

**GENERAL MEETING OF THE BOARD OF DIRECTORS  
OF THE NORTH EAST TEXAS  
REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 17-04**

WHEREAS, the North East Texas Regional Mobility Authority ("NET RMA") was created pursuant to the request of Gregg and Smith Counties and in accordance with provisions of the Transportation Code and the petition and approval process established in 43 Tex. Admin. Code § 26.1, *et seq.* (the "RMA Rules"); and

WHEREAS, the Board of Directors of the NET RMA has been constituted in accordance with the Transportation Code and the RMA Rules; and

WHEREAS, subsequent to the initial formation of the NET RMA the Counties of Cherokee, Rusk, Harrison, Upshur, Bowie, Panola, Titus, Van Zandt, Wood, and Kaufman joined the Authority and are represented on the Board of Directors; and

WHEREAS, section 370.261 of the Texas Transportation Code requires that the NET RMA file an annual report with the Commissioners Court of each county of the NET RMA not later than March 31 following the conclusion of the preceding fiscal year; and

WHEREAS, the NET RMA Executive Director has provided the Board of Directors with the proposed final draft of the NET RMA Annual Report for Fiscal Year 2016, attached hereto as Attachment "A", for their approval.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the NET RMA hereby approves and adopts the NET RMA Annual Report for Fiscal Year 2016, attached hereto as Attachment "A"; and

BE IT FURTHER RESOLVED, that the Chair or her designee is authorized to file the Annual Report with the Commissioners Court of each county of the NET RMA in accordance with section 370.261 of the Texas Transportation Code.

Adopted by the Board of Directors of the North East Texas Regional Mobility Authority on the 14th day of February, 2017.

Submitted and reviewed by:



C. Brian Cassidy  
General Counsel for the North East  
Texas Regional Mobility Authority

Approved:



Linda Ryan Thomas  
Chair, Board of Directors  
Date Passed 2/14/17





# 2016 ANNUAL REPORT







# TABLE OF CONTENTS

<i>Board Chair Remarks</i>	<i>1</i>
<i>Executive Director Remarks</i>	<i>2</i>
<i>Board of Directors</i>	<i>3</i>
<i>Member Counties</i>	<i>4</i>
<i>What's an RMA?</i>	<i>5</i>
<i>Powers of an RMA</i>	<i>6</i>
<i>NET RMA Forging Ahead</i>	<i>7</i>
<i>Toll 49, Segment 4, Lindale Relief Route</i>	<i>8</i>
<i>NET RMA Hourglass Map</i>	<i>11</i>
<i>Toll 49 Usage</i>	<i>12</i>
<i>Status Updates</i>	<i>13</i>
<i>Priority Projects</i>	<i>14</i>
<i>Toll 49 Maintenance</i>	<i>15</i>
<i>Meet Our County Judges</i>	<i>17</i>
<i>Strategic Plan</i>	<i>20</i>
<i>2016 Financial Report</i>	<i>21</i>



# BOARD CHAIR REMARKS

**Linda Thomas**  
Chair



This summer, we broke ground on construction of Segment 4 which, when complete, will route traffic non-stop from SH110 South all the way to US69 north of Lindale. Segment 4 is set for completion in the summer of 2018.

We have also been able to provide some matching funds to Gregg County, a member county for a priority project in their area. We expect the Toll 49 project revenue to help fuel many additional transportation projects in the years ahead.

These are exciting times, and I am pleased to have the opportunity to play a part in improving transportation throughout North East Texas. Please join me as we work toward a brighter future for generations of East Texans.

Sincerely,

Linda Ryan Thomas  
Chair, NET RMA 2016

I am honored and very excited to be serving the NET RMA as Chair in these groundbreaking days in North East Texas. The NET RMA is moving forward with several projects that will help our economy, provide jobs to our region, and enhance our way of life in North East Texas.

In 2016, we hired our first full time Executive Director, and we are planning to add more staff in the months ahead. We are also working to obtain our first legitimate office space to house our employees and operations.



# EXECUTIVE DIRECTOR REMARKS

It has been an honor to be chosen as the first full-time Executive Director of the North East Texas Regional Mobility Authority, the NET RMA. I'm excited about helping the agency improve the quality of life of our constituents by creating and supporting infrastructure initiatives that will ultimately support economic development and increase safety in the East Texas Region.

The NET RMA has been in existence for over 12 years and has faced unprecedented change as it continues to improve the mobility of East Texas. In 2016 alone, the agency has experienced immense change, including the following:

## OPERATIONAL ENHANCEMENTS

- » Started construction on Segment 4 (Lindale Relief Route) of Toll 49
- » Conducted maintenance on Toll 49, while a new segment was constructed (first time this has happened since the 26-mile toll road opened in 2013)
- » Entered the second year of the much anticipated Priority Project Program
- » Partnered with local entities to move forward Segment 6, Toll 49 initiatives



**Chris Miller**  
Executive Director

- » Partnered with local entities to move forward connectivity of 1-20 to 1-30 and beyond

## ADMINISTRATIVE ENHANCEMENTS

- » Hired a full-time executive director
- » Budgeted to hire key new staff members in the 2016-2017 fiscal year
- » Signed a lease to move to the agency's own office spaces

Additionally I have accomplished the following since my hire date of July 1:

- » Visited with all County Judges, board members individually and also many economic development officials in the region
- » Conducted presentations to several County Commissioners' Courts Meetings about the progress at the NET RMA

As the agency works hand-in-hand with its board members and County Judges we will continue to focus on strategic, economic and practical mobility issues in the Region. I am proud of the past accomplishments of the NET RMA and look forward to continuing to help the agency grow and achieve even more in the years to come.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Miller".

**Chris Miller**  
Executive Director, NET RMA 2016





# BOARD OF DIRECTORS



**Gary Halbrooks**  
Vice Chair  
Smith County



**Dr. James Harris**  
Secretary  
Harrison County



**Robert Messer**  
Treasurer  
Kaufman County



**Robert Murray**  
Bowie County



**Dan Droege**  
Gregg County



**Keith Honey**  
Gregg County



**Dave Spurrier**  
Gregg County



**Walta Cooke**  
Panola County



**John Cloutier**  
Rusk County



**Barham Fulmer**  
Smith County



**Mike Thomas**  
Smith County



**Hudson Old**  
Titus County



**Larry Morse**  
Upshur County



**Bob Moore**  
Van Zandt County



**Jason Ray**  
Wood County

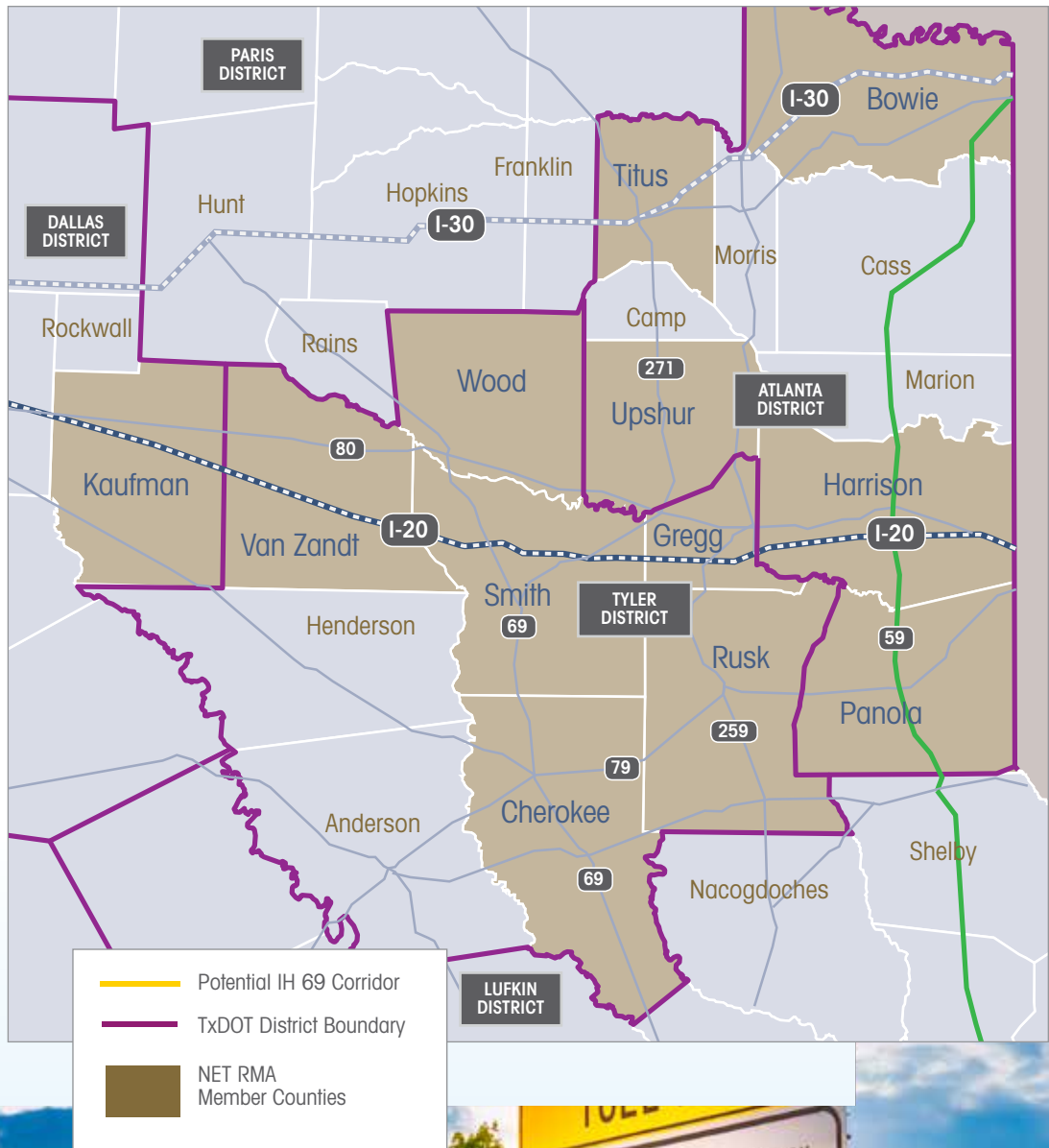
## *Mission:*

*The NET RMA, in cooperation with its regional partners, will provide solutions to expedite transportation and mobility projects that will improve the quality of life, enhance the regional economy and assure efficient mobility in the North East Texas Region.*



# MEMBER COUNTIES

*Bowie County*  
*Cherokee County*  
*Gregg County*  
*Harrison County*  
*Kaufman County*  
*Panola County*  
*Rusk County*  
*Smith County*  
*Titus County*  
*Upshur County*  
*Van Zandt County*  
*Wood County*



# WHAT'S AN RMA?

## *What is a Regional Mobility Authority?*

A Regional Mobility Authority (RMA) is a political subdivision formed by one or more counties or certain cities to finance, acquire, design, construct, operate, maintain, expand or extend transportation projects.

*(Texas Transportation Code, Chapter 370)*

Projects may be tolled or non-tolled.

## *Benefits of Creating an RMA*

- » Provides local governments more control in transportation planning
- » Helps build transportation projects sooner, bringing congestion relief faster
- » Improves mobility and increases safety for motorists
- » Generates revenue for additional transportation projects

## *Revenues Generated by an RMA*

*(Texas Transportation Code, Section 370.172)*

To support operations, revenue can be generated from several sources:

- » Tolls, fares or other charges from transportation projects
- » Proceeds from the sale or lease of a transportation project
- » Proceeds from the sale or lease of property adjoining a transportation project

## *Responsibilities of the Texas Transportation Commission*

*(Texas Transportation Code, Section 370.038)*

The state legislature gave the Texas Transportation Commission oversight of RMAs. Specifically, the Commission will:

- » Authorize creation of RMAs
- » Approve projects connecting to the state highway system or TxDOT rail facility

- » Establish the design and construction standards for projects connecting to the state highway system or rail facility
- » Establish minimum audit and reporting requirements and minimum ethical standards for directors and employees
- » Authorize RMAs to enter into contracts with Mexico
- » Approve addition or withdrawal of counties
- » Approve dissolution of an RMA
- » Approve RMA application for federal highway or rail funds

*\*Data acquired from the TxDOT publication, Regional Mobility Authorities: A Partnership for Progress.*





# POWERS OF AN RMA

## Develop a transportation project

- » Issue revenue bonds
- » Establish tolls
- » Acquire property for transportation projects
- » Use surplus revenue to finance other local transportation projects

- » Enter into a Comprehensive Development Agreement (CDA) for certain statutory authorized projects.
- » Apply for federal highway and rail funds
- » Enter into contracts with other governmental entities and Mexico
- » Apply for State Infrastructure Bank loans

- » Maintain a feasibility fund
- » Set speed and weight limits consistent with state guidelines
- » Enter into agreements with other governmental entities to develop a transportation project on behalf of that entity

## Eligible RMA Projects

(Title 43, Texas Administrative Code, Section 26.2 and Texas Transportation Code, Section 370.003)

		Design	Own	Acquire	Finance	Build	Maintain	Operate	Design	Own	Acquire	Finance	Build	Maintain	Operate
		TxDOT							RMA						
HIGHWAYS	Non-tolled Road	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	Toll Road	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
RAIL	Freight	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	High Speed	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	Commuter	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
TRANSIT	Regional Transit		▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	Bus								▲	▲	▲	▲	▲	▲	▲
OTHER MODES	Airports								▲	▲	▲	▲	▲	▲	▲
	Maritime Ports	▲			▲	▲			▲	▲	▲	▲	▲	▲	▲
	Ferry	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	GIWW	▲			▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	Pedestrian/Bicycle	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
	Conveyor Belts								▲	▲	▲	▲	▲	▲	▲
	Freight Shuttle	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
UTILITIES	Electric								▲	▲	▲	▲	▲	▲	▲
	Water								▲	▲	▲	▲	▲	▲	▲
	Cable/Telecom								▲	▲	▲	▲	▲	▲	▲
	Pipelines								▲	▲	▲	▲	▲	▲	▲
	Utility Adjustments				▲		▲		▲	▲	▲	▲	▲	▲	▲

\*Data acquired from the TxDOT publication, *Regional Mobility Authorities: A Partnership for Progress*.

# NET RMA FORGING AHEAD

The Authority has a rich history of accomplishments in the last 12 years. The board members were recruited and many counties in the East Texas region joined the visionary team. The passionate board of directors were instrumental in helping to build Toll 49. In 2013, the road connected to I-20 and transported travelers around the south and west sides of Tyler, quickly and efficiently. The agency

was thrilled when traffic counts continued to increase year after year.

Today, the NET RMA can attribute its growth to cost saving measures and hiring employees to work for the RMA directly, rather than staffing through contractors. The agency has experienced change, however, there is

one constant, the commitment of the Authority to improve transportation in all of North East Texas, making it a better place to live.





# TOLL 49, SEGMENT 4: LINDALE RELIEF ROUTE

## *Lindale Relief Route (Segment 4)*

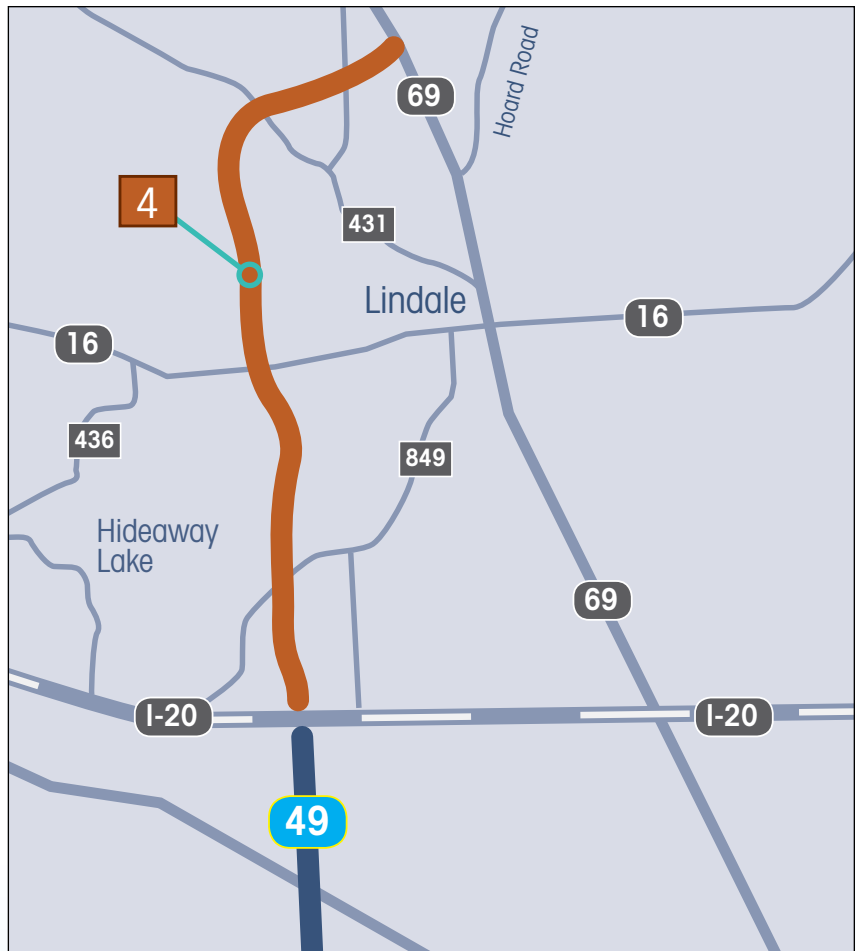
Construction start: July 2016

Length 6.7 miles

From: I-20

To: US 69 North of Lindale

Construction end: Summer 2018





## SEGMENT 4: CONSTRUCTION COMMENCES

Top: Close-up of drill rig and auger constructing drilled shafts at I-20.

Center left: Completed mass bridge columns for main overpass at I-20.

Center right: View of earthwork, pollution control fencing and drill rig at I-20.

Bottom: Conducting earthwork and forming additional mass bridge columns at I-20.





## SEGMENT 4: CONSTRUCTION COMMENCES



Top: Conducting earthwork.

Center left: Close-up of the roadway excavators on Segment 4.

Center right: Surveying the work.

Bottom: Excavators in action.





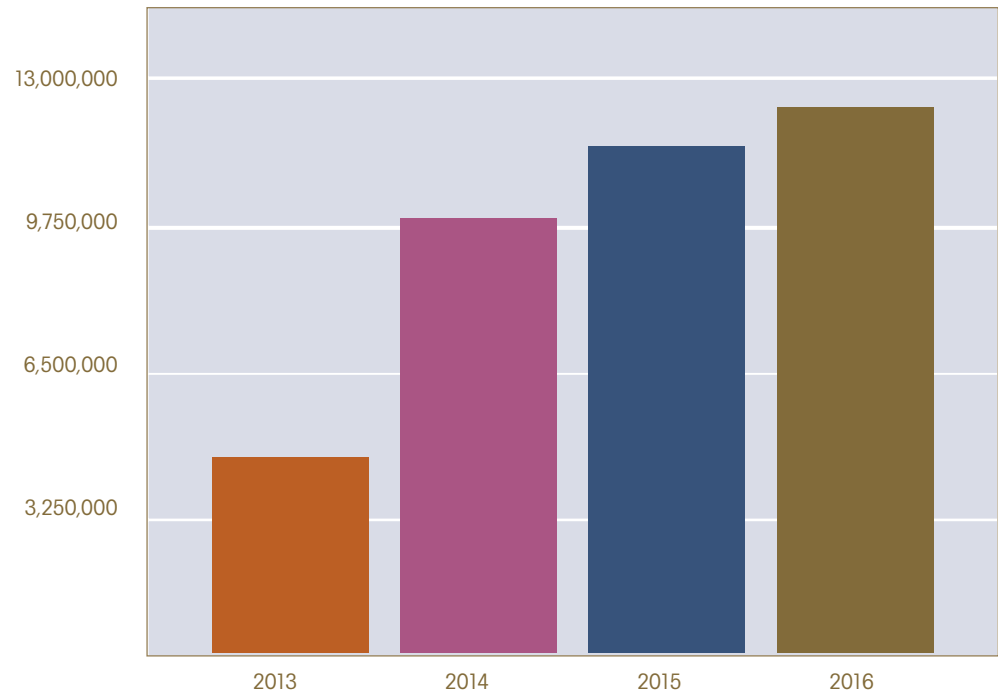
# EAST TEXAS HOURGLASS SYSTEM – TOLL 49



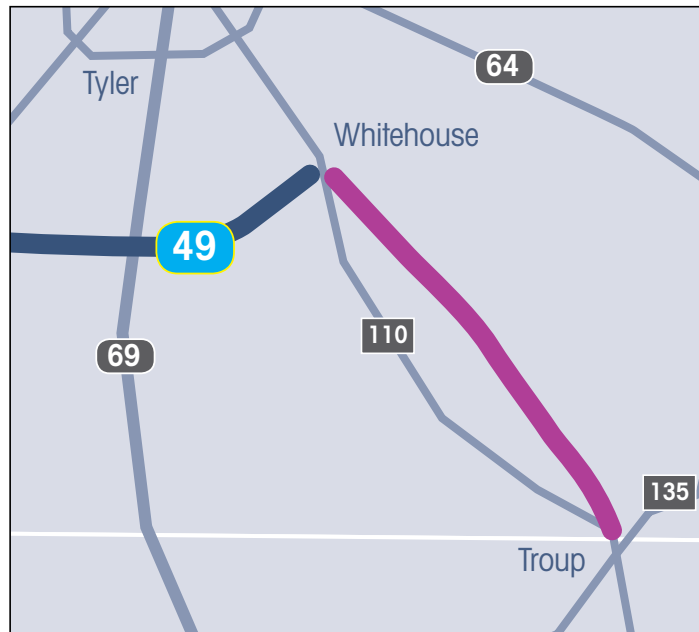


# TOLL 49 USAGE

*Annual Transactions*



## STATUS UPDATES



### *Union Pacific Abandoned Right of Way*

Status: Interlocal Agreement Signed

Location: from Whitehouse to Troup

Funding: Regional partnership between: Troup, Tyler, Smith County, Tyler Economic Development Corporation and TxDOT.

Next Steps: Close on the deal, followed by financial feasibility study



### *Smith County MMF*

Status: Software compatibility between transportation providers is complete and carriers can talk to each other through the software.

Partners: Tyler, Longview, ETCOG, & NDMJ

Software launched: May 2016

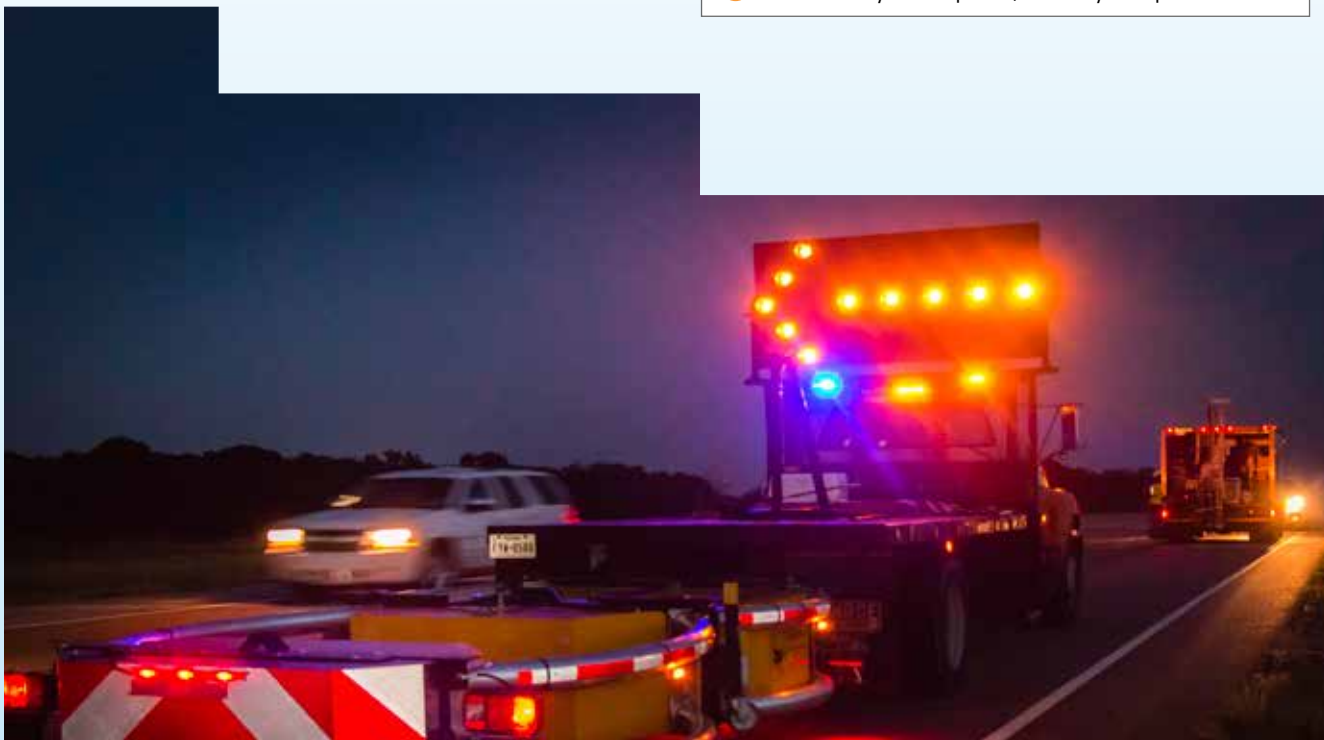
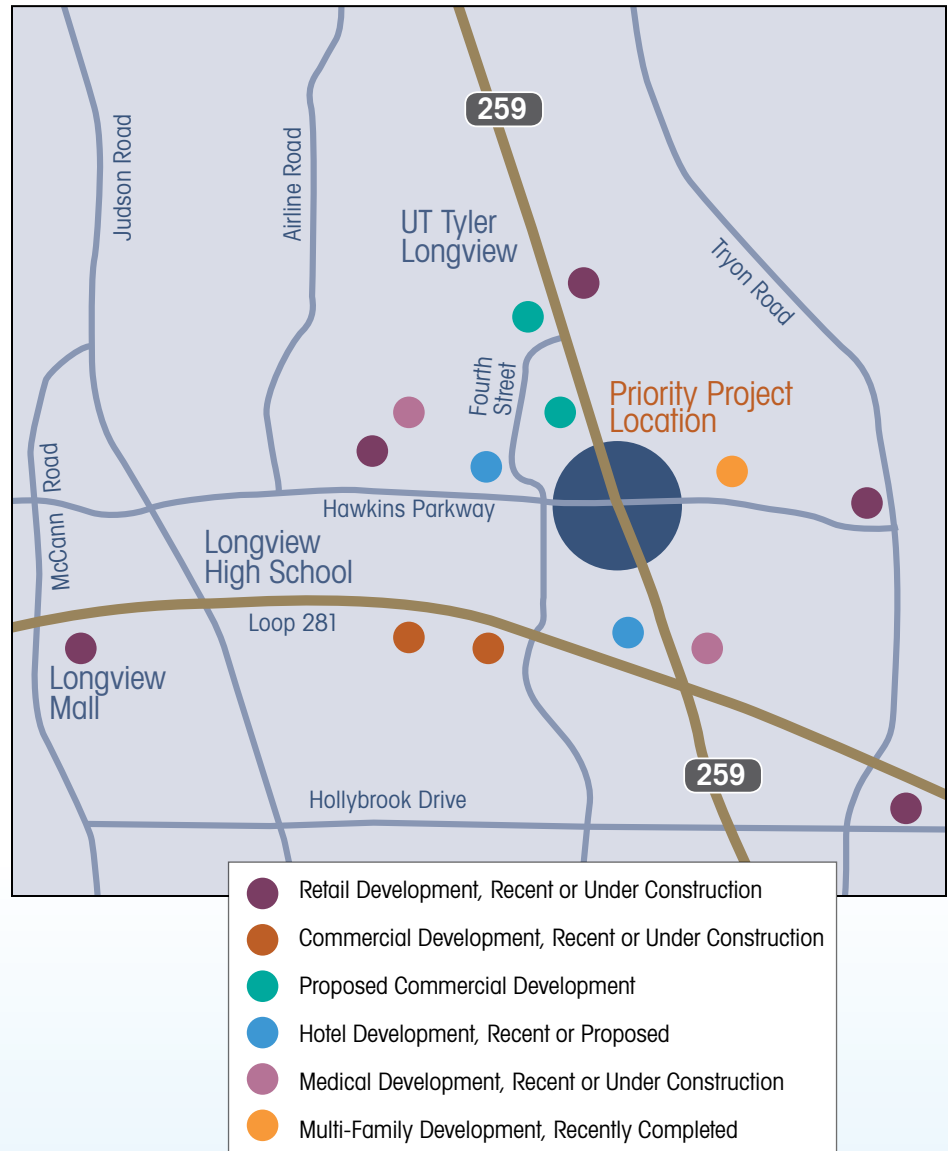




# PRIORITY PROJECTS: GREGG COUNTY

The NET RMA is pleased to announce the winner of the Priority Project grant for the 2015-2016 fiscal year: Gregg County. The NET RMA is providing organizational support as well as \$400K to further the partnership project located at US 259 and Hawkins Parkway.

- » Project: Improvements to US 259 and Hawkins Parkway intersection
- » Location: Northeast Longview, Gregg County, Texas
- » Funding: Partnership between City of Longview, Gregg County and TxDOT.
- » Benefit of project: US 259 is a principal artery of regional significance. It functions as a critical freight corridor linking the Gulf Coast to Oklahoma.
- » Economic Development Activities: The project promotes an extensive list of retail, medical and residential planned developments near the project.



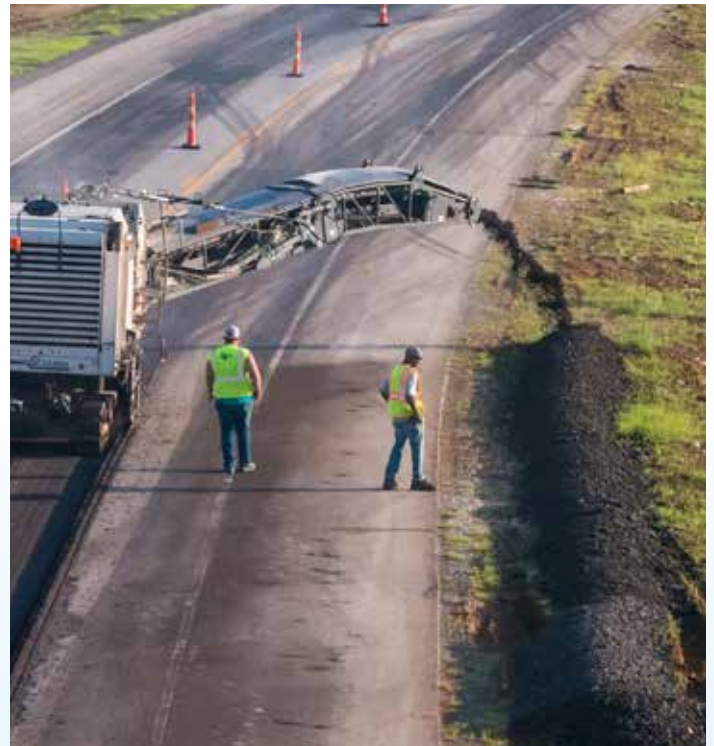
## TOLL 49: ONGOING MAINTENANCE

Top: Placing new asphalt in the laydown machine at SH 64.

Center left: Maintenance vehicles preparing the road for asphalt.

Center right: Milling existing pavement at SH 64.

Bottom: Depositing milled pavement along the shoulder at SH 64.





## TOLL 49: ONGOING MAINTENANCE



Top: Preparing for new pavement inlay at SH 64.

Center left: Asphalt laydown machine placing new pavement inlay at SH 64.

Center right: Steel drum and pneumatic rollers compacting new pavement inlay at SH 64.

Bottom: Mill and inlay at SH 64.





# MEET BOWIE COUNTY JUDGE, JAMES CARLOW



**W**alking into the Bowie County Judge's office, one immediately notices a futuristic artist's rendition of I-69 with an electronic, elevated tram in the division between the two highways. It is very apparent Judge James Carlow has a passion for transportation. There is also an intricately carved wooden plaque on the wall with his name and the Bowie County Seal engraved into it. Obviously, it is a hand carved piece. When asked about it, he proudly states, "The Jail made it for me."

Judge Carlow has been in office 26 years and is obviously passionate about the job, serving the people of Bowie County, and ensuring the financial soundness of his county.

**Prior occupation:** Farming and cattle. I've been in that business all my life. I became interested in politics when I made several trips to Washington, DC and had many meetings with lobbyists for Dairy Producers.

**Time in office:** 26 years

**Family:** Wife, Nancy, two children and six grandchildren

**Education:** Graduate of Stephen F. Austin State University with a degree in Business Administration.

**Enjoys most about the job:**

I enjoy the challenges that come with the job. I enjoy helping people and I can do both of those in this position.

**Hardest part of the job:** When two military bases in the county closed, the Lone Star Army Ammunition Plant and the Red River Army Depot (approximately 19,000 acres and millions of square feet in buildings). Judge Carlow notes: Because of the closures, the Red River Redevelopment Authority was created with a mission to transform former military lands and buildings into a successful, privately held industrial park. Today, the organization is still thriving and helps to expand business in the region.

**Hobby:** Working (on the ranch or for the County).

**Most proud of:** This building (the courthouse). It was put into place before I took office; however, I was able to make the first,

subsequent and last payments on the courthouse building we are in today. I am also very proud of our work with the jail. When I took office it only had 64 beds, today it has a capacity to hold more than 900.

**Passion:** I am passionate about transportation. Transportation is an economic development driver. It is important for everyone.

**Most recent book:** John Grisham's novels. I just finished his last one.

The Judge's eyes lit up when asked about the future of I-69 and the raised electronic rail between the divided highway in the I-69 depiction.

*"Transportation is key for economic development," he said. "I keep working on this project, but these types of deals take time to put together. It makes financial sense, it just takes time."*





# MEET KAUFMAN COUNTY JUDGE, BRUCE WOOD

**O**ne word comes to mind when entering the Kaufman County Judge's office: Patriot. There is a large United States flag proudly displayed behind the left side of his desk and on the other is a Texas state flag. Being a native of Terrell and Texas, it is no surprise that a bookshelf also reinforces Judge Bruce Woods' deep patriotism; all of his picture frames are also designed with Texas flags encircling his family photos. The first item Judge Woods proudly speaks about is his family farm, established in 1853. A rustic wood framed photo of the farm displays its magnificent rolling hills and a lake—a natural treasure Judge Wood enjoys on the weekends with his family.

**Prior occupation:** Was a former government teacher, administrator and Superintendent of Terrell ISD, then retired. He served as the Kaufman ISD Superintendent for seven years.

**Elected into office:** January 1, 2011

**Family:** Wife, Susie, four children and six grandchildren

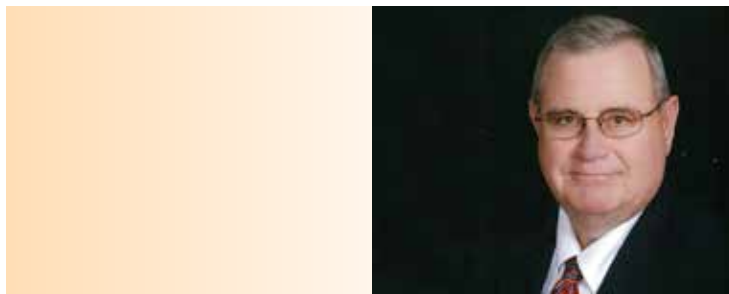
**Education:** Bachelors, Masters and Doctorate Degrees all from East Texas State University (now Texas A&M University-Commerce).

**Enjoys most about the job:** Interacting with people. Working with the Commissioners and all of the people in the County.

**Hardest part of the job:** 2013-When the Assistant District Attorney was assassinated and two months later a district attorney and his wife were both assassinated. Judge Wood notes, "Thinking back on the time, it was amazing all of the support that came into the County to help its residents through that difficult time."

**Hobby:** Spending time on the farm with family, and raising cattle and hay.

**Most proud of:** Creating a Kaufman County Transportation Plan (2035) and passing a \$56M bond (with a 65 percent support rate) to support that plan.



**Highest honor:** I have an elementary school named after me in Terrell. The Dr. Bruce Wood Elementary School. Also there is a scholarship named after me in Kaufman ISD .

**Biggest disappointment:** Not being able to pass a \$20M bond for a new justice center in Kaufman County.

**Most recent book:** Anything that has to do with Lyndon B. Johnson (the U.S. President), "He was a character, you know," Judge Wood stated.

The Judge ended the interview sharing a story about the new Buc-ee's in the County.

*"I have never been to a Buc-ee's before and I stopped by one," he said. "I bought a lot of things (including a turducken) and just couldn't leave without speaking with the manager. I asked for the owners name and reached out to him. He called me back two hours later. Beaver Aplin (owner) shared with me, 'I was the first elected official to call him and ask about having a Buc-ee's come located to his geographic area.' We had a good conversation, then there was no dialog. Six months later, I received a call from our local EDC liaison advising me that Buc-ee's was coming to Kaufman County."*

Needless to say, the Judge was pleased.



## MEET PANOLA COUNTY JUDGE, LEE ANN JONES



**T**he Panola County Judge's office is noticeably neat, tidy, and filled with a plethora of books. There is no doubt that County Judge Lee Ann Jones is proud of her country and the County of Panola. Judge Jones demonstrated that hard work and the willingness to learn pays off. She has worked her way up the ranks from being a county secretary to being the Panola County Judge. History was made when Judge Lee Ann Jones was elected into office as well; she is the first female judge to hold that office in the entire history of Panola County. In the entire state of Texas, about 10 percent of the county judges are women; therefore Judge Jones is truly a trail blazer in this capacity.

Judge Lee Ann Jones has lived in Carthage since 1982 and is originally from Houston but absolutely loves Carthage. She is passionate about giving back to the community where she has been blessed to live and work. The Judge has been a County employee for more than 22 years, working directly under the past County judges.

**Prior occupation:** Judge Jones started her career as a secretary with the County.

**Held office:** 2 years. Judge Jones is in the second year of a four-year term.

**Family:** Husband Kevin Jones and two grown sons.

**Education:** Associate of Arts in Business from San Jacinto College in Pasadena, Texas

**Enjoys most about the job:** I enjoy helping people in my County. I put out fires every day and I truly enjoy working with the people of Panola County. When the JP's are gone, I also fill in for them, and I enjoy that immensely too.

**Hardest part of the job:** Educating people about county government. Creating a budget.

**Hobby:** Reading, crafting, cooking

**Fan of:** Houston Oilers

**Most proud of:** My County. I have worked for the County for 22 years.

The people in this county help one another. The ISD here is great, the people are great. It's like one great, big family.

**Passion:** I have been amazed at the incredible people I have met and interacted with since I've had this job. Allen West, Louie Gohmert, just to name a few. However, I'm truly passionate about my county and the people of this county.

**Involved in:** Judge Jones is very involved in the fabric of the county when it comes to volunteer organizations and is also active in her church.

Judge Jones concluded the visit reflecting on her time serving Panola County:

*"I am truly passionate about serving the people of Panola County," she stated, "I really enjoy helping my constituents."*





# REVIEW OF THE NET RMA STRATEGIC PLAN

## Strategic Plan Goals

The goals for the strategic plan are below. The NET RMA is tasked with creating and evaluating the plan in even-numbered years.

Goal #1:	Goal #2	Goal #3	Goal #4	Goal #5
Address & Provide direction within the NET RMA	Continue to advance Toll 49, including the ETX Hour Glass, as well as other projects	Continue to ID transportation projects in the region that NET RMA can support through partnerships	Maintain parameter for toll facilities under NET RMA's ownership are operated	Leverage Support from other Regional Mobility Authorities, Tolling Agencies and industry experts
Actions:	Actions:	Actions:	Actions:	Actions:
<ul style="list-style-type: none"> <li>✓ By-Laws update</li> <li>✓ Board Committees</li> <li>✓ Audit Finances</li> <li>✓ Reporting</li> <li>○ Strategic Plan (scheduled for January, 2017)</li> </ul>	<ul style="list-style-type: none"> <li>✓ ID funding sources for Segment 4</li> <li>✓ Secure funding</li> <li>✓ Support other agencies (Rusk, Kauffman counties, and acquisition of abandoned Union Pacific ROW between Whitehouse and Troup)</li> </ul>	<ul style="list-style-type: none"> <li>✓ Request county priority projects</li> <li>✓ Provide recommendations to board with the type of support NET RMA can provide</li> <li>○ Rely on TxDOT, Rural Planning Organizations &amp; Metropolitan Planning Organizations to establish long range projects</li> </ul>	<ul style="list-style-type: none"> <li>✓ Oversee operations and delivery methods of toll operations</li> <li>✓ Maintain procedures for operations of roadway and providers of services</li> <li>✓ Develop maintenance strategies that continue to protect initial investment</li> <li>○ Market toll tag products</li> </ul>	<ul style="list-style-type: none"> <li>✓ Review best practices of existing RMA's statewide</li> <li>✓ Toll System Development and Implementation (Toll System Integrator)</li> <li>○ Develop marketing plan to direct customers for toll tag purchase and account maintenance</li> </ul>

# 2016 FINANCIAL REPORT

The NETRMA prepares its financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units on an accrual basis. Some items below have notes associated with them. To view the full, audited Financial Statements and Management Discussion and Analysis, please visit [NETRMA.org](http://NETRMA.org).

## *Management's Discussion of Financial Highlights For the Year Ended September 30, 2016*

### Financing of and the Beginning of Construction of Segment 4 of Toll 49

During the current fiscal year, senior lien and subordinated lien bonds were issued totaling \$181,350,000. The bond proceeds were used to retire approximately \$59,000,000 of existing debt and to provide the funds for the construction of Segment 4, a 6.6 mile extension of Toll 49 from Interstate 20 to U.S. 69 north of Lindale, Texas. The total cost of Segment 4, including engineering, right of way acquisition, construction and other costs are estimated to total approximately \$126,200,000. Completion is scheduled for the summer of 2018. At September 30, 2016, the following assets and liabilities were related to the financing and construction of Segment 4:

#### **Current Assets:**

Cash – Debt service reserve funds included in toll revenue and operating funds (restricted)	\$2,618,329
Cash – Construction fund (restricted)	103,790,679

#### **Noncurrent Assets:**

Cash – Debt service reserve funds (restricted)	24,049,618
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#### **Capital Assets:**

Construction in progress	26,128,071
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#### **Current Liabilities:**

Accounts payable – construction in progress	9,347,037
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#### **Long-term Liabilities:**

Senior lien bonds payable	124,735,000
Subordinated lien bonds payable	56,615,000
Unamortized bond premiums	28,556,011

Expenditures on Segment 4 for the year totaled \$22,534,456.

#### **Changes in Various Other Assets and Liabilities**

**Cash** – The NETRMA ended the year with cash balances of \$18,895,711 of which \$2,188,220 was restricted for the operation of Toll 49 and other purposes and \$16,707,491 was unrestricted.

**Toll Revenues and Fees Receivable** – A total of \$5,623,901 was receivable from entities which

collect the revenue from Toll 49 operations for the NETRMA and was an increase of \$1,996,174 over the prior year.

**Capital Assets** – In addition to the expenditures on Segment 4, a total of \$338,571 was spent on camera replacement on other segments of Toll 49. Construction in progress includes the cost of slope repair and asphalt overlay on Segment 3B of \$389,043 and \$841,037, respectively.

**Current Liabilities** – Amounts payable to contractors and vendors for operating expenses on Toll 49 were \$1,389,510. Accrued interest at September 30, 2016 on the Senior Lien Bonds and the Subordinated Lien Bonds were \$1,819,052 and \$825,636, respectively.

#### **Results of Operations**

Toll tag revenues increased by \$1,714,432 over the prior year and totaled \$8,731,328. Video tolls and fees aggregated \$6,345,714 and were \$1,666,266 greater than the prior year.

Operating expenses, excluding depreciation, were \$4,567,531 compared to the prior year of \$4,655,001.

Interest expense increased over the prior year by \$1,738,437 to \$3,615,923 as a result of issuing the bonds. Loan fees and expenses associated with an interim loan and the bond sale totaled \$3,556,187.



# 2016 FINANCIAL REPORT

## *North East Texas Regional Mobility Authority*

Actual and Budgeted Revenues and Expenses for the Fiscal Year Ended September 30, 2016  
and Budgeted Revenues and Expenses for the Fiscal Year Ending September 30, 2017.

	FY 2016 ADOPTED BUDGET	FY 2016 ACTUAL	FY 2017 ADOPTED BUDGET
<b>Revenue:</b>			
Toll revenue - electronic	6,510,000	8,731,328	9,330,069
Toll revenue - video	3,990,000	6,345,714	4,226,506
County contributions	36,000	35,300	36,000
Design settlement	0.00	275,000	0.00
Interest Income	0.00	26,807	0.00
<b>Total</b>	<b>\$ 10,536,000</b>	<b>\$ 15,414,149</b>	<b>\$ 13,592,575</b>
<b>Expenses:</b>			
Administration	973,039	1,296,797	1,526,912
General engineering	404,000	514,361	465,250
Project development support	400,000	0.00	500,000
Roadway maintenance	1,760,000	1,040,930	948,400
Toll collections	691,381	881,394	809,000
Toll maintenance support	318,000	390,285	408,000
Toll operations support	344,500	443,765	280,688
<b>Total</b>	<b>\$ 4,890,920</b>	<b>\$ 4,567,532</b>	<b>\$ 4,938,250</b>
<b>Net Before Financing Costs</b>	<b>\$ 5,645,080</b>	<b>\$ 10,846,617</b>	<b>\$ 8,654,325</b>
<b>Financing Costs:</b>			
Interest expense	2,193,428	3,615,923	7,691,524
Loan fees & expenses	0.00	3,556,187	0.00
<b>Net After Financing Costs</b>	<b>\$ 3,451,652</b>	<b>\$ 3,674,507</b>	<b>\$ 962,801</b>
<b>Other Non-Cash Expenses</b>			
Depreciation expense	6,651,665	6,520,063	7,476,609
Loss on camera replacement	0.00	130,527	0.00
<b>Total</b>	<b>\$ 6,651,665</b>	<b>\$ 6,650,590</b>	<b>\$ 7,476,609</b>
<b>Change In Net Assets (Decrease)</b>	<b>\$ (3,200,013)</b>	<b>\$ (2,976,083)</b>	<b>\$ (6,513,808)</b>

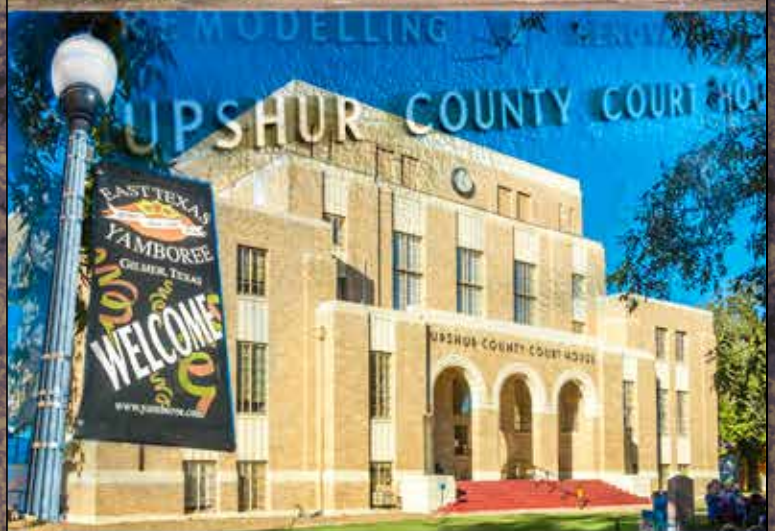












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