

ANNUAL COMPREHENSIVE FINANCIAL REPORT 2025

Port of Corpus Christi Authority of Nueces County, Texas
For the year ended 12.31.25



The Port of Corpus Christi launched monthly guided tours of its Executive Administration Building in 2025 to enhance transparency and give the community a closer look at Port operations.





Annual Comprehensive Financial Report

Port of Corpus Christi Authority of Nueces County, Texas

For the Year Ended December 31, 2025

Prepared by the Finance Department

Cindy Bertolami
Chief Financial Officer

» INTRODUCTORY SECTION



The crude oil tanker, Sea Turtle, arrived at the Port of Corpus Christi on August 11, 2025, nearly two months after the Port celebrated the completion of the historic Corpus Christi Ship Channel Improvement Project.



	<u>Table</u>	<u>Page</u>
Introductory Section		
Table of Contents		i
Transmittal Letter		iii
GFOA Certificate of Achievement		xiii
Organizational Chart		xiv
Directory of Officials		xv
Financial Section		
Independent Auditor’s Report		3
Management’s Discussion and Analysis		7
Basic Financial Statements:		
Statement of Net Position		17
Statement of Revenues, Expenses and Changes in Net Position		18
Statement of Cash Flows		19
Notes to Financial Statements		21
Required Supplementary Information:		
Schedule of Changes in Net Pension Liability and Related Ratios		43
Schedule of Employer Contributions to the Pension Plan		44
Schedule of Changes in Total OPEB Liability and Related Ratios		45
Supplemental Schedules:		
Schedule of Revenues and Expenses-Actual and Budget (GAAP Basis)		49
Schedules of Maintenance and Operations and General Administrative Expenses		50
Statistical Section (Unaudited)		
Financial Trends		
Changes in Net Position	1	56
Revenues by Source	2	57
Expenses by Type	3	58
Expenses as % Revenues	4	59
Financial Performance Indicators	5	60
Revenue Capacity:		
Port Commerce By Commodity	6	61
Vessel Traffic	7	63
Tariff Rates	8	65
Ten Largest Customers	9	66
Debt Capacity:		
Ratios of Outstanding Debt	10	67
Revenue Bond Coverage	11	68
Demographic and Economic Information:		
Demographic and Economic Statistics	12	69
Principal Employers	13	70

	<u>Table</u>	<u>Page</u>
Operating Information:		
Employees by Function	14	71
Capital Asset Statistics	15	72
Schedule of Insurance in Force	16	73
Additional Information		
Continuing Disclosure Under SEC Rule 15c2-12	17	77
Compliance Section		
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		83
Independent Auditor’s Report on Compliance for Each Major Federal and State Program and on Internal Control Over Compliance Required by Uniform Guidance and the State of Texas Grant Management Standards		85
Schedule of Findings and Questioned Costs		88
Schedule of Expenditures of Federal and State Awards		90
Notes to Schedule of Expenditures of Federal and State Awards		91



April 2, 2026

To Chairman Guerra, 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, 2025. 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 seven 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, 2025. 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 2025 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 Gulf Coast of Texas 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 with a current channel depth in the main Corpus Christi Ship Channel ("Main Channel") of 54 feet Mean Lower Low Water ("MLLW") and 47 feet MLLW in La Quinta Ship Channel ("La Quinta Channel"). The Authority successfully completed a multi-year deepening and widening project in 2025 on the Main Channel. The Authority, formed in 1922, has been a deep-draft port since its opening in 1926. The Main Channel is approximately 36 miles long and links the Authority's Inner Harbor, Ingleside and Harbor Island locations with the Gulf, and the six-mile-long La Quinta Channel, which diverges from the Main Channel south of the City of Ingleside, Texas. The Main 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, who each serve staggered terms of three years without pay, with a maximum of four full terms. 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 Nueces County Commissioners Court would call the election, canvas the vote, and if the bond issue is approved, thereafter, they would 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's operations and customer base, however, are responsible for generating far more employment throughout the region and the state. The most recent study of the economic impact created by operations in the Port complex, performed 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 and have an annual economic impact of approximately \$18 billion statewide.

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 at both the state and federal level help shape supportive policies 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 executes on the direction set by the Port Commission as a whole. Port Commission efforts are directed toward setting policy and strategic direction that encourages industrial expansion, attracts new cargos and leads to the building and maintaining of marine terminals and related transportation infrastructure, all intended to increase economic opportunity in our community.

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 Main Channel and La Quinta 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 10 general cargo docks, 17 liquid bulk cargo docks, two dry bulk material docks, two bagging facilities, a shipside grain elevator and cotton storage facilities. 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, liquefied natural gas (LNG) export terminal and other industries that line the Main Channel and 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 Main Channel and La Quinta Channel. Since 2015, the Authority has spent nearly \$1 billion on capital improvements, including the Corpus Christi Ship Channel Improvement Project; 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; and significant upgrades to the Port-owned bulk materials terminal. In addition, the Authority has significantly increased its laydown space to handle military equipment movements and storage and shipment of wind blades, and in 2025, reopened the Congressman Solomon P. Ortiz International Center meeting facility after significant renovations. 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 one of the largest gateways for energy related exports in the United States. The year 2025 proved strong for the Authority. Annual tonnage remained near record levels – surpassing 203 million tons – and within 1.5% of the all-time high achieved in 2024. Three 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 in the past decade, have made the Authority and its customers the leading gateway for crude oil exports in the country. The 2.2 million barrels per day of crude oil exported by the Authority’s customers in 2025 accounted for roughly 60% of the total exports from the United States in that period.

The Authority is committed to leveraging its strong financial position and prominence in the seaport space to create the most efficient and cost-competitive environment for our existing customers to conduct business. At the same time, the Authority seeks to use the deep-water ship channel, its vast portfolio of land, and its public docks and facilities to attract new commercial development that will increase the economic vitality of the region. The Authority also works directly to enhance the quality of life in the surrounding regions by funding significant environmental protection and sustainability programs and by supporting local non-profit and charitable organizations who serve disadvantaged and marginalized groups. 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 prosperity.

MAJOR INITIATIVES

Corpus Christi Ship Channel Improvement Project

The most immediate and critical project the Authority managed over the past several decades was the congressionally authorized Corpus Christi Ship Channel Improvement Project (“Channel Improvement Project” or “CIP”). The four-phase project enhances the safety and efficiency of vessel traffic through our waterways and improves the cost competitiveness of our customers by enabling larger vessels to carry greater cargo volumes. It is estimated that the deeper depth provides transportation cost savings to its customers of \$250 million per year by fully loading or more fully loading the largest classes of crude oil and bulk material vessels.

Dredging was fully completed and the channel opened to traffic in 2025, with a limited number of secondary construction activities scheduled for completion in 2026. The project is fully funded through contributions from both the Authority and the federal government, with the Authority providing approximately \$186 million and the federal government contributing upward of \$405 million to date. The Authority assessed no additional charges to its customers as a result of this project.

Strategic Planning

At the end of 2025, the Authority approved the next iteration of its Strategic Plan, replacing Strategic Plan 2026 (SP2026) with Strategic Plan 2029 (SP2029). The Authority’s six Strategic Goals, which define the Authority’s overarching priorities, were originally the product of a comprehensive stakeholder engagement and visioning process in 2014. While these priorities are reviewed with each iteration of the Strategic Plan, we expect them to remain relevant indefinitely, and the specific/measurable/time-bound objectives that directly support those priorities are updated on a recurring (3-year) basis. These objectives define specific strategies for enhancing Authority operations and are thus inherently interdisciplinary. Staff from all departments drive development of these objectives and are thus accountable for them and receive input throughout from our governing Commissioners. Since these objectives 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. The total number of objectives – just under 150 – is roughly unchanged from SP2026, suggesting a natural equilibrium, but the allocation of those objectives across the six Goals is very telling. Strategic Goal 6 – Cultivate the Workforce + Tools of the Future – includes 50% more

objectives in SP2029 than it did in SP2026, nearly 60 in all, reflecting a resounding investment in talent development and technology. In addition, these objectives are spread across 15 different departments, showing a clear desire across our workforce to improve and modernize the way we work.

Cargo Growth and Diversification

The Port of Corpus Christi continues to reinforce its position as the leading export gateway in the nation for American energy, driven by production in the Permian Basin and Eagle Ford Shale as well as infrastructure investments made by customers and the Authority in tandem. The Authority remains committed to supporting its core base of traditional oil and gas customers, which has been instrumental in the growth seen in the Coastal Bend region over the past decade. More than 95,000 jobs in Texas are supported by Port-related activities and its customers, with the oil and gas industry alone providing \$27.3 billion in state and local taxes, as well as state royalties. Over 90% of the volumes currently moving through the Authority are energy-related, and in liquid form.

Despite that, the Authority is constantly working to diversify its commodity portfolio to generate supplemental opportunities for future economic growth for the region. To accommodate growth, the Authority has a capital investment approach that utilizes existing cash on hand, leverages customer investment with proven returns, and a willingness to tap into the municipal bond market or an existing line of credit with Frost Bank, as needed.

In 2025, the Authority continued to handle steady pet coke volumes not only from our local refineries but also for the Motiva refinery in Port Arthur, Texas, which is still facing issues with its export terminal. Motiva's pet coke volumes added 1.21 million tons in 2025, increasing rail traffic by more than 10,000 railcars and representing 4% of the Authority's total revenues. The Authority also helps facilitate the movement of military cargoes in support of the United States Armed Forces. In 2025, an estimated 12,800 pieces of equipment aboard 26 vessels were moved through the Corpus Christi Ship Channel. Additionally, the Authority is ranked first in the Gulf in terms of wind turbine imports, surpassing the Houston area.

New commodities in 2025, such as spodumene and anthracite coal, have begun being imported within the Authority's Inner Harbor, with commercial discussions for potential new commodities such as wood pulp, rare minerals, iron ore, and fertilizers (dry bulk) materializing, as well. The new depth of the Corpus Christi Ship Channel has increased commercial inquiries in areas not currently in play, such as movement of containers and the opportunity to bring larger classes of crude carriers into the Inner Harbor. The Authority engages with those potential new customers as they emerge, working to agree on commercial terms that will be beneficial for the customer, the Authority and the Coastal Bend as a whole. The Authority also remains committed to diversifying and attracting low-carbon industries – such as hydrogen, ammonia and carbon capture projects –in coordination with existing customers and new investments. The availability of wind, solar and natural gas resources along with the deep-draft ship channel should facilitate the creation of new clean energy opportunities.

Inland Rail Terminal

The Authority has recognized in past years the limitations of the infrastructure within its existing footprint and has begun planning to open new opportunities outside of the traditional space where it operates. Through the past three years, the Authority has purchased or has under contract roughly 2,000 acres of land near Robstown, Texas, in

Nueces County, located between main rail lines operated by the Union Pacific and Canadian Pacific Kansas City railroads, for purposes of creating an Inland Rail Terminal and rail-served industrial park. The Authority will use that property to accommodate growing rail volumes in excess of the near capacity levels the Authority is already seeing in the Inner Harbor. In addition, the Authority anticipates that compatible uses of that property will arise, creating additional commercial opportunities in a currently underserved area within the Coastal Bend. The Authority expects to have preliminary engineering done in the first half of 2026 and will begin commercial negotiations on use of the site with the Class I railroads that serve the area, as well as customers who would benefit from such a facility.

Harbor Island Desalination Facility

The Coastal Bend region, and much of the central part of the State, is currently dependent upon surface water and has been in varying stages of drought conditions for much of the past decade. Water supply is a critical enabler both of existing industry and in the region's ability to attract investment in either expansion or new industry.

While the Authority has no direct role in providing water for the region, it has publicized its willingness to assist as needed for nearly a decade. The Authority owns approximately 200 acres on Harbor Island, across the ship channel from Port Aransas, Texas, and near the Gulf, and began permitting activities for a potential seawater desalination facility at the site in 2019. In 2025, the Authority leased a portion of that site to a state agency, the Nueces River Authority (NRA), for purposes of building a seawater desalination facility. In 2025, the Authority received a final permit for the facility structures from the United States Army Corps of Engineers. In late 2025 and early 2026, the Authority received draft versions of the last two remaining regulatory permits for the facility, which are to be issued by the Texas Commission on Environmental Quality. In early 2026, the NRA released solicitation to procure a private sector technical partner to aid in design, construction and operation of the facility, and should select that partner in the first half of 2026. The City of Corpus Christi, which is the regional water provider, has paid a commitment fee to reserve 50 million gallons per day of output from the facility, ensuring a reliable and drought-proof water supply for the Coastal Bend for decades to come.

Environmental Stewardship

The Authority's commitment to environmental leadership, locally and within the international maritime industry, is captured in one of our six Strategic Goals. Environmental leadership means continually improving beyond compliance with applicable rules and regulations; to drive this continual improvement, the Port Commission approved an Environmental policy, which includes six Environmental Precepts and associated targets, which are monitored for progress and transparently reported to the public. The Environmental policy is updated on the same cadence as the Authority's Strategic Plan; therefore, it is undergoing updates in 2026 to both the Precepts and the associated targets. The Authority utilizes an Environmental Sustainability Action Plan (ESAP) to support meeting Precept targets and includes a framework that identifies several multi-year initiatives. ESAP is kept current through ongoing research and benchmarking.

The Authority has purchased 100% renewable electricity since 2017 and maintains a robust recycling program. The Port Commission recently approved a new contract to continue to purchase renewable energy. We have also voluntarily undertaken international third-party standards and certifications in the form of ISO 14001 Environmental Management Systems, the Green Marine Certification program, and U.S. Environmental Protection Agency's Green Power Partnership. The Authority has maintained its ISO 14001 certification for 19 years which includes a third-

party audit every year. Additionally, in 2025, the Authority's performance under the Green Marine Certification program maintained the highest level of performance in all applicable performance indicators except two. Additionally, in 2025, the Authority was instrumental in influencing Green Marine to establish a Gulf Coast Advisory Committee to ensure performance indicators are applicable to facilities in the Gulf.

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. Additionally, the Authority maintains strong relationships with academia in the region and utilizes research task orders to advance key initiatives and inform Port developments. The Authority also collaborates closely with other entities such as Ducks Unlimited (DU). Currently, DU and Authority staff are cooperating to identify, prioritize, permit and design Beneficial Use projects that aid the Port in achieving our Habitat target.

The Authority is using ESRI and Survey123 to enhance inspections of Port facilities and analyze findings. In 2025, the Authority converted paper inspection forms for stormwater and air quality to a Key Performance Indicator (KPI) platform that collects data in a single location while facilitating multiple cross-section views of the data. Additionally, the Authority completed construction on several stormwater improvement projects and as such accomplished the prioritized projects in the current Stormwater Master Plan. The projects address both water quality and quantity and support operations at Port facilities. In 2026, the Authority will develop a decision support tool to enhance implementation of the Stormwater Master Plan. During 2025, the Authority completed a project that updated the Stevedores Annual Environmental Management System Reporting as per tariff 200-A. The tool was developed in collaboration with the Stevedores. The resulting platform allows Authority staff to collectively review results and identify opportunities for improvements in environmental performance of Stevedores, specifically identifying where additional training is warranted.

Community Engagement

As a key U.S. energy export hub and a significant driver of economic activity in Texas and the nation, the Authority understands the importance of engaging with and supporting the community through strategic initiatives that align with its role in fostering long-term economic growth and sustainability. By law, the Authority is allowed to set aside a Promotion and Development (P&D) Fund of not more than 5% of its gross income from operations each calendar year to support activities that help promote the business of the Authority or improve the general welfare of the region in which we operate.

The Authority has long dedicated a portion of its annual revenues to the P&D Fund, supporting community initiatives that align with its core mission. While the specific categories for fund allocation have evolved, the overarching purpose remains unchanged: to foster community prosperity, protect the environment and set future generations up for success.

Over the years, the Authority's commitment to the community has grown substantially. Contributions through the P&D Fund have increased from \$1.3 million in 2018 to \$5.5 million in 2025, reflecting both record-breaking revenue growth and the rising needs of the region. While the scale of investment has expanded, our focus remains steadfast

on initiatives that create lasting, meaningful impacts in these critical areas. A prime example of our commitment is our partnership with Learning Undeafeted, a STEM nonprofit, to introduce high school students to environmental sustainability through the PORT-Able Learning Lab. This \$300,000 annual investment has not only provided hands-on learning experiences and exposed students to career opportunities in the energy industry but has also earned national recognition for the Authority's education outreach efforts. To further enhance public accessibility, the Authority launched a new community engagement initiative in 2025, offering monthly guided tours of the Port's Executive Administration Building. Tours are open to all ages, ADA accessible and stroller friendly. The Authority remains committed to delivering meaningful, long-term benefits for the communities we serve today and for generations to come.

ECONOMIC OUTLOOK

In 2026, the Authority expects full-year crude oil exports that match what we saw in 2025. Texas oil fields have seen significant growth in production over the past decade, fueled by an unwavering global demand for reliable and affordable energy. As a leading U.S. energy export gateway, the Authority has enabled its customers to be at the forefront of this expansion, delivering Texas energy to Europe and beyond. Without additional expansion of the regional pipeline network, the region is nearing its maximum pipeline capacity, but continued production growth and strong demand throughout the world will likely lead to some increased capacity development in the coming years. The Authority believes that the robust global demand for fossil fuels will endure for decades.

The Authority will also play a crucial role in meeting energy needs as countries across the globe are increasingly converting to natural gas fired power generation. That will present growing demand opportunities for LNG from Cheniere Energy's Corpus Christi Liquefaction, LLC (CCL) plant, which will account for most of the Authority's budgeted 2026 growth of 5 million tons over 2025 levels. CCL is undergoing a significant expansion, with its Stage 3 (CCL Stage 3) expansion project currently in the construction and commissioning phases. In February 2026, Train 5 of CCL Stage 3 produced the first LNG; substantial completion of Trains 5 through 7 is expected throughout 2026. Cheniere's CCL Midscale Train 8 & 9 project (CCL Midscale) reached final investment decision in June 2025 and expects substantial completion in 2028. Completion of the CCL Midscale project and CCL Stage 3 will bring nameplate capacity at CCL to 24 million tons per year.

The ongoing military action in Iran is creating additional opportunity for movement of product out of Corpus Christi, as the world seeks a more dependable source of fossil fuels in the short term. As a result, the Authority expects product shipments in the first half of 2026 to near record levels but will see an adjustment back to normal capacity levels once the conflict is resolved. The Authority also expects Motiva to complete installation of its pet coke ship loader during 2026, reducing the volumes of pet coke handled back to 2024 levels.

AWARDS AND ACKNOWLEDGMENTS

Awards

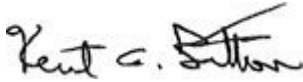
The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Port of Corpus Christi Authority of Nueces County, Texas, for its ACFR for the fiscal year ended December 31, 2024. This was the 42nd consecutive 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 ACFR. This report satisfies 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 ACFR 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 Finance and Accounting Department, 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
Chief Executive Officer



Cindy Bertolami
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, 2024

Christopher P. Morrill

Executive Director/CEO

PORT COMMISSION, PORT OF CORPUS CHRISTI AUTHORITY

Chief Executive Officer	Kent Britton
Chief Financial Officer	Cindy Bertolami
Director of Finance	Marie-Eve Reyes
Director of Real Estate	Sam Esquivel
Manager of Foreign Trade Zone	Danielle Converse
Director of Information Technology	Brooks Lobingier
Chief Talent Officer	Brenda Reed
Assistant Director of Human Resources	Diana Torres
Chief Operating Officer	Kyle Hogan
Director of Engineering Services	Natasha Fudge
Chief of Design & Construction	Jacob Morales
Chief of Program Management	Sonya Lopez-Sosa
Director of Channel Infrastructure	Dan Koesema
Director of Operations	Tony MacDonald
Harbormaster	Russell Cordo
Manager of Bulk Terminal	Kaleb Moseley
Director of Asset Management	Jesse Robinson
Facilities Manager	Stevenson Ashley
Safety Manager	Regina Powers
Director of Port Security	Mark Gutierrez
Chief of Port Police	Eric Giannamore
Director of Emergency Management	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 Commercial Business Development	Yudi Takizawa
Chief Strategy & Sustainability Officer	Jeff Pollack
Director of Environmental Planning & Compliance	Sarah Garza
Director of Planning	Leslie Ruta

PORT COMMISSIONERS

David P. Engel, Chairman
Wes Hoskins, Vice-Chair
Gabe Guerra, Secretary
Rajan Ahuja, Commissioner
Diane Gonzalez, Commissioner
Tony LaMantia, Commissioner
Mike Pedrotti, Commissioner

EXECUTIVE STAFF

Kent Britton, Chief Executive Officer
Omar Garcia, Chief External Affairs Officer
Kyle Hogan, 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
Mark Gutierrez, Director of Port Security
Sam Esquivel, Director of Real Estate
Brooks Lobingier, Director of Information Technology
Marie-Eve Reyes, Director of Finance
Yudi Takizawa, Director of Commercial Business Development
Lisa Hinojosa, Director of Communications
Dan Koesema, Director of Channel Infrastructure
Leslie Ruta, Director of Planning
Danielle Hale, Director of Emergency Management
Jesse Robinson, Director of Asset Management
Diana Torres, Assistant Director of Human Resources



PORT **CORPUS CHRISTI**®

» FINANCIAL SECTION



The Advantage Vision loaded crude oil
at Enbridge, Inc. on August 12, 2025.





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, 2025, 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, 2025, 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.

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 42), the Schedule of Employer Contributions to the Pension Plan (on page 43), and the Schedule of Changes in Total OPEB Liability and Related Ratios (on page 44) 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 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* and is also not a required 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 2, 2026, 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.

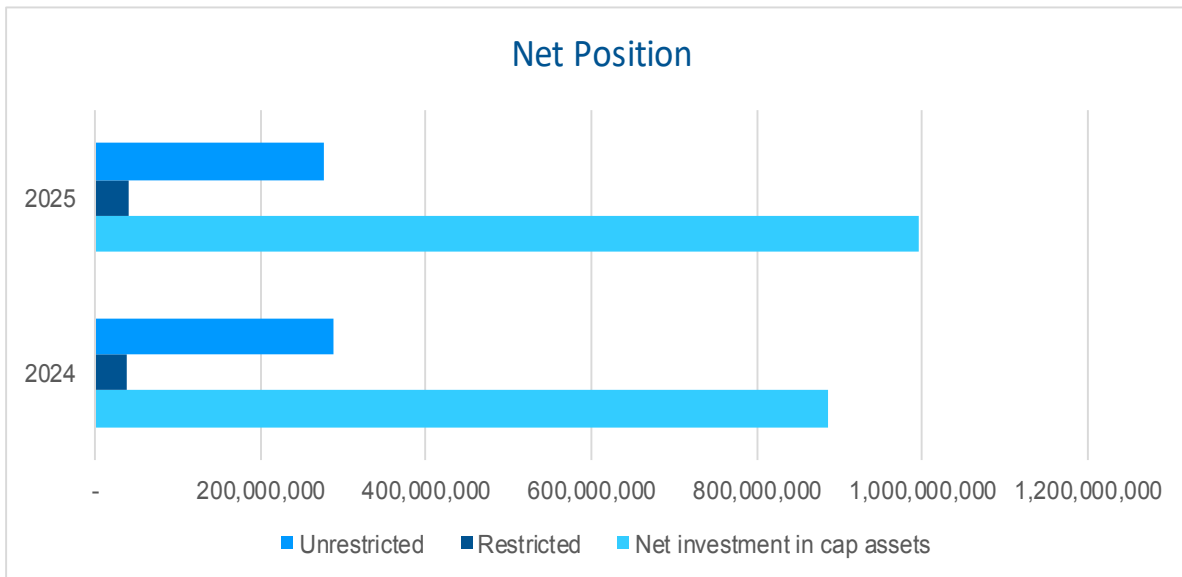
Mauldin & Jenkins, LLC

Houston, Texas

April 2, 2026

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, 2025. 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, 2025 was \$1,315,012,589 increasing \$104,209,827 or 8.6% over the prior year.
- The net investment in capital increased \$110,711,133 over the prior year as a result of capital additions net of depreciation of \$91,945,580 and a decrease in the related capital debt as a result of existing debt requirements.
- Restricted net position increased \$3,657,274 over the prior year. The required restriction for debt service decreased \$263,297. Escrow funds included total \$641,780.
- Unrestricted net position of \$277,405,981 may be used to meet the Authority’s current ongoing obligations to employees and creditors and decreased \$10,158,580 from 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 41 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 42 - 44 of this report.

FINANCIAL ANALYSIS

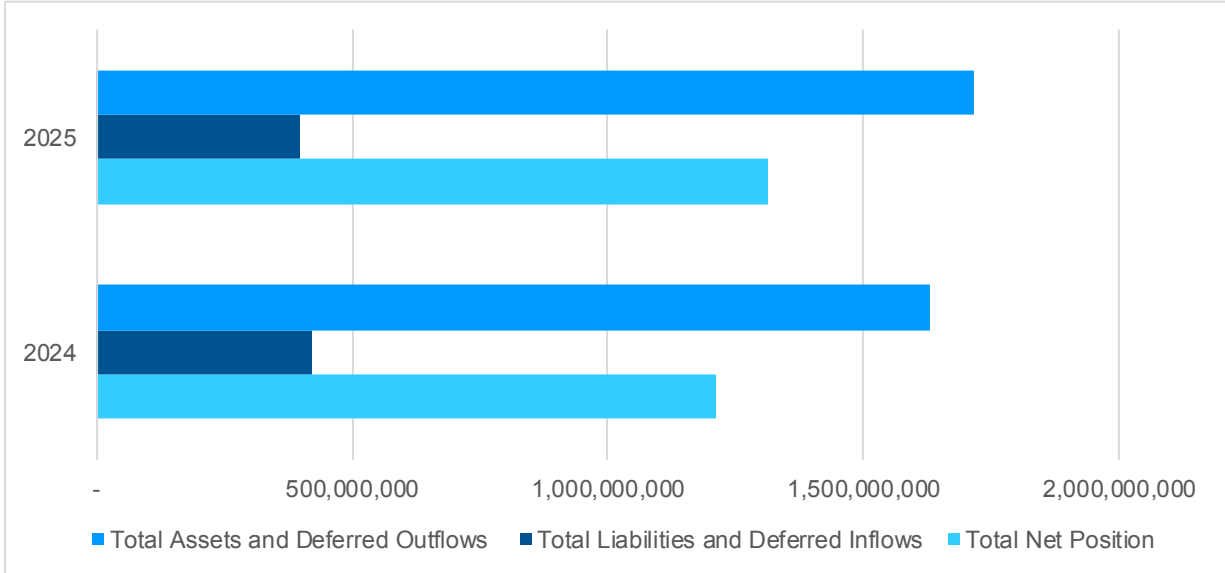
The fundamental question that is most asked of business is, as a whole “Are you better off or worse off as a result of the year’s activities?” The Statement of Net Position, and the Statements of Revenues, Expenses, and Changes in Net Position report information about the Authority’s activities in a 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, 2025 and 2024:

	2025	2024	2025-2024 Change
Assets			
Current assets	\$ 322,500,847	\$ 334,959,836	\$ (12,458,989)
Restricted assets	41,587,573	37,930,299	3,657,274
Capital assets, net	1,275,729,224	1,183,783,644	91,945,580
Other non-current assets	70,343,678	69,195,101	1,148,577
Total Assets	1,710,161,322	1,625,868,880	84,292,442
Deferred Outflows of Resources			
Deferred outflows	4,824,895	4,750,550	74,345
Total Assets and Deferred Outflows of Resources	1,714,986,217	1,630,619,430	84,366,787
Liabilities			
Current liabilities	62,112,780	72,011,294	(9,898,514)
Long-term debt, net of current portion	252,620,631	264,127,063	(11,506,432)
Other liabilities	6,383,361	5,372,665	1,010,696
Total Liabilities	321,116,772	341,511,022	(20,394,250)
Deferred Inflows of Resources			
Deferred inflows	78,856,856	78,305,646	551,210
Total Liabilities and Deferred Inflows of Resources	399,973,628	419,816,668	(19,843,040)
Net Position			
Net investment in capital assets	996,019,035	885,307,902	110,711,133
Restricted	41,587,573	37,930,299	3,657,274
Unrestricted	277,405,981	287,564,561	(10,158,580)
Total Net Position	\$ 1,315,012,589	\$ 1,210,802,762	\$ 104,209,827



The Authority’s net position of \$1,315,012,589 at the close of 2025 increased by \$104,209,827 over 2024. The largest portion of the Authority’s net position (75.7%) 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 (21.1%) may be used to meet the Authority’s ongoing obligations to employees and creditors. The remainder of the Authority’s net position (3.2%) represents resources that are subject to external legal restrictions on how they may be used.

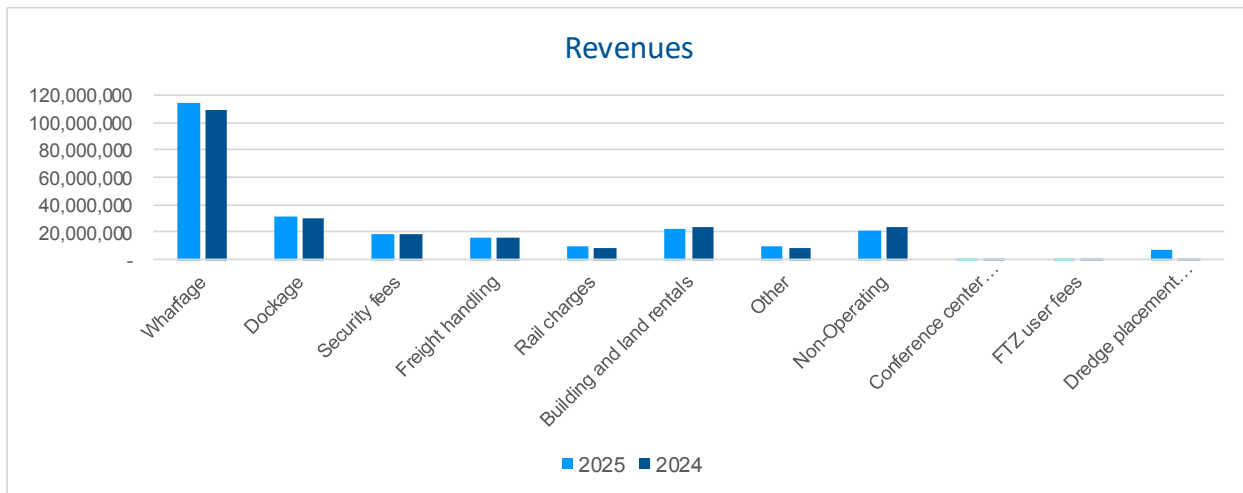
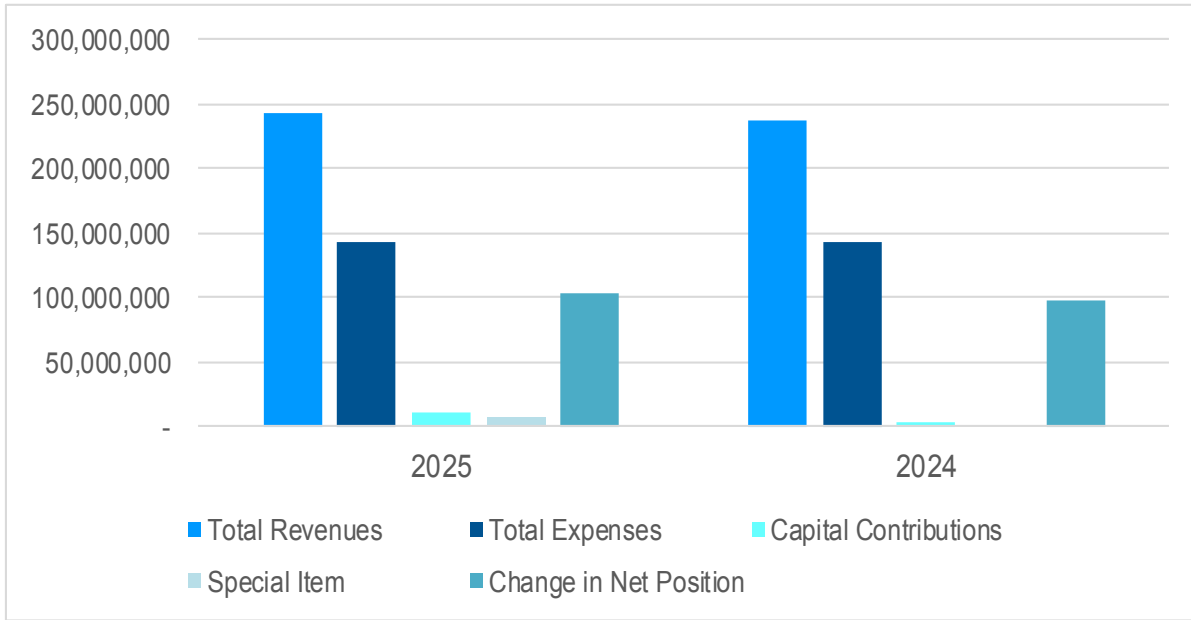
The Authority’s total assets and deferred outflows increased by \$84,366,787 (5.2%) over 2024. Most of this increase is in Capital Assets and is shown in detail on page 7 of the Management’s Discussion and Analysis.

The Authority’s total liabilities and deferred inflows decreased by \$19,843,040 (4.7%) below 2024. Current liabilities have decreased \$9,898,514 due to timing of dredging fees and trade payables. Deferred inflows increased \$551,210 as part of GASB Statement No. 87. Long term debt, net of current portion, as noted on page 7, has decreased by \$11,506,432 from 2024. This decrease includes the change in the Authority’s revenue bonds and SBITAs.

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, 2025 and 2024:

	2025	2024	2025-2024 Change
Revenues			
Operating revenues:			
Wharfage	\$ 114,219,126	\$ 109,366,152	\$ 4,852,974
Dockage	31,295,463	30,710,296	585,167
Security fees	18,489,914	18,051,462	438,452
Freight handling	15,774,558	16,362,047	(587,489)
Rail charges	9,203,482	8,263,630	939,852
Building and land rentals	22,141,461	24,046,503	(1,905,042)
Conference center services	138,789	1,392,787	(1,253,998)
FTZ user fees	240,000	240,750	(750)
Dredge placement fees	6,965,297	1,340,792	5,624,505
Other	2,826,011	4,841,361	(2,015,350)
Total operating revenues	221,294,101	214,615,780	6,678,321
Investment income	19,883,484	14,843,649	5,039,835
Federal and other grant assistance	1,861,222	8,492,574	(6,631,352)
Total Revenues	243,038,807	237,952,003	5,086,804
Expenses			
Operating expenses:			
Maintenance and operations	51,228,070	54,015,665	(2,787,595)
General and administrative	46,495,644	46,174,800	320,844
Depreciation and amortization	32,944,953	30,041,105	2,903,848
Total operating expenses	130,668,667	130,231,570	437,097
Interest expense and fiscal charges	11,613,156	12,046,234	(433,078)
(Gain) loss on disposal of assets	(228,579)	966,272	(1,194,851)
Total Expenses	142,053,244	143,244,076	(1,190,832)
Income Before Contributions	100,985,563	94,707,927	6,277,636
Capital Grants and Contributions	10,724,264	2,850,131	7,874,133
Special Item	(7,500,000)	-	(7,500,000)
Changes in Net Position	104,209,827	97,558,058	6,651,769
Total Net Position, Beginning of Year	1,210,802,762	1,113,244,704	97,558,058
Total Net Position, End of Year	\$ 1,315,012,589	\$ 1,210,802,762	\$ 104,209,827

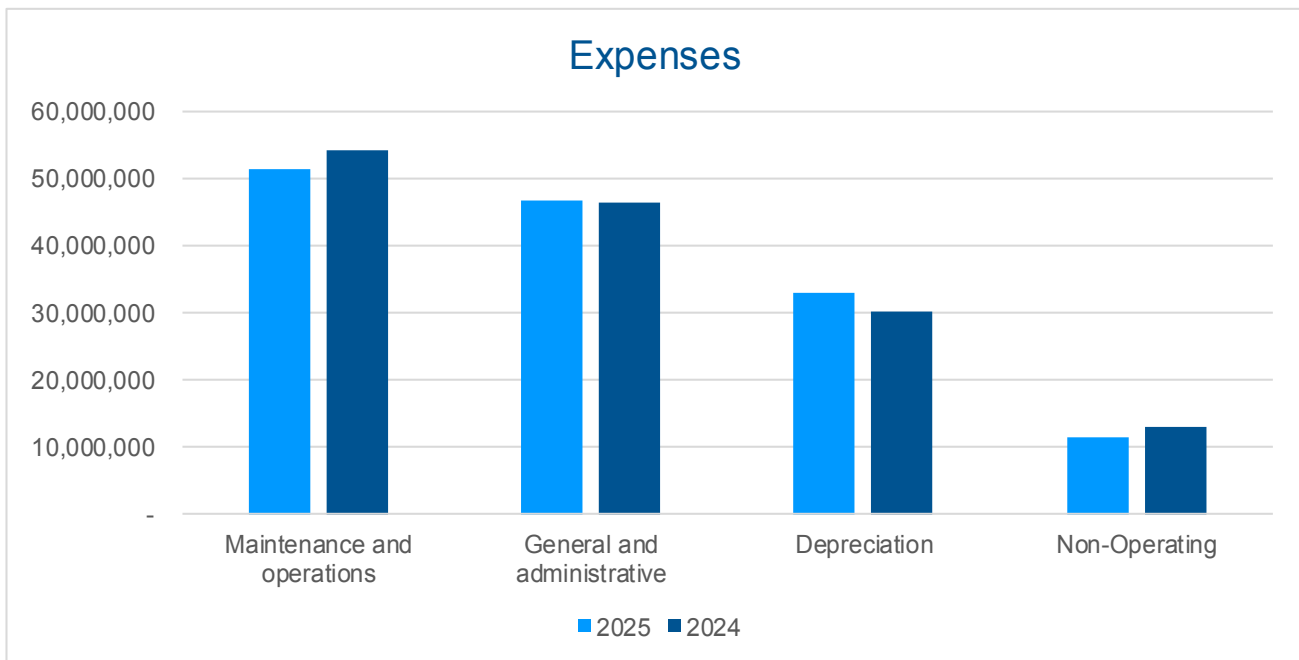


Operating revenues in 2025 increased by \$6,678,321 or 3.1% above 2024. The major variances in revenues from 2025 to 2024 are as follows:

- Dredge placement fees \$ 5,624,505
- Wharfage 4,852,974
- Conference center services (1,253,998)
- Building and land rental (1,905,042)

Dredge Placement Fees increased \$5,624,505 over 2024 due to the timing of DMPA recognition. The majority of the wharfage increase was the result of a \$4,365,341 increase at the private oil docks mainly driven by the two largest crude oil export terminals, Enbridge (Ingleside Energy Center) and Gibson Energy. The two facilities in Ingleside are the only two in the area that can handle Very Large Crude Carriers. The 54-foot channel enables these two terminals to fully load a Suezmax. The Authority maintained crude oil exports at approximately 2.3 million barrels per day in 2025. The Authority remains the largest crude oil export gateway in the United States keeping close to 60% of the total market share in 2025. Conference Center Services decreased \$1,253,998 or (90%) below 2024 due to the eleven-month shutdown of the facility in 2025 to complete substantial renovations. The newly renovated Conference Center reopened in early December 2025 and is expected to resume normal operations in 2026. Building and Land Rental decreased \$1,905,042 or (7.9%) below 2024 as part of GASB Statement No. 87. Without GASB 87 entries, Building and Land Rental revenue was \$26.1 million in 2024 and \$23.8 million in 2025.

Non-operating revenues have decreased \$1,591,517 below 2024 primarily due to the timing of expenditures related to grant funded projects. Fluctuations in project activity and the timing of the related spending can cause variations in reimbursement capture.



Operating expenses in 2025 increased \$437,097 or .3% over 2024. The major variances in expenses from 2025 to 2024 are as follows:

- Maintenance \$ (4,034,606)
- Depreciation and amortization 2,903,848

Maintenance expense decreased mainly due to maintenance and repairs to the Authority’s infrastructure and dredging. Depreciation and amortization expense continues to increase as the Authority purchases and constructs additional capital assets. Insurance increased as a result of higher property values.

Capital Grants and Contributions

Capital grants and contributions increased \$7,874,133 from 2024. 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, 2025 include the following:

- Federal/state infrastructure programs \$ 9,252,634
- Security improvements 1,488,880
- Environmental programs 10,477

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Authority's investment in capital assets as of December 31, 2025, amounts to \$1,275,729,224 (net of accumulated depreciation and amortization). This investment in capital assets includes port facilities, elevator and bulk terminal facilities, machinery and equipment, property and buildings, furniture and equipment, intangibles, SBITAS, leases and construction in progress. This amount represents a net increase (additions net of retirements and depreciation) of \$91,945,580 or 7.8%. Additional information regarding the Authority's capital assets can be found in Note 4 to the financial statements on page 28.

Major capital asset activity during 2025 includes the following:

- Land purchases \$ 47,592,033
- Bulk facilities 19,517,937
- Channel improvement 13,815,282
- Conference center 11,364,221

	2025	2024	2025-2024 Change
Capital assets, not being depreciated/amortized:			
Land	\$ 369,777,572	\$ 322,185,539	\$ 47,592,033
Channel and waterfront improvements	88,308,587	79,277,883	9,030,704
Intangibles	387,429	387,429	-
Construction in progress	330,997,867	312,181,827	18,816,040
	789,471,455	714,032,678	75,438,777
Capital assets, being depreciated/amortized:			
Port facilities	347,955,918	346,944,107	1,011,811
Buildings and improvements	112,016,370	97,996,157	14,020,213
Machinery and equipment	22,281,076	19,797,738	2,483,338
Intangibles	1,499,526	1,965,829	(466,303)
Subscription based IT arrangements	2,371,897	2,898,034	(526,137)
Lease- easement	132,982	149,101	(16,119)
	486,257,769	469,750,966	16,506,803
Net Capital Assets	\$ 1,275,729,224	\$ 1,183,783,644	\$ 91,945,580

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 29. As of December 31, 2025, the Authority had long-term debt outstanding of \$264,748,805. The following table summarizes the Authority's long-term debt outstanding as of December 31, 2025, and 2024.

	2025	2024	2025-2024 Change
Revenue bonds	\$ 252,160,000	\$ 262,025,000	\$ (9,865,000)
Bond premium	11,172,324	11,979,931	(807,607)
Total revenue bonds outstanding	263,332,324	274,004,931	(10,672,607)
Subscription based IT arrangements	1,416,481	2,025,715	(609,234)
Total	\$ 264,748,805	\$ 276,030,646	\$ (11,281,841)

The Authority's outstanding Revenue Bonds, Series 2015 (Taxable) ("Prior Lien Revenue Bonds") have been assigned an AA- 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 AA- 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, 2025, the Authority's revenue bond coverage was 7.14 times the average annual remaining debt service requirements.

ECONOMIC OUTLOOK

In 2025, global energy markets continued to be influenced by geopolitical developments, including ongoing sanctions imposed by the United States, the European Union, and other allies on Russian crude oil and natural gas following Russia's invasion of Ukraine. These factors continued to shape global energy trade flows and supported demand for Texas-produced energy, as reflected in activity at the Authority's LNG and crude terminals. Global economies also continued to navigate inflationary pressures and elevated interest rates, as central banks maintained policies aimed at stabilizing prices and supporting economic growth.

At the same time, global energy trade routes have experienced periodic disruptions due to geopolitical conflicts and maritime constraints, which have affected LNG shipping patterns and pricing. Recent tensions affecting shipping routes and LNG production in the Middle East have disrupted flows through key global transit points, contributing to price volatility and the diversion of cargoes to alternative markets.

As global markets continue to adjust to evolving geopolitical conditions, trade relationships, and infrastructure developments, the Authority will continue to monitor the impact of these factors on international demand for U.S. energy exports and the utilization of its terminal facilities.

Consistent demand out of Europe for crude oil, refined products, and LNG, resulted in tonnage shipment levels close to what we saw in 2024. Following the year 2024, which the Authority's customers saw positive changes in several areas, overall movements of crude oil decreased by 2.3% below 2024 to 127.4 million tons, with crude oil exports at 2.33 million barrels per day in 2025. The Authority's customers continued to support strong shipment volumes 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 7.7 million barrels per day in 2025. The Authority has consistently grown overall shipments and market share of crude oil being exported from Corpus Christi, becoming the largest export gateway for crude oil in the United States in the process. In 2025, the Authority maintained its share of total crude oil exports from the United States, with 60% of total exports. The Authority continues to play a vital role as a major refined products hub, captured additional opportunities in the Pet Coke business in the past three years and remains a logistical and distribution center for cargoes used in steel, construction, crude oil E&P activities, hydraulic fracturing, project cargo, breakbulk, and renewable energy components.

The Authority is committed to leveraging its strong financial position and its position of prominence in the seaport space to try to create the most efficient and cost-competitive environment for our customers to conduct business. We consistently deploy our own capital to both create new infrastructure within our port and maintain long-lived assets under our control, giving our customers base access to world-class facilities that enhance their business goals in this

region. In addition, we have been highly successful in acquiring state and federal grant funds for a diverse suite of uses, including improving roadway connectivity, creating and enhancing rail operations, providing additional physical and cyber security, investigating the utility of regional property for scalable carbon management, and allowing port operators to acquire clean energy solutions like tugboats and locomotives.

The most immediate and critical project the Authority managed over the past several decades was the congressionally authorized Corpus Christi Ship Channel Improvement Project ("Channel Improvement Project" or "CIP"). The four-phase project enhances the safety and efficiency of vessel traffic through our waterways and improves the cost competitiveness of our customers by enabling larger vessels to carry greater cargo volumes. It is estimated that the deeper depth provides transportation cost savings to our customers of \$250 million per year by fully loading or more fully loading the largest classes of crude oil and bulk material vessels.

Dredging was fully completed and the channel opened to traffic in 2025, with a limited number of secondary construction activities scheduled for completion in 2026. The project is fully funded through contributions from both the Authority and the Federal Government, with the Authority providing approximately \$186 million and the Federal government contributing just over \$405 million to date. The Authority assessed no additional charges to our customers as a result of this project.

The Coastal Bend region, and much of the central part of the State, is currently completely dependent upon surface water and has been in varying stages of drought conditions for much of the past decade. Water supply is a critical enabler both of existing industry, and in the region's ability to attract investment in either expansion or new industry.

While the Authority has no direct role in providing water for the region, it has made its willingness to assist as needed known for almost a decade. The Authority owns approximately 200 acres on Harbor Island, across the ship channel from Port Aransas, TX, and near the Gulf, and began permitting activities for a potential seawater desalination facility at the site in 2019. In 2025, the Authority leased a portion of that site to a state agency, the Nueces River Authority (NRA), for purposes of building a seawater desalination facility. In 2025, the Authority received a final permit for the facility structures from the United States Army Corps of Engineers. In late 2025 and early 2026, the Authority revised draft versions of the last two remaining regulatory permits for the facility, which are to be issued by the Texas Commission on Environmental Quality.

In early 2026, the NRA released solicitation to procure a private sector technical partner to aid in design, construction, and operation of the facility, and should select that partner in the first half of 2026. The City of Corpus Christi, who is the regional water provider, has paid a commitment fee to reserve fifty million gallons a day of output from the facility, ensuring a reliable and drought proof supply of water for the Coastal Bend for decades to come. In 2026, the Authority expects full year crude oil exports that match what we saw in 2025. Texas oil fields have seen significant growth in production over the past decade, fueled by an unwavering global demand for reliable and affordable energy. As a leading U.S. energy export gateway, the Authority has enabled its customers to be at the forefront of this expansion, delivering Texas energy to Europe and beyond. Without additional expansion of the regional pipeline network, the region is nearing its maximum pipeline capacity, but continued production growth and strong demand throughout the world will likely lead to some increased capacity development in the coming years. The Authority believes that the robust global demand for fossil fuels will endure for decades.

The Authority will also play a crucial role in meeting energy needs as Countries across the globe are increasingly converting to natural gas fired power generation. That will present growing demand opportunities for liquified natural gas (LNG) from Cheniere Energy's Corpus Christi Liquefaction, LLC (CCL) plant, which will account for most of the Authority's budgeted 2026 growth of five million tons over 2025 levels. CCL is currently in the midst of a significant expansion, with their Stage 3 (CCL Stage 3) expansion project currently in the construction and commissioning phases. In February 2026, Train 5 of CCL Stage 3 produced the first LNG and substantial completion of trains 5 through 7 is expected throughout 2026. Cheniere's CCL Midscale Train 8 & 9 project (CCL Midscale) reached financial investment decision in June 2025 and expects substantial completion in 2028. Completion of the CCL Midscale project and CCL Stage 3 will bring nameplate capacity at CCL to 24 million tons per year.

The ongoing military action in Iran is creating additional opportunity for movement of product out of Corpus Christi, as the world seeks a more dependable source of fossil fuels in the short term. As a result, the Authority expects product shipments in the first half of 2026 to near record levels but will see an adjustment back to normal capacity levels once the conflict is resolved. The Authority also expects Motiva to complete installation of their pet coke ship loader during

2026, reducing the volumes of pet coke handled back to 2024 levels.

The Authority, together with its customers, continues to closely monitor federal energy policy, international trade developments, and global energy market conditions. While federal policy continues to emphasize domestic energy production and security, evolving trade relationships, tariffs, and other economic measures affecting international markets could impact demand for U.S. produced energy. The Authority will continue to evaluate these developments and monitor potential implications for its operations and customers.

With over \$307 million of cash, cash equivalents and investments on hand at the end of 2025, access to \$75 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 2026 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 Charles Zahn, Jr. Drive, Corpus Christi, TX 78401.

ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents (Note 2)	\$ 29,299,868
Investments (Note 2)	246,281,722
Accounts receivable (Note 3)	22,288,807
Lease receivable (Note 6)	12,910,354
Interest receivable	1,910,064
Intergovernmental receivable	5,041,851
Inventory	1,002,661
Prepaid expenses	3,765,520
Total current assets	<u>322,500,847</u>
NON-CURRENT ASSETS:	
RESTRICTED ASSETS:	
Restricted cash and cash equivalents (Note 2)	32,028,063
Net pension asset (Note 9)	8,917,730
Escrow agreement (Note 5)	641,780
Total Restricted Assets	<u>41,587,573</u>
CAPITAL ASSETS:	
Capital assets, not being depreciated (Note 4)	789,471,455
Capital assets, being depreciated, net (Note 4)	483,752,890
Subscription based IT arrangements, net (Note 4)	2,371,897
Leases, net (Note 4)	132,982
Capital Assets, Net	<u>1,275,729,224</u>
OTHER NON-CURRENT ASSETS::	
Lease receivable (Note 6)	70,343,678
Total Other Non-Current Assets	<u>70,343,678</u>
Total Non-Current Assets	<u>1,387,660,475</u>
TOTAL ASSETS	<u>1,710,161,322</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflow related to pensions (Note 9)	4,400,009
Deferred outflow related to OPEB (Note 10)	424,886
Total Deferred outflows of resources	<u>4,824,895</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>1,714,986,217</u>
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES:	
Accounts payable	23,446,937
Accrued expenses	3,955,269
Accrued interest payable	994,387
Unearned revenue	18,934,521
Current maturities of long-term debt (Note 8)	12,128,174
Compensated absences, current portion (Note 8)	2,423,983
Total OPEB liability, current portion (Note 10)	229,509
Total Current Liabilities	<u>62,112,780</u>
NON-CURRENT LIABILITIES:	
Security deposits	762,900
Long-term debt, net of current liabilities (Note 8)	252,620,631
Compensated absences, net of current portion (Note 8)	3,795,693
Total OPEB liability, net of current portion (Note 10)	1,824,768
Total Non-Current Liabilities	<u>259,003,992</u>
TOTAL LIABILITIES	<u>321,116,772</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflow related to pensions (Note 9)	981,514
Deferred inflow related to OPEB (Note 10)	429,489
Deferred inflow related to Leases (Note 6)	77,445,853
Total Deferred Inflows of Resources	<u>78,856,856</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>399,973,628</u>
NET POSITION:	
Net investment in capital assets (Note 13)	996,019,035
Restricted:	
Bond interest and redemption	31,998,967
Escrow agreement (Note 5)	641,780
Law enforcement	29,096
Pension benefits	8,917,730
Unrestricted	277,405,981
TOTAL NET POSITION	<u>\$ 1,315,012,589</u>

See accompanying notes to financial statements

OPERATING REVENUES:	
Wharfage	\$ 114,219,126
Dockage	31,295,463
Security fees	18,489,914
Freight and material handling	15,774,558
Rail Charges	9,203,482
Building and land rentals	22,141,461
Conference center services	138,789
FTZ user fees	240,000
Dredging fees	6,965,297
Other	2,826,011
Total Operating Revenues	<u>221,294,101</u>
OPERATING EXPENSES:	
Maintenance and operations	51,228,070
General and administrative	46,495,644
Depreciation and amortization	32,944,953
Total Operating Expenses	<u>130,668,667</u>
Operating Income	<u>90,625,434</u>
NON-OPERATING REVENUES (EXPENSES):	
Investment income	19,883,484
Federal and other grant assistance	1,861,222
Interest expense and fiscal charges	(11,613,156)
Gain on disposal of assets	228,579
Net Non-Operating Revenues	<u>10,360,129</u>
Income Before Capital Grants and Contributions	<u>100,985,563</u>
CAPITAL GRANTS AND CONTRIBUTIONS	<u>10,724,264</u>
SPECIAL ITEM	<u>(7,500,000)</u>
Change in net position	104,209,827
Total Net Position, Beginning of Year	<u>1,210,802,762</u>
Total Net Position, End of Year	<u>\$ 1,315,012,589</u>

CASH FLOWS FROM OPERATING ACTIVITIES:

Proceeds received from customers	\$ 213,890,235
Payments to suppliers for goods & services	(62,252,910)
Payments to employees for services	(39,215,012)
Payments for litigation settlement	(7,500,000)
	<hr/>
Net Cash Provided by Operating Activities	104,922,313

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Proceeds from operating grants	1,846,746
	<hr/>
Net Cash Provided by Noncapital Financing Activities	1,846,746

**CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES:**

Payments for acquisition and construction of capital assets	(128,297,540)
Proceeds from sale of capital assets	359,462
Proceeds from capital grants and contributions	5,739,950
Proceeds from capital debt	2,399,656
Payments of principal on capital debt	(12,552,700)
Payments of interest and fiscal charges	(12,452,568)
	<hr/>
Net Cash Used in Capital and Related Financing Activities	(144,803,740)

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from investment income	12,119,039
Proceeds from sale and maturities of investments	151,530,005
Payments for purchase of investments	(158,074,020)
	<hr/>
Net Cash provided by Investing Activities	5,575,024

Net decrease in cash and cash equivalents (32,459,657)

Cash and Cash Equivalents, Including Restricted Accounts:

Beginning	93,787,588
	<hr/>
Ending	\$ 61,327,931

Cash and cash equivalents	\$ 29,299,868
Restricted cash and cash equivalents	32,028,063
	<hr/>
	\$ 61,327,931

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

Operating income	\$ 90,625,434
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	32,944,953
Special Item	(7,500,000)
Changes in assets and liabilities:	
Decrease in accounts and intergovernmental receivables	963,693
Increase in lease receivables	(1,663,226)
Decrease in inventories	57,293
Increase in prepaid items	(945,348)
Increase in net pension asset	(3,911,676)
Increase in deferred outflows of resources - pension and OPEB	(74,345)
Decrease in accounts payable and accrued expenses	(775,251)
Decrease in unearned revenue	(6,554,089)
Increase in total OPEB liability	411,994
Increase in compensated absences	778,771
Increase in deferred inflows of resources	551,210
	<hr/>
Net cash provided by operating activities	<u>\$ 104,922,313</u>

Noncash Investing, Capital, and Financing Activities

Amortization of premium on investments	\$ 4,199,054
Change in fair value of investments	2,857,966
Change in accrued interest on investments	704,922
Change in intergovernmental receivables	4,969,838
Amortization of premium on revenue bonds	807,607
Acquisition of capital assets accrued but not paid	(2,952,101)
	<hr/>
Net non-cash investing, capital, and financing activities	<u>\$ 10,587,286</u>

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 three 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 \$10,000. 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.
- 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.
- Difference in expected and actual OPEB experience – This difference is deferred and amortized over a period of five years.
- Difference in projected and actual earnings on pension assets - This difference is deferred and amortized over a period of five years.
- 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.
- 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 TCERS's fiduciary net position have been determined on the same basis as they are reported by TCERS. 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 and deferred inflows 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 amortization 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.
- Early Bond Repayment- a target goal of \$60,000,000 was established to be held until the time of early redemption.

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, domestic policy changes, or limitations on local resources necessary for continued operations. External factors could include a potential global recession as a result prolonged inflation and the impacts of an ongoing land war in Europe, as well as a quicker than expected transition away from fossil fuels to mitigate the perceived impact of those fuels on environmental climate change. Domestic policy changes including tariffs and other surcharges could negatively impact the Authority's customers access to or competitiveness in overseas markets. Local shortages in water available for industrial use or limitations on power transmission could negatively impact existing industry as well as the ability to continue to grow local regional output.

The Authority's top ten customers in terms of total revenue are from the petroleum industry and 91 percent of the Authority's revenue base for 2025. The overarching product groups of crude oil and petroleum products (which include Refined Products, Pet Coke, LNG and NGLs) accounted for 89 percent of the Authority's tonnage total in 2025. The Authority believes, however, that much of the risk identified above 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, Liquid Petroleum products, which are the Authority's second most prevalent commodity group representing 26 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 foreseeable future even as the addition of 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, 2025, the carrying amount of the Authority's demand deposits and cash on hand was \$61,327,931.

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, 2025 carried at fair value are as follows:

Investment Type	Fair Value	2025	
		Weighted Average Maturity (Days)	Credit Risk
Local government pool	\$ 59,398,316	1	AAA
Municipal Bonds	23,703,055	703	
United States Treasuries	136,687,897	1011	
United States Agencies	46,980,480	992	
Commercial Papers	38,910,290	132	A-1/P-1
Total	305,680,038		
Short-term investments included in cash and cash equivalents	59,398,316		
Equity in Total Investments	\$ 246,281,722		

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 five 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 2025
United States Treasury securities	100%	44.41%
United States Agency securities	100%	15.26%
Depository Certificates of Deposit	80%	-
Repurchase Agreements	100%	-
Flex Agreements by bond fund	100%	-
Local Government Investment Pools	100%	19.30%
Percent of pool ownership	10%	-
Money Market Mutual Funds	100%	0.69%
Percent of pool ownership	10%	-
Interest bearing accounts	100%	-
Brokered Certificates of Deposit	10%	-
State and Local Debt Obligations	80%	7.70%
Percent of one issuer	10%	-
Commercial Paper	35%	12.64%
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 five years. The dollar-weighted average maturity (WAM) of the total portfolio is restricted to a maximum of two years.

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, 2025, the portfolio contained four callable notes with a market value of \$13,551,696, 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
TEXAS TRANSN COMMN ST HWY FD REV	5.028%	10/16/2023	4/1/2026	N/A	Sink/M-W Call	\$ 974,356	\$ 977,799
INDIANA BD BK REV	5.490%	8/17/2023	7/15/2026	N/A	Sink/M-W Call	2,402,169	2,401,642
BOARD OF REGENTS TEXAS A&M UNIVERSITY SYSTEM	2.986%	8/14/2024	5/15/2028	N/A	Continuously callable Callable quarterly w/ 5 business day	5,145,021	5,172,205
FEDERAL HOME LOAN MORTGAGE CORP	4.750%	7/30/2025	7/15/2030	1/15/2026		4,999,085	5,000,050
TOTAL						\$ 13,520,631	\$ 13,551,696

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, 2025, the Authority had no foreign currency risk.

3. RECEIVABLES

Receivables as of December 31, 2025, including the applicable allowance for uncollectible accounts, are as follows:

	2025
Trade receivables	22,211,082
Damage claims receivable	77,725
Current account receivable	\$ 22,288,807

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025, is as follows:

	Beginning Balance	Transfers and Additions	Transfers and Retirements	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 322,185,539	\$ 49,456,173	\$ 1,864,140	\$ 369,777,572
Channel and waterfront improvements	79,277,883	9,030,704	-	88,308,587
Intangibles	387,429	-	-	387,429
Construction in progress	312,181,827	136,284,186	117,468,146	330,997,867
Total capital assets, not being depreciated	714,032,678	194,771,063	119,332,286	789,471,455
Capital assets, being depreciated/amortized:				
Port facilities	568,367,208	20,117,402	63,670	588,420,940
Buildings and improvements	175,486,008	20,987,243	345,007	196,128,244
Machinery and equipment	69,420,274	7,466,031	1,783,426	75,102,879
Intangibles	5,966,425	-	-	5,966,425
Subscription based IT arrangements	3,835,643	1,399,656	612,954	4,622,345
Lease- easement	161,190	-	-	161,190
Total capital assets, being depreciated/amortized	823,236,748	49,970,332	2,805,057	870,402,023
Less: accumulated depreciation/amortization for				
Port facilities	221,423,101	19,041,921	-	240,465,022
Buildings and improvements	77,489,851	6,891,917	269,894	84,111,874
Machinery and equipment	49,622,536	4,923,540	1,724,273	52,821,803
Intangibles	4,000,596	466,303	-	4,466,899
Subscription based IT arrangements	937,609	1,605,153	292,314	2,250,448
Lease- easement	12,089	16,119	-	28,208
Total accumulated depreciation/amortization	353,485,782	32,944,953	2,286,481	384,144,254
Total capital assets, being depreciated/amortized, net,	469,750,966	17,025,379	518,576	486,257,769
Total capital assets, net	\$ 1,183,783,644	\$ 211,796,442	\$ 119,850,862	\$ 1,275,729,224

5. ESCROW AGREEMENT

Restricted Assets includes an amount of \$641,780 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. The TCEQ permit expired in 2025, and since no construction occurred prior to the expiration, the escrow agreement is terminated, and the escrow fund will be returned to the Port.

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, 2025, the Authority recognized \$13,662,998 as lease revenue.

7. LINE OF CREDIT

During the year ended December 31, 2025, the Authority drew down \$1,000,000 on a line of credit with a financial institution and repaid the same amount during the year which included interest of \$1,112.

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, 2025 was \$ 11,613,156.

At December 31, 2025, revenue bonds currently outstanding are as follows:

	Interest Rate %	Issue Date	Maturity Date	Outstanding
Revenue Bonds, Series 2015 (Taxable)	7.9-4.6	5/27/2015	12/1/2035	\$ 67,335,000
Senior Lien Revenue Bonds, Series 2018A (non-AMT)	4-5	8/1/2018	12/1/2048	83,725,000
Senior Lien Revenue Bonds, Series 2018B (Taxable)	2.9-5	8/1/2018	12/1/2048	101,100,000
Total				\$ 252,160,000

A statement of changes in long-term debt for the year ended December 31, 2025, is as follows:

	Beginning Balance	Additions	Reductions	Remeasurement	Ending Balance	Current Portion
Revenue bonds	\$262,025,000	\$ -	\$ 9,865,000	\$ -	\$252,160,000	\$ 10,240,000
Bond premium	11,979,931	-	807,607	-	11,172,324	789,883
Subscription based IT arrangements	2,025,715	1,399,656	1,687,700	321,190	1,416,481	1,098,291
Total	\$276,030,646	\$ 1,399,656	\$ 12,360,307	\$ 321,190	\$264,748,805	\$ 12,128,174

Total debt service requirements for revenue bonds as of December 31, 2025, are as follows:

Years Ending	Principal	Interest	Totals
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	11,540,000	10,559,280	22,099,280
2030	12,035,000	10,067,065	22,102,065
2031-2035	68,810,000	41,686,617	110,496,617
2036-2040	39,885,000	28,124,206	68,009,206
2041-2045	50,875,000	17,140,500	68,015,500
2046-2048	37,045,000	3,764,750	40,809,750
Total	\$ 252,160,000	\$ 145,682,333	\$ 397,842,333

Total debt service requirements for subscription-based IT arrangements as of December 31, 2025, are as follows:

Years Ending	Principal	Interest	Totals
2026	\$ 1,098,291	\$ 8,446	\$ 1,106,737
2027	318,190	1,780	319,970
Total	\$ 1,416,481	\$ 10,226	\$ 1,426,707

COMPENSATED ABSENCES

A statement of changes in compensated absences for the year ended December 31, 2025, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Vacation	\$ 2,004,310	\$ 1,802,357	\$ 1,424,115	\$ 2,382,552	\$ 1,424,115
Sick leave	3,436,595	1,400,396	999,867	3,837,124	999,868
Total	\$5,440,905	\$3,202,753	\$2,423,982	\$6,219,676	\$2,423,983

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 891 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 2024 was 9.2%, however the governing body of the Authority adopted the rate of 12 percent for calendar year 2024. 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 \$1,783,707 and \$3,057,783 respectively for the year ended December 31, 2024.

Employees Covered by Benefit Terms

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

	December 31, 2024
Retirees or beneficiaries currently receiving benefits	156
Inactive employees entitled to but not yet receiving benefits	137
Active employees	265
	558

Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of December 31, 2024 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:

	December 31, 2024
Actuarial Valuation Date	December 31, 2024
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, 2025 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
	<u>6.60%</u>	<u>7.60%</u>	<u>8.60%</u>
Net pension liability (asset)	\$ 2,193,092	\$ (8,917,730)	\$ (18,295,557)

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 2025 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 2025.

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	13.00%	5.35%
Global Equities	MSCI World (net) Index	4.00%	5.15%
International Equities- Developed Markets	MSCI World Ex USA (net) Index	6.00%	4.75%
International Equities- Emerging Markets	MSCI Emerging Markets (net) Index	0.00%	4.75%
Investment-Grade Bonds	Bloomberg U.S. Aggregate Bond Index	3.00%	2.55%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.00%	3.70%
Direct Lending	Morningstar LSTA US Leveraged Loan TR USD Index	16.00%	6.85%
Distressed Debt	Cambridge Associates Distressed Securities Index (3)	4.00%	6.80%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	3.95%
Master Limited Partnerships	Alerian MLP Index	2.00%	4.95%
Commodities	Bloomberg Commodities Index	2.00%	1.00%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (4)	6.00%	5.75%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (5)	25.00%	8.15%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	3.60%
Cash Equivalents	90-Day U.S. Treasury	2.00%	1.10%

(1) Target Asset Allocation was adopted at the March 2025 TCDRS Board meeting

(2) Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.35%, per Cliffwater's 2025 capital market assumptions.

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

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

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

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, 2025, the Authority's Net Pension Liability (Asset) was measured as of December 31, 2024, 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, 2024 based on the actuarial date of December 31, 2024 is reflected below:

Changes in Net Pension Liability/ (Asset)	Increase (Decrease)		
	Total Pension Liability	Fiduciary Net Position	Net Position Liability/ (Asset)
Balances as of December 31, 2023	\$ 83,268,941	\$ 88,274,995	\$ (5,006,054)
Changes for the Year:			
Service cost	3,448,896	-	3,448,896
Interest on total pension liability (1)	6,429,952	-	6,429,952
Effect of economic/demographic gains or losses	62,841	-	62,841
Refund of contributions	(148,401)	(148,401)	-
Benefit payments	(4,156,836)	(4,156,836)	-
Administrative expenses	-	(53,251)	53,251
Member contributions	-	1,783,707	(1,783,707)
Net investment income	-	9,009,473	(9,009,473)
Employer contributions	-	3,057,783	(3,057,783)
Other (3)	-	55,653	(55,653)
Balances as of December 31, 2024	\$ 88,905,393	\$ 97,823,123	\$ (8,917,730)

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, 2025, the Authority recognized pension expense as follows:

	January 1, 2024 to December 31, 2024
Service cost	\$ 3,448,896
Interest on total pension liability	6,429,952
Administrative expenses	53,251
Member contributions	(1,783,707)
Expected investment return net of investment expenses	(6,728,994)
Recognition of deferred inflows/outflows of resources:	
Recognition of economic/demographic gains or losses	133,128
Recognition of assumption changes or inputs	645,609
Recognition of investment gains or losses	(986,828)
Other (allocated system-wide items)	(55,652)
Pension expense	\$ 1,155,655

For the year ended December 31, 2025, 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	\$ 347,199	\$ 17,390
Changes of assumptions	-	81,221
Net difference between projected and actual earnings	-	882,903
Contributions made subsequent to measurement date	4,052,810	-
TOTALS	\$ 4,400,009	\$ 981,514

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$4,052,810 will be recognized as an increase in the net pension asset for the measurement year ending December 31, 2025 (i.e. recognized in the Authority's financial statements December 31, 2026). Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:		
2026	\$	(692,982)
2027		1,382,557
2028		(880,364)
2029		(443,526)
Total	\$	(634,315)

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, 2025 with the measurement date of December 31, 2025. 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, 2025, six 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, net of the current portion.

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, 2025 retirees contributed \$13,831 for healthcare benefits under the plan and the Authority contributed \$229,509 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:

	<u>January 1, 2025</u>
Active employees	230
Retirees or beneficiaries currently receiving benefits	4
Spouses of retirees	2
	<u>236</u>

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, 2025
Valuation Timing	The valuation is performed at January 1, 2025 with measurements date December 31, 2025

	<u>December 31, 2024</u>	<u>December 31, 2025</u>
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Discount Rate (1)	4.08%	4.83%
Inflation	2.30%	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 2025, dropping to 3.7% in the years 2073+ Medical/pharmacy assumptions range from 6.5% in 2025, dropping to 3.7% in the years 2073+	
Mortality	PubG.H-2016 as projected forward with MP-2021	
Retirement Rates	Experience-based table with rates of retirement ranging from 5.25% at ages 40-49 to 20.7% at age 70+	
Projected Salary Increase Rates	Based on the 2025 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 4.08%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 4.83%, which amounted to an increase of 0.75%. 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 4.83%, 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 (3.83%) or one percentage point higher (5.83%) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 2,197,600	\$ 2,054,277	\$ 1,921,685

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.

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 1,846,938	\$ 2,054,277	\$ 2,297,984

Total OPEB Liability

	<u>December 31, 2024</u>	<u>December 31, 2025</u>
Total OPEB liability	\$ 1,642,283	\$ 2,054,277
Covered payroll	22,682,962	24,036,667
Total OPEB liability as a % of covered payroll	7.24%	8.55%

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, 2024	\$ 1,642,283
Changes for the Year:	
Service cost	174,639
Interest on total OPEB liability	69,495
Effect on economic/demographic (gains) or losses	502,924
Effect of assumptions changes or inputs	(105,555)
Benefit payments	(229,509)
Balances as of December 31, 2025	\$ 2,054,277

For the year ended December 31, 2025 the Authority recognized OPEB expense as follows:

	January 1, 2025 to December 31, 2025
Service cost	\$ 174,639
Interest on total OPEB liability	69,495
Recognition of deferred inflows/outflows of resources:	
Recognition of economic/demographic gains or losses	162,981
Recognition of assumption changes or inputs	(140,123)
OPEB expense	\$ 266,992

For the year ended December 31, 2025, 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	424,886	77,034
Changes in actuarial assumptions	-	352,455
Total	\$ 424,886	\$ 429,489

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:	
2026	\$ (57,008)
2027	(50,762)
2028	18,059
2029	77,319
2030	7,789
Total	\$ (4,603)

11. CONSTRUCTION AND IMPROVEMENT COMMITMENTS

At December 31, 2025, the Authority had remaining unpaid contractual construction and improvement commitments of \$10,976,329. 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 \$100 million for a combined limit of \$125 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 \$3,821,049. 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, 2025, the liability of \$713,713 is comprised of estimated health claims of \$710,260 and estimated worker’s compensation claims of \$3,453.

Changes in the balances of claims liabilities as of December 31, 2025 and 2024 are as follows:

	2025	2024
Unpaid claims, beginning of fiscal year	\$ 223,866	\$ 91,216
Incurred claims (including IBNRs)	6,416,625	6,548,999
Claim payments	(5,926,778)	(6,416,349)
Unpaid claims, end of fiscal year	\$ 713,713	\$ 223,866

FACILITIES FINANCING BONDS

The Authority has entered into an agreement with an unrelated entity to finance construction of a solid waste disposal facility. To accomplish this, the Authority acted as issuers of facilities financing revenue bonds in the original amount of \$258,200,000. The bonds are secured solely by the facilities and installment sales agreements, and the Authority assumed no current or future obligation for repayment of the bonds. The installment sales agreements were entered into with the entity for an amount equal to the outstanding bonds to secure repayment. The proceeds of the bonds were received and used by the entity and are repaid when due directly by the entity. At December 31, 2025, 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, 2025 is as follows:

Capital assets, not being depreciated	\$	789,471,455
Capital assets, being depreciated, net		483,752,890
Subscription based IT arrangements, net		2,371,897
Leases, net		132,982
Less: Capital Related Debt		(264,748,805)
Less: Retainage Payable		(2,497,099)
Less: Construction Related Accounts Payable		(12,464,285)
Net Investment in Capital Assets	\$	996,019,035

14. SPECIAL ITEM

During the fiscal year ended December 31, 2025, the Port Authority, on the one hand, and Port of Texas, LP, f/k/a The Port of Corpus Christi, LP ("Port Texas"), 361 Holdings LLC ("361"), and Kenneth L. Berry and Brenda Berry (collectively, the "Berrys" and together with Port Texas and 361, the "Berry Parties"), on the other hand, entered into a Mediated Settlement Agreement (the "Mediated Settlement Agreement"). The Mediated Settlement Agreement was entered into in order to (i) ensure the Port Authority's ability to deepen and widen the La Quinta Channel in the vicinity of Berry Island at the appropriate time in the future, (ii) give the Port Authority some control over the orderly development of Berry Island, (iii) ensure the franchise fees for cargo shipped to and from Berry Island will be pari-passu with the franchise fees paid on virtually every other private dock located on the Corpus Christi Ship Channel and the La Quinta Channel, (iv) give the Port Authority control over the location of the pipelines that will be constructed on Port Authority property for purposes of transporting cargo to and from Berry Island, (v) allow the Berrys and their successors and assigns to develop Berry Island as, among other things, a marine terminal, and (vi) resolve all known disputes and claims between the Port Authority and the Berry Parties. In consideration of the contractual rights and releases and other assets granted, assigned and conveyed to the Port Authority in connection with the closing of the Mediated Settlement Agreement, the Port Authority made a one-time payment of \$7,500,000 to the Berrys. This payment is classified as a Special Item because the decision to enter this agreement and the related closing agreements was within the control of the Port Authority and the transaction is an infrequent occurrence for the Port Authority's operations and provided value to both sides.

The payment was paid in full on February 20, 2025, and is reported as a Special Item on the Statement of Revenues, Expenses, and Changes in Net Position.

	Measurement Year 2015	Measurement Year 2016	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020	Measurement Year 2021	Measurement Year 2022	Measurement Year 2023	Measurement Year 2024
TOTAL PENSION LIABILITY										
Service Cost	\$ 1,261,508	\$ 1,646,309	\$ 1,583,238	\$ 1,706,000	\$ 1,737,142	\$ 2,229,892	\$ 2,670,104	\$ 2,708,854	\$ 3,052,438	\$ 3,448,896
Interest on Total Pension Liability	3,506,024	3,737,072	4,007,179	4,286,314	4,572,481	5,072,168	5,364,586	5,646,872	5,998,028	6,429,952
Effect of Plan Changes	(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	(217,150)	(640,607)	(151,261)	168,127	78,021	179,141	(55,489)	(15,731)	494,876	62,841
Benefit Payments/Contribution Refunds	(1,975,611)	(2,043,433)	(2,330,624)	(2,450,682)	(2,874,901)	(3,305,322)	(3,877,830)	(3,918,036)	(4,213,603)	(4,305,237)
Net Change in Total Pension Liability	2,814,636	2,699,341	3,382,212	3,709,759	5,887,254	7,810,015	3,695,274	4,421,959	5,331,739	5,636,452
Total Pension Liability, Beginning	43,516,753	46,331,389	49,030,729	52,412,941	56,122,700	62,009,954	69,819,969	73,515,243	77,937,202	83,268,941
Total Pension Liability, Ending	\$ 46,331,389	\$ 49,030,730	\$ 52,412,941	\$ 56,122,700	\$ 62,009,954	\$ 69,819,969	\$ 73,515,243	\$ 77,937,202	\$ 83,268,941	\$ 88,905,393
FIDUCIARY NET POSITION										
Employer Contributions	\$ 979,505	\$ 996,832	\$ 1,068,177	\$ 1,145,090	\$ 1,259,909	\$ 2,208,489	\$ 2,323,442	\$ 2,540,533	\$ 2,847,594	\$ 3,057,783
Member Contributions	979,505	996,832	1,068,177	1,145,090	1,259,909	1,288,285	1,355,341	1,481,978	1,661,097	1,783,707
Investment Income Net of Investment Expenses	(508,400)	3,346,977	7,068,420	(1,031,672)	8,875,863	6,458,730	15,161,281	(4,936,562)	8,714,248	9,009,473
Benefit Payments/Contribution Refunds	(1,975,611)	(2,043,433)	(2,330,624)	(2,450,682)	(2,874,901)	(3,305,322)	(3,877,830)	(3,918,036)	(4,213,603)	(4,305,237)
Administrative Expenses	(32,747)	(36,388)	(36,764)	(43,410)	(47,640)	(50,583)	(45,477)	(46,451)	(46,094)	(53,251)
Other	44,753	(87,598)	(2,950)	772	(3,448)	12,879	13,398	84,955	46,567	55,653
Net Change in Fiduciary Net Position	(512,995)	3,173,222	6,834,436	(1,234,812)	8,469,692	6,612,478	14,930,155	(4,793,583)	9,009,809	9,548,128
Fiduciary Net Position, Beginning	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	88,274,995
Fiduciary Net Position, Ending	\$ 45,273,598	\$ 48,446,820	\$ 55,281,256	\$ 54,046,444	\$ 62,516,136	\$ 69,128,614	\$ 84,058,769	\$ 79,265,186	\$ 88,274,995	\$ 97,823,123
Net Pension Liability (Asset)	\$ 1,057,791	\$ 583,910	\$ (2,868,315)	\$ 2,076,256	\$ (506,182)	\$ 691,355	\$ (10,543,526)	\$ (1,327,984)	\$ (5,006,054)	\$ (8,917,730)
Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)	97.72%	98.81%	105.47%	96.30%	100.82%	99.01%	114.34%	101.70%	106.01%	110.03%
Annual Covered Payroll Net Pension Liability (Asset) as a Percentage of Covered Payroll	\$ 13,992,927	\$ 14,240,462	\$ 15,259,672	\$ 16,358,433	\$ 17,998,705	\$ 18,404,075	\$ 19,362,015	\$ 21,171,112	\$ 23,729,964	\$ 25,481,526
	7.56%	4.10%	(18.80%)	12.69%	(2.81%)	3.76%	(54.45%)	(6.27%)	(21.10%)	(35.00%)

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Required Supplementary Information (Unaudited)
Schedule of Employer Contributions
Texas County and District Retirement System**

PENSION PLAN:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ 710,599	\$ 650,062	\$ 727,950	\$ 725,348	\$ 806,098	\$ 1,511,467	\$ 1,591,186	\$ 1,850,936	\$ 2,369,782	\$ 2,489,028
Actual Employer Contributions	996,832	1,068,177	1,145,090	1,259,909	2,208,489	2,323,442	2,447,979	2,847,594	3,057,783	3,211,650
Contribution Deficiency (Excess)	(286,233)	(418,115)	(417,140)	(534,561)	(1,402,391)	(811,975)	(856,793)	(996,658)	(688,001)	(722,622)
Annual Covered Payroll	\$ 14,240,462	\$ 15,259,672	\$ 16,358,433	\$ 17,998,705	\$ 18,404,075	\$ 19,377,779	\$ 20,399,824	\$ 23,729,949	\$ 25,481,532	\$ 26,763,741
Contribution as a Percentage of Covered Payroll	7.00%	7.00%	7.00%	7.00%	12.00%	11.99%	12.00%	12.00%	12.00%	12.00%

NOTES TO SCHEDULE:

Valuation date: 12/31/2024
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 2025:

Actuarial Cost Method: Entry age normal
 Amortization Method: Level Percentage of Payroll, Closed
 Remaining Amortization Period: 0.0 years (based on contribution rate calculated in 12/31/2024 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.

	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	Year Ending December 31, 2024	Year Ending December 31, 2025
TOTAL OPEB LIABILITY								
Service Cost	\$ 112,650	\$ 135,123	\$ 113,684	\$ 176,619	\$ 181,918	\$ 173,863	\$ 148,495	\$ 174,639
Interest on Total OPEB Liability	61,055	76,536	42,087	34,420	45,084	80,749	64,158	69,495
Effect of Assumption Changes/Inputs Effect of Economic/Demographic (Gains) or Losses	(47,949)	(355,257)	35,805	(15,903)	(170,320)	(118,783)	(299,882)	(105,555)
Benefit Payments	(63,710)	(48,981)	(64,681)	(270,101)	(69,967)	(63,168)	(178,660)	(229,509)
Net Change in Total OPEB Liability	62,046	(301,396)	126,895	460,040	(13,285)	(119,927)	(265,889)	411,994
Total OPEB Liability, Beginning	1,693,799	1,755,845	1,454,449	1,581,344	2,041,384	2,028,099	1,908,172	1,642,283
Total OPEB Liability, Ending	\$ 1,755,845	\$ 1,454,449	\$ 1,581,344	\$ 2,041,384	\$ 2,028,099	\$ 1,908,172	\$ 1,642,283	\$ 2,054,277
Annual Covered-Employee Payroll	\$ 14,371,824	\$ 15,037,942	\$ 17,061,574	\$ 16,565,016	\$ 17,061,966	\$ 22,022,293	\$ 22,682,962	\$ 24,036,667
Total OPEB Liability as a Percentage of Covered-Employee Payroll	12.22%	9.67%	9.27%	12.32%	11.89%	8.66%	7.24%	8.55%

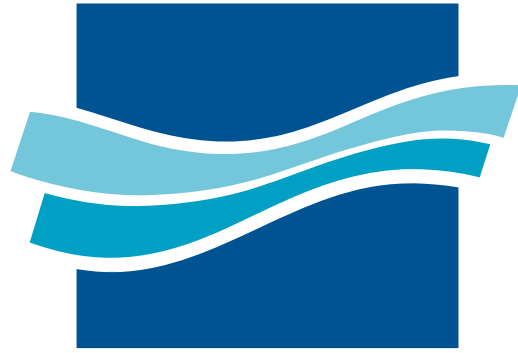
Notes to Schedule

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%
2024	4.08%
2025	4.83%

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**CORPUSCHRISTI**®

» SUPPLEMENTAL SCHEDULES



The Eagle San Juan transited under the new
US 181 Harbor Bridge on August 15, 2025.



	<u>Actual</u>	<u>Budget</u>	<u>Variance (%)</u>
OPERATING REVENUES:			
Wharfage	\$114,219,126	\$ 122,991,786	(7)
Dockage	31,295,463	31,665,621	(1)
Security fees	18,489,914	20,093,632	(8)
Freight and Material handling	15,774,558	12,234,174	29
Rail Charges	9,203,482	6,300,000	46
Building and land rentals	22,141,461	23,718,710	(7)
Conference center services	138,789	260,500	(47)
FTZ user fees	240,000	232,000	3
Dredge placement fees	6,965,297	2,393,763	191
Other	2,826,011	786,269	259
<i>Total Operating Revenues</i>	<u>221,294,101</u>	<u>220,676,455</u>	<u>0</u>
OPERATING EXPENSES:			
Maintenance and operations	51,228,070	60,295,292	15
General and administrative	46,495,644	49,885,009	7
Depreciation	32,944,953	31,130,990	(6)
<i>Total Operating Expenses</i>	<u>130,668,667</u>	<u>141,311,291</u>	<u>8</u>
<i>Operating Income</i>	<u>90,625,434</u>	<u>79,365,164</u>	<u>14</u>
NON-OPERATING REVENUES (EXPENSES):			
Investment income (loss)	19,883,484	10,000,000	99
Federal and other grant assistance	1,861,222	16,500,000	0
Interest expense and fiscal charges	(11,613,156)	(12,135,651)	(4)
Gain on disposal of assets	228,579	-	0
<i>Net Non-Operating Expenses</i>	<u>10,360,129</u>	<u>14,364,349</u>	<u>(28)</u>
<i>Income Before Capital Grants and Contributions</i>	<u>100,985,563</u>	<u>93,729,513</u>	<u>8</u>
CAPITAL GRANTS AND CONTRIBUTIONS	10,724,264	-	0
SPECIAL ITEM	(7,500,000)	-	0
<i>Change in Net Position</i>	<u>\$104,209,827</u>	<u>\$ 93,729,513</u>	<u>11</u>

MAINTENANCE AND OPERATIONS:

Employee services	\$ 14,147,842
Other Employment Expenses	56,048
Maintenance	17,870,902
Utilities	1,317,501
Telephone	55,544
Insurance & claims	3,686,991
Professional services	2,658,971
Police expenses	144,480
Contracted services	10,223,493
Office and equipment rental	178,232
Operator and event expenses	505,183
Safety/Environmental	300,598
Other Direct Expenses	82,285
<i>Total Maintenance and Operations</i>	<u>\$ 51,228,070</u>

GENERAL AND ADMINISTRATIVE:

Employee Services	\$ 23,292,790
Other Employment Expenses	1,164,405
Maintenance	736,763
Utilities	281,411
Telecommunication Expense	497,607
Insurance	1,254,687
Professional Services	6,928,992
Police Expenses	3,742
Contracted Services	214,366
Office and Equipment Rental	133,483
Information Technology	4,065,883
Administrative Expenses	1,754,117
Promotion and Development	5,418,690
Commercial & Business Development	114,667
Business Communication	398,760
Safety/Environmental Expenses	157,683
Other Expenses	77,598
<i>Total General and Administrative</i>	<u>\$ 46,495,644</u>



» STATISTICAL SECTION



Crews advanced construction of new silos at South Texas Cement on June 25, 2025.



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.

<u>Contents</u>	<u>Page</u>
Financial Trends	56
These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.	
Revenue Capacity	61
These schedules contain information to help the reader assess the factors affecting the Authority's ability to generate its most significant revenue sources.	
Debt Capacity	67
These schedules present information to help the reader assess the affordability of the Authority's current level of outstanding debt and the Authority's ability to issue additional debt in the future.	
Demographic and Economic Information	69
These schedules offer demographic and economic indicators to help the reader understand the environment with which the Authority's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	71
These schedules contain information about the Authority's operations and resources to help the reader understand how the Authority's financial information relates to the services the Authority provides and the activities it performs.	

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**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Operating revenues:										
Wharfage	\$ 42,337,275	\$ 46,948,820	\$ 50,487,100	\$ 63,467,357	\$ 77,700,556	\$ 83,998,460	\$ 100,935,902	\$ 109,041,748	\$ 109,366,152	\$ 114,219,126
Dockage	11,970,562	13,548,519	15,310,185	17,676,236	16,948,628	20,330,792	28,068,071	31,995,536	30,710,296	31,295,463
Security fees	6,070,139	6,686,343	9,014,385	11,299,077	13,003,968	14,130,111	16,917,513	18,383,241	18,051,462	18,489,914
Freight and material handling	3,463,593	3,892,661	4,033,418	3,437,356	2,843,281	2,151,130	11,345,942	11,245,390	16,362,047	15,774,558
Rail Charges	1,427,837	2,217,491	2,552,814	3,426,169	2,741,835	2,664,310	3,784,735	5,631,480	8,263,630	9,203,482
Building and land rentals	12,444,299	14,641,254	18,591,803	21,566,430	19,729,444	20,398,560	47,849,586	37,129,428	24,046,503	22,141,461
Conference center services	2,011,136	2,152,659	2,017,419	1,903,112	440,071	606,739	1,636,593	1,870,759	1,392,787	138,789
FTZ user fees	224,000	225,000	241,833	247,000	238,000	248,500	244,500	246,500	240,750	240,000
Dredge placement fees	1,870,497	1,920,638	436,910	1,500	8,567,899	4,450,401	1,466,667	7,257,336	1,340,792	6,965,297
Cost sharing agreements	-	-	-	-	13,758,035	435,310	-	-	-	-
Other	1,202,624	2,041,419	2,930,524	3,681,585	4,163,884	5,500,495	3,423,029	2,743,383	4,841,361	2,826,011
Insurance proceeds, Hurricane Harvey	-	1,266,289	163,737	1,536,964	-	-	-	-	-	-
Total operating revenues	83,021,962	95,541,093	105,780,128	128,242,786	160,135,601	154,914,808	215,672,538	225,544,801	214,615,780	221,294,101
Investment income (loss)	1,184,692	2,417,838	4,807,322	7,974,561	3,835,652	(447,261)	(3,211,567)	14,761,885	14,843,649	19,883,484
Federal and other grant assistance	152,412	146,950	266,930	877,920	1,809,193	21,473	704,232	1,139,590	8,492,574	1,861,222
Contributions from Harbor Bridge Commitment	-	-	14,761,550	14,037,941	6,116,615	-	-	-	-	-
Total Revenues	84,359,066	98,105,881	125,615,930	151,133,208	171,897,061	154,489,020	213,165,203	241,446,276	237,952,003	243,038,807
Expenses										
Operating expenses:										
Maintenance and operations	21,435,640	21,066,636	24,934,261	27,804,966	29,722,554	26,728,651	33,096,143	40,895,035	54,015,665	51,228,070
General and administrative	20,715,616	23,263,150	25,435,988	31,328,255	38,042,089	36,009,588	45,982,327	51,421,517	46,174,800	46,495,644
Hurricane Harvey related repairs	-	233,054	963,247	2,361,711	727,590	-	-	-	-	-
Depreciation	13,140,057	13,377,640	14,149,761	14,661,500	18,156,728	21,044,928	23,632,566	26,743,013	30,041,105	32,944,953
Total operating expenses	55,291,313	57,940,480	65,483,257	76,156,432	86,648,961	83,783,167	102,711,036	119,059,565	130,231,570	130,668,667
Interest expense and fiscal charges	2,973,844	3,650,348	7,697,446	13,002,641	12,838,761	12,630,519	12,406,874	12,297,347	12,046,234	11,613,156
Bond issuance costs	-	-	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	4,415,092	3,000,000	3,000,000	-	-	-	-	-	-
(Gain) loss on disposal of assets	67,638	3,590	61,064	636	820,008	1,222,380	(2,826,224)	738,954	966,272	(228,579)
Loss on impairment of capital assets	-	428,254	-	-	-	-	-	-	-	-
Total Expenses	63,218,205	67,724,940	80,021,445	93,677,201	101,079,008	98,002,214	112,291,686	132,095,866	143,244,076	142,053,244
Income (Loss) Before Contributions	21,140,861	30,380,941	45,594,485	57,456,007	70,818,053	56,486,806	100,873,517	109,350,410	94,707,927	100,985,563
Capital Contributions	12,835,396	5,536,616	3,720,723	2,536,407	1,429,850	2,045,162	46,372,797	7,511,525	2,850,131	10,724,264
Special item	-	-	-	-	-	-	-	-	-	(7,500,000)
Changes in Net Position	33,976,257	35,917,557	49,315,208	59,992,414	72,247,903	58,531,968	147,246,314	116,861,935	97,558,058	104,209,827
Total Net Position, Beginning of Year	512,676,450	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	1,210,802,762
Cumulative Effect of Change in Accounting Principle	-	-	(937,450)	-	-	-	(6,399,242)	-	-	-
Total Net Position, End of Year	\$ 546,652,707	\$ 616,385,654	\$ 664,763,412	\$ 724,755,826	\$ 797,003,729	\$ 855,535,697	\$ 996,382,769	\$ 1,113,244,704	\$ 1,210,802,762	\$ 1,315,012,589
Net Position at Year End										
Net investment in capital assets	\$ 364,492,941	442,489,861	464,777,149	519,034,065	556,307,121	593,027,992	701,749,724	808,772,488	885,307,902	996,019,035
Restricted	36,031,915	21,222,100	23,479,446	24,756,790	27,697,524	28,506,730	29,315,077	31,820,194	37,930,299	41,587,573
Unrestricted	179,943,241	152,673,693	176,506,817	180,964,971	212,999,084	234,000,975	265,317,968	272,652,022	287,564,561	277,405,981
Total Net Position	\$ 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	\$ 1,210,802,762	\$ 1,315,012,589

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**
**Revenues by Source
Last Ten Years**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Revenues:										
Wharfage	\$ 42,337,275	\$ 46,948,820	\$ 50,487,100	\$ 63,467,357	\$ 77,700,556	\$ 83,998,460	\$ 100,935,902	\$ 109,041,748	\$ 109,366,152	\$ 114,219,126
Dockage	11,970,562	13,548,519	15,310,185	17,676,236	16,948,628	20,330,792	28,068,071	31,995,536	30,710,296	31,295,463
Security fees	6,070,139	6,686,343	9,014,385	11,299,077	13,003,968	14,130,111	16,917,513	18,383,241	18,051,462	18,489,914
Freight handling	3,463,593	3,892,661	4,033,418	3,437,356	2,843,281	2,151,130	11,345,942	11,245,390	16,362,047	15,774,558
Rail Charges	1,427,837	2,217,491	2,552,814	3,426,169	2,741,835	2,664,310	3,784,735	5,631,480	8,263,630	9,203,482
Building and land rentals	12,444,299	14,641,254	18,591,803	21,566,430	19,729,444	20,398,560	47,849,586	37,129,428	24,046,503	22,141,461
Conference center services	2,011,136	2,152,659	2,017,419	1,903,112	440,071	606,739	1,636,593	1,870,759	1,392,787	138,789
FTZ user fees	224,000	225,000	241,833	247,000	238,000	248,500	244,500	246,500	240,750	240,000
Dredge placement fees	1,870,497	1,920,638	436,910	1,500	8,567,899	4,450,401	1,466,667	7,257,336	1,340,792	6,965,297
Cost sharing agreements	-	-	-	-	13,758,035	435,310	-	-	-	-
Other	1,202,624	2,041,419	2,930,524	3,681,585	4,163,884	5,500,495	3,423,029	2,743,383	4,841,361	2,826,011
Insurance proceeds, Hurricane Harvey	-	1,266,289	163,737	1,536,964	-	-	-	-	-	-
	<u>\$ 83,021,962</u>	<u>\$ 95,541,093</u>	<u>\$ 105,780,128</u>	<u>\$ 128,242,786</u>	<u>\$ 160,135,601</u>	<u>\$ 154,914,808</u>	<u>\$ 215,672,538</u>	<u>\$ 225,544,801</u>	<u>\$ 214,615,780</u>	<u>\$ 221,294,101</u>
Non-Operating Revenues:										
Other:										
Investment income (loss)	\$ 1,184,692	\$ 2,417,838	\$ 4,807,322	\$ 7,974,561	\$ 3,835,652	\$ (447,621)	\$ (3,211,567)	\$ 14,761,885	\$ 14,843,649	\$ 19,883,484
Federal and other grant assistance	152,412	146,950	266,930	877,920	1,809,193	21,473	704,232	1,139,590	8,492,574	1,861,222
Capital contributions	-	-	14,761,550	14,037,941	6,116,615	-	-	-	-	10,724,264
	<u>\$ 1,337,104</u>	<u>\$ 2,564,788</u>	<u>\$ 19,835,802</u>	<u>\$ 22,890,422</u>	<u>\$ 11,761,460</u>	<u>\$ (426,148)</u>	<u>\$ (2,507,335)</u>	<u>\$ 15,901,475</u>	<u>\$ 23,336,223</u>	<u>\$ 32,468,970</u>

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Expenses by Type
Last Ten Years**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Expenses:										
Maintenance and Operation:										
Employee services	\$ 9,478,572	\$ 9,948,834	\$ 9,646,909	\$ 10,736,455	\$ 11,930,519	\$ 10,181,055	\$ 10,512,934	\$ 12,185,976	\$ 13,065,181	\$ 14,147,842
Other Employment Expenses	-	-	-	-	-	-	-	-	24,786	56,048
Maintenance	4,367,556	3,707,172	4,024,567	6,228,088	8,053,779	7,214,415	9,587,761	11,049,405	21,723,220	17,870,902
Utilities	980,564	936,770	910,486	917,987	795,718	715,673	971,266	1,157,673	1,116,749	1,317,501
Telephone	90,886	88,096	85,140	91,916	93,527	103,284	77,451	61,995	102,427	55,544
Insurance & claims	1,520,100	1,336,484	1,493,288	1,629,166	1,950,752	2,431,495	2,422,923	3,780,345	4,295,531	3,686,991
Professional services	1,160,192	914,565	4,219,869	3,297,467	2,684,827	2,029,479	960,353	1,887,525	2,048,330	2,658,971
Police expenses	21,709	30,368	59,019	55,740	39,229	27,265	69,886	163,658	120,679	144,480
Contracted services	1,680,388	1,849,059	2,265,625	2,578,593	2,874,314	2,615,823	6,564,942	8,771,229	9,526,288	10,223,493
Office and equipment rental	96,681	126,387	104,596	139,755	139,222	125,269	194,098	220,645	280,088	178,232
Operator and event expenses	1,712,280	1,825,207	1,789,206	1,667,343	721,927	737,260	1,403,009	1,413,733	1,285,566	505,183
Safety/Environmental	318,372	298,866	303,262	402,618	225,825	356,700	329,216	178,740	367,086	300,598
Other Direct Expenses	8,340	4,828	32,294	71,640	212,913	190,933	2,303	24,111	59,734	82,285
	<u>\$ 21,435,640</u>	<u>\$ 21,066,636</u>	<u>\$ 24,934,261</u>	<u>\$ 27,816,768</u>	<u>\$ 29,722,552</u>	<u>\$ 26,728,651</u>	<u>\$ 33,096,142</u>	<u>\$ 40,895,035</u>	<u>\$ 54,015,665</u>	<u>\$ 51,228,070</u>
General and Administrative:										
Employee Services	\$ 11,446,283	\$ 12,891,866	\$ 13,209,035	\$ 14,953,056	\$ 18,130,677	\$ 17,360,942	\$ 19,137,012	\$ 23,623,175	\$ 22,942,638	\$ 23,292,790
Other Employment Expenses	221,672	293,729	290,785	364,917	261,167	518,736	815,708	888,570	863,396	1,164,405
Maintenance	478,649	241,993	398,975	356,588	248,806	557,209	868,910	812,281	900,246	736,763
Utilities	162,490	173,577	162,957	159,358	131,960	249,140	303,004	307,751	259,637	281,411
Telecommunication Expense	97,984	99,596	118,665	166,452	195,838	223,554	387,669	303,094	348,316	497,607
Insurance	148,816	124,462	117,385	232,747	393,981	341,225	1,238,800	1,408,973	2,019,076	1,254,687
Professional Services	4,344,791	5,362,955	6,254,662	9,658,634	11,340,937	9,254,050	12,375,005	12,092,552	7,654,134	6,928,992
Police Expenses	233	1,150	1,619	1,038	1,117	1,178	3,761	3,841	1,255	3,742
Contracted Services	143,210	93,104	88,067	247,068	189,893	155,470	233,610	66,927	119,790	214,366
Office and Equipment Rental	123,575	158,778	148,149	139,623	83,474	125,937	85,127	127,327	106,842	133,483
Information Technology	828,858	945,800	1,228,018	1,533,237	1,841,958	1,487,590	2,493,571	3,257,225	3,237,837	4,065,883
Administrative Expenses	863,552	989,229	899,794	1,081,338	604,410	961,078	2,008,580	1,348,623	1,144,720	1,754,117
Promotion and Development	1,241,584	1,270,694	1,339,391	1,872,634	3,833,482	3,812,384	4,437,829	5,893,009	5,854,653	5,418,688
Commercial & Business Development	381,011	355,204	340,092	746,498	329,488	574,317	852,008	796,992	200,807	114,669
Business Communication	93,262	187,929	89,249	100,038	210,974	141,211	213,276	148,773	385,560	398,760
Safety/Environmental Expenses	45,881	30,712	46,628	70,524	173,540	98,076	56,193	147,346	70,313	157,683
Other Expenses	93,766	42,371	702,518	43,379	70,389	147,495	472,264	195,058	65,580	77,598
	<u>\$ 20,715,617</u>	<u>\$ 23,263,149</u>	<u>\$ 25,435,989</u>	<u>\$ 31,727,129</u>	<u>\$ 38,042,091</u>	<u>\$ 36,009,592</u>	<u>\$ 45,982,327</u>	<u>\$ 51,421,517</u>	<u>\$ 46,174,800</u>	<u>\$ 46,495,644</u>
Hurricane Harvey related repairs	-	233,054	963,247	2,361,711	727,590	-	-	-	-	-
Depreciation	\$ 13,140,057	13,377,640	14,149,761	14,661,500	18,156,728	21,044,928	23,632,566	26,743,013	30,041,105	32,944,953
Non-Operating Expenses:										
Other:										
Interest	\$ 2,973,844	\$ 3,650,348	\$ 7,697,446	\$ 13,002,641	\$ 12,838,761	\$ 12,630,519	\$ 12,406,874	\$ 12,297,347	\$ 12,046,234	\$ 11,613,156
Bond issuance expenses	-	-	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	3,067,638	4,846,936	3,061,064	3,000,636	820,008	1,222,380	(2,826,224)	738,954	966,272	7,271,421
	<u>\$ 7,926,892</u>	<u>\$ 9,784,460</u>	<u>\$ 14,538,188</u>	<u>\$ 17,520,769</u>	<u>\$ 14,430,047</u>	<u>\$ 14,219,047</u>	<u>\$ 9,580,650</u>	<u>\$ 13,036,301</u>	<u>\$ 13,012,506</u>	<u>\$ 18,884,571</u>

TABLE 4 (Unaudited)

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Expenses as %
Revenues
Last Ten Years**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Expenses:										
Maintenance and Operation:										
Employee services	11.42%	10.41%	9.12%	8.37%	7.45%	6.57%	4.87%	5.40%	6.09%	6.39%
Other Employment Expenses	-	-	-	-	-	-	-	-	0.01%	0.03%
Maintenance	5.26%	3.88%	3.80%	4.86%	5.03%	4.66%	4.45%	4.90%	10.12%	8.08%
Utilities	1.18%	0.98%	0.86%	0.72%	0.50%	0.46%	0.45%	0.51%	0.52%	0.60%
Telephone	0.11%	0.09%	0.08%	0.07%	0.06%	0.07%	0.04%	0.03%	0.05%	0.03%
Insurance & claims	1.83%	1.40%	1.41%	1.27%	1.22%	1.57%	1.12%	1.68%	2.00%	1.67%
Professional services	1.40%	0.96%	3.99%	2.57%	1.68%	1.31%	0.45%	0.84%	0.95%	1.20%
Police expenses	0.03%	0.03%	0.06%	0.04%	0.02%	0.02%	0.03%	0.07%	0.06%	0.07%
Contracted services	2.02%	1.94%	2.14%	2.01%	1.79%	1.69%	3.04%	3.89%	4.44%	4.62%
Office and equipment rental	0.12%	0.13%	0.10%	0.11%	0.09%	0.08%	0.09%	0.10%	0.13%	0.08%
Operator and event expenses	2.06%	1.91%	1.69%	1.30%	0.45%	0.48%	0.65%	0.63%	0.60%	0.23%
Safety/Environmental	0.38%	0.31%	0.29%	0.31%	0.14%	0.23%	0.15%	0.08%	0.17%	0.14%
General	0.01%	0.01%	0.03%	0.06%	0.13%	0.12%	0.00%	0.01%	0.03%	0.04%
	<u>25.82%</u>	<u>22.05%</u>	<u>23.57%</u>	<u>21.69%</u>	<u>18.56%</u>	<u>17.25%</u>	<u>15.35%</u>	<u>18.13%</u>	<u>25.17%</u>	<u>23.15%</u>
General and Administrative:										
Employee Services	13.79%	13.49%	12.49%	11.66%	11.32%	11.21%	8.87%	10.47%	10.69%	10.53%
Other Employment Expenses	0.27%	0.31%	0.27%	0.28%	0.16%	0.33%	0.38%	0.39%	0.40%	0.53%
Maintenance	0.58%	0.25%	0.38%	0.28%	0.16%	0.36%	0.40%	0.36%	0.42%	0.33%
Utilities	0.20%	0.18%	0.15%	0.12%	0.08%	0.16%	0.14%	0.14%	0.12%	0.13%
Telecommunication Expense	0.12%	0.10%	0.11%	0.13%	0.12%	0.14%	0.18%	0.13%	0.16%	0.22%
Insurance	0.18%	0.13%	0.11%	0.18%	0.25%	0.22%	0.57%	0.62%	0.94%	0.57%
Professional Services	5.23%	5.61%	5.91%	7.53%	7.08%	5.97%	5.74%	5.36%	3.57%	3.13%
Police Expenses	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contracted Services	0.17%	0.10%	0.08%	0.19%	0.12%	0.10%	0.11%	0.03%	0.06%	0.10%
Office and Equipment Rental	0.15%	0.17%	0.14%	0.11%	0.05%	0.08%	0.04%	0.06%	0.05%	0.06%
Information Technology	1.00%	0.99%	1.16%	1.20%	1.15%	0.96%	1.16%	1.44%	1.51%	1.84%
Administrative Expenses	1.04%	1.04%	0.85%	0.84%	0.38%	0.62%	0.93%	0.60%	0.53%	0.79%
Promotion and Development	1.50%	1.33%	1.27%	1.46%	2.39%	2.46%	2.06%	2.61%	2.73%	2.45%
Commercial & Business Development	0.46%	0.37%	0.32%	0.58%	0.21%	0.37%	0.40%	0.35%	0.09%	0.05%
Business Communication	0.11%	0.20%	0.08%	0.08%	0.13%	0.09%	0.10%	0.07%	0.18%	0.18%
Safety/Environmental Expenses	0.06%	0.03%	0.04%	0.05%	0.11%	0.06%	0.03%	0.07%	0.03%	0.07%
Other Expenses	0.11%	0.04%	0.66%	0.03%	0.04%	0.10%	0.22%	0.09%	0.03%	0.04%
	<u>24.95%</u>	<u>24.35%</u>	<u>24.05%</u>	<u>24.74%</u>	<u>23.76%</u>	<u>23.24%</u>	<u>21.32%</u>	<u>22.80%</u>	<u>21.52%</u>	<u>21.01%</u>

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**
**Financial Performance Indicators
Last Ten Years**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Revenues (OR)	\$ 83,021,962	\$ 95,541,093	\$ 105,780,128	\$ 128,242,786	\$ 160,135,601	\$ 154,914,808	\$ 215,672,538	\$ 225,544,801	\$ 214,615,780	\$ 221,294,101
Operating Expenses (OE) *	(42,151,256)	(44,562,840)	(51,333,496)	(61,494,932)	(68,492,233)	(62,738,239)	(79,078,470)	(92,316,552)	(100,190,465)	(97,723,714)
Net Operating Income (NOI)	40,870,706	50,978,253	54,446,632	66,747,854	91,643,368	92,176,569	136,594,068	133,228,249	114,425,315	123,570,387
Non-Operating Revenues	1,337,104	2,564,788	19,835,802	22,890,422	11,761,460	2,066,635	47,077,029	23,413,000	26,186,354	32,468,970
Non-Operating Expenses	(7,926,892)	(9,784,460)	(14,538,188)	(17,520,769)	(14,430,047)	(14,666,308)	(12,792,217)	(13,036,301)	(13,012,506)	(18,884,577)
Net Income "A" (NI"A")	34,280,918	43,758,581	59,744,246	72,117,507	88,974,781	79,576,896	170,878,880	143,604,948	127,599,163	137,154,780
Depreciation	(13,140,057)	(13,377,640)	(14,149,761)	(14,661,500)	(18,156,728)	(21,044,928)	(23,632,566)	(26,743,013)	(30,041,105)	(32,944,953)
Net Income (Loss) "B" (NI"B")	\$ 21,140,861	\$ 30,380,941	\$ 45,594,485	\$ 57,456,007	\$ 70,818,053	\$ 58,531,968	\$ 147,246,314	\$ 116,861,935	\$ 97,558,058	\$ 104,209,827
Net Capital Assets (NCA) **	\$ 296,380,248	\$ 321,263,212	\$ 386,505,892	\$ 387,829,832	\$ 497,460,868	\$ 710,131,365	\$ 755,372,148	\$ 816,762,075	\$ 871,601,817	\$ 944,731,357
Total Assets (TA)	\$ 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	\$ 1,585,765,739	\$ 1,625,868,880	\$ 1,710,161,322
Operating Indicators:										
Operating ROI (NOI/NCA)	13.79%	15.87%	14.09%	17.21%	18.42%	12.98%	18.08%	16.31%	13.13%	13.08%
Operating Margin (NOI/OR)	49.23%	53.36%	51.47%	52.05%	57.23%	59.50%	63.33%	59.07%	53.32%	55.84%
Operating Ratio (OE/OR)	50.77%	46.64%	48.53%	47.95%	42.77%	40.50%	36.67%	40.93%	46.68%	44.16%
Other ROI Indicators:										
ROI "A" (NI"A"/TA)	5.06%	6.04%	6.01%	6.67%	7.93%	6.44%	10.78%	9.06%	7.85%	8.02%
ROI "B" (NI"B"/TA)	3.12%	4.19%	4.59%	5.32%	6.31%	4.73%	9.29%	7.37%	6.00%	6.09%

* - Excludes Depreciation

** - Excludes Construction in Progress

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**
**Port Commerce By Commodity
Last Ten Years**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Commodity By Port Division - Short tons										
Inner Harbor										
Refined Products	29,500,602	29,380,964	31,898,593	29,364,199	25,696,235	26,367,455	32,087,014	32,593,249	31,411,251	30,549,779
Crude Oil	30,496,672	26,642,934	28,739,505	35,140,347	47,101,569	43,329,332	48,374,814	47,523,171	44,207,999	34,717,118
NGL	1,341,643	1,159,599	1,409,264	1,737,470	1,395,042	1,723,829	1,821,346	1,834,927	1,764,730	1,613,867
Agricultural	4,169,144	5,162,711	2,601,336	1,867,544	3,961,667	3,567,886	1,979,514	2,246,799	3,115,075	1,432,517
Dry Bulk (non-ag)	3,728,930	2,947,609	3,077,746	3,614,852	2,928,523	2,550,298	2,590,879	2,845,676	3,640,744	3,231,355
Break Bulk	218,233	364,514	451,029	427,205	534,064	798,688	1,261,905	1,265,635	1,097,475	1,037,598
Other Bulk Liquids	13,064,660	14,208,167	13,796,140	13,304,225	13,409,121	12,240,323	11,556,768	11,740,328	10,684,711	11,223,352
Total	82,519,884	79,866,498	81,973,613	85,455,842	95,026,221	90,577,811	99,672,240	100,049,785	95,921,985	83,805,586
La Quinta										
Refined Products	23,548	34,454	23,750	20,688	53,492	386,352	70,234	99,181	106,736	81,671
NGL	-	-	45,116	49,197	56,067	55,724	52,779	53,411	32,579	42,953
Dry Bulk (non-ag)	3,357,428	4,311,854	4,085,546	4,056,812	4,019,507	3,771,300	4,722,570	4,251,543	4,031,966	4,251,911
LNG	-	-	148,665	6,841,853	8,650,289	15,677,178	16,225,771	16,250,437	16,095,386	18,567,174
Break Bulk	85,069	163,312	170,135	139,143	67,210	267,497	70,388	42,883	56,244	103,466
Other Bulk Liquids	2,095,329	2,258,959	2,279,158	2,304,539	2,313,173	2,341,482	2,969,180	3,290,977	3,435,048	3,101,565
Total	5,561,374	6,768,579	6,752,370	13,412,232	15,159,738	22,499,533	24,110,922	23,988,432	23,757,959	26,148,740
Ingleside										
Refined Products	205,741	15,913	13,770	18,292	144,468	164,498	372,316	442,659	482,793	700,009
Crude Oil	5,982,277	15,733,332	17,497,170	23,258,262	49,335,388	54,008,485	63,730,912	78,560,176	86,279,633	92,719,863
NGL	2,282	5,064	-	-	-	-	-	-	-	-
Dry Bulk (non-ag)	345	1,339	273	-	-	-	-	-	-	-
Break Bulk	12,271	-	67	25,628	47,016	887	76	-	26,757	3,266
Other Bulk Liquids	8,161	-	91	174	158	-	7,205	-	-	2,223
Total	6,211,077	15,755,648	17,511,371	23,302,356	49,527,030	54,173,870	64,110,509	79,002,835	86,789,183	93,425,361
Rincon Point										
Dry Bulk (non-ag)	-	1,124	54	-	52	-	4,531	-	-	8,957
Total	-	1,124	54	-	52	-	4,531	-	-	8,957
Total	94,292,335	102,391,849	106,237,408	122,170,430	159,713,041	167,251,214	187,898,202	203,041,052	206,469,127	203,388,644
Commodity Totals - Short tons										
Refined Products	29,729,890	29,431,331	31,936,114	29,403,179	25,894,194	26,918,305	32,529,564	33,135,090	32,000,780	31,331,459
Crude Oil	36,478,950	42,376,266	46,236,676	58,398,608	96,436,957	97,337,818	112,105,726	126,083,347	130,487,632	127,436,981
NGL	1,343,925	1,159,599	1,454,379	1,786,668	1,451,108	1,779,553	1,874,125	1,888,338	1,797,309	1,656,820
Agricultural	4,169,145	5,162,711	2,601,336	1,867,544	3,961,667	3,567,886	1,979,514	2,246,799	3,115,075	1,432,517
Dry Bulk (non-ag)	7,086,702	7,265,652	7,163,564	7,671,664	6,948,082	6,321,598	7,317,980	7,097,219	7,672,710	7,483,266
LNG	315,573	-	148,665	6,841,853	8,650,289	15,677,178	16,225,771	16,250,437	16,095,386	18,567,174
Break Bulk	15,168,150	529,164	621,285	591,975	648,290	1,067,072	1,332,369	1,308,519	1,180,476	1,153,287
Other Bulk Liquids	-	16,467,126	16,075,389	15,608,938	15,722,453	14,581,806	14,533,153	15,031,305	14,119,759	14,327,140
Total	94,292,335	102,391,849	106,237,408	122,170,429	159,713,040	167,251,216	187,898,202	203,041,054	206,469,127	203,388,644

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

Port Commerce By Commodity
Last Ten Years

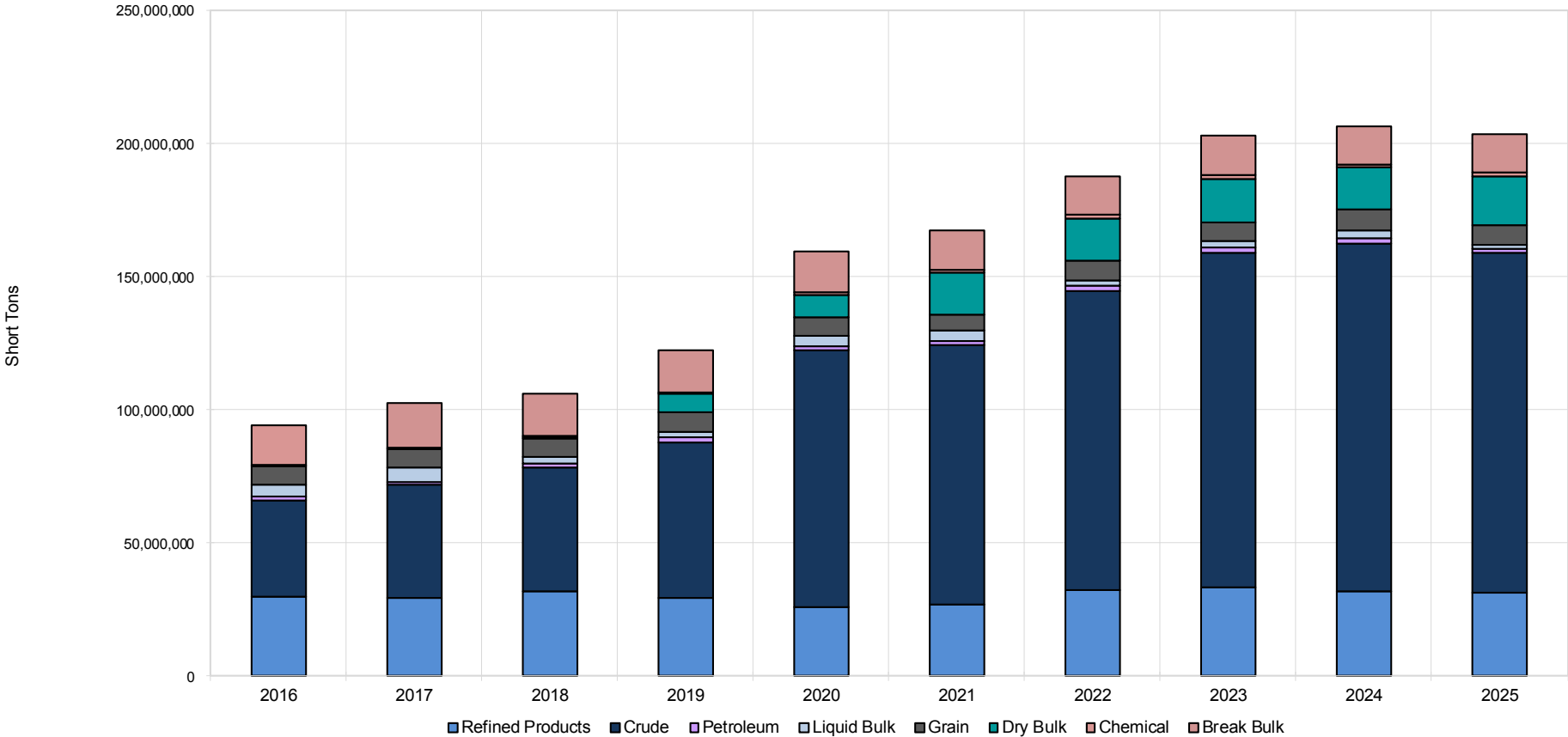


TABLE 7 (Unaudited)

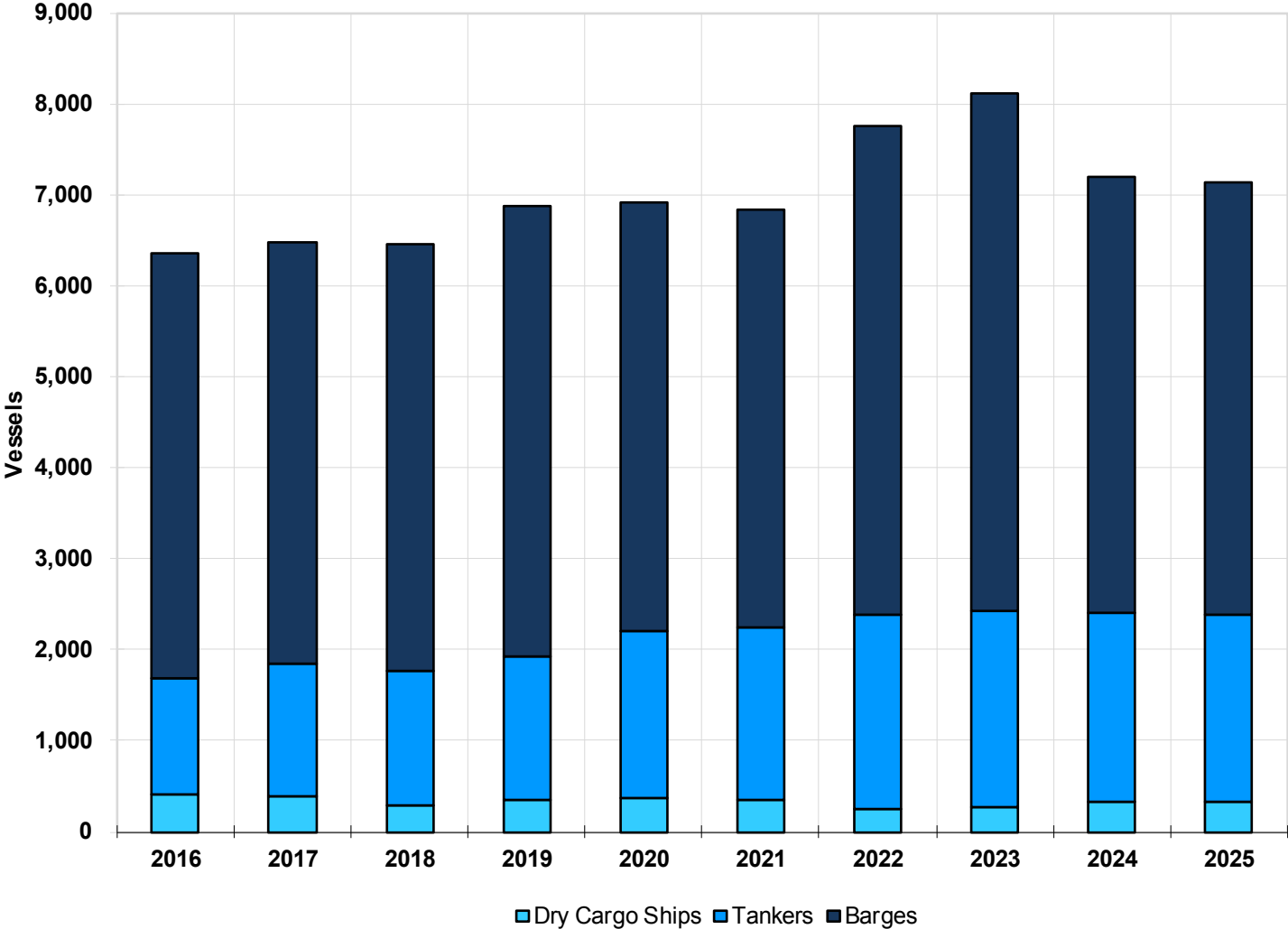
**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Vessel Traffic
Last Ten Years**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Inner Harbor										
Ships										
Dry Cargo	293	280	200	228	202	197	183	185	241	225
Tankers	1,039	1,110	1,151	1,140	1,160	1,068	1,187	1,157	1,092	1,039
Barges	4,478	4,153	4,304	4,452	4,288	4,056	4,555	5,067	4,217	3,973
Total Vessels	5,810	5,543	5,655	5,820	5,650	5,321	5,925	6,409	5,550	5,237
La Quinta Harbor										
Ships										
Dry Cargo	88	102	70	67	103	102	59	66	59	65
Tankers	140	167	136	249	255	350	407	431	405	426
Barges	80	346	321	398	362	478	736	481	291	257
Total Vessels	308	615	527	714	720	930	1,202	978	755	748
Harbor Island										
Ships										
Dry Cargo	-	-	4	48	41	59	12	11	38	35
Tankers	-	-	-	-	1	-	1	4	11	7
Barges	-	-	-	8	5	10	6	10	23	39
Total Vessels	-	-	4	56	47	69	19	25	72	81
Ingleside Harbor										
Ships										
Dry Cargo	35	12	19	4	17	1	-	-	-	-
Tankers	89	169	185	198	422	467	539	568	557	586
Barges	124	142	75	81	52	55	47	130	270	468
Total Vessels	248	323	279	283	491	523	586	698	827	1,054
Rincon Point										
Barges	-	1	2	-	1	-	21	1	1	10
Total Vessels	-	1	2	-	1	-	21	1	1	10
Total										
Ships										
Dry Cargo	416	394	293	347	363	359	254	262	338	325
Tankers	1,268	1,446	1,472	1,587	1,838	1,885	2,134	2,160	2,065	2,058
Barges	4,682	4,642	4,702	4,939	4,708	4,599	5,365	5,689	4,802	4,747
Total Vessels	6,366	6,482	6,467	6,873	6,909	6,843	7,753	8,111	7,205	7,130

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

Vessel Traffic
Last Ten Years



**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**
**Tariff Rates
Last Ten Years**

	U/M	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Wharfage Rates											
All Cargo NOS	W/M	\$3.3900	\$3.4500	\$3.5800	\$3.6500	\$3.7200	\$3.7200	\$3.8200	\$3.9500	\$3.9500	\$4.0700
Dry Bulk	S/T	\$1.4000	\$1.4300	\$1.4800	\$1.5100	\$1.5400	\$1.5400	\$1.5800	\$1.6400	\$1.6400	\$1.6900
Liquid Bulk	BRL	\$0.0987	\$0.1005	\$0.1041	\$0.1061	\$0.1084	\$0.1084	\$0.1112	\$0.1151	\$0.1151	\$0.1186
Beans, Lentils & Peas	S/T	\$0.6700	\$0.6900	\$0.7100	\$0.7200	\$0.7400	\$0.7400	\$0.7600	\$0.7900	\$0.7900	\$0.8100
Cotton	Bale	\$0.6000	\$0.6100	\$0.6300	\$0.6600	\$0.6600	\$0.6600	\$0.6800	\$0.7000	\$0.7000	\$0.7200
Grain and Grain Products	S/T	\$1.5500	\$1.5700	\$1.6400	\$1.6700	\$1.7100	\$1.7100	\$1.7500	\$1.8100	\$1.8100	\$1.8600
Grain and Grain Products (bulk)	S/T	\$0.3100	\$0.3200	\$0.3300	\$0.3400	\$0.3500	\$0.3500	\$0.3600	\$0.3700	\$0.3700	\$0.3800
Iron and Steel Articles	S/T	\$2.2100	\$2.2500	\$2.3300	\$2.3800	\$2.4300	\$2.4300	\$2.4900	\$2.5800	\$2.5800	\$2.6600
Machinery, agricultural	S/T	\$3.3900	\$3.4500	\$3.5800	\$3.6500	\$3.7200	\$3.7200	\$3.8200	\$3.9500	\$3.9500	\$4.0700
Machinery, grading, earth moving	S/T	\$3.3900	\$3.4500	\$3.5800	\$3.6500	\$3.7200	\$3.7200	\$3.8200	\$3.9500	\$3.9500	\$4.0700
Military Cargo	S/T	\$6.3900	\$6.5200	\$6.7600	\$6.8900	\$7.0400	\$7.0400	\$7.2200	\$7.4700	\$7.4700	\$7.6900
Milk, dehydrated	S/T	\$1.8000	\$1.8300	\$1.9000	\$1.9400	\$1.9800	\$1.9800	\$2.0300	\$2.1000	\$2.1000	\$2.1600
Passengers	Person	\$6.1700	\$6.2800	\$6.5100	\$6.6400	\$6.7800	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
Power Generation/Plant Equipment	S/T	\$3.3900	\$3.4500	\$3.5800	\$3.6500	\$3.7200	\$3.7200	\$3.8200	\$3.8200	\$3.8200	\$3.9300
Refrigerated Cargo	S/T	-	-	-	-	-	-	-	-	-	-
Rice and Rice Products	S/T	\$1.5500	\$1.6900	\$1.7500	\$1.7900	\$1.8200	\$1.8200	\$1.8700	\$1.9400	\$1.9400	\$2.0000
Sand, aggregates, caliche, limestone	S/T	\$1.4000	\$1.4300	\$1.4800	\$1.5100	\$1.5400	\$1.5400	\$1.5800	\$1.6400	\$1.6400	\$1.6900
Vegetable oil	S/T	\$1.5000	\$1.5200	\$1.5800	\$1.6100	\$1.6400	\$1.6400	\$1.6800	\$1.7400	\$1.7400	\$1.7900
Vehicles	S/T	\$5.8500	\$5.9600	\$6.1800	\$6.3000	\$6.4300	\$6.4300	\$6.6000	\$6.8300	\$6.8300	\$7.0300
Vessels, pressure	S/T	\$4.2000	\$4.2800	\$4.4300	\$4.5200	\$4.6200	\$4.6200	\$4.7400	\$4.9100	\$4.9100	\$5.0600
Dockage Rates											
General Cargo											
Vessels											
0-199	Feet	\$2.81	\$2.86	\$2.97	\$3.02	\$3.09	\$3.09	\$3.17	\$3.28	\$3.28	\$3.38
200-399	Feet	\$3.70	\$3.75	\$3.90	\$3.97	\$4.06	\$4.06	\$4.16	\$4.31	\$4.31	\$4.44
400-499	Feet	\$5.21	\$5.31	\$5.50	\$5.60	\$5.73	\$5.73	\$5.88	\$6.09	\$6.09	\$6.27
500-599	Feet	\$7.01	\$7.15	\$7.41	\$7.55	\$7.72	\$7.72	\$7.92	\$8.20	\$8.20	\$8.45
600-699	Feet	\$8.03	\$8.17	\$8.48	\$8.64	\$8.83	\$8.83	\$9.06	\$9.38	\$9.38	\$9.66
700-799	Feet	\$10.35	\$10.52	\$10.91	\$11.12	\$11.36	\$11.36	\$11.65	\$12.06	\$12.06	\$12.42
800-899	Feet	\$12.47	\$12.69	\$13.15	\$13.41	\$13.70	\$13.70	\$14.05	\$14.54	\$14.54	\$14.98
900-999	Feet	\$14.89	\$15.16	\$15.71	\$16.01	\$16.36	\$16.36	\$16.78	\$17.37	\$17.37	\$17.89
1000-1099	Feet	-	-	-	\$20.90	\$21.35	\$21.35	\$21.90	\$22.66	\$22.66	\$23.34
Over 1100	Feet	-	-	-	\$25.79	\$26.35	\$26.35	\$27.03	\$27.97	\$27.97	\$28.81
Barges - Inland Waterway	Feet	\$157.93	\$157.93	\$166.61	\$169.84	\$173.51	\$173.51	\$177.99	\$177.99	\$177.99	\$183.33
Bulk Terminal	GRT	\$0.49	\$0.50	\$0.52	\$0.53	\$0.53	\$0.54	\$0.55	\$0.57	\$0.57	\$0.59
Liquid Bulk											
Vessels											
Barges	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
0-200 Feet	Barge	\$157.93	\$160.77	\$166.61	\$169.84	\$173.51	\$173.51	\$177.99	\$184.20	\$184.20	\$189.73
201-361 Feet	Barge	\$236.90	\$241.16	\$249.91	\$254.76	\$260.27	\$260.27	\$266.98	\$276.30	\$276.30	\$284.59
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	\$1,446.00	\$1,446.00	\$1,477.23	\$1,477.23	\$1,515.34	\$1,568.23	\$1,568.23	\$1,615.28
Barges	Barge	\$132.00	\$132.00	\$166.00	\$166.00	\$169.59	\$169.59	\$173.97	\$180.04	\$180.04	\$185.44
Security Surcharge Fee ¹											
		7.5%	7.5%	10.0%	10.0%	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

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**
**Ten Largest Customers
December 31, 2025 and 2016**
**WHARFAGE and DOCKAGE REVENUE:
(by billed counterparty)**

Customer	2025			2016		
	Wharfage and Dockage Revenue	Rank	%	Wharfage and Dockage Revenue	Rank	%
Enbridge Ingleside Energy Center LLC	\$ 24,741,091	1	17.00%	\$ -		
South Texas Gateway Terminal	14,347,566	2	9.86%	-		
Corpus Christi Liquefaction	14,121,945	3	9.70%	-		
Valero	11,875,483	4	8.16%	9,331,500	1	17.18%
Max Shipping, Inc.	9,340,607	5	6.42%	2,063,984	7	3.80%
POTAC LLC	6,707,707	6	4.61%	-		
Citgo	6,536,625	7	4.49%	7,633,707	2	14.06%
Buckeye Texas Hub LLC	6,358,657	8	4.37%	4,135,172	4	7.61%
Arcelormittal Texas HBI, LLC	4,055,051	9	2.79%	-		
Moran Shipping Agencies	3,311,953	10	2.28%	1,494,665	9	2.75%
Flint Hills Resources	-			5,403,717	3	9.95%
Martin Operating	-			2,634,544	5	4.85%
NuStar Logistics	-			2,618,538	6	4.82%
GE Energy Logistics	-			1,650,918	8	3.04%
Biehl & Company	-			1,421,269	10	2.62%
Subtotal (10 largest)	101,396,685		69.68%	38,388,014		70.69%
Other	44,117,904		30.32%	15,919,823		29.31%
Total	\$ 145,514,589		100.00%	\$ 54,307,837		100.00%

TONNAGE:

Customer	2025			2016		
	Tonnage	Rank	%	Tonnage	Rank	%
Enbridge Ingleside Energy Center LLC	\$ 59,024,117	1	29.02%	\$ -		
South Texas Gateway Terminal	34,133,101	2	16.78%			
Valero	19,555,161	3	9.61%	22,655,008	2	24.03%
Corpus Christi Liquefaction	18,567,174	4	9.13%			
Citgo	15,327,516	5	7.54%	23,238,335	1	24.64%
Buckeye Texas Hub LLC	14,134,822	6	6.95%	11,123,933	4	11.80%
POTAC LLC	8,218,324	7	4.04%			
EPIC Corpus Christi Marine Terminal	4,514,994	8	2.22%			
Arcelormittal Texas HBI, LLC	4,297,540	9	2.11%			
Eagle Ford Terminals Corpus Christi LLC	4,247,803	10	2.09%			
Flint Hills Resources	-			11,753,018	3	12.46%
NuStar Logistics	-			4,888,198	5	5.18%
Martin Operating	-			3,600,643	6	3.82%
ADM/Gromark River System, Inc.	-			2,285,602	7	2.42%
Sherwin Alumina Company LP	-			2,267,677	8	2.40%
Occidental Chemical Corp.	-			2,095,329	9	2.22%
Interstate Grain Port Terminal	-			1,883,412	10	2.00%
Subtotal (10 largest)	182,020,552		89.49%	85,791,155		90.98%
Other	21,368,092		10.51%	8,501,180		9.02%
Total	203,388,644		100.00%	94,292,335		100.00%

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Ratios of Outstanding Debt
Last Ten Years**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue Bonds	\$ 110,640,000	\$ 106,245,000	\$ 309,325,000	\$ 304,795,000	\$ 298,160,000	\$ 289,580,000	\$ 280,710,000	\$ 271,535,000	\$ 262,025,000	\$ 252,160,000
Bond Premium	-	-	17,117,024	16,243,611	15,370,382	14,497,153	13,644,786	12,804,380	11,979,931	11,172,324
Subscription based IT arrangements	-	-	-	-	-	-	-	586,768	2,025,715	1,416,481
Total Outstanding Debt	\$ 110,640,000	\$ 106,245,000	\$ 326,442,024	\$ 321,038,611	\$ 313,530,382	\$ 304,077,153	\$ 294,354,786	\$ 284,926,148	\$ 276,030,646	\$ 264,748,805
Per Capita	\$ 2,736	\$ 2,500	\$ 7,474	\$ 7,112	\$ 6,721	\$ 5,667	\$ 5,360	\$ 5,064	\$ 4,674	\$ 4,511
Percent of Personal Income	0.64%	0.58%	1.74%	1.66%	1.57%	1.38%	1.23%	1.20%	1.10%	0.98%

Details regarding the Authority's outstanding debt can be found in Note 8 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			Coverage
				Principal	Interest	Total	
2016	84,052,194	42,151,256	41,900,938	4,360,000	4,139,948	8,499,948	4.93
2017	97,336,565	44,329,786	53,006,779	4,395,000	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
2024	214,615,780	100,190,465	114,425,315	9,510,000	12,591,340	22,101,340	5.18
2025	221,294,101	97,723,714	123,570,387	9,865,000	12,237,807	22,102,807	5.59

(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**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Population (1)	423,993	422,659	422,025	421,457	422,214	422,931	421,628	422,949	450,187	459,271
Personal Income-(in thousands) (1)	\$17,306,234	\$18,114,539	\$18,548,158	\$19,645,110	\$20,546,865	\$22,692,011	\$23,154,024	\$23,796,989	\$26,226,376	\$26,956,256
Per Capita Personal Income (1)	\$40,817	\$42,859	\$43,950	\$46,612	\$48,665	\$53,654	\$54,916	\$56,264	\$58,257	\$58,694
Unemployment rate (2)	5.90%	5.80%	4.90%	4.30%	9.28%	7.49%	5.36%	4.53%	4.43%	4.41%

Source:

(1) Estimates of population from the Bureau of Economic Analysis

Information from 2016 to 2023 obtained for the Corpus Christi, TX Metropolitan Statistical Area consisting of Aransas, Nueces and San Patricio counties

Information for 2024 obtained for Aransas, Nueces and San Patricio counties individually, and then combined

(2) Bureau of Labor Statistics

TABLE 13 (Unaudited)

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Principal Employers
December 31, 2025 and 2016**

Employer	2025			2016		
	Number of Employees	Rank	Percent of Total MSA Employment	Number of Employees	Rank	Percent of Total MSA Employment
CHRISTUS Spohn Health Services	7,866	1	3.83%	5,144	3	1.98%
Naval Air Station Corpus Christi	5,952	2	2.90%	2,827	6	1.09%
Corpus Christi ISD	5,795	3	2.82%	5,178	2	1.99%
City of Corpus Christi	3,062	4	1.49%	3,171	5	1.22%
Driscoll Children's Hospital	2,609	5	1.27%	1,800	9	0.69%
Texas A&M University - CC	2,363	6	1.15%			
AEP Texas	2,133	7	1.04%			
Nueces County	2,031	8	0.99%			
Corpus Christi Army Depot	1,700	9	0.83%	5,800	1	2.23%
Bay, Ltd	1,700	10	0.83%	2,100	8	0.81%
HEB				5,000	4	1.92%
Keiwit Offshore Service				2,200	7	0.85%
Del Mar College				1,542	10	0.59%
Total	35,211		17.76%	34,762		13.37%

Source:

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

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Employees by Function
Last Ten Years**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operations:										
Bulk Terminal Facility	21	22	22	22	20	17	13	13	14	14
Harbormaster's Office	10	10	10	10	10	10	10	10	10	10
Maintenance	44	45	42	46	48	44	45	44	40	36
Police Department	48	49	47	54	56	56	63	71	73	77
	123	126	121	132	134	127	131	138	137	137
Administration:										
Chief Executive Officer	-	-	2	2	2	3	4	2	2	2
Executive Director	3	3	3	-	-	-	-	-	-	-
Chief Operating Officer	2	2	1	2	2	2	2	2	3	2
Chief Commercial Officer	2	2	3	-	-	-	-	-	-	-
Chief External Affairs Officer	-	-	1	2	3	3	2	2	2	2
Chief Financial Officer	1	3	3	2	2	3	2	1	1	1
Chief Strategy & Sustainability Officer	-	-	-	-	-	-	1	1	1	1
Chief Talent Officer	-	-	-	-	-	1	1	1	1	1
Asset Management	-	-	-	-	-	-	-	-	-	6
Planning	-	-	3	4	5	4	5	5	5	6
Government Affairs	1	1	2	2	2	2	2	2	2	2
Human Resources	6	6	7	6	6	5	4	7	8	9
Commercial & Business Development	5	5	3	1	3	3	5	5	5	5
Communications & Community Relations	6	5	7	8	7	7	10	13	11	11
Property & Industrial Development	4	4	4	5	5	5	5	5	5	5
Finance & Accounting	10	12	13	16	20	16	17	18	16	17
Compliance & Assurance	3	3	2	4	3	3	5	6	6	6
Risk Management	2	2	3	3	3	3	3	2	2	1
Safety Management	2	2	2	2	4	3	2	2	3	3
Emergency Management	1	1	1	2	3	3	3	3	3	3
Information Technology	13	12	12	14	14	14	17	18	16	19
Engineering	20	20	18	18	19	19	18	21	20	23
Environmental Planning & Compliance	4	5	6	9	10	10	8	9	7	8
Operations	1	4	4	6	5	6	8	8	10	6
	86	92	98	106	116	115	124	133	129	139
	209	218	219	238	250	242	255	271	266	276

Source:

Employee information obtained from The Authority's Human Resource Department

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**
**Capital Asset Statistics
Last Ten Years**

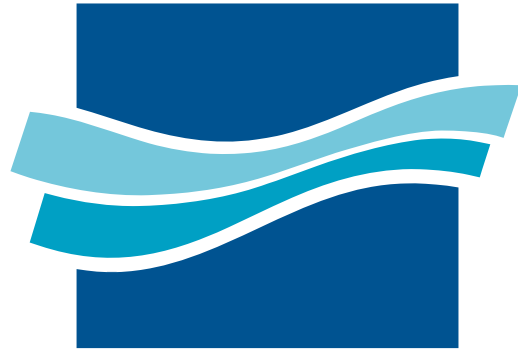
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Harbor divisions	6	6	6	6	6	6	6	6	6	6
Turning basins	7	7	7	7	7	7	7	7	7	7
Corpus Christi Ship Channel (miles)	37	37	37	37	37	37	37	37	37	37
Authorized channel draft (feet)	54	54	54	54	54	54	54	54	54	54
General cargo docks	7	7	8	8	9	9	9	9	9	9
Covered docks	3	3	3	3	3	3	3	3	3	3
Open docks	4	4	5	5	6	6	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	5	5	5
Roll-on/ Roll-off ramps	1	1	1	1	1	1	1	1	1	1
Liquid bulk docks	13	13	15	15	15	15	16	16	16	17
Ship	7	7	8	8	8	8	10	10	10	10
Barge	6	6	7	7	7	7	6	6	6	7
Bulk material docks	2	2	2	2	2	2	2	2	2	2
Unloading Crane	1	1	1	1	1	1	1	1	2	2
Unloading rate per hour (short tons)	600	600	600	600	1,200	1,200	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	2	2	2	2	2	5	5	5	5
Intermodal terminal	1	1	1	1	1	1	1	1	1	1
Open storage (acres)	35	35	35	35	50	50	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)	18,062	18,062	18,062	18,062	18,062	18,062	18,062	18,062	18,062	18,143
Emerged (acres)	7,383	7,384	10,379	10,379	10,379	11,841	12,462	13,263	13,884	14,670
Dredge Placement Areas	4,974	4,974	5,391	5,391	5,391	5,391	5,391	5,391	5,391	5,594
Open storage/development (acres)	2,409	2,410	2,410	2,410	2,410	2,410	2,410	2,410	2,410	2,428
Railroads										
Railway (miles)	48	58	58	60	60	60	62	66	70	70
Security Command Center	1	1	1	1	1	1	1	1	1	1

Source:

Various Authority departments

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**
**Schedule of Insurance in Force
December 31, 2025**

Details of Coverage	Policy Period	Deductible	Liability Limits
All Risk Property	04/01/25-2026	\$100,000/\$4,000,000	\$125,000,000
Active Shooter	10/01/25-2026	-	\$2,000,000
Active Shooter, Property Damage Coverage	10/01/25-2026	-	\$2,000,000
Auto Physical Damage	10/01/25-2026	500/10,000	Per Schedule
Boiler and Machinery	10/01/25-2026	\$25,000	\$100,000
Business Auto Liability	10/01/25-2026	\$5,000	\$1,000,000
Cyber Liability	10/01/25-2026	\$100,000	\$3,000,000
Employee Fidelity (Crime) Bond	10/01/25-2026	\$25,000	\$1,000,000
Equipment/Machinery Breakdown	04/01/25-2026	\$25,000	\$100,000,000
Errors and Omissions Liability	10/01/25-2026	\$50,000	5,000,000/10,000,000
Federal Flood Insurance	Varies	\$1,250	Varies
Firebarge, Boats & Motors	10/01/25-2026	\$25,000	\$14,710,213
Foreign Liability	10/01/25-2026	-	1,000,000/2,000,000/4,000,000
General Liability/Marine	10/01/25-2026	\$50,000	\$10,000,000
Law Enforcement Liability	10/01/25-2026	\$10,000	5,000,000/10,000,000
Mobile Equipment	10/01/25-2026	\$1,000	\$4,647,229
Pollution Liability	10/01/25-2026	\$10,000	1,000,000/2,000,000
Public Officials Bonds (8)	Varies	-	\$5,000
Terrorism	04/01/25-2026	\$10,000	\$125,000,000
Workers' Compensation	12/31/25 -2026	-	Statutory/1,000,000



PORT**CORPUSCHRISTI**®

» CONTINUING BOND DISCLOSURE



Military Sealift Command's Vessel, the Red Cloud, docked at the Port of Corpus Christi Cargo Dock 8 on February 14, 2025. In 2003, the Red Cloud was deployed to transport U.S. Army vehicles to Kuwait to support Operation Iraqi Freedom.



**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**
**Projected Operating Results and
Debt Service Coverage Ratio
Next Four Years**

	2026	2027	2028	2029
Operating Revenues:				
Wharfage	\$ 136,398,159	\$ 136,398,159	\$ 136,398,159	\$ 143,218,067
Dockage	33,284,085	33,284,085	33,284,085	34,948,289
Security	22,186,020	22,186,020	22,186,020	23,295,321
Material & Freight handling	11,816,132	11,816,132	11,816,132	12,406,939
Rail charges	4,547,892	4,547,892	4,547,892	4,775,287
Building and land rentals	22,173,147	23,718,710	23,718,710	23,718,710
Conference center services	1,353,000	1,353,000	1,353,000	1,420,650
FTZ user fees	205,000	205,000	205,000	205,000
Dredge placement fees	1,000,000	1,000,000	1,000,000	1,000,000
Other revenue	1,912,169	1,912,169	1,912,169	2,007,777
Total Operating Revenues	234,875,604	236,421,167	236,421,167	246,996,040
Operating Expenses:				
Total Operating Expenses	108,910,176	108,910,176	108,910,176	112,177,481
Other Revenues (Expenses):				
Investment Income, excluding proceeds on debt and funds reserved for debt service	10,000,000	6,000,000	4,500,000	4,125,000
Total Other Revenues (Expenses) available for debt service	10,000,000	6,000,000	4,500,000	4,125,000
Net Operating Revenues Available for Debt Service	\$ 135,965,428	\$ 133,510,991	\$ 132,010,991	\$ 138,943,559
Debt Service-Prior Lien	8,499,250	8,500,912	8,501,049	8,498,426
Debt Service-Senior Lien	13,603,560	13,599,527	13,605,616	13,600,855
Total Debt Service	\$ 22,102,810	\$ 22,100,439	\$ 22,106,665	\$ 22,099,281
Prior Lien Bond Debt Service Coverage	16.00	15.71	15.53	16.35
Total Bond Debt Service Coverage	6.15	6.04	5.97	6.29

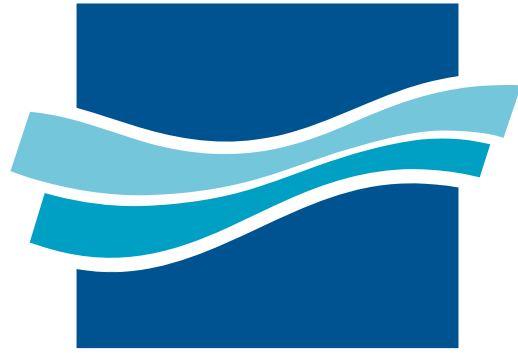
The table contains the Authority's projections for Gross Operating Revenues, Maintenance and Operating Expenses, Net Operating Revenues and debt service coverage for the fiscal years ending 2026 through 2029. The projections contained in the table are forward-looking statements. Readers should not place 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 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.

Port Commerce by Commodity (Table 6)	58
Revenues by Source (Table 2)	54
Expenses by Type (Table 3)	55
Leases (Footnote 6)	29
Changes in Net Position (Table 1)	53
Debt Service Requirements (Footnote 8)	29
Pledged Revenue Bond Coverage (Table 11)	65
Pension Plan Information (Footnote 9)	31
Current Investments (Footnote 2)	25



PORT**CORPUSCHRISTI**®

» SINGLE AUDIT SECTION



The center span of the iconic Harbor Bridge was lowered onto the Prometheus on October 30, 2025, after completion of the new US 181 Harbor Bridge Project.





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, 2025, 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 2, 2026.

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.

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

Houston, Texas

April 2, 2026



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 and State 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, 2025. 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, 2025.

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 and 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 Texas Grant Management Standards (TxGMS). Our responsibilities under those standards and 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 the 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 and 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 and 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 and 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

Houston, Texas

April 2, 2026

**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:

<p><u>Federal AL Number</u> 20.823</p>	<p><u>Name of Federal Program or Cluster</u> U.S. Department of Transportation Port Infrastructure Development Program</p>
<p><u>State Award Number</u> CJS9400-00-019 94MIP88007</p>	<p><u>Name of State Program</u> TXDOT – JFC Improvements at the ADM Exit TXDOT – Bulk Materials Terminal Facility</p>

Dollar threshold used to distinguish between Type A and Type B programs: \$1,000,000

Auditee qualified as low-risk auditee? Yes

**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**

Not applicable.

**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 #23	97.056	EMW-2023-PU-00592	\$ 1,111,630
Port Security Grant #24	97.056	EMW-2024-PU-05417	377,250
Total US Department of Homeland Security			<u>1,488,880</u>
US Environmental Protection Agency			
Passed through US Department of Treasury			
Gulf of Mexico (Gulf Trash Program)	66.475	MX-01D07420	10,477
Total US Environmental Protection Agency			<u>10,477</u>
US Department of Transportation			
Direct Program			
USDOT-MARAD-OD3 Avery Point	20.823	693JF72040031	4,168,493
Total US Department of Transportation			<u>4,168,493</u>
Total Federal Expenditures			<u>\$ 5,667,850</u>
Texas Department of Transportation			
JFC Improvements at the ADM Exit	NA	CSJ9400-00-019	\$ 779,081
Bulk Materials Terminal Facility	NA	94MIP88007	4,305,060
Total Texas Department of Transportation			<u>5,084,141</u>
Total State Expenditures			<u>\$ 5,084,141</u>

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 and State financial assistance received directly from Federal or State agencies and passed through other government agencies is included on the schedule.

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

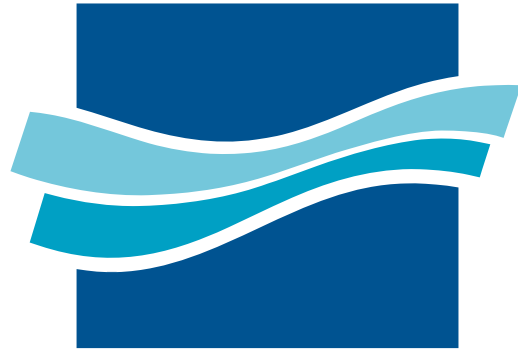
The Authority elected not to use the allowable de-minimis indirect cost rate of the year ended December 31, 2025.

Note 4. Subrecipients

The Authority did not pass through Federal and State assistance to any subrecipient during the year ended December 31, 2025.

Note 5. Non-Cash Awards

The Authority did not receive non-cash federal and state awards during December 31, 2025.



PORT**CORPUSCHRISTI**®





Tugboats directed the Very Large Crude Carrier, Hercules 1, into Ingleside on April 11, 2025.



PORT CORPUS CHRISTI®

Port of Corpus Christi Authority of Nueces County, TX