds being provided from ad valorem taxes levied on the property within Nueces County, Texas. Additions to the property, plant and equipment of the Authority have been made with surplus funds arising from the operations of the Authority facilities, grants from the Federal Government, proceeds of general revenue bonds, and improvement bonds supported by ad valorem tax levies.

On May 20, 1981, the Governor of the State of Texas signed into law a bill changing the legal name of the Nueces County Navigation District No. 1 to the Port of Corpus Christi Authority of Nueces County, Texas.

REPORTING ENTITY

In evaluating how to define the Authority for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity was made by applying the criteria set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards. GASB defines the reporting entity as the primary government and those component units for which the primary government is financially accountable.

BASIS OF ACCOUNTING

The Authority operates as an enterprise fund to report on its financial position and the results of its operations. Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied. All enterprise funds are accounted for on a flow of economic resources measurement focus, whereby all assets and all liabilities associated with the operation of these funds are included on the statement of net position. Proprietary fund equity is classified as net position. Enterprise fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position.

The accrual basis of accounting is utilized by enterprise funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority's enterprise fund are charges to customers for the use of facilities and services provided. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Port Commission adopts an annual budget each year, on a basis consistent with accounting principles generally accepted in the United States of America for proprietary funds, as a prudent management tool. Monthly and quarterly financial reports are prepared for management to maintain proper budgetary control. Those reports are provided to Commissioners monthly and are reviewed by the Port Commission in a public Commission meeting on a quarterly basis, and subsequently posted on the Authority's website.

CASH AND CASH EQUIVALENTS

The Authority's cash and cash equivalents consists of cash on hand, cash held on deposit with financial institutions in demand deposit accounts, and short-term investments with original maturities of six months or less from the date of acquisition. Cash and cash equivalents are included in both unrestricted and restricted assets.

INVESTMENTS

In accordance with its Investment Policy and the Texas Public Funds Investment Act, Chapter 2256, Texas Government Code (PFIA), the Authority may invest in obligations of the US Government, its agencies and instrumentalities, fully collateralized or insured time deposits, local government investment pools having a rating not less than AAA, money market mutual funds registered with the SEC whose assets consist exclusively of obligations of the US Treasury, its agencies or instrumentalities and repurchase agreements backed by those securities, fully collateralized repurchase agreements, general debt obligations of states, agencies, counties, cities and other subdivisions of the United States with a rating not less than AA, fully insured brokered certificates of deposit, delivered versus payment to the Authority's safekeeping agent, and A1/P1 commercial paper with a maturity not to exceed 270 days.

Investments that mature within one year of acquisition are stated at cost or amortized cost. Investments with the remaining maturity of more than one year at the time of purchase are carried at fair value. Any realized gains and losses in fair value are reported in the operations of the current period.

ACCOUNTS RECEIVABLE

Trade receivables are shown net of an allowance for uncollectible accounts which is determined based on historical experience and collection efforts. Bad debts are written off against the accounts receivable allowance when deemed uncollectible.

INVENTORY AND PREPAID ITEMS

Inventory is valued at cost utilizing the first in first out method. Inventory consists of expendable materials used in the operation and maintenance of port facilities.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

PROPERTY, PLANT AND EQUIPMENT

Property constructed or acquired by purchase is stated at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are stated at acquisition value as of the date received. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Authority policy has set the capitalization threshold for capital assets at $5,000. The Authority reviews the carrying value of its capital assets to determine if circumstances exist indicating impairment in the carrying value. If facts or circumstances support impairment, management follows guidance in GASB No.42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*.

Depreciation is computed using the straight-line method over the following useful lives:

Port facilities	10-50 Years
Buildings and improvements	5-50 Years
Machinery and equipment	3-50 Years
Intangibles	3-5 Years

RESTRICTED ASSETS

Certain resources set aside for the repayment of debt are classified as restricted assets on the Statement of Net Position because their use is limited by applicable bond covenants.

Certain assets are reclassified as restricted due to the restriction on the use of these funds for a particular purpose.

The Authority receives an annual allocation payment from the Law Enforcement Officer Standards and Education (LEOSE) account and that cash is restricted until spent for qualified expenses related to the continuing education of law enforcement personnel.

When an expense is incurred for purposes for which restricted and unrestricted net position are available, the Authority's policy is to apply restricted assets first.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The Authority has the following items that qualify for reporting in this category.

- Pension contributions after the measurement date – These contributions are deferred and recognized the following fiscal year.
- Difference in expected and actual pension experience - This difference is deferred and recognized over the average remaining service life for all active, inactive, and retired members.
- Changes in actuarial assumptions used to determine the net pension asset and total OPEB liability -This difference is deferred and amortized over the average remaining service life for all active, inactive, and retired members.
- Difference in projected and actual earnings on pension assets - This difference is deferred and amortized over a period of five years.
- Difference in expected and actual OPEB experience – This difference is deferred and amortized over a period of five years.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has the following items that qualify for reporting in this category:

- Difference in expected and actual pension experience – This difference is deferred and recognized over the average remaining service life for all active, inactive, and retired members.
- Changes in actuarial assumptions used to determine the total OPEB liability – This difference is deferred and amortized over the average remaining service life for all active, inactive, and retired members.
- Leases – This represents the amount to be received for lease contracts over their respective term.

PENSION PLAN

For purposes of measuring the net pension asset, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCDRS's fiduciary net position have been determined on the same basis as they are reported by TCDRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For more information on the Authority's pension plans, see Note 9 of the Notes to the Financial Statements.

COMPENSATED ABSENCES

Authority employees are granted vacation at rates of 10 to 25 days per year and may accumulate up to a maximum of 30 to 75 days, depending on their length of employment. Upon termination, employees are paid for any unused accumulated vacation up to a maximum of two (2) times their annual vacation accrual. Sick leave accumulates at the rate of 12 days per year. Upon termination for any reason other than for cause, employees are paid for any unused sick leave up to a maximum of 60 days. Compensated absences are accrued when incurred.

UNEARNED REVENUE

Advance payments for the deposit of dredge materials into the Authority's dredge placement areas are recognized as the materials are deposited. Damage claims and foreign trade zone user fees are recognized as income over the term of related agreements. Amounts received but not yet earned are reflected as unearned revenue in the accompanying statement of net position.

NET POSITION

Net position represents the residual interest in the Authority's assets and deferred outflows after liabilities are deducted and consists of three sections: net investment in capital assets; restricted and unrestricted. Net investment in capital assets consists of capital assets net of accumulated depreciation and the outstanding balances of any borrowing spent for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position that does not meet the definition of net investment in capital assets or restricted is classified as unrestricted.

CASH RESERVE POLICY

It is the desire of the Authority to maintain adequate funds to maintain liquidity in anticipation of economic downturns or natural disasters. The Authority's Commission has adopted a Cash Reserve Policy and established target goals to further this position.

- Contingencies – a target goal of $10,000,000 was established to cover emergency expenditures incurred due to catastrophic events.
- Self Insurance – a target goal of $5,000,000 was established to cover managed risk exposures.
- Operating – a target goal of a minimum of six months and a maximum of nine months of annual operating expenses, net of depreciation based on the annual operating budget to maintain financial flexibility, liquidity and stability.

These target goals are reviewed annually and will be modified as necessary to ensure adequate resources for statutory and legal reserves.

LEASES

The Authority is a lessor for noncancellable leases of land and improvements. The Authority recognizes a lease receivable and a deferred inflow of resources in the Statement of Net Position. At the commencement of a lease, the Authority initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the Authority determines (1) the discount rate it uses to discount the expected lease payments received to present value, (2) lease term, and (3) lease receipts:

- The Authority uses the interest rate charged as the discount rate. When the interest rate charged is not provided in the agreement, the Authority generally uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments and purchase option prices that the Authority is reasonably certain to receive.

The Authority monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

The Authority has noncancellable SBITAs of various IT software. The Authority recognizes a SBITA liability and an intangible right-to-use SBITA asset on the Statement of Net Position. The Authority recognizes SBITA's with an initial, individual value of $25,000 or more.

At the commencement of a SBITA, the Authority initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain implementation and conversion costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITA's include how the Authority determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) the SBITA term, and (3) SBITA payments:

- The Authority uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the Authority uses its estimated incremental borrowing rate as the discount rate.
- The Authority term includes the noncancellable period of the SBITA. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option prices that the SBITA is reasonably certain to exercise.

The Authority monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability.

The Authority reports SBITA assets with capital assets and SBITA liabilities with long-term debt on the Statement of Net Position.

CONCENTRATION OF REVENUES

The Authority's operating revenues may be subject to risk because of their concentration in the petroleum industry, which has the potential to be negatively impacted by future changes in consumer demand because of a variety of possible negative external factors, including a potential global recession as a result prolonged inflation and the impacts of an ongoing land war in Europe, as well as calls for a quicker transition away from fossil fuels to mitigate the perceived impact of those fuels on environmental climate change. The Authority's top nine customers in terms of total revenue are from the petroleum industry and 79 percent of the Authority's revenue base for 2023. The overarching product groups of crude oil and petroleum products accounted for 93 percent of the Authority's tonnage total in 2023. The Authority believes, however, that much of that risk is mitigated by minimum guaranteed throughputs and long-term contracted land lease revenues, combined with a base demand level for all petroleum products that will remain in place despite any current economic uncertainty. In addition, Petroleum products, which are the Authority's second most prevalent commodity group representing 31 percent of all cargo, is a broad catch-all for multiple distinct products such as LNG, LPG and refined products such as gasoline and diesel, and thus represent significant diversification from crude oil. Even within the crude oil commodity, there is significant variety in uses of the product, with approximately half of consumed crude oil being used for transportation needs and the other half used to produce widely used consumer goods. The Authority believes that the long-term demands for crude oil, petroleum products, and their derivatives will remain robust for the next decade or more even as the transition to other types of energy products continues. The Authority has commented on its overall view of the general economic conditions in which it operates in both the MD&A and in the Transmittal Letter which accompanies these financial statements.

ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

At December 31, 2023, the carrying amount of the Authority's demand deposits and cash on hand was $81,546,981.

The exit or fair value prices used for these fair value valuations of the portfolio are all Level 1 and represent unadjusted quoted prices in active markets for identical assets and liabilities that have been accessed at the measurement date.

The Authority's investments at December 31, 2023 carried at fair value are as follows:

	2023		
Investment Type	**Fair Value**	**Weighted Average Maturity (Days)**	**Credit Risk**
Local government pool	$ 51,963,981	1	AAA
Municipal Bonds	41,041,081	391	
United States agencies	158,816,454	280	
Total	251,821,516		
Short-term investments included in cash and cash equivalents	51,963,981		
Equity in Total Investments	**$ 199,857,535**		

In accordance with GASB Codification Section 150.151-.158, the Authority's financial statements are required to address custodial credit risk, credit risk of investments, concentration of risk, foreign currency risk, and interest rate risk.

CUSTODIAL CREDIT RISK

To control custody and safekeeping risk, State law and the Authority's adopted Investment Policy requires collateral for all time and demand deposits, as well as collateral for repurchase agreements, be transferred delivery versus payment and held by an independent party approved by the Authority. The custodian is required to provide original safekeeping receipts and monthly reporting of positions with position descriptions including market value for both type transactions. All repurchase agreements and deposits must be collateralized to 102% and be executed under written agreements. The counterparty of each type transaction is held contractually liable for monitoring and maintaining the required collateral margins on a daily basis.

The Authority's portfolio contained no repurchase agreements and all bank demand deposits were fully insured and collateralized. All pledged bank collateral for demand deposits and certificates of deposits were held by an independent institution outside the bank's holding company.

CREDIT RISK

The primary stated objective of the Authority's adopted Investment Policy is the safety of principal and avoidance of principal loss. Credit risk within the Authority's approved investments authorized by the adopted Investment Policy occurs in time and demand deposits, repurchase agreements, investment pools, commercial paper, and state and municipal obligations. All other investments are rated AAA, or equivalent, by at least one nationally recognized securities rating organization (NRSRO). State law and the adopted Investment Policy requires inclusion of a procedure to monitor and act as necessary to changes in credit rating on any investment which requires a rating. The adopted Investment Policy also requires a procedure to verify continued FDIC insurance weekly on brokered certificates of deposit.

State law and the adopted policy allow for investment in general obligations of any United States state or its agencies or sub-divisions not to exceed three years to stated maturity and rated not less than AA or its equivalent by one nationally recognized rating agency. The Authority's Investment Policy further restricts bonds to a maximum of $10 million per issuer and block size purchases are limited to $10 million.

Local government investment pools in Texas are required to be rated AAA, or equivalent, by at least one nationally recognized rating organization. The adopted Investment Policy restricts investments to AAA-rated, local government investment pools striving to maintain a $1 net asset value and further regulated by state law.

CONCENTRATION OF RISK

The Authority recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The adopted Investment Policy establishes diversification as a major objective of the investment program and sets diversification limits for all authorized investment types which are monitored on at least a monthly basis. Diversification limits are established as:

Investment Policy		Percent of Portfolio 2023
United States Treasury securities	100%	-
United States Agency securities	100%	49.72%
Depository Certificates of Deposit	80%	-
Repurchase Agreements	100%	-
Flex Agreements by bond fund	100%	-
Local Government Investment Pools	100%	16.08%
Percent of pool ownership	10%	-
Money Market Mutual Funds	100%	6.20%
Percent of pool ownership	10%	-
Interest bearing accounts	100%	-
Brokered Certificates of Deposit	10%	-
State and Local Debt Obligations	80%	12.81%
Percent of one issuer	10%	-
Commercial Paper	35%	15.19%
Limit per Issuer	10%	-

INTEREST RATE RISK

Interest rate risk is the risk associated with declines or rises in interest rates, which cause an investment in a fixed-income security to increase or decrease in value. In order to limit interest and market rate risk from changes in interest rates, the Authority's adopted Investment Policy sets maximum maturity dates for authorized investment types and a maximum dollar-weighted average maturity limit for the portfolio. The maximum stated final maturity of any investment is three years. The dollar-weighted average maturity (WAM) of the total portfolio is restricted to a maximum of one and one-half year.

For purposes of disclosing interest-rate risk, the maturity of a government's position in an external investment pool is based on the average maturity of the pool's investments regardless of the ability of the pool's participants to withdraw funds on demand. As of December 31, 2023, the portfolio contained eighteen structured callable notes which would be impacted by interest rate risk as listed in the following table:

Issuer	Coupon Rate	Purchase Date	Maturity Date	Call Date	Call Structure	Book Value	Market Value
FRMAC	0.280%	4/22/2021	4/22/2024	1/22/2024	Callable quarterly with 5 days notice	$ 10,000,000	$ 9,860,821
FHLB	0.400%	6/28/2021	6/28/2024	3/28/2024	Callable quarterly with 5 days notice	10,000,000	9,770,447
FHLB	0.550%	9/30/2021	9/30/2024	3/30/2024	Callable quarterly with 5 days notice	10,000,000	9,664,326
FRMAC	0.500%	10/4/2021	10/4/2024	4/4/2024	Callable quarterly with 5 days notice	10,000,000	9,664,728
FHLB	0.700%	10/28/2021	10/28/2024	1/28/2024	Callable quarterly with 5 days notice	5,000,000	4,827,712
FHLB	4.000%	8/8/2022	8/8/2024	2/8/2024	Callable quarterly with 5 days notice	7,500,000	7,448,754
FHLB	5.000%	10/25/2022	10/25/2024	1/25/2024	Callable quarterly with 5 days notice	9,350,000	9,337,630
FHLMC	5.100%	1/30/2023	1/28/2025	1/28/2024	Callable quarterly with 5 days notice	10,000,000	9,965,802
FHLB	5.200%	4/3/2023	4/3/2024	1/3/2024	Callable quarterly with 5 days notice	7,500,000	7,494,443
FHLB	5.200%	4/3/2023	9/30/2024	3/31/2024	Callable quarterly with 5 days notice	7,500,000	7,480,651
FHLB	5.300%	4/27/2023	10/27/2025	1/27/2024	Callable quarterly with 5 days notice	4,950,000	4,934,788
FHLMC	5.375%	5/2/2023	5/1/2025	2/1/2024	Callable quarterly with 5 days notice	7,397,000	7,382,036
FHLB	5.550%	6/27/2023	6/27/2025	3/27/2024	Callable quarterly with 5 days notice	3,996,429	3,988,383
FHLB	0.400%	3/12/2021	3/12/2024	1/12/2024	Callable monthly with 5 days notice	10,000,000	9,901,516
FHLB	0.400%	7/12/2021	7/12/2024	1/12/2024	Callable monthly with 5 days notice	7,500,000	7,314,217
FHLB	1.000%	2/7/2022	2/7/2024	1/7/2024	Callable monthly with 5 days notice	10,000,000	9,951,983
FHLB	5.250%	12/15/2023	12/11/2026	12/11/2024	Callable annually with 5 days notice	10,000,000	10,017,872
FFCB	2.580%	4/20/2022	4/18/2024	1/7/2024	Continuously callable with 5 days notice	5,000,000	4,959,123
				TOTAL		$ 145,693,429	$ 143,965,231

Abbreviations:

FRMAC Federal Radiological Monitoring and Assessment Center
FHLB Federal Home Loan Bank System
FHLMC Federal Home Loan Mortgage Corporation
FFCB Federal Farm Credit Bank

FOREIGN CURRENCY RISK

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. As of December 31, 2023, the Authority had no foreign currency risk.

3. RECEIVABLES

Receivables as of December 31, 2023, including the applicable allowance for uncollectible accounts, are as follows:

	2023
Trade receivables	$ 19,287,660
Other receivables	1,549,802
Damage claims receivable	3,709
	20,841,171
Net of allowance for uncollectibles	(118,692)
Receivables, net	20,722,479
Current account receivable	$ 20,722,479

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023, is as follows:

	Beginning Balance	Transfers and Additions	Transfers and Retirements	Ending Balance
Capital assets, not being depreciated:				
Land	$ 263,541,857	$ 36,129,045	$ -	$ 299,670,902
Channel and waterfront improvements	79,277,883	-	-	79,277,883
Intangibles	387,429	-	-	387,429
Construction in progress	252,759,281	130,682,591	95,395,457	288,046,415
Total capital assets, not being depreciated	595,966,450	166,811,636	95,395,457	667,382,629
Capital assets, being depreciated:				
Port facilities	493,492,912	45,416,634	-	538,909,546
Buildings and improvements	150,902,570	1,899,123	70,186	152,731,507
Machinery and equipment	65,260,402	5,514,623	4,303,961	66,471,064
Intangibles	4,573,551	-	-	4,573,551
Total capital assets, being depreciated	714,229,435	52,830,380	4,374,147	762,685,668
Less: accumulated depreciation for				
Port facilities	187,456,367	16,952,178	-	204,408,545
Buildings and improvements	65,724,720	5,424,041	57,530	71,091,231
Machinery and equipment	45,649,941	4,008,263	3,490,132	46,168,072
Intangibles	3,233,428	358,531	-	3,591,959
Total accumulated depreciation	302,064,456	26,743,013	3,547,662	325,259,807
Total capital assets, being depreciated, net, excluding leases	412,164,979	26,087,367	826,485	437,425,861
Subscription based IT arrangements				$733,286
Total capital assets, net	**$ 1,008,131,429**	**$ 192,899,003**	**$ 96,221,942**	**$ 1,105,541,776**

5. ESCROW AGREEMENT

Restricted Assets includes an amount of $634,714 including interest, held in escrow as part of a settlement agreement between nearby neighbors and the Port for construction of a marine facility and processing plant in the Inner Harbor. The terms of the settlement agreement provide compensation to affected adjacent property owners, if construction is initiated on the subject project, in exchange for those parties not contesting the air permit application with the Texas Commission on Environmental Quality (TCEQ). The original settlement was signed on May 26, 2015 and TCEQ issued a pre-construction air quality permit shortly thereafter. The Port purchased the settlement agreement from the original lessee for $627,941 in 2019 and considers it an asset running concurrent with the property. If construction on the property begins in 2024 then the money will be released to the other parties to the agreement as intended; if no construction occurs before the expiration of the TCEQ permit, then the Port will be refunded the money. Management reviews any deposits for impairment on an annual basis. At December 31, 2023, there was no reduction of the recorded deposit because construction had not yet commenced.

6. LEASES

The Authority is the lessor for various land and improvements, which meet the definition of a lease under GASB Statement No. 87 as noted in Note 1. For the year ended December 31, 2023, the Authority recognized $29,412,657 as lease revenue.

7. SUBSCRIPTION BASED IT ARRANGEMENTS (SBITA)

A summary of SBITA asset activity for the Authority for the year ended December 31, 2023 is as follows:

	Beginning Balance	Increases	Decreases	Remeasure	Ending Balance
Subscription based IT arrangements	$ -	$ 915,658	$ -	$ -	$ 915,658
Less accumulated amortization for:					
Subscription based IT arrangements	-	(182,372)	-	-	(182,372)
Total	**$ -**	**$733,286**	**$ -**	**$ -**	**$733,286**

8. NON-CURRENT LIABILITIES

LONG-TERM DEBT

On May 27, 2015, the Authority issued revenue bonds, Series 2015 (Taxable), in the amount of $115,000,000 to pay costs of projects to acquire land and to acquire, purchase, construct, enlarge, extend, repair or develop facilities or aids incident to or useful or necessary in the operation or development of the Authority's ports and waterways or in aid or navigation and commerce. The source of repayment, as defined by the bond resolutions, includes pledged revenues from the operation of Port facilities after the deduction of maintenance and operating expenses other than those related to depreciation or the interest expense on the bonds. Interest is payable on June 1 and December 1 of each year.

On August 8, 2018, the Authority issued senior lien revenue bonds, Series 2018A (Non-AMT) in the amount of $92,530,000 to pay a portion of the costs of the construction, acquisition, and equipping of the Corpus Christi Ship Channel Project (main channel deepening and widening and barge lane separable elements), and Series 2018B (Taxable) in the amount of $115,000,000 to pay the costs of the acquisition, design, construction, reconstruction, repair, rehabilitation, improvement and equipping of Port facilities contained in the Authority's capital improvement program, including the acquisition of land for authorized Authority purposes and construction of the Corpus Christi Ship Channel Project. Certain proceeds of the Bonds were used to pay the costs of issuing the bonds and establishing the Debt Service Reserve Account as defined by the bond resolutions. The source of repayment, includes the Net Operating Revenues as defined in the Master Resolution, however the lien and pledge securing these bonds shall be junior and subordinate to the lien on and pledge of Net Operating Revenues made for the security and payment of the Prior Lien Bonds and the deposits required by the Prior Lien Resolution to the Prior Lien Interest and Sinking Fund and the Prior Lien Reserve Fund while the Prior Lien

Bonds are outstanding. Interest is payable June 1 and December 1 of each year.

Total interest expense for the year ended December 31, 2023 was $ 12,297,347.

At December 31, 2023, revenue bonds currently outstanding are as follows:

	Interest Rate %	Issue Date	Maturity Date	Outstanding
Revenue Bonds, Series 2015 (Taxable)	7.9-4.6	5/1/2015	12/1/2035	$ 77,935,000
Senior Lien Revenue Bonds, Series 2018A (non-AMT)	4-5	8/1/2018	12/1/2048	87,505,000
Senior Lien Revenue Bonds, Series 2018B (Taxable)	2.9-5	8/1/2018	12/1/2048	106,095,000
Total				**$ 271,535,000**

A statement of changes in long-term debt for the year ended December 31, 2023, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Revenue bonds	$280,710,000	$ -	$ 9,175,000	$271,535,000	$ 9,510,000
Bond premium	13,644,786	-	840,406	12,804,380	824,450
Subscription based IT arrangements	-	915,658	328,890	586,768	296,112
Total	**$294,354,786**	**$ 915,658**	**$ 10,344,296**	**$284,926,148**	**$ 10,630,562**

Total debt service requirements for revenue bonds as of December 31, 2023, are as follows:

Years Ending	Principal	Interest	Totals
2024	$ 9,510,000	$ 12,591,340	$ 22,101,340
2025	9,865,000	12,237,807	22,102,807
2026	10,240,000	11,862,810	22,102,810
2027	10,645,000	11,455,439	22,100,439
2028	11,085,000	11,021,666	22,106,666
2029-2033	62,985,000	47,512,891	110,497,891
2034-2038	52,165,000	32,837,776	85,002,776
2039-2043	46,145,000	21,870,500	68,015,500
2044-2048	58,895,000	9,121,250	68,016,250
Total	**$ 271,535,000**	**$ 170,511,479**	**$ 442,046,479**

Total debt service requirements for subscription-based IT arrangements as of December 31, 2023, are as follows:

Years Ending	Principal	Interest	Totals
2024	$ 296,112	$ 5,633	$ 301,745
2025	290,656	2,790	293,446
Total	**$ 586,768**	**$ 8,423**	**$ 595,191**

COMPENSATED ABSENCES

A statement of changes in compensated absences for the year ended December 31, 2023, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Vacation	$ 1,912,417	$ 1,337,377	$ 1,341,300	$ 1,908,494	$ 1,341,300
Sick leave	2,997,378	1,104,763	900,379	3,201,762	900,379
Total	**$4,909,795**	**$2,442,140**	**$2,241,679**	**$5,110,256**	**$2,241,679**

9. PENSION PLAN

Plan Description

The Authority provides pension, disability, and death benefits for all its full-time employees through a nontraditional defined benefit pension plan in the state-wide Texas County and District Retirement System (TCDRS). This is accounted for as an agent multiple-employer defined benefit pension plan. The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 849 defined benefit pension plans which function similarly to cash balance account plans. TCDRS in the aggregate issues an annual comprehensive financial report on a calendar year basis. That report is available upon written request from the TCDRS Board of Trustees at Barton Oaks Plaza IV, Suite 500, 901 South MoPac Expressway, Austin, Texas 78746 or is available on their website at www.tcdrs.org.

Benefits Provided

The plan provisions are adopted by the governing body of the Authority, within the options available in the state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 5 or more years of service or with 30 years regardless of age or when the sum of their age and years of service equals 75 or more. Members are vested after 5 years 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 the employer.

Benefit amounts are determined by the sum of the employee's 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 Authority 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. By law, employee accounts earn 7% interest. 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. At retirement, the employee's account is matched at a percentage adopted by the Authority's governing body and the current match is 200%. There are no automatic post-employment benefit changes, including automatic cost-of-living adjustments. Ad hoc post-employment benefit changes, including cost-of-living adjustments can be granted by the governing body of the Authority within guidelines of the TCDRS.

Contributions

The Authority has elected the Annually Determined Contribution Rate plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the Authority is actuarially determined annually as of December 31, two years prior to the end of the fiscal year in which contributions are reported.

The actuarially determined rate for the calendar year 2022 was 9.2%, however the governing body of the Authority adopted the rate of 12 percent for calendar year 2022. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act. Employee and Authority contributions were $1,481,978 and $2,540,533 respectively for the year ended December 31, 2022.

Employees Covered by Benefit Terms

At the measurement date, the following employees were covered by the benefit terms:

	December 31, 2022
Retirees or beneficiaries currently receiving benefits	149
Inactive employees entitled to but not yet receiving benefits	108
Active employees	251
	508

Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of December 31, 2022 were based on the results of an actuarial experience study for the period January 1, 2017 - December 31, 2020, except where required to be different by GASB Statement 68.

The actuarial valuations were determined using the following actuarial assumptions:

Actuarial Valuation Date	December 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Long-term Investment Rate of Return	7.50%
Discount Rate	7.60%
Inflation Rate	2.50%
Projected Salary Increase Rates:	
General Wage Inflation	3.00%
Merit, Promotion, Longevity	1.70%
Total Projected Salary Increase Rate	4.70%
Cost-of-Living Adjustment	0%
Retirement Age	Experience-based table with rates of retirement ranging from 5.3% at ages 40-49 with less than 15 years of service to 25.3% at age 74 with over 30 years of service; for all eligible members ages 75 and older, retirement is assumed to occur immediately
Disability	Experience-based table with rates of disability ranging from .011% at age 28 to .198% at age 59; members who become disabled are eligible to commence benefit payments regardless of age
Mortality-for the actuarial valuation:	
Depositing members	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males 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	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males 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.
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.

Discount Rate

The discount rate used to determine the total pension liability as of December 31, 2023 was 7.60%. The discount rate was determined using an alternative method to determine the sufficiency of the fiduciary net position in all future years. This method reflects the funding requirements under the Authority's funding policy and the legal requirements under the TCDRS Act as follows:

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

Based on the above, the projected fiduciary net position was determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system the fiduciary net position as a percentage of total pension liability is expected to increase from its current level in future years. Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability (asset) of the Authority is equal to the long-term assumed rate of return on investments of 7.60% for both years presented.

Discount Rate Sensitivity Analysis

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

	1% Decrease	Current Discount Rate	1% Increase
	6.60%	7.60%	8.60%
Net pension (asset)	$ 8,152,519	$ (1,327,984)	$ (9,370,001)

Long-Term Expected Rate of Return

The long-term expected rate of return on TCDRS assets 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 based on January 2023 information for a ten-year time horizon. The valuation assumption for long-term expected return is re-assessed a minimum of every four years and is set based on a long-term time horizon, the most recent analysis was performed in 2023.

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected Minus Inflation) (2)
U.S. Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.95%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (5)	25.00%	7.95%
Global Equities	MSCI World (net) Index	2.50%	4.95%
International Equities-Developed Markets	MSCI World Ex USA (net) Index	5.00%	4.95%
International Equities-Emerging Markets	MSCI Emerging Markets (net) Index	6.00%	4.95%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	2.40%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.00%	3.39%
Direct Lending	S&P/LSTA Leveraged Loan Index	16.00%	6.95%
Distressed Debt	Cambridge Associates Distressed Securities Index (3)	4.00%	7.60%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited Partnerships	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (4)	6.00%	5.70%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	2.90%
Cash Equivalents	90-Day U.S. Treasury	2.00%	0.20%

(1) Target Asset Allocation was adopted at the March 2023 TCDRS Board meeting
(2) Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.3%, per Cliffwater's 2023 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.

Net Pension Liability (Asset)

The Net Pension Liability (Asset) is the difference between the Total Pension Liability and the plan's Fiduciary Net Position. For the year ended December 31, 2023, the Authority's Net Pension Liability (Asset) was measured as of December 31, 2022, and the Total Pension Liability was determined by an actuarial valuation as of that date.

The changes in net pension liability (asset) for the measurement date of December 31, 2022 based on the actuarial date of December 31, 2022 is reflected below:

	Increase (Decrease)		
Changes in Net Pension Liability/ (Asset)	**Total Pension Liability**	**Fiduciary Net Position**	**Net Position Liability/ (Asset)**
Balances as of December 31, 2021	$ 73,515,243	$ 84,058,769	$ (10,543,526)
Changes for the Year:			
Service cost	2,708,855	-	2,708,855
Interest on total pension liability (1)	5,646,872	-	5,646,872
Effect of assumptions changes or inputs	(15,731)	-	(15,731)
Refund of contributions	(52,749)	(52,749)	-
Benefit payments	(3,865,288)	(3,865,288)	-
Administrative expenses	-	(46,451)	46,451
Member contributions	-	1,481,978	(1,481,978)
Net investment income	-	(4,936,562)	4,936,562
Employer contributions	-	2,540,533	(2,540,533)
Other (3)	-	84,956	(84,956)
Balances as of December 31, 2022	**$ 77,937,202**	**$ 79,265,186**	**$ (1,327,984)**

1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.
2) No plan changes valued.
3) Relates to allocation of system-wide items

For the year ended December 31, 2023, the Authority recognized pension expense as follows:

	January 1, 2022 to December 31, 2022
Service cost	$ 2,708,854
Interest on total pension liability	5,646,872
Administrative expenses	46,451
Member contributions	(1,481,978)
Expected investment return net of investment expenses	(6,393,800)
Recognition of deferred inflows/outflows of resources:	
Recognition of economic/demographic gains or losses	45,604
Recognition of assumption changes or inputs	681,136
Recognition of investment gains or losses	202,516
Other (allocated system-wide items)	(84,956)
Pension expense	**$ 1,370,699**

For the year ended December 31, 2023, the Authority recorded deferred outflows and inflows of resources related to the pension as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 87,262	$ 45,878
Changes of assumptions	1,209,996	-
Net difference between projected and actual earnings	1,656,238	-
Contributions made subsequent to measurement date	2,847,594	-
TOTALS	**$ 5,801,090**	**$ 45,878**

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of $2,847,594 will be recognized as an increase in the net pension asset for the measurement year ending December 31, 2023 (i.e. recognized in the Authority's financial statements December 31, 2024). Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2024	$ (214,967)
2025	672,276
2026	187,385
2027	2,262,924
Total	**$ 2,907,618**

10. OTHER POST EMPLOYMENT BENEFITS (OPEB)

GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (OPEB) replaces previous authoritative literature. For plans that do not have formal trusts, GASB Statement No. 75 requires state and local government employers to recognize the total OPEB liability and the related expense on their financial statements along with the related deferred outflows and inflows of resources. In addition to the deferred outflows/inflows associated with plan experience and assumption changes, the standard requires the benefits payments and administrative costs incurred subsequent to the measurement date and before the end of the employer's reporting period to be reported as a deferred outflow of resources. The Authority is required to obtain an actuarial valuation at least once every two years in accordance with GASB 75 standards. The Authority's latest valuation is dated as of January 1, 2022 with the measurement date of December 31, 2023. There have been no significant changes between the valuation date and the measurement date.

Plan Description

The Authority has a single-employer plan and provides postretirement healthcare benefits to eligible retired employees and their spouses through provisions enacted by the authority of the Port Commission. At December 31, 2023, eleven former employees were eligible for these benefits. The Authority funds a portion of the premiums for health insurance. Continuation of these benefits and the Authority's contributions are dependent on periodic authorization by the Port Commission. The health insurance benefits provided to retirees are the same as those offered to active employees. The supplied benefits include hospital, doctor, dental and prescription drug charges.

Employees, who have reached age 60, may continue coverage under the Authority's healthcare plan as a retiree until the age of 65. The Authority does not cover benefits after Medicare eligibility. Coverage is offered to spouses of retirees who are currently receiving benefits and spousal coverage ceases upon the retiree's attainment of age 65. Medical coverage is not available in the event of disability prior to eligibility for retirement.

The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to fund the plan. The OPEB plan does not issue stand-alone financial reports, but includes the total OPEB Liability in the noncurrent liabilities section of the Statement of Net Position.

Funding Policy

The Authority's contribution to the plan consists of pay-as-you-go claims in excess of the retiree contributions for the year. Retiree's contributions are based on same rates paid by active employees dependent upon coverage levels selected. For the year ended December 31, 2023 retirees contributed $9,340 for healthcare benefits under the plan and the Authority contributed $63,168 which is the claims paid in excess of the premiums collected from the retirees.

Employees Covered by Benefit Terms

At the valuation date, the following employees were covered by the benefit terms:

	January 1, 2022
Active employees	246
Retirees or beneficiaries currently receiving benefits	6
Spouses of retirees	6
	258

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date. Any significant changes during this period have been reflected as prescribed by GASB No. 75:

Actuarial Valuation Date	January 1, 2023
Valuation Timing	The valuation is performed at January 1, 2023 with measurements date December 31, 2023

	December 31, 2022	December 31, 2023
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Discount Rate (1)	3.72%	3.26%
Inflation	2.20%	2.30%
Coverage Assumptions	100% of active eligible employees are assumed to continue coverage at retirement	
Marriage Assumptions	85% of employees and retirees are assumed to have a covered spouse in retirement	
Medical Inflation	Dental assumptions are at 4.0% in year 2023, dropping to 3.7% in the years 2073+ Medical/pharmacy assumptions range from 6.5% in 2023, dropping to 3.7% in the years 2073+	
Mortality	PubG.H-2010 as projected forward with MP-2021	
Retirement Rates	Experience-based table with rates of retirement ranging from 5.25% at ages 40-44 to 20.7% at age 70+	
Projected Salary Increase Rates	Based on the 2022 TCDRS Report and range from 5.25% in the first year of service with entry age of <30 to .40% with 30+ years or more of service with entry age of 50+.	
Ad Hoc Post-employment Benefit Changes	None	

(1) The discount rate is based on the Bond Buyer's 20 year General Obligation Index immediately prior to or coincident with the measurement date.

Discount Rate

The Authority does not pre-fund benefits. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis, and therefore, the discount rate used to measure the total OPEB liability is the municipal bond rate. The discount rate used to measure the total OPEB liability as of the beginning of the measurement year was 3.72%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 3.26%, which amounted to an decrease of 0.46%. The source of the municipal bond rate was the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp's AA rating. Projected cash flows into the plan are equal to projected benefit payments out of the plan. Because the plan operates on a pay-as-you-go basis and is not intended to accumulate assets, there is no long-term expected rate of return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return is applicable is zero years.

Discount Rate Sensitivity Analysis

The following presents the total OPEB liability of the Authority, calculated using the discount rate of 3.26%, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.26%) or one percentage point higher (4.26%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	2.26%	3.26%	4.26%
Total OPEB liability	$ 2,023,659	$ 1,908,172	$ 1,799,264

Healthcare Trend Rate Sensitivity Analysis

The following presents the total OPEB liability of the Authority, calculated using the current healthcare cost trend rates as well as what the Authority's total OPEB liability would be if it were calculated using trend rates that are one percentage point lower or one percentage point higher than the current trend rates.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$ 1,724,501	$ 1,908,172	$ 2,124,548

Total OPEB Liability

	December 31, 2022	December 31, 2023
Total OPEB liability	$ 2,028,099	$ 1,908,172
Covered payroll	17,061,966	22,022,293
Total OPEB liability as a % of covered payroll	11.89%	8.66%

The following table shows the components of the Authority's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Authority's total OPEB liability.

Changes in Total OPEB Liability		**Increase (Decrease) in Total OPEB Liability**
Balances as of December 31, 2022	$	2,028,099
Changes for the Year:		
Service cost		173,863
Interest on total OPEB liability		80,749
Effect on economic/demographic (gains) or losses		(192,588)
Effect of assumptions changes or inputs		(118,783)
Benefit payments		(63,168)
Balances as of December 31, 2023	**$**	**1,908,172**

For the year ended December 31, 2023 the Authority recognized OPEB expense as follows:

		January 1, 2023 to December 31, 2023
Service cost	$	173,863
Interest on total OPEB liability		80,749
Recognition of deferred inflows/outflows of resources:		
Recognition of economic/demographic gains or losses		42,603
Recognition of assumption changes or inputs		(126,410)
OPEB expense	**$**	**170,805**

For the year ended December 31, 2023, the Authority recorded deferred outflows and inflows of resources related to OPEB as follows:

		Deferred Outflows of Resources		**Deferred Inflows of Resources**
Differences between expected and actual experience		72,277		-
Changes in actuarial assumptions		-		206,567
Total	$	72,277	$	206,567

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

Year ended December 31:		
2024	$	4,799
2025		4,799
2026		(75,067)
2027		(68,821)
Total	**$**	**(134,290)**

11. CONSTRUCTION AND IMPROVEMENT COMMITMENTS

At December 31, 2023, the Authority had remaining unpaid contractual construction and improvement commitments of $26,162,498. These commitments are being financed through operating revenues and capital grants.

12. COMMITMENTS AND CONTINGENCIES

LITIGATION

From time to time, the Authority is subject to routine litigation incidental to its operations. Management believes that the results of any claims or litigation will not materially affect the Authority's financial position.

RISK MANAGEMENT

The Authority has a combined risk financing approach using both risk transfer and risk retention in order to appropriately manage risk in accordance with financial and operational goals. The Authority retains a maximum $4,000,000 retention on the property insurance program with primary limits of $25 million and excess limits of $75 million for a combined limit of $100 million. The Authority has complied with all bond covenants with respect to the maintenance of insurance. For a listing of all policies carried, see Table 16 of the Statistical Section. All insurance premiums for the policies in force have been paid. In order to manage liability loss exposures, various liability policies are purchased which include employment practices liability, property damage and bodily injury, law enforcement, cyber, and foreign liability. The Authority has established a self-funded health and dental plan (plan) for its employees and dependents. A specific stop loss policy is in force for individual plan claims in excess of $100,000 annually, and an aggregate stop loss policy is in force for annual aggregate claims in excess of approximately $3,065,110. The Authority is covered for workers' compensation claims through Texas Mutual Insurance. Prior to 2005, the Authority was self-insured for workers' compensation and estimated remaining workers' compensation claims are reflected below. The Authority has made no significant changes in its insurance coverage from coverage in the prior year. In the past three years the Authority has had no settlements that exceeded insurance coverage.

A liability for unpaid claims is reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The Authority's liability is an estimate and includes an amount for claims that have been incurred but not reported (IBNR). The methodology used to determine the liability is based on recent claim settlement trends, including frequency and number of payouts, and other factors such as inflation, changes in legal doctrines and damage awards. At December 31, 2023, the liability of $91,216 is comprised of estimated health claims of $86,568 and estimated worker's compensation claims of $4,648.

Changes in the balances of claims liabilities as of December 31, 2023 and 1899 are as follows:

	2023	2022
Unpaid claims, beginning of fiscal year	$ 430,602	$ 442,863
Incurred claims (including IBNRs)	1,813,411	5,556,013
Claim payments	(2,152,797)	(5,568,274)
Unpaid claims, end of fiscal year	**$ 91,216**	**$ 430,602**

FACILITIES FINANCING BONDS

The Authority and the Industrial Development Corporation (IDC) have entered into agreements with three unrelated entities to finance construction of pollution control, environmental, and solid waste disposal facilities. To accomplish this, the Authority and IDC acted as issuers of facilities financing revenue bonds in the original amount of $442,400,000. The bonds are secured solely by the facilities and installment sales agreements, and the Authority and IDC assumed no current or future obligation for repayment of the bonds. The installment sales agreements were entered into with the entities for an amount equal to the outstanding bonds to secure repayment. The proceeds of the bonds were received and used by the entities and are repaid when due directly by the entities. At December 31, 2023, facilities financing revenue bonds outstanding amounted to $258,200,000.

13. NET INVESTMENT IN CAPITAL ASSETS

The calculation of the Authority's net investment in capital assets as of December 31, 2023 is as follows:

Capital assets, not being depreciated	$	667,382,629
Capital assets, being depreciated, net		437,425,861
Subscription based IT arrangements		733,286
Less: Capital Related Debt		(284,926,148)
Less: Retainage Payable		(5,554,630)
Less: Construction Related Accounts Payable		(6,288,510)
Net Investment in Capital Assets	**$**	**808,772,488**

Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability and Related Ratios
Texas County and District Retirement System
Last Nine Fiscal Years (Previous years are not available)

	Measurement Year 2014	Measurement Year 2015	Measurement Year 2016	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020	Measurement Year 2021	Measurement Year 2022
TOTAL PENSION LIABILITY									
Service Cost	$ 1,020,446	$ 1,261,508	$ 1,646,309	$ 1,583,238	$ 1,706,000	$ 1,737,142	$ 2,229,892	$ 2,670,104	$ 2,708,854
Interest on Total Pension Liability	3,162,730	3,506,024	3,737,072	4,007,179	4,286,314	4,572,481	5,072,168	5,364,586	5,646,872
Effect of Plan Changes	2,280,346	(209,318)	-	60,522	-	2,374,511	-	-	-
Effect of Assumption Changes/Inputs	-	449,183	-	213,158	-	-	3,634,136	(406,097)	-
Effect of Economic/Demographic (Gains) or Losses	570,613	(217,150)	(640,607)	(151,261)	168,127	78,021	179,141	(55,489)	(15,731)
Benefit Payments/Contribution Refunds	(1,854,244)	(1,975,611)	(2,043,433)	(2,330,624)	(2,450,682)	(2,874,901)	(3,305,322)	(3,877,830)	(3,918,036)
Net Change in Total Pension Liability	5,179,891	2,814,636	2,699,341	3,382,212	3,709,759	5,887,254	7,810,015	3,695,274	4,421,959
Total Pension Liability, Beginning	38,336,862	43,516,753	46,331,389	49,030,729	52,412,941	56,122,700	62,009,954	69,819,969	73,515,243
Total Pension Liability, Ending	$ 43,516,753	$ 46,331,389	$ 49,030,730	$ 52,412,941	$ 56,122,700	$ 62,009,954	$ 69,819,969	$ 73,515,243	$ 77,937,202
FIDUCIARY NET POSITION									
Employer Contributions	$ 827,147	$ 979,505	$ 996,832	$ 1,068,177	$ 1,145,090	$ 1,259,909	$ 2,208,489	$ 2,323,442	$ 2,540,533
Member Contributions	827,147	979,505	996,832	1,068,177	1,145,090	1,259,909	1,288,285	1,355,341	1,481,978
Investment Income Net of Investment Expenses	2,888,058	(508,400)	3,346,977	7,068,420	(1,031,672)	8,875,863	6,458,730	15,161,281	(4,936,562)
Benefit Payments/Contribution Refunds	(1,854,244)	(1,975,611)	(2,043,433)	(2,330,624)	(2,450,682)	(2,874,901)	(3,305,322)	(3,877,830)	(3,918,036)
Administrative Expenses	(34,241)	(32,747)	(36,388)	(36,764)	(43,410)	(47,640)	(50,583)	(45,477)	(46,451)
Other	19,158	44,753	(87,598)	(2,950)	772	(3,448)	12,879	13,398	84,955
Net Change in Fiduciary Net Position	2,673,025	(512,995)	3,173,222	6,834,436	(1,234,812)	8,469,692	6,612,478	14,930,155	(4,793,583)
Fiduciary Net Position, Beginning	43,113,568	45,786,593	45,273,598	48,446,820	55,281,256	54,046,444	62,516,136	69,128,614	84,058,769
Fiduciary Net Position, Ending	$ 45,786,593	$ 45,273,598	$ 48,446,820	$ 55,281,256	$ 54,046,444	$ 62,516,136	$ 69,128,614	$ 84,058,769	$ 79,265,186
Net Pension Liability (Asset)	$ (2,269,840)	$ 1,057,791	$ 583,910	$ (2,868,315)	$ 2,076,256	$ (506,182)	$ 691,355	$ (10,543,526)	$ (1,327,984)
Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)	105.22%	97.72%	98.81%	105.47%	96.30%	100.82%	99.01%	114.34%	101.70%
Annual Covered Payroll	$ 11,816,386	$ 13,992,927	$ 14,240,462	$ 15,259,672	$ 16,358,433	$ 17,998,705	$ 18,404,075	$ 19,362,015	$ 21,171,112
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(19.21%)	7.56%	4.10%	(18.80%)	12.69%	(2.81%)	3.76%	(54.45%)	(6.27%)

PENSION PLAN:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	$ 405,302	$ 787,802	$ 710,599	$ 650,062	$ 727,950	$ 725,348	$ 806,098	$ 1,511,467	$ 1,591,186	$ 1,850,936
Actual Employer Contributions	827,147	979,505	996,832	1,068,177	1,145,090	1,259,909	2,208,489	2,323,442	2,447,979	2,847,594
Contribution Deficiency (Excess)	(421,845)	(191,703)	(286,233)	(418,115)	(417,140)	(534,561)	(1,402,391)	(811,975)	(856,793)	(996,658)
Annual Covered Payroll	$ 11,816,386	$ 13,992,927	$ 14,240,462	$ 15,259,672	$ 16,358,433	$ 17,998,705	$ 18,404,075	$ 19,377,779	$ 20,399,824	$ 23,729,949
Contribution as a Percentage of Covered Payroll	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	12.00%	11.99%	12.00%	12.00%

NOTES TO SCHEDULE:

Valuation date: 12/31/2022

Actuarial determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are recorded.

Methods and Assumptions Used to Determine Contribution Rate for 2023:

Actuarial Cost Method	Entry age normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	1.6 years (based on contribution rate calculated in 12/31/2022 valuation)
Asset Valuation Method	5 year smoothed market
Inflation	2.50%
Salary Increases	4.7% average over career including inflation
Investment Rate of Return	7.5% 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 (both projected with 100% of the MP-2021 Ultimate Scale after 2010)	135% of the Pub-2010 General Retirees Table for males 120% of the Pub-2010 General Retirees Table for Females
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: Employer contributions reflect that the current service matching rate was increased to 125% 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017 2020: Employer contributions reflect that the current service matching rate was increased to 200% for future benefits.

Required Supplementary Information (Unaudited)
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Six Fiscal Years (Previous years are not available)

	Year Ending December 31, 2018	Year Ending December 31, 2019	Year Ending December 31, 2020	Year Ending December 31, 2021	Year Ending December 31, 2022	Year Ending December 31, 2023
TOTAL OPEB LIABILITY						
Service Cost	$ 112,650	$ 135,123	$ 113,684	$ 176,619	$ 181,918	$ 173,863
Interest on Total OPEB Liability	61,055	76,536	42,087	34,420	45,084	80,749
Effect of Assumption Changes/Inputs	(47,949)	(355,257)	35,805	(15,903)	(170,320)	(118,783)
Effect of Economic/Demographic (Gains) or Losses	-	(108,817)	-	535,005	-	(192,588)
Benefit Payments	(63,710)	(48,981)	(64,681)	(270,101)	(69,967)	(63,168)
Net Change in Total OPEB Liability	62,046	(301,396)	126,895	460,040	(13,285)	(119,927)
Total OPEB Liability, Beginning	1,693,799	1,755,845	1,454,449	1,581,344	2,041,384	2,028,099
Total OPEB Liability, Ending	$ 1,755,845	$ 1,454,449	$ 1,581,344	$ 2,041,384	$ 2,028,099	$ 1,908,172
Annual Covered-Employee Payroll	$ 14,371,824	$ 15,037,942	$ 17,061,574	$ 16,565,016	$ 17,061,966	$ 22,022,293
Total OPEB Liability as a Percentage of Covered-Employee Payroll	12.22%	9.67%	9.27%	12.32%	11.89%	8.66%

Notes to Schedule

Change of Assumptions:

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

2017	3.44%
2018	4.10%
2019	2.74%
2020	2.12%
2021	2.06%
2022	3.72%
2023	3.26%

The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to fund the plan, and therefore, no assets have been accumulated.

PORT CORPUS CHRISTI®

SUPPLEMENTAL
SCHEDULES

Military equipment is staged at the Port of Corpus Christi after being offloaded from the ARC Integrity in June 2023.

PORT CORPUS CHRISTI®

Schedule of Revenues and Expenses
Actual and Budget (GAAP Basis)
For the Year Ended December 31, 2023

	Actual	Budget	Variance (%)
OPERATING REVENUES:			
Wharfage	$109,041,748	$ 109,177,787	(0)
Dockage	31,995,536	28,892,790	11
Security fees	18,383,241	18,071,489	2
Freight and Material handling	11,245,390	7,124,057	58
Rail Charges	5,631,480	3,600,000	56
Building and land rentals	37,129,428	21,936,095	69
Conference center services	1,870,759	1,460,000	28
FTZ user fees	246,500	228,000	8
Dredge placement fees	7,257,336	2,189,588	231
Other	2,743,383	4,184,634	(34)
Total Operating Revenues	225,544,801	196,864,440	15
OPERATING EXPENSES:			
Maintenance and operations	40,895,035	36,142,130	(13)
General and administrative	51,421,517	54,727,530	6
Depreciation	26,743,013	27,897,951	4
Total Operating Expenses	119,059,565	118,767,611	(0)
Operating Income	106,485,236	78,096,829	36
NON-OPERATING REVENUES (EXPENSES):			
Investment income (loss)	14,761,885	2,500,000	490
Federal and other grant assistance	1,139,590	-	-
Interest expense and fiscal charges	(12,297,347)	(12,103,629)	2
Gain on disposal of assets	(738,954)	-	-
Net Non-Operating Expenses	2,865,174	(9,603,629)	(130)
Income Before Capital Grants and Contributions	109,350,410	68,493,200	60
CAPITAL GRANTS AND CONTRIBUTIONS	7,511,525	-	-
Change in Net Position	$116,861,935	$ 68,493,200	71

MAINTENANCE AND OPERATIONS:	
Employee services	$ 12,185,976
Maintenance	11,049,406
Utilities	1,157,673
Telephone	61,995
Insurance & claims	3,780,345
Professional services	1,887,525
Police expenses	163,658
Contracted services	8,771,229
Office and equipment rental	220,645
Operator and event expenses	1,413,733
Safety/Environmental	77,967
General	124,883
Total Maintenance and Operations	$ 40,895,035

GENERAL AND ADMINISTRATIVE:	
Employee services	$ 23,623,175
Maintenance	1,808,383
Utilities	307,751
Telephone	303,094
Insurance & claims	1,408,973
Professional services	12,685,838
Police expenses	3,841
Contracted services	66,927
Office and equipment rental	127,327
Administrative	3,863,835
Promotion & development	5,893,009
Trade and sales development	448,533
Media advertising	413,824
Production	131,450
Safety/Environmental	135,965
General	199,592
Total General and Administrative	$ 51,421,517

PORT CORPUS CHRISTI®

STATISTICAL SECTION

Wind turbine blades are offloaded from the BBC Echo at Port of Corpus Christi Cargo Dock 9 before they are moved to Rincon Storage Yard.

Statistical Section

(Unaudited)

This part of the Authority's Annual Comprehensive Financial Report presents detailed information to enhance the understanding of the information in the financial statements, note disclosures, and required supplementary information and what the data indicates about the Authority's overall financial health.

Contents	Page

Sources: Unless otherwise noted, the information in these schedules is derived from the Authority's annual comprehensive financial reports and business records for the relevant years.

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

Changes in Net Position
Last Ten Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Operating revenues:										
Wharfage	$ 42,288,896	$ 45,779,919	$ 42,337,275	$ 46,948,820	$ 50,487,100	$ 63,467,357	$ 77,700,556	$ 83,998,460	$ 100,935,902	$ 109,041,748
Dockage	14,630,404	14,003,472	11,970,562	13,548,519	15,310,185	17,676,236	16,948,628	20,330,792	28,068,071	31,995,536
Security fees	6,460,860	6,673,782	6,070,139	6,686,343	9,014,385	11,299,077	13,003,968	14,130,111	16,917,513	18,383,241
Freight and material handling	3,133,303	3,153,285	3,463,593	3,892,661	4,033,418	3,437,356	2,843,281	2,151,130	11,345,942	11,245,390
Rail Charges	893,900	699,535	1,427,837	2,217,491	2,552,814	3,426,169	2,741,835	2,664,310	3,784,735	5,631,480
Building and land rentals	8,456,174	9,391,040	12,444,299	14,641,254	18,591,803	21,566,430	19,729,444	20,398,560	47,849,586	37,129,428
Conference center services	1,864,556	2,209,031	2,011,136	2,152,659	2,017,419	1,903,112	440,071	606,739	1,636,593	1,870,759
FTZ user fees	222,500	207,667	224,000	225,000	241,833	247,000	238,000	248,500	244,500	246,500
Dredge placement fees	1,669,714	10,151,880	1,870,497	1,920,638	436,910	1,500	8,567,899	4,450,401	1,466,667	7,257,336
Cost sharing agreements	-	-	-	-	-	-	13,758,035	435,310	-	-
Other	2,539,138	1,152,244	1,202,624	2,041,419	2,930,524	3,681,585	4,163,884	5,500,495	3,423,029	2,743,383
Insurance proceeds, Hurricane Harvey	-	-	-	1,266,289	163,737	1,536,964	-	-	-	-
Total operating revenues	82,159,445	93,421,855	83,021,962	95,541,093	105,780,128	128,242,786	160,135,601	154,914,808	215,672,538	225,544,801
Investment income (loss)	341,754	518,374	1,184,692	2,417,838	4,807,322	7,974,561	3,835,652	(447,261)	(3,211,567)	14,761,885
Federal and other grant assistance	180,655	227,714	152,412	146,950	266,930	877,920	1,809,193	21,473	704,232	1,139,590
Contributions from Harbor Bridge Commitment	-	-	-	-	14,761,550	14,037,941	6,116,615	-	-	-
Gain on disposal of assets	40,596	-	-	-	-	-	-	-	-	-
Total Revenues	82,722,450	94,167,943	84,359,066	98,105,881	125,615,930	151,133,208	171,897,061	154,489,020	213,165,203	241,446,276
Expenses										
Operating expenses:										
Maintenance and operations	23,367,865	21,470,411	21,435,640	21,066,636	24,934,261	27,804,966	29,722,554	26,728,651	33,096,143	40,895,035
General and administrative	15,891,293	19,469,477	20,715,616	23,263,150	25,435,988	31,328,255	38,042,089	36,009,588	45,982,327	51,421,517
Hurricane Harvey related repairs	-	-	-	233,054	963,247	2,361,711	727,590	-	-	-
Depreciation	12,310,557	12,822,653	13,140,057	13,377,640	14,149,761	14,661,500	18,156,728	21,044,928	23,632,566	26,743,013
Total operating expenses	51,569,715	53,762,541	55,291,313	57,940,480	65,483,257	76,156,432	86,648,961	83,783,167	102,711,036	119,059,565
Interest expense and fiscal charges	535	2,030,505	2,973,844	3,650,348	7,697,446	13,002,641	12,838,761	12,630,519	12,406,874	12,297,347
Bond issuance costs	-	1,139,597	-	-	1,993,237	-	-	-	-	-
Contributions to Harbor Bridge Commitment	-	-	1,885,410	1,287,176	1,786,441	1,517,492	771,278	366,148	-	-
Contributions to other government agencies	-	3,000,000	3,000,000	4,415,092	3,000,000	3,000,000	-	-	-	-
Loss on disposal of assets	-	5,829,882	67,638	3,590	61,064	636	820,008	1,222,380	(2,826,224)	738,954
Loss on impairment of capital assets	-	-	-	428,254	-	-	-	-	-	-
Total Expenses	51,570,250	65,762,525	63,218,205	67,724,940	80,021,445	93,677,201	101,079,008	98,002,214	112,291,686	132,095,866
Income (Loss) Before Contributions	31,152,200	28,405,418	21,140,861	30,380,941	45,594,485	57,456,007	70,818,053	56,486,806	100,873,517	109,350,410
Capital Contributions	8,307,361	7,245,620	12,835,396	5,536,616	3,720,723	2,536,407	1,429,850	2,045,162	46,372,797	7,511,525
Changes in Net Position	39,459,561	35,651,038	33,976,257	35,917,557	49,315,208	59,992,414	72,247,903	58,531,968	147,246,314	116,861,935
Total Net Position, Beginning of Year	473,216,889	512,676,450	546,491,840	580,468,097	616,385,654	664,763,412	724,755,826	797,003,729	855,535,697	996,382,769
Cumulative Effect of Change in Accounting Principle	-	1,835,648	-	-	937,450	-	-	-	6,399,242	-
Total Net Position, End of Year	$ 512,676,450	$ 546,491,840	$ 580,468,097	$ 616,385,654	$ 664,763,412	$ 724,755,826	$ 797,003,729	$ 855,535,697	$ 996,382,769	$ 1,113,244,704
Net Position at Year End										
Net investment in capital assets	$ 351,847,220	$ 346,529,304	$ 364,492,941	442,489,861	464,777,149	519,034,065	556,307,121	593,027,992	701,749,724	808,772,488
Restricted	35,522	36,153,709	36,031,915	21,222,100	23,479,446	24,756,790	27,697,524	28,506,730	29,315,077	30,492,210
Unrestricted	160,793,708	163,808,827	179,943,241	152,673,693	176,506,817	180,964,971	212,999,084	234,000,975	265,317,968	272,652,022
Total Net Position	$ 512,676,450	$ 546,491,840	$ 580,468,097	$ 616,385,654	$ 664,763,412	$ 724,755,826	$ 797,003,729	$ 855,535,697	$ 996,382,769	$ 1,111,916,720

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

Revenues by Source
Last Ten Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Operating Revenues:										
Wharfage	$ 42,288,896	$ 45,779,919	$ 42,337,275	$ 46,948,820	$ 50,487,100	$ 63,467,357	$ 77,700,556	$ 83,998,460	$ 100,935,902	$ 109,041,748
Dockage	14,630,404	14,003,472	11,970,562	13,548,519	15,310,185	17,676,236	16,948,628	20,330,792	28,068,071	31,995,536
Security fees	6,460,860	6,673,782	6,070,139	6,686,343	9,014,385	11,299,077	13,003,968	14,130,111	16,917,513	18,383,241
Freight handling	3,133,303	3,153,285	3,463,593	3,892,661	4,033,418	3,437,356	2,843,281	2,151,130	11,345,942	11,245,390
Rail Charges	893,900	699,535	1,427,837	2,217,491	2,552,814	3,426,169	2,741,835	2,664,310	3,784,735	5,631,480
Building and land rentals	8,456,174	9,391,040	12,444,299	14,641,254	18,591,803	21,566,430	19,729,444	20,398,560	47,849,586	37,129,428
Conference center services	1,864,556	2,209,031	2,011,136	2,152,659	2,017,419	1,903,112	440,071	606,739	1,636,593	1,870,759
FTZ user fees	222,500	207,667	224,000	225,000	241,833	247,000	238,000	248,500	244,500	246,500
Dredge placement fees	1,669,714	10,151,880	1,870,497	1,920,638	436,910	1,500	8,567,899	4,450,401	1,466,667	7,257,336
Cost sharing agreements	-	-	-	-	-	-	13,758,035	435,310	-	-
Other	2,539,138	1,152,244	1,202,624	2,041,419	2,930,524	3,681,585	4,163,884	5,500,495	3,423,029	2,743,383
Insurance proceeds, Hurricane Harvey	-	-	-	1,266,289	163,737	1,536,964	-	-	-	-
	$ 82,159,445	$ 93,421,855	$ 83,021,962	$ 95,541,093	$ 105,780,128	$ 128,242,786	$ 160,135,601	$ 154,914,808	$ 215,672,538	$ 225,544,801
Non-Operating Revenues:										
Other:										
Investment income (loss)	$ 341,754	$ 518,374	$ 1,184,692	$ 2,417,838	$ 4,807,322	$ 7,974,561	$ 3,835,652	$ (447,621)	$ (3,211,567)	$ 14,761,885
Federal and other grant assistance	180,655	227,714	152,412	146,950	266,930	877,920	1,809,193	21,473	704,232	1,139,590
Contributions from Harbor Bridge commitment	-	-	-	-	14,761,550	14,037,941	6,116,615	-	-	-
Gain on disposal of assets	40,596	-	-	-	-	-	-	-	-	-
	$ 563,005	$ 746,088	$ 1,337,104	$ 2,564,788	$ 19,835,802	$ 22,890,422	$ 11,761,460	$ (426,148)	$ (2,507,335)	$ 15,901,475

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

Expenses by Type
Last Ten Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Operating Expenses:										
Maintenance and Operation:										
Employee services	$ 8,304,043	$ 9,993,556	$ 9,478,572	$ 9,948,834	$ 9,646,909	$ 10,736,455	$ 11,930,519	$ 10,181,055	$ 10,512,934	$ 12,185,976
Maintenance	6,122,959	3,667,189	4,367,556	3,707,172	4,024,567	6,228,088	8,053,779	5,992,035	9,587,761	11,049,406
Utilities	1,004,905	1,073,706	980,564	936,770	910,486	917,987	795,718	715,673	971,266	1,157,673
Telephone	80,639	78,674	90,885	88,096	85,140	91,916	93,528	103,284	77,451	61,995
Insurance & claims	1,911,090	1,745,262	1,520,100	1,336,484	1,493,288	1,629,166	1,950,752	2,431,495	2,422,923	3,780,345
Professional services	2,422,320	864,991	1,160,192	914,565	4,219,869	3,297,467	2,684,827	3,251,859	960,353	1,887,525
Police expenses	16,461	31,320	21,710	30,368	59,019	55,740	39,229	27,265	69,886	163,658
Contracted services	1,277,137	1,334,780	1,680,388	1,849,059	2,265,625	2,578,594	2,874,314	2,615,823	6,564,942	8,771,229
Office and equipment rental	79,023	109,355	96,681	126,387	104,596	139,756	139,222	125,269	194,098	220,645
Operator and event expenses	1,547,155	1,624,343	1,712,280	1,825,207	1,789,206	1,667,343	721,927	737,260	1,403,009	1,413,733
Safety/Environmental	107,859	70,797	84,493	87,427	83,477	88,682	69,872	61,730	59,057	77,967
General	494,274	876,438	242,219	216,267	252,079	385,576	368,866	485,903	272,463	124,883
	$ 23,367,865	$ 21,470,411	$ 21,435,640	$ 21,066,636	$ 24,934,261	$ 27,816,770	$ 29,722,554	$ 26,728,651	$ 33,096,143	$ 40,895,035
General and Administrative:										
Employee services	$ 8,001,279	$ 10,549,722	$ 11,446,283	$ 12,891,866	$ 13,209,035	$ 14,953,056	$ 18,130,677	$ 17,360,942	$ 19,137,012	$ 23,623,175
Maintenance	648,221	759,004	948,956	756,368	1,038,631	1,058,936	1,048,333	1,376,318	1,936,664	1,808,383
Utilities	159,148	160,630	162,490	173,577	162,956	159,358	131,960	249,140	303,004	307,751
Telephone	83,776	91,439	97,984	99,596	118,665	166,452	195,838	223,554	387,669	303,094
Insurance & claims	99,451	109,887	148,816	124,462	117,385	232,747	393,981	341,225	1,238,800	1,408,973
Professional services	3,870,383	4,363,193	4,462,954	5,491,998	6,438,267	9,870,787	11,602,910	9,381,740	12,592,981	12,685,838
Police expenses	1,616	1,227	233	1,150	1,619	1,039	1,117	1,178	3,980	3,841
Contracted services	26,167	49,477	143,210	93,104	88,067	247,068	189,893	155,470	233,916	66,927
Office and equipment rental	86,761	99,176	123,574	158,778	148,149	139,623	83,473	216,149	186,734	127,327
Administrative	1,178,973	1,385,169	1,336,636	1,594,606	1,575,751	2,059,677	1,656,007	2,130,797	4,356,564	3,863,835
Promotion & development	1,130,999	1,282,639	1,241,584	1,270,694	1,339,391	1,872,634	3,833,482	3,812,384	4,437,829	5,893,009
Trade and sales development	209,900	165,955	172,765	174,973	196,164	611,926	135,343	240,551	474,357	448,533
Media advertising	232,608	311,184	327,641	354,200	238,775	221,857	290,079	288,793	394,309	413,824
Production	41,061	74,566	23,768	39,581	55,459	55,766	140,011	118,585	177,982	131,450
Safety/Environmental	28,007	43,037	45,881	29,398	35,440	67,510	172,324	86,655	45,600	135,965
General	92,943	23,172	32,841	8,799	672,234	8,695	36,661	26,107	74,926	199,592
	$ 15,891,293	$ 19,469,477	$ 20,715,616	$ 23,263,150	$ 25,435,988	$ 31,727,131	$ 38,042,090	$ 36,009,585	$ 45,982,327	$ 51,421,517
Hurricane Harvey related repairs	-	-	-	233,054	963,247	2,361,711	727,590	-	-	-
Depreciation	$ 12,310,557	$ 12,822,653	$ 13,140,057	13,377,640	14,149,761	14,661,500	18,156,728	21,044,928	23,632,566	26,743,013
Non-Operating Expenses:										
Other:										
Interest	$ 535	$ 2,030,505	$ 2,973,844	$3,650,348	$7,697,446	$13,002,641	$12,838,761	$12,630,519	$12,406,874	$12,297,347
Bond issuance expenses	-	1,139,597	-	-	1,993,237	-	-	-	-	-
Contributions to Harbor Bridge commitment	-	-	1,885,410	1,287,176	1,786,441	1,517,492	771,278	366,148	-	-
Other	-	8,829,882	3,067,638	4,846,936	3,061,064	3,000,636	820,008	1,222,380	(2,826,224)	738,954
	$ 535	$ 11,999,984	$ 7,926,892	$ 9,784,460	$ 14,538,188	$ 17,520,769	$ 14,430,047	$ 14,219,047	$ 9,580,650	$ 13,036,301

TABLE 4 (Unaudited)

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

Expenses as % Revenues
Last Ten Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Operating Expenses:										
Maintenance and Operation:										
Employee services	10.11%	10.70%	11.42%	10.41%	9.12%	8.37%	7.45%	6.57%	4.87%	5.40%
Maintenance	7.45%	3.93%	5.26%	3.88%	3.80%	4.86%	5.03%	3.87%	4.45%	4.90%
Utilities	1.22%	1.15%	1.18%	0.98%	0.86%	0.72%	0.50%	0.46%	0.45%	0.51%
Telephone	0.10%	0.08%	0.11%	0.09%	0.08%	0.07%	0.06%	0.07%	0.04%	0.03%
Insurance & claims	2.33%	1.87%	1.83%	1.40%	1.41%	1.27%	1.22%	1.57%	1.12%	1.68%
Professional services	2.95%	0.93%	1.40%	0.96%	3.99%	2.57%	1.68%	2.10%	0.45%	0.84%
Police expenses	0.02%	0.03%	0.03%	0.03%	0.06%	0.04%	0.02%	0.02%	0.03%	0.07%
Contracted services	1.55%	1.43%	2.02%	1.94%	2.14%	2.01%	1.79%	1.69%	3.04%	3.89%
Office and equipment rental	0.10%	0.12%	0.12%	0.13%	0.10%	0.11%	0.09%	0.08%	0.09%	0.10%
Operator and event expenses	1.88%	1.74%	2.06%	1.91%	1.69%	1.30%	0.45%	0.48%	0.65%	0.63%
Safety/Environmental	0.13%	0.08%	0.10%	0.09%	0.08%	0.07%	0.04%	0.04%	0.03%	0.03%
General	0.60%	0.94%	0.29%	0.23%	0.24%	0.30%	0.23%	0.31%	0.13%	0.06%
	28.44%	22.98%	25.82%	22.05%	23.57%	21.69%	18.56%	17.25%	15.35%	18.13%
General and Administrative:										
Employee services	9.74%	11.29%	13.79%	13.49%	12.49%	11.66%	11.32%	11.21%	8.87%	10.47%
Maintenance	0.79%	0.81%	1.14%	0.79%	0.98%	0.83%	0.65%	0.89%	0.90%	0.80%
Utilities	0.19%	0.17%	0.20%	0.18%	0.15%	0.12%	0.08%	0.16%	0.14%	0.14%
Telephone	0.10%	0.10%	0.12%	0.10%	0.11%	0.13%	0.12%	0.14%	0.18%	0.13%
Insurance & claims	0.12%	0.12%	0.18%	0.13%	0.11%	0.18%	0.25%	0.22%	0.57%	0.62%
Professional services	4.71%	4.67%	5.38%	5.75%	6.09%	7.70%	7.25%	6.06%	5.84%	5.62%
Police expenses	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contracted services	0.03%	0.05%	0.17%	0.10%	0.08%	0.19%	0.12%	0.10%	0.11%	0.03%
Office and equipment rental	0.11%	0.11%	0.15%	0.17%	0.14%	0.11%	0.05%	0.14%	0.09%	0.06%
Administrative	1.43%	1.48%	1.61%	1.67%	1.49%	1.61%	1.03%	1.38%	2.02%	1.71%
Promotion & development	1.38%	1.37%	1.50%	1.33%	1.27%	1.46%	2.39%	2.46%	2.06%	2.61%
Trade and sales development	0.26%	0.18%	0.21%	0.18%	0.19%	0.48%	0.08%	0.16%	0.22%	0.20%
Media advertising	0.28%	0.33%	0.39%	0.37%	0.23%	0.17%	0.18%	0.19%	0.18%	0.18%
Production	0.05%	0.08%	0.03%	0.04%	0.05%	0.04%	0.09%	0.08%	0.08%	0.06%
Safety/Environmental	0.03%	0.05%	0.06%	0.03%	0.03%	0.05%	0.11%	0.06%	0.02%	0.06%
General	0.11%	0.02%	0.04%	0.01%	0.64%	0.01%	0.02%	0.02%	0.03%	0.09%
	19.34%	20.84%	24.95%	24.35%	24.05%	24.74%	23.76%	23.24%	21.32%	22.80%

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

Financial Performance Indicators Last Ten Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Operating Revenues (OR)	$ 82,159,445	$ 93,421,855	$ 83,021,962	$ 95,541,093	$ 105,780,128	$ 128,242,786	$ 160,135,601	$ 154,914,808	$ 215,672,538	$ 225,544,801
Operating Expenses (OE) *	(39,259,158)	(40,939,888)	(42,151,256)	(44,562,840)	(51,333,496)	(61,494,932)	(68,492,233)	(62,738,239)	(79,078,470)	(92,316,552)
Net Operating Income (NOI)	42,900,287	52,481,967	40,870,706	50,978,253	54,446,632	66,747,854	91,643,368	92,176,569	136,594,068	133,228,249
Non-Operating Revenues	563,005	746,088	1,337,104	2,564,788	19,835,802	22,890,422	11,761,460	2,066,635	47,077,029	23,413,000
Non-Operating Expenses	(535)	(11,999,984)	(7,926,892)	(9,784,460)	(14,538,188)	(17,520,769)	(14,430,047)	(14,666,308)	(12,792,217)	(13,036,301)
Net Income "A" (NI"A")	43,462,757	41,228,071	34,280,918	43,758,581	59,744,246	72,117,507	88,974,781	79,576,896	170,878,880	143,604,948
Depreciation	(12,310,557)	(12,822,653)	(13,140,057)	(13,377,640)	(14,149,761)	(14,661,500)	(18,156,728)	(21,044,928)	(23,632,566)	(26,743,013)
Net Income (Loss) "B" (NI"B")	$ 31,152,200	$ 28,405,418	$ 21,140,861	$ 30,380,941	$ 45,594,485	$ 57,456,007	$ 70,818,053	$ 58,531,968	$ 147,246,314	$ 116,861,935
Net Capital Assets (NCA) **	$ 241,815,700	$ 297,825,250	$ 296,380,248	$ 321,263,212	$ 386,505,892	$ 387,829,832	$ 497,460,868	$ 710,131,365	$ 755,372,148	$ 816,762,075
Total Assets (TA)	$ 485,074,255	$ 625,138,463	$ 677,119,779	$ 724,780,324	$ 993,775,538	$ 1,080,903,075	$ 1,122,647,245	$ 1,236,493,196	$ 1,585,765,739	$ 1,627,863,206
Operating Indicators:										
Operating ROI (NOI/NCA)	17.74%	17.62%	13.79%	15.87%	14.09%	17.21%	18.42%	12.98%	18.08%	16.31%
Operating Margin (NOI/OR)	52.22%	56.18%	49.23%	53.36%	51.47%	52.05%	57.23%	59.50%	63.33%	59.07%
Operating Ratio (OE/OR)	47.78%	43.82%	50.77%	46.64%	48.53%	47.95%	42.77%	40.50%	36.67%	40.93%
Other ROI Indicators:										
ROI "A" (NI"A"/TA)	8.96%	6.60%	5.06%	6.04%	6.01%	6.67%	7.93%	6.44%	10.78%	8.82%
ROI "B" (NI"B"/TA)	6.42%	4.54%	3.12%	4.19%	4.59%	5.32%	6.31%	4.73%	9.29%	7.18%

* - Excludes Depreciation
** - Excludes Construction in Progress

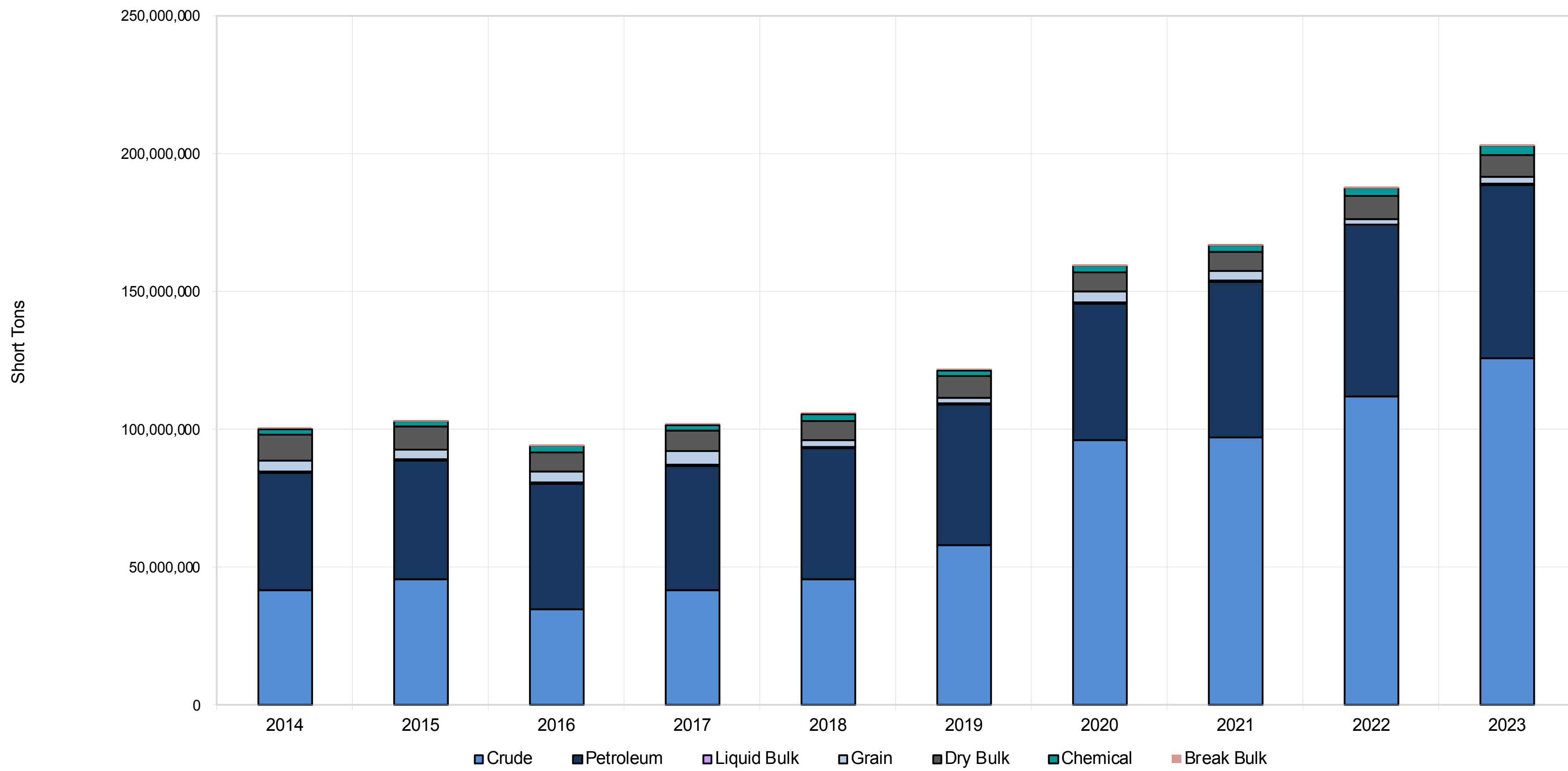
PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

Port Commerce By Commodity
Last Ten Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Commodity By Port Division - *Short tons*										
Inner Harbor										
Break Bulk	133,938	238,695	248,471	389,264	451,029	427,205	209,976	219,823	218,327	115,234
Grain	4,068,716	3,396,829	4,169,145	5,162,711	2,601,336	1,867,544	3,961,667	3,567,886	1,979,514	2,246,799
Chemical	99,979	135,841	105,512	99,706	106,263	116,909	113,285	118,551	109,881	102,984
Dry Bulk	3,639,556	3,834,620	3,548,129	2,798,319	2,868,385	3,509,844	3,060,048	2,973,730	3,410,064	3,791,572
Liquid Bulk	493,850	580,055	432,750	528,901	514,887	629,961	292,806	373,255	331,927	773,259
Crude	35,619,488	40,612,622	28,619,578	25,910,096	28,167,840	34,643,867	46,723,682	43,138,646	48,269,889	47,515,955
Petroleum	42,653,836	42,714,963	45,396,299	44,977,499	47,263,872	44,260,511	40,664,756	40,185,922	45,352,640	45,503,982
Total	86,709,363	91,513,625	82,519,884	79,866,496	81,973,612	85,455,841	95,026,220	90,577,813	99,672,242	100,049,785
La Quinta										
Break Bulk	105,282	111,346	85,069	163,313	170,135	139,143	67,210	267,657	70,388	42,883
Chemical	2,105,444	1,822,132	2,095,329	2,258,959	2,279,158	2,304,539	2,300,418	2,330,029	2,895,789	3,193,787
Dry Bulk	5,518,508	4,448,951	3,357,428	4,311,854	4,085,546	4,056,812	4,019,507	3,771,140	4,722,570	4,251,543
Crude	-	-	-	-	-	-	-	-	-	-
Petroleum	23,906	17,370	23,548	34,454	217,530	6,911,738	8,772,603	16,130,707	16,422,176	16,500,219
Total	7,753,140	6,399,799	5,561,374	6,768,580	6,752,369	13,412,232	15,159,738	22,499,533	24,110,923	23,988,432
Ingleside										
Break Bulk	31,458	58,348	12,271	2,020	67	25,628	47,016	887	76	-
Dry Bulk	5,274	2,804	345	4,383	273	-	-	-	-	-
Crude	5,891,206	4,904,927	5,982,277	15,733,332	17,497,170	23,258,262	49,335,388	54,008,486	63,730,912	78,560,176
Petroleum	195,976	598,584	216,184	15,913	13,861	18,466	144,626	164,498	379,520	442,659
Total	6,123,914	5,564,664	6,211,077	15,755,648	17,511,371	23,302,356	49,527,030	54,173,871	64,110,508	79,002,835
Rincon Point										
Break Bulk	-	-	-	1,124	54	-	-	-	-	-
Grain	1,600	-	-	-	-	-	-	-	-	-
Dry Bulk	-	-	-	-	-	-	51	-	4,531	-
Total	1,600	-	-	1,124	54	-	51	-	4,531	-
Total	100,588,017	103,478,088	94,292,335	102,391,848	106,237,406	122,170,429	159,713,039	167,251,217	187,898,204	203,041,052
Commodity Totals - *Short tons*										
Break Bulk	270,678	408,389	345,811	555,721	621,285	591,976	324,202	488,367	288,791	158,117
Grain	4,070,316	3,396,829	4,169,145	5,162,711	2,601,336	1,867,544	3,961,667	3,567,886	1,979,514	2,246,799
Chemical	2,205,423	1,957,973	2,200,842	2,358,665	2,385,421	2,421,448	2,413,703	2,448,580	3,005,669	3,296,771
Dry Bulk	9,163,338	8,286,375	6,905,901	7,114,556	6,954,204	7,566,656	7,079,606	6,744,870	8,137,164	8,043,115
Liquid Bulk	493,850	580,055	432,750	528,901	514,887	629,961	292,806	373,255	331,927	773,259
Crude	41,510,694	45,517,549	34,601,855	41,643,428	45,665,010	57,902,129	96,059,070	97,147,132	112,000,800	126,076,131
Petroleum	42,873,718	43,330,918	45,636,031	45,027,866	47,495,263	51,190,715	49,581,985	56,481,127	62,154,336	62,446,860
Total	100,588,017	103,478,088	94,292,335	102,391,848	106,237,406	122,170,429	159,713,039	167,251,217	187,898,201	203,041,052

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

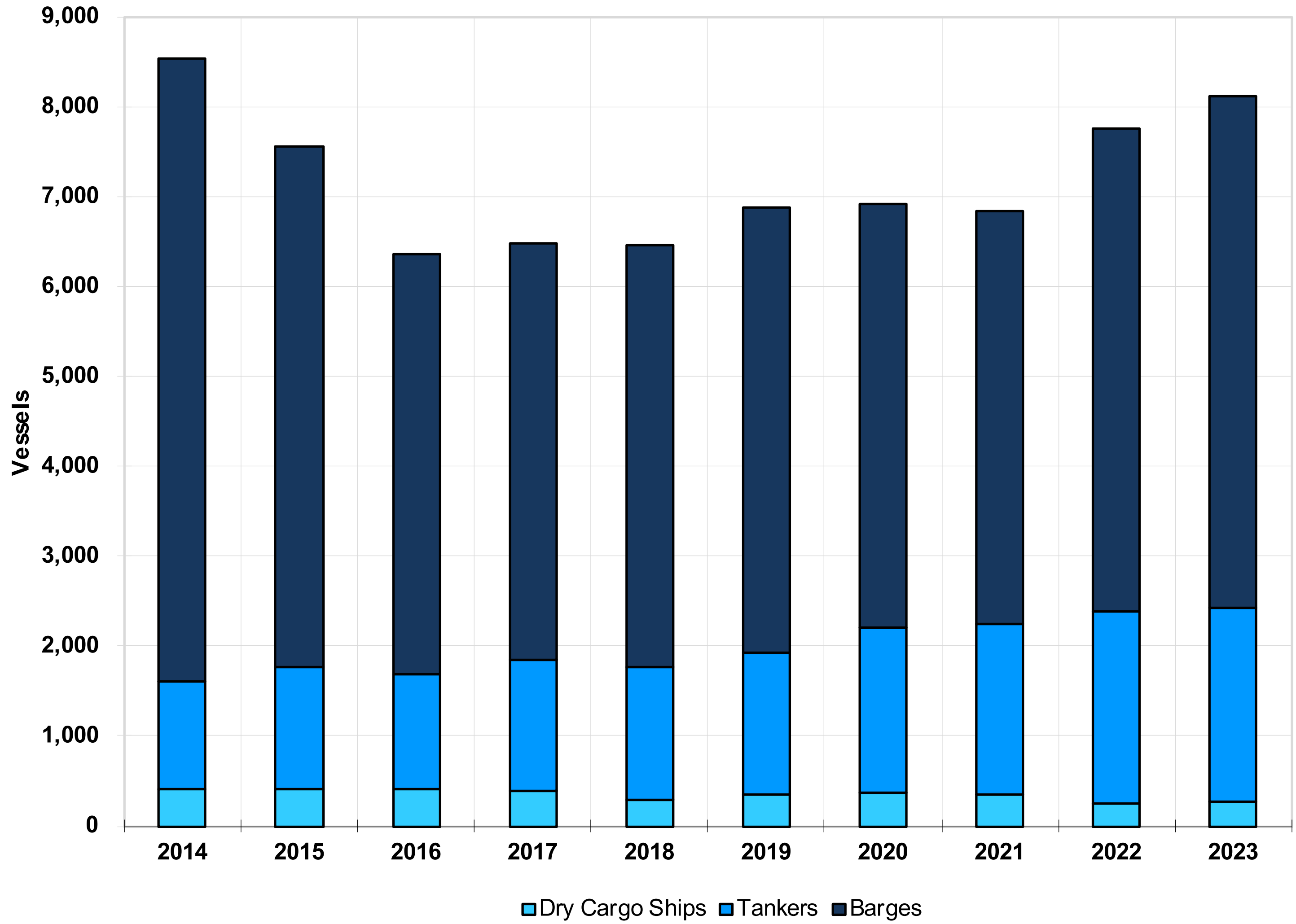
Port Commerce By Commodity
Last Ten Years



PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

Vessel Traffic
Last Ten Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Inner Harbor										
Ships										
Dry Cargo	223	283	293	280	200	228	202	197	183	185
Tankers	986	1,143	1,039	1,110	1,151	1,140	1,160	1,068	1,187	1,157
Barges	6,475	5,479	4,478	4,153	4,304	4,452	4,288	4,056	4,555	5,067
Total Vessels	7,684	6,905	5,810	5,543	5,655	5,820	5,650	5,321	5,925	6,409
La Quinta Harbor										
Ships										
Dry Cargo	130	104	88	102	70	67	103	102	59	66
Tankers	130	124	140	167	136	249	255	350	407	431
Barges	101	118	80	346	321	398	362	478	736	481
Total Vessels	361	346	308	615	527	714	720	930	1,202	978
Harbor Island										
Ships										
Dry Cargo	-	-	-	-	4	48	41	59	12	11
Tankers	-	-	-	-	-	-	1	-	1	4
Barges	-	-	-	-	-	8	5	10	6	10
Total Vessels	-	-	-	-	4	56	47	69	19	25
Ingleside Harbor										
Ships										
Dry Cargo	60	31	35	12	19	4	17	1	-	-
Tankers	70	89	89	169	185	198	422	467	539	568
Barges	353	190	124	142	75	81	52	55	47	130
Total Vessels	483	310	248	323	279	283	491	523	586	698
Rincon Point										
Barges	-	-	-	1	2	-	1	-	21	1
Total Vessels	-	-	-	1	2	-	1	-	21	1
Total										
Ships										
Dry Cargo	413	418	416	394	293	347	363	359	254	262
Tankers	1,186	1,356	1,268	1,446	1,472	1,587	1,838	1,885	2,134	2,160
Barges	6,929	5,787	4,682	4,642	4,702	4,939	4,708	4,599	5,365	5,689
Total Vessels	8,528	7,561	6,366	6,482	6,467	6,873	6,909	6,843	7,753	8,111


Vessels
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
Dry Cargo Ships
Tankers
Barges

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

Tariff Rates
Last Ten Years

	U/M	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Wharfage Rates											
All Cargo NOS	W/M	$3.2200	$3.3100	$3.3900	$3.4500	$3.5800	$3.6500	$3.7200	$3.7200	$3.8200	$3.9500
Dry Bulk	S/T	$1.3300	$1.3700	$1.4000	$1.4300	$1.4800	$1.5100	$1.5400	$1.5400	$1.5800	$1.6400
Liquid Bulk	BRL	$0.0937	$0.0965	$0.0987	$0.1005	$0.1041	$0.1061	$0.1084	$0.1084	$0.1112	$0.1151
Beans, Lentils & Peas	S/T	$0.6400	$0.6600	$0.6700	$0.6900	$0.7100	$0.7200	$0.7400	$0.7400	$0.7600	$0.7900
Cotton	Bale	$0.5700	$0.5900	$0.6000	$0.6100	$0.6300	$0.6600	$0.6600	$0.6600	$0.6800	$0.7000
Grain and Grain Products	S/T	$1.4700	$1.5100	$1.5500	$1.5700	$1.6400	$1.6700	$1.7100	$1.7100	$1.7500	$1.8100
Grain and Grain Products (bulk)	S/T	$0.2900	$0.3000	$0.3100	$0.3200	$0.3300	$0.3400	$0.3500	$0.3500	$0.3600	$0.3700
Iron and Steel Articles	S/T	$2.1000	$2.1600	$2.2100	$2.2500	$2.3300	$2.3800	$2.4300	$2.4300	$2.4900	$2.5800
Machinery, agricultural	S/T	$3.2200	$3.3310	$3.3900	$3.4500	$3.5800	$3.6500	$3.7200	$3.7200	$3.8200	$3.9500
Machinery, grading, earth moving	S/T	$3.2200	$3.3100	$3.3900	$3.4500	$3.5800	$3.6500	$3.7200	$3.7200	$3.8200	$3.9500
Military Cargo	S/T	$6.0700	$6.2500	$6.3900	$6.5200	$6.7600	$6.8900	$7.0400	$7.0400	$7.2200	$7.4700
Milk, dehydrated	S/T	$1.7100	$1.7600	$1.8000	$1.8300	$1.9000	$1.9400	$1.9800	$1.9800	$2.0300	$2.1000
Passengers	Person	$5.8600	$6.0300	$6.1700	$6.2800	$6.5100	$6.6400	$6.7800	$0.0000	$0.0000	$0.0000
Power Generation/Plant Equipment	S/T	$3.2200	$3.3100	$3.3900	$3.4500	$3.5800	$3.6500	$3.7200	$3.7200	$3.8200	$3.8200
Refrigerated Cargo	S/T	$1.4700	$1.5100	-	-	-	-	-	-	-	-
Rice and Rice Products	S/T	$1.4700	$1.5100	$1.5500	$1.6900	$1.7500	$1.7900	$1.8200	$1.8200	$1.8700	$1.9400
Sand, aggregates, caliche, limestone	S/T	$1.3300	$1.3700	$1.4000	$1.4300	$1.4800	$1.5100	$1.5400	$1.5400	$1.5800	$1.6400
Vegetable oil	S/T	$1.4200	$1.4600	$1.5000	$1.5200	$1.5800	$1.6100	$1.6400	$1.6400	$1.6800	$1.7400
Vehicles	S/T	$5.5600	$5.7200	$5.8500	$5.9600	$6.1800	$6.3000	$6.4300	$6.4300	$6.6000	$6.8300
Vessels, pressure	S/T	$3.9900	$4.1100	$4.2000	$4.2800	$4.4300	$4.5200	$4.6200	$4.6200	$4.7400	$4.9100
Dockage Rates											
General Cargo											
Vessels											
0-199	Feet	$2.67	$2.75	$2.81	$2.86	$2.97	$3.02	$3.09	$3.09	$3.17	$3.28
200-399	Feet	$3.51	$3.61	$3.70	$3.75	$3.90	$3.97	$4.06	$4.06	$4.16	$4.31
400-499	Feet	$4.95	$5.10	$5.21	$5.31	$5.50	$5.60	$5.73	$5.73	$5.88	$6.09
500-599	Feet	$6.66	$6.86	$7.01	$7.15	$7.41	$7.55	$7.72	$7.72	$7.92	$8.20
600-699	Feet	$7.63	$7.85	$8.03	$8.17	$8.48	$8.64	$8.83	$8.83	$9.06	$9.38
700-799	Feet	$9.83	$10.12	$10.35	$10.52	$10.91	$11.12	$11.36	$11.36	$11.65	$12.06
800-899	Feet	$11.84	$12.19	$12.47	$12.69	$13.15	$13.41	$13.70	$13.70	$14.05	$14.54
900-999	Feet	$14.14	$14.56	$14.89	$15.16	$15.71	$16.01	$16.36	$16.36	$16.78	$17.37
1000-1099	Feet	-	-	-	-	-	$20.90	$21.35	$21.35	$21.90	$22.66
Over 1100	Feet	-	-	-	-	-	$25.79	$26.35	$26.35	$27.03	$27.97
Barges - Inland Waterway	Feet	$150.00	$154.41	$157.93	$157.93	$166.61	$169.84	$173.51	$173.51	$177.99	$177.99
Bulk Terminal	GRT	$0.47	$0.48	$0.49	$0.50	$0.52	$0.53	$0.53	$0.54	$0.55	$0.57
Liquid Bulk											
Vessels	DWT	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid
Barges											
0-200 Feet	Barge	$150.00	$154.41	$157.93	$160.77	$166.61	$169.84	$173.51	$173.51	$177.99	$184.20
201-361 Feet	Barge	$225.00	$231.62	$236.90	$241.16	$249.91	$254.76	$260.27	$260.27	$266.98	$276.30
360 +	Barge	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid	See Dry/Liquid
Harbor Safety Fee [2]											
Ships	Ship	$1,153.00	$1,153.00	$1,153.00	$1,153.00	$1,446.00	$1,446.00	$1,477.23	$1,477.23	$1,515.34	$1,568.23
Barges	Barge	$132.00	$132.00	$132.00	$132.00	$166.00	$166.00	$169.59	$169.59	$173.97	$180.04
Security Surcharge Fee [1]		7.5%	7.5%	7.5%	7.5%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%

1 Security surcharge fee is calculated on wharfage and dockage billings
2 Harbor Safety Fees include fireboat fees and a marine patrol fee implemented in 2010
Tariff rates reported on this schedule represent the most significant of the Authority's revenue sources, all rates may be obtained from the Authority's published tariff

S/T - short tons; BRL - barrel; DWT - dead weight tons; NRT - net registered tons; GRT - gross registered tons; W/M - weight or measure

WHARFAGE and DOCKAGE REVENUE:
(by billed counterparty)

Customer	2023 Wharfage and Dockage Revenue	2023 Rank	2023 %	2014 Wharfage and Dockage Revenue	2014 Rank	2014 %
Enbridge Ingleside Energy Center LLC	$ 19,403,510	1	13.76%	$ -		
Valero	12,234,388	2	8.67%	8,266,903	1	14.50%
Corpus Chritsti Liquefaction	11,905,256	3	8.44%			
South Texas Gateway Terminal	11,283,087	4	8.00%			
NuStar Logistics	8,020,702	5	5.69%	4,257,376	5	7.47%
Max Shipping, Inc.	7,651,976	6	5.43%	1,211,932	10	2.13%
Citgo	7,619,487	7	5.40%	5,904,247	2	10.35%
POTAC LLC	6,183,957	8	4.38%			
Buckeye Texas Hub LLC	5,380,593	9	3.82%			
Flint Hills Resources	5,322,391	10	3.77%	5,903,806	3	10.35%
Martin Operating	-			5,684,846	4	9.97%
Plains Pipeline	-			2,107,178	6	3.70%
Trafigura Terminals LLC	-			1,899,856	7	3.33%
Moran-Gulf Shipping Agency	-			1,707,033	8	2.99%
Dix-Fairway Terminals	-			1,242,030	9	2.18%
Subtotal (10 largest)	95,005,347		67.36%	38,185,207		66.97%
Other	46,031,937		32.64%	18,835,814		33.03%
Total	**$ 141,037,284**		**100.00%**	**$ 57,021,021**		**100.00%**

TONNAGE:

Customer	2023 Tonnage	2023 Rank	2023 %	2014 Tonnage	2014 Rank	2014 %
Enbridge Ingleside Energy Center LLC	47,431,095	1	23.36%			
South Texas Gateway Terminal	27,684,192	2	13.63%			
Valero	21,132,236	3	10.41%	21,126,348	2	21.11%
Citgo	16,683,885	4	8.22%	21,788,636	1	21.77%
Corpus Chritsti Liquefaction	16,250,437	5	8.00%			
Buckeye Texas Hub LLC	12,246,529	6	6.03%			
NuStar Logistics	10,501,502	7	5.17%	7,998,185	5	7.99%
POTAC LLC	9,987,454	8	4.92%			
EPIC Corpus Christi Marine Terminal	8,241,769	9	4.06%			
Eagle Ford Terminals Corpus Christi LLC	5,284,444	10	2.60%			
Flint Hills Resources	-			13,635,953	3	13.63%
Martin Operating	-			8,511,546	4	8.51%
Trafigura Terminals LLC	-			5,537,930	6	5.53%
Sherwin Alumina Company LP	-			5,006,308	7	5.00%
Plains Pipeline	-			2,876,044	8	2.87%
ADM/Growmark River System, Inc.	-			2,649,243	9	2.65%
Occidental Chemical Corp.	-			2,105,443	10	2.10%
Subtotal (10 largest)	175,443,543		86.41%	91,235,636		91.17%
Other	27,597,509		13.59%	8,838,288		8.83%
Total	**203,041,052**		**100.00%**	**100,073,924**		**100.00%**

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

Ratios of Outstanding Debt Last Ten Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenue Bonds	$ -	$ 115,000,000	$ 110,640,000	$ 106,245,000	$ 309,325,000	$ 304,795,000	$ 298,160,000	$ 289,580,000	$ 280,710,000	$ 271,535,000
Bond Premium	-	-	-	-	17,117,024	16,243,611	15,370,382	14,497,153	13,644,786	12,804,380
Total Outstanding Debt	$ -	$ 115,000,000	$ 110,640,000	$ 106,245,000	$ 326,442,024	$ 321,038,611	$ 313,530,382	$ 304,077,153	$ 294,354,786	$ 284,339,380
Per Capita	$ -	$ 2,711	$ 2,736	$ 2,500	$ 7,474	$ 7,112	$ 6,721	$ 5,667	$ 5,360	$ 4,901
Percent of Personal Income	0.00%	0.63%	0.64%	0.58%	1.74%	1.66%	1.57%	1.38%	1.23%	1.16%

Details regarding the Authority's outstanding debt can be found in Note 7 of the Notes to the Financial Statements. See Table 12, schedule of Demographic and Economic Statistics for personal income and population data.

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

Pledged Revenue Bond Coverage
Last Ten Years

Year	Gross Revenues (1)	Maintenance and Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements: Principal	Debt Service Requirements: Interest	Debt Service Requirements: Total	Coverage
2015	93,903,115	40,939,888	52,963,227	-	2,115,973.00	2,115,973	-
2016	84,052,194	42,151,256	41,900,938	4,360,000.00	4,139,948.00	8,499,948	-
2017	97,336,565	44,329,786	53,006,779	4,395,000.00	4,105,722	8,500,722	6.24
2018	108,637,047	51,333,496	57,303,551	4,450,000	7,138,292	11,588,292	4.94
2019	132,872,595	61,494,932	71,377,663	4,530,000	13,803,917	18,333,917	3.89
2020	162,163,465	68,492,233	93,671,232	6,635,000	13,701,629	20,336,629	4.61
2021	152,659,759	60,743,239	91,916,520	8,580,000	13,522,008	22,102,008	4.16
2022	212,733,264	79,350,763	133,382,501	8,870,000	13,235,090	22,105,090	6.03
2023	225,544,801	92,316,512	133,228,289	9,175,000	12,923,721	22,098,721	6.03

-1 Gross revenues represent operating revenues, other than insurance reimbursements, and includes interest income not related to bond proceeds

-2 Operating expenses represent maintenance and operating, and general and administrative expenses and any other operating expenses paid in cash, excluding depreciation

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

Demographic and Economic Statistics
Last Ten Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Population (1)	419,964	423,451	423,993	422,659	422,025	421,457	422,214	422,931	421,628	421,684
Personal Income-(in thousands) (1	$18,414,237	$18,124,202	$17,306,234	$18,114,539	$18,548,158	$19,645,110	$20,546,865	$22,692,011	$23,154,024	$24,466,724
Per Capita Personal Income (1)	$43,847	$42,801	$40,817	$42,859	$43,950	$46,612	$48,665	$53,654	$54,916	$58,021
Unemployment rate (2)	5.30%	5.20%	5.90%	5.80%	4.90%	4.30%	9.28%	7.49%	5.36%	4.53%

Source:
(1) Estimates of population from the Bureau of Economic Analysis
for the Corpus Christi, TX Metropolitan Statistical Area consisting of Aransas, Nueces and San Patricio counties
(2) Bureau of Labor Statistics

Principal Employers
December 31, 2023 and 2014

	2023			2014		
Employer	Number of Employees	Rank	Percent of Total MSA Employment	Number of Employees	Rank	Percent of Total MSA Employment
Corpus Christi ISD	5,134	1	2.61%	5,178	2	2.44%
Corpus Christi Naval Air Station	5,000	2	2.54%	2,822	6	1.33%
City of Corpus Christi	4,100	3	2.09%	3,171	5	1.50%
HEB Stores & Bakery	3,847	4	1.96%	5,000	4	2.36%
CHRISTUS Spohn Hospital	3,000	5	1.53%	5,144	3	2.43%
Driscoll Chidren's Hospital	3,000	6	1.53%	1,800	8	0.85%
Corpus Christi Army Depot	2,900	7	1.48%	5,800	1	2.74%
Kiewit Offshore Services	2,184	8	1.11%			
Corpus Christi Medical Center	2,000	9	1.02%	1,300	10	0.61%
Bay, Ltd	1,700	10	0.87%	2,100	7	0.99%
Del Mar College				1,542	9	0.73%
Total	32,865		16.74%	33,857		15.98%

Source:
Employers and Number of Employees provided by Corpus Christi Regional Economic and Development Corporation

Corpus Christi, Texas MSA Employment provided by http://www.deptofnumbers.com
November 2023 MSA Employment data was used since December 2023 data was not available at time of publishing

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

Employees by Function
Last Ten Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Operations:										
Bulk Terminal Facility	23	22	21	22	22	22	20	17	13	13
Harbormaster's Office	8	9	10	10	10	10	10	10	10	10
Maintenance	40	43	44	45	42	46	48	44	45	44
Police Department	48	48	48	49	47	54	56	56	63	71
	119	122	123	126	121	132	134	127	131	138
Administration:										
Chief Executive Officer	-	-	-	-	2	2	2	3	4	2
Executive Director	3	2	3	3	3	-	-	-	-	-
Chief Operating Officer	2	2	2	2	1	2	2	2	2	2
Chief Commercial Officer	-	2	2	2	3	-	-	-	-	-
Chief External Affairs Officer	-	-	-	-	1	2	3	3	2	2
Chief Financial Officer	2	2	1	3	3	2	2	3	2	1
Chief Strategy & Sustainability Officer	-	-	-	-	-	-	-	-	1	1
Planning	-	-	-	-	3	4	5	4	5	5
Government Affairs	1	1	1	1	2	2	2	2	2	2
Human Resources	5	6	6	6	7	6	6	6	5	8
Trade Development	4	5	5	5	3	1	3	3	5	5
Communications & Community Relations	4	7	6	5	7	8	7	7	10	13
Property & Industrial Development	3	3	4	4	4	5	5	5	5	5
Finance & Accounting	9	10	10	12	13	16	20	16	17	18
Procurement	-	-	3	3	2	4	3	3	5	6
Risk Management	-	2	2	2	3	3	3	3	3	2
Safety Management	1	2	2	2	2	2	4	3	2	2
Emergency Management	-	-	1	1	1	2	3	3	3	3
Information Technology	8	13	13	12	12	14	14	14	17	18
Engineering	13	16	20	20	18	18	19	19	18	21
Environmental Planning & Compliance	6	5	4	5	6	9	10	10	8	9
Operations	4	4	1	4	4	6	5	6	8	8
	65	82	86	92	98	106	116	115	124	133
	184	204	209	218	219	238	250	242	255	271

Source:
Employee information obtained from The Authority's Human Resource Department

Employee information is as of December 31st of each respective Year.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

Capital Asset Statistics Last Ten Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Harbor divisions	6	6	6	6	6	6	6	6	6	6
Turning basins	7	7	7	7	7	7	7	7	7	7
Corpus Christi Ship Channel (miles)	37	37	37	37	37	37	37	37	37	37
Authorized channel draft (feet)	54	54	54	54	54	54	54	54	54	54
General cargo docks	6	7	7	7	8	8	9	9	9	9
Covered docks	3	3	3	3	3	3	3	3	3	3
Open docks	2	4	4	4	5	5	6	6	6	6
Special public use dock	1	1	1	1	1	1	1	1	1	1
Covered storage (square feet)	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000
Dockside rail access (docks)	4	4	4	4	4	4	4	4	4	5
Roll-on/ Roll-off ramps	1	1	1	1	1	1	1	1	1	1
Liquid bulk docks	13	13	13	13	15	15	15	15	16	16
Ship	7	7	7	7	8	8	8	8	10	10
Barge	6	6	6	6	7	7	7	7	6	6
Bulk material docks	2	2	2	2	2	2	2	2	2	2
Unloading Crane	1	1	1	1	1	1	1	1	1	1
Unloading rate per hour (short tons)	600	600	600	600	600	600	1,200	1,200	1,200	1,200
Radial ship loaders	1	1	1	1	1	1	1	1	1	1
Loading rate per hour (short tons)	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Layberth facilities/docks	3	3	3	2	2	2	2	2	5	5
Intermodal terminal	1	1	1	1	1	1	1	1	1	1
Open storage (acres)	35	35	35	35	35	35	50	50	50	50
Container handling machines	0	0	0	0	0	0	0	0	0	0
Bagging facilities	2	2	2	2	2	2	2	2	2	2
Grain	1	1	1	1	1	1	1	1	1	1
General purpose	1	1	1	1	1	1	1	1	1	1
Grain elevator	1	1	1	1	1	1	1	1	1	1
Bushel capacity (bushels)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Ship loading capacity per hour (bushels)	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Truck unloading capacity per hour (bushels)	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Railcar unloading capacity per hour (bushels)	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Cotton warehouses	1	1	1	1	1	1	1	1	1	1
Covered storage (square feet)	575,000	575,000	575,000	575,000	575,000	575,000	575,000	575,000	575,000	575,000
Banquet hall	1	1	1	1	1	1	1	1	1	1
Outdoor plaza	1	1	1	1	1	1	1	1	1	1
Indoor square feet (approximate)	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Outdoor square feet (approximate)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Industrial parks	1	1	1	1	1	1	1	1	1	1
Acreage	285	285	285	285	285	285	285	285	285	285
Barge canals	2	2	2	2	2	2	2	2	2	2
Land										
Submerged (acres)	17,770	18,062	18,062	18,062	18,062	18,062	18,062	18,062	18,062	18,062
Emerged (acres)	7,296	7,301	7,383	7,384	10,379	10,379	10,379	11,841	12,462	13,263
Dredge Placement Areas	4,974	4,974	4,974	4,974	5,391	5,391	5,391	5,391	5,391	5,391
Open storage/development (acres)	2,322	2,327	2,409	2,410	2,410	2,410	2,410	2,410	2,410	2,410
Railroads										
Railway (miles)	45	48	48	58	58	60	60	60	62	66
Security Command Center	1	1	1	1	1	1	1	1	1	1

Source:
Various Authority departments

Schedule of Insurance in Force
December 31, 2023

Details of Coverage	Policy Period	Deductible	Liability Limits
All Risk Property	04/01/24-2025	$4,000,000/$100,000	$125,000,000
Active Shooter	10/01/23-2024	-	1,000,000
Active Shooter, Property Damage Coverage	10/01/23-2024	2,500	1,000,000
Auto Physical Damage	10/02/23-2024	500	Per Schedule
Boiler and Machinery	04/01/24-2025	25,000	100,000,000
Business Auto Liability	10/01/23-2024	5,000/10,000	1,000,000
Cyber Liability	10/01/23-2024	100,000	3,000,000
Employee Fidelity (Crime) Bond	10/01/23-2024	25,000	1,000,000
Errors and Omissions Liability	10/01/23-2024	50,000	5,000,000/10,000,000
Federal Flood Insurance	Varies	1,250	Varies
Firebarge, Boats & Motors	10/01/23-2024	25,000	18,454,404
Foreign Liability	10/01/23-2024	-	1,000,000/2,000,000
General Liability/Marine	10/01/23-2024	50,000	10,000,000
Law Enforcement Liability	10/01/23-2024	10,000	5,000,000/10,000,000
Mobile Equipment	10/01/23-2024	1,000	4,138,540
Pollution Liability	10/01/23-2024	10,000/50,000	1,000,000/2,000,000
Public Officials Bonds (8)	Varies	-	5,000
Terrorism	04/01/24-2025	10,000	125,000,000
Workers' Compensation	12/31/23 -2024	-	Statutory/1,000,000

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CONTINUING BOND DISCLOSURE

Components to be used in the ongoing construction of new liquefaction trains at Cheniere Energy's Corpus Christi Liquefaction facility are offloaded at Port of Corpus Christi Cargo Dock 9 in October 2023.

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PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

Projected Operating Results and
Debt Service Coverage Ratio
Next Four Years

	2024	2025	2026	2027
Operating Revenues:				
Wharfage	$119,747,793	$125,508,749	$131,384,924	$137,954,170
Dockage	33,264,177	35,867,460	38,420,809	40,341,849
Security	20,315,433	21,151,857	21,994,809	23,094,549
Freight handling	10,855,182	11,072,286	11,293,731	11,858,418
Rail charges	3,600,000	3,672,000	3,745,440	3,932,712
Building and land rentals	25,256,235	25,656,235	25,656,235	25,656,235
Conference center services	2,138,924	2,138,924	2,138,924	2,138,924
FTZ user fees	219,000	219,000	219,000	219,000
Dredge placement fees	103,314	103,314	103,314	103,314
Other revenue	2,355,583	2,402,695	2,450,750	2,573,288
Total Operating Revenues	217,855,641	227,792,520	237,407,936	247,872,459
Operating Expenses:				
Direct expenses, excluding depreciation	53,770,732	53,582,714	54,148,996	55,773,466
Indirect expenses, excluding depreciation	54,755,349	54,563,889	55,140,539	56,794,755
Total Operating Expenses	108,526,081	108,146,603	109,289,535	112,568,221
Other Revenues (Expenses):				
Investment Income, excluding proceeds on debt and funds reserved for debt service	5,000,000	4,125,000	2,250,000	1,750,000
Total Other Revenues (Expenses) available for debt service	5,000,000	4,125,000	2,250,000	1,750,000
Net Operating Revenues Available for Debt Service	$ 114,329,560	$ 123,770,917	$ 130,368,401	$ 137,054,238
Debt Service-Prior Lien	8,498,662	8,502,199	8,499,250	8,500,912
Debt Service-Senior Lien	13,602,678	13,600,607	13,603,560	13,599,527
Total Debt Service	$ 22,101,340	$ 22,102,806	$ 22,102,810	$ 22,100,439
Prior Lien Bond Debt Service Coverage	13.45	14.56	15.34	16.12
Total Bond Debt Service Coverage	5.17	5.60	5.90	6.20

The table contains the Authority's projections for Gross Operating Revenues, Maintenance and Operating Expenses, Net Operating Revenues and debt service coverage for the fiscal years ending 2024 through 2027. The projections contained in the table are forward-looking statements. Readers should not place undue reliance on forward-looking statements. This information is based on information available to the Authority on the date hereof, and the Authority assumes no obligation to update any such forward-looking statements. The actual results of the Authority could differ materially from those in such forward-looking statements.

The forward-looking statements in the table are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Authority. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this this table will prove to be accurate..

Additional Continuing Bond Disclosure Information

The information provided below are the relevant schedules for the Authority's continuing bond disclosure (along with the schedule above) and the page reference in the annual comprehensive financial report where each can be found.

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SINGLE AUDIT SECTION

Port of Corpus Christi Rescue 1 patrols the entrance to the Inner Harbor in November 2023.

PORT CORPUS CHRISTI®

MAULDIN & JENKINS
CPAs & ADVISORS

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

To the Port Commissioners
Port of Corpus Christi Authority of Nueces County, Texas
Corpus Christi, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Port of Corpus Christi Authority of Nueces County, Texas (the "Authority") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated April 7, 2024.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 or significant deficiencies may exist that were not identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 financial statements. 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.

Mauldin & Jenkins, LLC

Savannah, Georgia
April 7, 2024

MAULDIN & JENKINS

CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE STATE OF TEXAS GRANT MANAGEMENT STANDARDS

To the Port Commissioners
Port of Corpus Christi Authority of Nueces County, Texas
Corpus Christi, Texas

Report on Compliance For Each Major Federal and State Program

Opinion on Each Major Federal Program

We have audited the Port of Corpus Christi Authority of Nueces County, Texas' (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *State of Texas Grant Management Standards*, which includes the State of Texas Single Audit Circular (TxGMS) that could have a direct and material effect on the Authority's major federal and state programs for the year ended December 31, 2023. The Authority's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance); and the TxGMS. Our responsibilities under those standards, the Uniform Guidance, and the TxGMS are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our ethical responsibilities, in accordance with 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 opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. 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, *Government Auditing Standards*, the Uniform Guidance, and the TxGMS will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal and state program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and TxGMS, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and TxGMS. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Savannah, Georgia
April 7, 2024

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP	Unmodified
Internal control over financial reporting: Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal and State Awards

Internal control over major programs: Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the 2 CFR 200.516(a) or the State of Texas Grant Management Standards?	No

Identification of major federal programs:

Federal AL Number	Name of Federal Program or Cluster
97.056	U.S. Department of Homeland Security Port Security Grants

State Award Number	Name of State Program
CSJ0916-35-228	TXDOT – Rincon Road Expansion
CSJ0916-35-229 and 250	TXDOT – Construction to Access Control Point

Dollar threshold used to distinguish between Type A and Type B programs: Federal and State	$750,000
Auditee qualified as low-risk auditee?	No

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

SECTION IV
STATE AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

SECTION V
STATUS OF PRIOR YEAR FINDINGS

None reported.

Program Title	AL Number	Grant Number	Expenditures
US Department of Homeland Security			
Direct Programs			
Port Security Grant #19	97.056	EMW-2019-PU-00375	$ 469
Port Security Grant #20	97.056	EMW-2020-PU-00572	430,756
Port Security Grant #21	97.056	EMW-2021-PU-00579	549,640
Port Security Grant #22	97.056	EMW-2022-PU-00544	2,495,507
Total US Department of Homeland Security			3,476,372
US Department of Transportation			
Direct Programs			
USDOT-MARAD-OD3 Avery Point	20.823	693JF72040031	2,490,727
Total US Department of Transportation			2,490,727
Total Federal Expenditures			$ 5,967,099
Texas Department of Environmental Quality			
Texas Emissions Reduction Plan Rebate Grant	NA	582-21-11067	$ 257,205
Total Texas Department of Environmental Quality			257,205
Texas Department of Transportation			
Construction to expand Rincon Road	NA	CSJ0916-35-228	153,378
Construction to Access Control Point	NA	CSJ0916-35-229	813,500
Construction to Access Control Point	NA	CSJ0916-35-250	723,750
Total Texas Department of Transportation			1,690,628
Total State Expenditures			$ 1,947,833

Note 1. General

The accompanying Schedule of Expenditures of Federal and State Awards presents the activity of all Federal and State financial assistance programs of the Port of Corpus Christi Authority of Nueces County, Texas (Authority). The Authority's reporting entity is defined in the Notes to the Authority's financial statements. All Federal financial assistance received directly from Federal agencies and passed through other government agencies is included on the schedule, as well as State assistance.

Note 2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal and State Awards is presented using the accrual basis of accounting, which is described in the Notes to the Authority's financial statements.

Note 3. De-Minimis Indirect Cost Rate

The Authority elected not to use the 10% de-minimis indirect cost rate of the year ended December 31, 2023.

Note 4. Subrecipients

The Authority did not pass through Federal or State assistance to any subrecipient during the year ended December 31, 2023.

PORT CORPUS CHRISTI®

The vessel Mazury departs the Port of Corpus Christi in October 2023 on its way back to the Gulf of Mexico.

PORT CORPUS CHRISTI®

Port of Corpus Christi Authority of Nueces County, TX