



Board of Directors  
North East Texas Regional Mobility Authority

We 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 two months and five months ended February 28, 2010, and cash flows for the five months ended February 28, 2010, 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. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

We have also compiled the accompanying annual budgets on the supporting schedules of the Authority for the year ended September 30, 2010, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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.

We are not independent with respect to the North East Texas Regional Mobility Authority.

*Barrett & Thomas, P.C.*

March 19, 2010

**NET RMA**  
**Statement of Net Assets**  
**As of February 28, 2010**

**Assets**

Current Assets			
Cash		\$ 287,410	
Financial Assistance Receivable		<u>592,681</u>	
Total Current Assets			880,091

Fixed Assets

Capital Assets			
Property Plant & Equipment, net		-	
Construction Work In Process			
Toll 49 Program Implementation	\$ 325,947		
Toll 49 Segment 5 - Engineering	1,937,460		
Toll 49 Segment 3a Design	2,679,001		
Toll 49 Segment 3b Design	1,727,411		
Toll 49 GEC Activities	1,969,812		
Toll 49 Project Director	195,372		
Total Construction Work in Process		<u>8,835,003</u>	
Total Capital Assets			<u>8,835,003</u>

**Total Assets** \$9,715,094

**Liabilities**

Current Liabilities			
Accounts Payable-FAA	\$ 600,294		
Accounts Payable-Other	<u>61,993</u>		
Total Current Liabilities			662,287
Long-term Liabilities			
Financial Assistance Payable	<u>9,605,468</u>		
Total Long-term Liabilities		<u>9,605,468</u>	
<b>Total Liabilities</b>			10,267,755

**Net Assets**

Beginning Balance	(540,964)		
Current Period	<u>(11,697)</u>		
<b>Net Assets</b>			<u>(552,661)</u>
<b>Total Liabilities and Net Assets</b>			<u><u>\$9,715,094</u></u>

See Accompanying Accountants' Compilation Report.

**NET RMA**  
**Statement of Revenues, Expenses, and Changes in Net Assets**  
**For the Two Months and Five Months Ended February 28, 2010**

		<u>Period</u> 1/1/10-2/28/10		<u>Year to Date</u> 10/1/09-2/28/10
<b>Revenue</b>				
Contributions	\$ 4,000		\$ 36,000	
Rusk County Interlocal	<u>111,072</u>		<u>111,072</u>	
<b>Total Revenue</b>		115,072		147,072
<b>Expenses</b>				
Accounting	3,444		3,444	
Auditing	15,500		18,000	
Legal-FAA	75,195		120,751	
Legal-NETRMA	6,669		14,391	
Loop 571 Expense-Rusk County	-		698	
Depreciation	-		-	
Dues & Subscriptions	-		-	
Seminars and Conferences	-		100	
Board-Travel	-		174	
Office Supplies	-		-	
Surety Bonds	100		1,200	
Public Notices	-		-	
Postage Expense	-		11	
Printing and Copying	<u>-</u>		<u>-</u>	
<b>Total Expenses</b>		<u>100,908</u>		<u>158,769</u>
<b>Change in Net Assets</b>		<u>\$ 14,164</u>		<u>\$ (11,697)</u>

See Accompanying Accountants' Compilation Report.

**NET RMA**  
**Statement of Cash Flows**  
**For the Five Months Ended February 28, 2010**

**Cash Flows From Operating Activities**

From County Contributions	\$ 147,072	
To Pay Vendors	(153,144)	
Net Cash Flows From Operating Activities	\$ (6,072)	

**Cash Flows From Investing Activities**

Construction in Progress	(2,153,936)	
Net Cash Flows From Investing Activities	(2,153,936)	

**Cash Flows From Financing Activities**

Receipts from TXDOT Grant	1,755,343	
Net Cash Flows From Financing Activities	1,755,343	

**Net Increase/(Decrease) in Cash and Cash Equivalents** (404,665)

**Cash and Cash Equivalents, Beginning of Year** 692,075

**Cash and Cash Equivalents, End of Period** \$ 287,410

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

Change in Net Assets		\$ (11,697)
Adjustments to reconcile change in net assets to net cash provided/ used by operating activities		
Depreciation		-
Change in working capital		
Change in operating receivables and payables		5,625
Net Cash Flows From Operating Activities		\$ (6,072)

See Accompanying Accountants' Compilation Report.

# Supplementary Information

**NET RMA**  
**Construction Budget to Actual Comparison**  
**October 1, 2009 - February 28, 2010**

	Annual Budget	Budget YTD	Actual YTD
Financial Assistance Agreement	\$ 3,882,267	\$ 1,617,611	\$ 1,755,343
Rusk County Interlocal	-	-	\$ 111,072
Total FAA & Interlocal	<u>3,882,267</u>	<u>1,617,611</u>	<u>1,866,415</u>
Postage and Delivery	\$ -	\$ -	\$ -
Printing and Copying	-	-	-
Annual Report	-	-	-
Marketing	-	-	-
Project Director-Toll 49	113,750	47,396	54,730
Project Director-Loop 571	45,000	18,750	-
Legal Services-Toll 49	497,727	207,386	120,751
Legal Services-Loop 571	45,000	18,750	698
Website Operation	-	-	-
Engineering-Toll 49	2,895,350	1,206,396	914,713
Engineering-Loop 571	280,440	116,850	-
Public Involvement	5,000	2,083	-
Total Expenditures	<u>\$ 3,882,267</u>	<u>\$ 1,617,611</u>	<u>\$ 1,090,892</u>

See Accompanying Accountants' Compilation Report.

**NET RMA**  
**Change in Net Assets Budget to Actual Comparison**  
**October 1, 2009 - February 28, 2010**

	Annual Budget	YTD Budget	YTD Actual
<b>Revenue</b>			
Contributions	\$ 36,000	\$ 15,000	\$ 36,000
Rusk County Interlocal	-	-	111,072
<b>Total Revenue</b>	<u>36,000</u>	<u>15,000</u>	<u>147,072</u>
<b>Expenses</b>			
Accounting	4,000	1,667	3,444
Auditing	19,000	7,917	18,000
Legal-FAA	497,727	207,386	120,751
Legal-NETRMA	500	208	14,391
Atlanta Project - Loop 571			698
Depreciation	-	-	-
Dues & Subscriptions	-	-	-
Seminars & Conferences	100	42	100
Travel-Conference hotels	1,000	417	174
Travel-mileage (Board)	-	-	-
Office Supplies	-	-	-
Surety Bonds	2,875	1,198	1,200
Public Notices	1,500	625	-
Postage Expense	-	-	11
Printing and Copying	-	-	-
<b>Total Expenses</b>	<u>526,702</u>	<u>219,459</u>	<u>158,769</u>
<b>Change in Net Assets</b>	<u>\$ (490,702)</u>	<u>\$ (204,459)</u>	<u>\$ (11,697)</u>

See Accompanying Accountants' Compilation Report.