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Board of Directors
North East Texas Regional Mobility Authority

I have compiled the accompanying statement of net assets of the North East Texas Regional Mobility Authority (the Authority) and the related statements of revenues, expenses, and changes in net assets for the three months and seven months ended April 30, 2009, and cash flows for the seven months ended April 30, 2009, and the accompanying supplementary information contained in Schedules I and II, which are presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements and supplementary schedules, information that is the representation of the Authority's management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's net assets, revenues, expenses, changes in net assets and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to the North East Texas Regional Mobility Authority.

Michael Thomas CPA, P.C.

May 18, 2009

NET RMA
Statement of Net Assets
As of April 30, 2009

Assets			
Current Assets			
Cash		\$ 43,173	
Financial Assistance Receivable		<u>1,163,187</u>	
Total Current Assets			1,206,360
Fixed Assets			
Capital Assets			
Property Plant & Equipment, net			1,667
Construction Work In Process			
Loop 49 Program Implementation	\$ 325,947		
Loop 49 segment 5 - Engineering	1,937,460		
Loop 49 Segment 3a Design	2,219,527		
Loop 49 GEC Activities	1,198,491		
Loop 49 Project Director	94,055		
Total Construction Work in Process		<u>5,775,480</u>	
Total Capital Assets			<u>5,777,147</u>
Total Assets			<u><u>\$6,983,507</u></u>
Liabilities			
Current Liabilities			
Accounts Payable-FAA	\$1,160,759		
Accounts Payable-Other	<u>49,057</u>		
Total Current Liabilities			1,209,816
Long-term Liabilities			
Financial Assistance Payable	<u>6,289,845</u>		
Total Long-term Liabilities			<u>6,289,845</u>
Total Liabilities			7,499,661
Net Assets			
Beginning Balance		(471,925)	
Current Period		<u>(44,229)</u>	
Net Assets			<u>(516,154)</u>
Total Liabilities and Net Assets			<u><u>\$6,983,507</u></u>

See Accompanying Accountant's Compilation Report.

NET RMA
Statement of Revenues, Expenses, and Changes in Net Assets
For the Three Months and Seven Months Ended April 30, 2009

		<u>Period</u> <u>2/1/09-4/30/09</u>		<u>Year to Date</u> <u>10/1/08-4/30/09</u>
Revenue				
Contributions	\$ 1,500		\$ 23,500	
Total Revenue		1,500		23,500
 Expenses				
Accounting	1,631		2,463	
Auditing	6,500		11,500	
Legal-FAA	25,134		45,260	
Legal-NETRMA	371		667	
Depreciation	2,500		5,833	
Dues & Subscriptions	-		-	
Seminars and Conferences	75		75	
Board-Travel	226		674	
Office Supplies	-		-	
Surety Bonds	494		1,257	
Public Notices	-		-	
Postage Expense	-		-	
Printing and Copying	-		-	
Total Expenses		<u>36,931</u>		<u>67,729</u>
Change in Net Assets		<u>\$ (35,431)</u>		<u>\$ (44,229)</u>

See Accompanying Accountant's Compilation Report.

NET RMA
Statement of Cash Flows
For the Seven Months Ended April 30, 2009

Cash Flows From Operating Activities

From County Contributions	\$ 23,500	
To Pay Vendors	<u>(49,116)</u>	
Net Cash Flows From Operating Activities		\$ (25,616)

Cash Flows From Investing Activities

Construction in Progress	(1,087,881)	
Net Cash Flows From Investing Activities	<u>(1,087,881)</u>	(1,087,881)

Cash Flows From Financing Activities

Receipts from TXDOT Grant	1,137,516	
Net Cash Flows From Financing Activities	<u>1,137,516</u>	

Net Increase/(Decrease) in Cash and Cash Equivalents

24,019

Cash and Cash Equivalents, Beginning of Year

19,154

Cash and Cash Equivalents, End of Period

\$ 43,173

**Reconciliation of Operating Income to Net
Cash Provided by Operating Activities**

Change in Net Assets		\$ (44,229)
Adjustments to reconcile change in net assets to net cash provided/ used by operating activities		
Depreciation		5,833
Change in working capital		
Change in operating receivables and payables		<u>12,780</u>
Net Cash Flows From Operating Activities		<u><u>\$ (25,616)</u></u>

See Accompanying Accountant's Compilation Report.

Supplementary Information

NET RMA
Construction Budget to Actual Comparison
October 1, 2008 - April 30, 2009

	<u>Annual Budget</u>	<u>Budget YTD</u>	<u>Actual YTD</u>
Financial Assistance Agreement	<u>\$ 6,361,834</u>	<u>\$ 3,711,070</u>	<u>\$ 1,687,608</u>
Postage and Delivery	\$ -	\$ -	\$ -
Printing and Copying	-	-	-
Annual Report	-	-	-
Marketing	-	-	-
Project Director	30,000	17,500	36,503
Legal Fees	150,000	87,500	45,260
Website Operation	-	-	-
Engineering	6,176,834	3,603,153	1,586,883
Public Involvement	<u>5,000</u>	<u>2,917</u>	<u>-</u>
Total Expenditures	<u><u>\$ 6,361,834</u></u>	<u><u>\$ 3,711,070</u></u>	<u><u>\$ 1,668,646</u></u>

See Accompanying Accountant's Compilation Report.

NET RMA
Change in Net Assets Budget to Actual Comparison
October 1, 2008 - April 30, 2009

	Annual Budget	YTD Budget	YTD Actual
Revenue			
Contributions	\$ 25,000	\$ 14,583	\$ 23,500
Total Revenue	<u>25,000</u>	<u>14,583</u>	<u>23,500</u>
Expenses			
Accounting	4,000	2,333	2,463
Auditing	16,000	9,333	11,500
Legal-FAA	50,000	29,167	45,260
Legal-NETRMA	500	292	667
Depreciation	7,500	4,375	5,833
Dues & Subscriptions	1,000	583	
Travel-Conference hotels	4,000	2,333	75
Travel-mileage (Board)	6,000	3,500	674
Office Supplies	1,000	583	
Surety Bonds	2,400	1,400	1,257
Public Notices	250	146	-
Postage Expense	250	146	-
Printing and Copying	1,000	583	-
Total Expenses	<u>93,900</u>	<u>54,775</u>	<u>67,729</u>
Change in Net Assets	<u>\$ (68,900)</u>	<u>\$ (40,192)</u>	<u>\$ (44,229)</u>

See Accompanying Accountant's Compilation Report.