

the ²⁰⁰⁰ Ohio **TURNPIKE** Commission

Comprehensive Annual Financial Report for the Year Ended December 31, 2000



W o r k i n g f o r Y o u



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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The Ohio Turnpike Commission

We have reviewed the Independent Auditor's Report of The Ohio Turnpike Commission, Cuyahoga County, prepared by Deloitte & Touche LLP for the audit period January 1, 2000 through December 31, 2000. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Ohio Turnpike Commission is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

May 23, 2001

the ²⁰⁰⁰ Ohio **TURNPIKE** Commission

Comprehensive Annual Financial Report for The Year Ended December 31, 2000

M e m b e r s

Ruth Ann Leever
Chairman

Earl W. Williams
Vice Chairman

Tim Greenwood
Secretary-Treasurer

Stephen J. Strnisha
Member

Gordon Proctor
Member Ex-Officio

Jeffry Armbruster
Senate Member

Stephen Buehrer
House Member

Gino Zomparelli
Executive Director

Independent Auditors - Deloitte & Touche, LLP
Trustee - The Huntington National Bank, Cleveland, Ohio
Consulting Engineers- HNTB Ohio, Inc., Cleveland, Ohio

Prepared by CFO/Comptroller's Office and the Office of Public Affairs

Contents

Letter of Transmittal	III
Organizational Chart	1

Introductory Section

Chairman's Letter	3
Executive Director's Year in Review	4
History and General Information	9

Financial Section

Certificate of Achievement	15
CFO/Comptroller's Report	16
Independent Auditors' Report	20
Balance Sheets	21
Statements of Revenues, Expenses and Changes in Net Assets	22
Statements of Cash Flows	23
Notes to Financial Statements	24

Statistical Section

Revenues and Expenses	34
Revenue Bond Coverage	36
Comparative Traffic Statistics	38
Vehicles and Toll Revenue	40
Activity by Interchange	42
Traffic Accident Statistics	44
Miscellaneous Data and Statistics	46

the Ohio **TURNPIKE** Commission

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To:
The Honorable Bob Taft, Governor, and
The General Assembly of Ohio

The Ohio Turnpike Commission pursuant to law presents herewith its fifty-second annual report covering the period from January 1, 2000 through December 31, 2000.

Respectfully yours,



Ruth Ann Leever
Chairman



Earl W. Williams
Vice Chairman



Tim Greenwood
Secretary-Treasurer

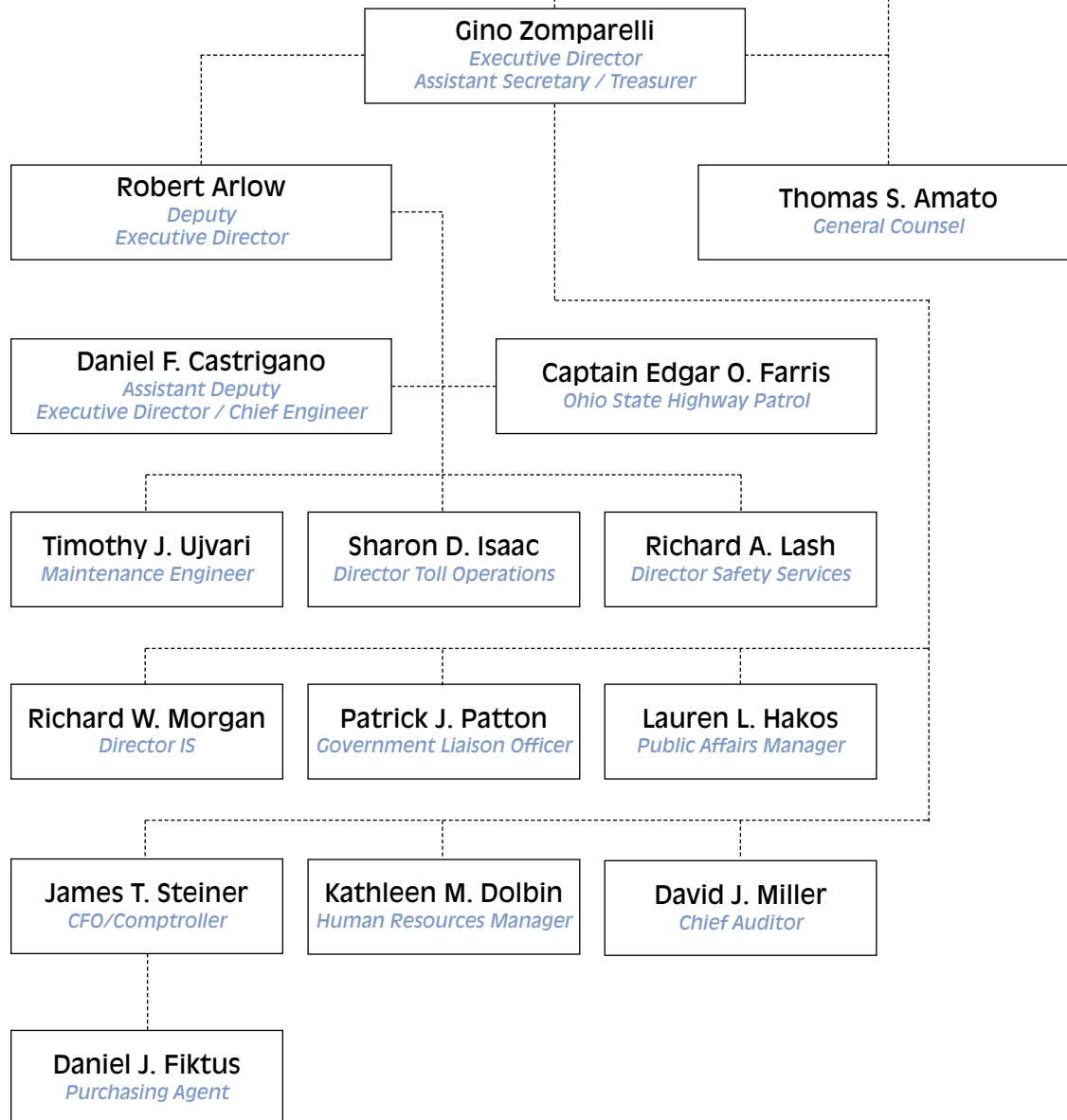


Stephen J. Strnisha
Member



Gordon Proctor
Member Ex-Officio

Organizational Chart



Introductory

SECTION

value
location
information service
convenience
favorite destinations



Chairman's Letter

February 2001

Transportation is a vast industry with many components. Businesses nationwide, as well as internationally, frequently choose a mode of transportation that is convenient, efficient and economical. The same can be said for personal travelers. Just as travelers can choose their mode of transportation to get from Point A to Point B, such as airplane, train, and of course, the automobile; individuals also can choose the best route to take to a certain destination. Some people, whether for business or pleasure, may choose to fly, or possibly take a train — for those who choose to drive, we offer the Ohio Turnpike.

We recognize that there are many choices in the transportation industry. We are privileged that so many people choose the Ohio Turnpike when traveling in Ohio. Our numbers continue to reflect an upward trend, and we attribute that to our service and dedication to our patrons.

The Ohio Turnpike provides many advantages to our state, some of which include interstate and intrastate commerce; access to recreation, vacation and tourist destinations; a safe, efficient means of travel, and services and amenities to make trips enjoyable.

The Ohio Turnpike is so much more than just an “interstate.” It is not merely a highway like any other, rather it is an essential part of 13 Ohio counties, joining countless towns and communities along its 241-miles. Geographically, it is the main thoroughfare connecting Ohio to our neighboring states of Indiana and Pennsylvania. Globally, it is a fundamental component helping to make Ohio such a great state.

The Ohio Turnpike boasts a safety record that is unmatched in the state. It remains the road to drive on for safe and efficient travel. Individuals don't drive on the Turnpike because they have to — our patrons travel on the Turnpike because they want to; because it is a better way to travel.

Many positive features can be found along the Ohio Turnpike, yet one additional benefit has gone unmentioned. Namely, its workforce, which is a major contributor to the success of the Ohio Turnpike. The Commission provides quality jobs from one end of the state to the other. In return, the Commission and Ohio receives the highest level of service and responsibility from its employees. Whether it's our toll collectors, maintenance workers, inspectors, or the Ohio State Highway Patrol, the Ohio Turnpike serves the needs of the traveling public 24 hours-a-day, 365 days-a-year, thanks in large part to these hard-working individuals.

Throughout this Annual Report, we will highlight some of the individuals who make it all possible. Unfortunately, we are only able to present a fraction of the people who make the Ohio Turnpike travel experience enjoyable. There are so many people working together as a team that we can't possibly feature them all, but we are proud of the effort they put forth everyday. It certainly does not go unnoticed or unappreciated.

Sincerely,



Ruth Ann Leever

Executive Director's Year in Review

by Gino Zomparelli

The Ohio Turnpike Commission remains committed to its patrons through unparalleled services and benefits. It offers amenities that are simply not available on alternate highways anywhere in the state. The Commission is proud to be of service to all Ohio travelers regardless of origin or destination. It recognizes that travel on the Ohio Turnpike varies from personal to commercial use. The Commission has managed its growth effectively and continues to progressively enhance the serviceability of the Turnpike. The Capital Improvement Program, which started in 1995, is an indication of the Turnpike's commitment and dedication to its patrons. Individuals who **choose** to travel on the Ohio Turnpike realize that it provides the highest level of convenience, dependability, efficiency, safety and quality.

Access

Most travelers choose a route based on its convenience and access to their destination. The Ohio Turnpike touts that our 241-mile stretch of road connects directly to Indiana and Pennsylvania, as well as 36 other routes or interstates. The Ohio Turnpike's design and capacity provides an enjoyable and efficient travel experience. It offers services that are available 24 hours-a-day, 365 days-a-year, including food, fuel, parking and restroom facilities, at convenient locations along the Turnpike.

"The part of my job I like most is having an opportunity to meet so many different people, from so many different places."

*- Tony DiBacco
Service Plaza Manager*

Service Plazas

Service plazas play an important role in the function of a "toll road." They allow travelers the luxury of staying on the highway and still having access to its amenities. The Ohio Turnpike has 16 services plazas, eight on either side of the roadway, located approximately 30 miles apart.

The "general" needs of travelers 50 years ago are much the same today. In addition to a convenient road to travel, patrons enjoyed having a place to stop, refuel, eat and relax before continuing their journey. While basic needs have not changed all that drastically over the years, today's lifestyles create new demands. A definite rise in the number of patrons in the last 50 years, coupled with the increase in use of technology, has necessitated the reconstruction and modernization of all the service plazas. Rather than renovating the old service plazas, the Ohio Turnpike Commission decided to rebuild them from the ground up. Currently, four service plazas are complete (Erie Islands and Commodore Perry at milepost 100; and Towpath and Great Lakes at milepost 170); two additional service plazas were being reconstructed in 2000 and are scheduled to open in April 2001 (Brady's Leap and Portage at milepost 197).

The dramatic structures are award-winning, architectural designs, appealing from both a functional and aesthetic point of view. The new service plazas offer additional parking with separate areas for cars, trucks or buses. New amenities include expanded restaurant choices and seating, a trucker's lounge with laundry facilities, a gift shop, and a business center with laptop, fax and copy capabilities. Vermilion and Middle Ridge Service Plazas will undergo reconstruction in 2001.

Future

With the advancements in technology, perhaps the service plazas will offer even further facility and business amenities. Interactive message boards will allow patrons to reserve rooms at local hotels. Up-to-the-minute broadcasts or messaging systems will provide notification to patrons of construction, accident or weather conditions.

Service Plazas

<i>Complete</i>	<i>Under Construction</i>	<i>2001 Project</i>	<i>Remaining</i>
4	2	2	8

Dependability and Efficiency

The Ohio Turnpike is a reliable highway. Its prompt and effective maintenance practices clear the roadway for our patrons, making it possible to get to their destination in even the most adverse weather conditions. Our engineering and maintenance departments work diligently to maintain and service the Turnpike on an ongoing basis.

Getting from Point A to Point B safely and on time is a reasonable expectation of any traveler; however, the constant increase in traffic also increases the probability of delays, especially in highly traveled segments. The Commission realized the need for increased lane capacity and launched its 160-mile, third lane expansion project.

Third Lane Expansion

One of the goals of the Ohio Turnpike is to provide free-flowing traffic along its 241-mile rural highway. Expansion became inevitable in order to maintain an acceptable level of service without congestion. Engineering for the third lane expansion commenced in 1995 and construction proceeded in 1996.

Currently, 107 miles of mainline roadway are complete and in service, providing the Ohio traveler with 50 percent more highway capacity in the third-lane portions. Construction and work continue to expediently complete the third lane expansion program. At the end of 2001, only 27 miles in each direction will remain to be completed. The third lane expansion has received rave reviews because of the addition of needed capacity, enhanced safety, road management and drivability.

Accommodating the third lane construction is no small feat. Not only does it include construction of the roadway itself, but it also includes the reconstruction of overhead bridges and the renovation of major mainline bridges.

Future

Since the third lane expansion project has been met with such support, perhaps sometime in the near future the entire Ohio Turnpike will have third lane availability.

Mainline Roadway

<i>Complete</i>	<i>Under Construction</i>	<i>2001 Project</i>	<i>Remaining</i>
107 miles	18 miles	7 miles	27 miles

Overhead Bridges

<i>Complete</i>	<i>Under Construction</i>	<i>2001 Project</i>	<i>Remaining</i>
37	0	4	0

Major Mainline Bridges

<i>Complete</i>	<i>Under Construction</i>	<i>2001 Project</i>	<i>Remaining</i>
5	1	0	0

Quality and Value

The Turnpike acknowledges its patrons and inspires to provide quality services from the moment of entrance onto the Turnpike. With the renovation of the toll plazas comes new technology that allows machines to dispense a toll-ticket to drivers. While the desire for greater efficiency and technological advances has led to this change, the Turnpike continues to focus on patron service and makes certain that personnel are available to answer questions or concerns from travelers as they enter or exit the Turnpike.

Toll Plazas

Management of traffic volumes at the toll interchanges required the Commission to add lanes at the toll plazas. Both additional entry and exit lanes have been installed at the renovated toll plazas. Longer toll lanes have been added to accommodate the length of today's vehicles and to allow for electronic toll installation.

In order to provide our patrons with the quality they deserve, the Ohio Turnpike Commission must provide its employees with the means to serve our patrons. The changes and improvements made to the toll plazas are needed to better serve our employees and patrons. Additional updates include new utility buildings, canopies and booths. The new tollbooths have a larger workspace for employees, and an improved ventilation system. Plus, the new booths are designed so that a patron's motor vehicle can pull closer to the tollbooth in order to efficiently and safely complete the transaction.

"As the person in charge of the daily operation of eight service plazas, there are a multitude of things I may encounter on any given day. I am in charge of all aspects of the plazas from janitorial services to safety.

My job requires direct interaction with so many different individuals, and each in a different capacity. This is the aspect of my job where I find the most satisfaction - dealing with people. In my 23 years with the Ohio Turnpike, I've found that the people I work with always give their full cooperation."

*- Dan Miller
Division Service Plaza Manager*

Future

Renovations and updates continue at several interchanges and at the toll plazas, where provisions are being made to make electronic toll collection possible in the future.

Toll Plazas

Complete	Under Construction	2001 Project	Remaining
7	4	3	6

Safety

The Ohio Turnpike is steadfast in its efforts to maintain the safety and security of its travelers. It is our pledge and commitment to provide a premium transportation facility. We have contracted with the Ohio State Highway Patrol (OSHP) to provide policing on the Turnpike. The sum of dedicated law enforcement and loyal employees equals one of the best safety records in the world.

While the Ohio Turnpike continues to have an outstanding safety record, both in number of accidents and fatalities, 1999 was an unprecedented year, setting a record low number of fatalities. It was the

hope of both the Ohio Turnpike Commission and the OSHP to go without any fatalities in 2000. With more than 45 million vehicles traveling the Turnpike, that remains a challenging goal; and the Commission along with the OSHP strive for a zero fatality rate every year. While the Turnpike's safety record remains outstanding, especially given the per vehicle ratio, in 2000, the OSHP reported 12 fatalities on the Ohio Turnpike.

Continuing Service

The Ohio Turnpike will continue to provide services and benefits for our patrons from the moment they make the decision to "take the Turnpike." The value we provide our patrons lies in our employees. The entire staff of the Commission and all our departments work together to make each patron's experience on the Ohio Turnpike a safe and efficient one. At the same time, all work is professionally completed to provide the public with full accountability and trust.

Governor Bob Taft Addresses the Ohio Turnpike Commission

A significant event happened on April 10, 2000. The Ohio Turnpike was honored to have Gov. Bob Taft in attendance at its Commission meeting. Although representatives from the Governor's office have attended in the past, it marked the first time a governor of Ohio was present for a meeting since 1963.

Gov. Taft stated that the Turnpike is one of Ohio's most important assets. "It plays a vital role in the economy of northern Ohio and a vital role for the people of northern Ohio," he said. He expressed his gratitude to the employees who devote their time, energy and effort into making sure that the Turnpike runs efficiently. Gov. Taft commended the foresight of the Commission and its staff on their Capital Improvement Program, stating, "It assures that you will be able to serve your customers for many years to come, well into the 21st Century." He continued, "The third lane and the upgrades to the service plazas and toll plazas are very important improvements to ensure that the Turnpike continues to be a first-class route for the people of Ohio, and the people that come through our state as well." Gov. Taft hoped that we would continue to work with our local communities along the Turnpike to help them meet their transportation goals. He commended the

Turnpike's relationship with the Ohio Department of Transportation (ODOT), stating, "That's the kind of cooperation that really benefits the citizens and people of our state." Gov. Taft concluded his visit by saying what an honor it was for him to attend the Commission meeting and added, "As we work together in the years to come, we can do even more to move people and freight safely and efficiently across Ohio, to ensure Ohio's prosperity and quality of life in this 21st Century."

Gov. Taft's visit occurred on the same day Commission members and guests enjoyed their first meeting in the newly remodeled Commission room. The room was expanded to allow for more guests to join the meetings. Additionally, the room was equipped with several television monitors for viewing video presentations, as well as a large, recessed screen that can be lowered electronically to view Power Point presentations. The new Commission room has formal seating for all of the Commission Members and is a vast improvement over the previous room which was small and unaccommodating.

Executive Director Leads Personnel Transitions

The end of 2000 marked the first full year in which I served as the Commission's Executive Director. I am a prime example of the Commission's efforts to promote from within. In 1995, I was appointed to serve as General Counsel. Later, I was given the additional responsibility to serve as Deputy Executive Director of External Affairs.

A major challenge I had to face as Executive Director was managing the personnel transitions resulting from the Commission's voluntary Early Retirement Program. Due to this program, the Commission had to say good-bye to many veteran employees. I am very appreciative of these individuals for their long-time service.

As we bid farewell to so many familiar faces, we turn our attention to the opportunity to work with those who are just joining us. The Commission welcomes the new employees and looks forward to their contributions as they offer their expertise and knowledge to benefit the future of the Ohio Turnpike. The new hires will complement the existing Commission employees

and staff. The result of this combination is a fresh perspective and an environment for new ideas.

My tenure as Executive Director comes in the midst of the Commission's Capital Improvement Program, which continues to advance toward successful completion. As projects are completed on time and budget, the Commission remains financially sound and is confident that this tendency will continue in the future.

Oversight Committee Keeps Legislature Informed

The Commission continues to inform and educate the Ohio Legislature through its Oversight Committee. The Oversight Committee is comprised of three Senate and three House members. The Executive Director and staff report on budgetary and financial matters, and the Oversight Committee and the Commission staff enjoy an opportunity for open dialogue. The Oversight meeting provides an ideal forum for up-to-date information and reporting. The meetings are open to the public and public comment is welcomed. The venue for the Oversight meetings makes it easy for participation by any interested individual. The members met four times during the course of 2000. The meetings were held in (1) Columbus, at the State Capital on March 21, (2) Archbold on June 26, (3) Aurora on Sept. 15, and (4) Berea, at the Ohio Turnpike Commission Administration Building on Nov. 17.

Another Record-Setting Year for Traffic

The trend continues as new traffic records are set and then broken year-to-year as the number of vehicles using the Ohio Turnpike climbs. Despite the 10 percent toll rate hike in 1998, the Turnpike saw a 6.2 percent jump in total traffic over the 1997 figures. In 1999, Turnpike travel soared to another all-time high of 45,057,285 vehicles. The upward trend continued in 2000 as it set yet another record of 45,574,991 vehicles, an increase of 1.1 percent or more than 517,000 vehicles over 1999. The increase in traffic is one of the reasons that prompted the need for Turnpike improvements and strategic planning for the future.

Turnpike's Web Site Gets Updates and Additions

The Ohio Turnpike's Web site (www.ohioturnpike.org) is a valuable resource for any traveler. It contains a significant amount of information, including a Turnpike map, fare schedule and mileage table, construction and lane closure updates, service plaza information, news releases, Turnpike history, attractions, and links to other sites. Today's computer-savvy environment prompted the Commission to launch the Web site in 1996. Subsequently, the success of the site has led to updates and improvements. In 2000, the Ohio Turnpike Web site added its charge account forms online, so customers could download the forms directly. The Web site also added a weather page.

Organization and Background

The Ohio Turnpike Commission (the “Commission”) is a body corporate and politic in the State of Ohio created by the Ohio Turnpike Act (Chapter 5537, Ohio Revised Code) adopted by the 98th Ohio General Assembly, effective September 1, 1949. The Commission is authorized and empowered to construct, maintain, repair, police and operate the Turnpike system at such locations as shall be approved by the Governor of the State of Ohio and in accordance with such alignment and design standards as are approved by the Director of the Ohio Department of Transportation. The Commission is also authorized and empowered to issue Turnpike Revenue Bonds of the State of Ohio, payable solely from revenues. Under provisions of the Act, Turnpike Revenue Bonds shall not be deemed to constitute a debt or a pledge of faith and credit of the State or any political subdivision thereof and Turnpike monies are not available to the State of Ohio or any political subdivision of the State.

In December of 1990, Substitute Senate Bill 7 was passed by the 118th Ohio General Assembly. This legislation became effective April 12, 1991, as revised Chapter 5537 of the Ohio Revised Code. Among its provisions, the legislation clarified and modernized the original 1949 Ohio Turnpike Act, provided additional authority to the Commission, and expanded the Commission by adding two non-voting members, one a member of the Ohio Senate and one a member of the Ohio House of Representatives. The legislation also created a Turnpike Oversight Committee (subsequently eliminated, then recreated through legislation) and, most significantly, permitted the existing Ohio Turnpike to remain a toll road after all outstanding bonds were paid.

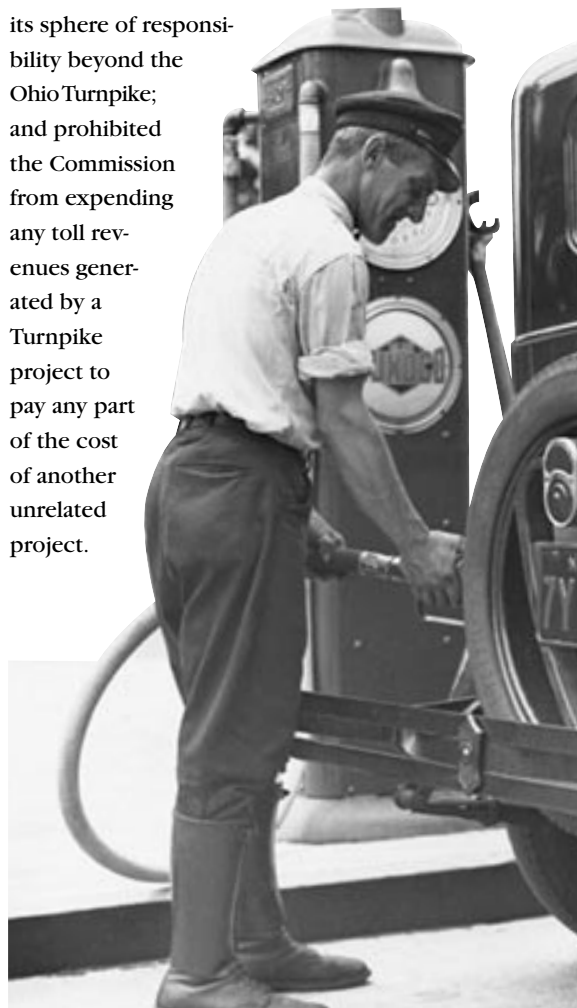
On May 18, 1992, a Tripartite Agreement that had been entered into in 1964 among the Commission, the Ohio Department of Transportation and the Federal Highway Administration was modified as a result of the provisions of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). The modified agreement canceled the requirement that the Ohio Turnpike become free to the public upon liquidation of the bonds outstanding (which were

redeemed on June 1, 1992) and permitted tolls to continue without repayment of certain federal financial assistance previously received by the Ohio Department of Transportation for Interstate Highway approaches to the Turnpike.

Effective July 1, 1993, amendments to Chapter 5537 of the Ohio Revised Code were made by the Ohio General Assembly through provisions contained in Amended Substitute House Bill 154. Prior to these amendments, the Turnpike had been a project-by-project operation with each project being separate and independent. Under the provisions of the 1993 amendments, the Turnpike was converted to a system of projects with revenue from one project capable of being used to support other projects within the system.

Amended Substitute House Bill 335 became effective October 17, 1996. Among other things, the bill recreated the Turnpike Oversight Committee; required the Commission to hold public hearings before it votes to increase tolls on a toll project or take any action that will increase

its sphere of responsibility beyond the Ohio Turnpike; and prohibited the Commission from expending any toll revenues generated by a Turnpike project to pay any part of the cost of another unrelated project.



The first completed section of the Ohio Turnpike opened to traffic on December 1, 1954. It stretched 22 miles — from the Pennsylvania Turnpike at the Ohio-Pennsylvania border, to an interchange nine miles west of the city of Youngstown at Mahoning County Road 18.

The Commission

The Commission consists of seven members, when at full strength, four of whom are appointed by the Governor with the advice and consent of the senate, no more than two of whom are members of the same political party. Appointed members' terms are for eight years with the terms staggered so one starts or expires every two years. The fifth member is the Director of the Ohio Department of Transportation, who is a member ex-officio. The two remaining members, a state senator and a state representative, have non-voting status. They are named, respectively, by the President of the Senate and the Speaker of the House of Representatives. The Turnpike's operations are further monitored by a six member Legislative Oversight Committee.

History

The first completed section of the Ohio Turnpike, 22 miles from the Pennsylvania Turnpike at the Ohio-Pennsylvania border to an interchange at Mahoning County Road 18, nine miles west of the city of Youngstown, was opened for traffic on December 1, 1954. This Eastgate section had been rushed to completion to relieve a congestion of traffic moving to and from the Pennsylvania Turnpike over state and other highways.

The remaining 219 miles of the Turnpike were opened on October 1, 1955. As traffic flowed through the 17 interchanges and terminals, all service and operating functions were activated — restaurants and service stations, disabled vehicle service, maintenance buildings, the Ohio State Highway Patrol, and the Turnpike radio communications system.

For the most part, the Turnpike has experienced a relatively steady increase in traffic volume and revenues. In 1956, the first calendar year of full operation, 8,511,931 automobiles and 1,469,023 trucks used the Turnpike. In 2000, the total annual traffic consisted of 36,289,251 automobiles and 9,285,740 trucks. Annual revenues from tolls, restaurant and service station concessionaire rentals and other sources rose from \$15,350,966 in 1956 to \$209,736,782 in 2000.

The Ohio Turnpike links the east and midwest by virtue of its strategic position along the system that directly connects toll roads between Boston, New York City and Chicago, consisting of the Massachusetts Turnpike, New York Thruway, New Jersey Turnpike, Pennsylvania Turnpike, Ohio Turnpike, Indiana Toll Road and Chicago Skyway.

Although commonly known and referred to as the Ohio Turnpike, the toll road's official name is The James W. Shocknessy Ohio Turnpike in honor of the man who was a member and Chairman of the Ohio Turnpike Commission from its inception in 1949 until his death in 1976.

The beginning of the National System of Interstate and Defense Highways early in 1956 resulted in the Commission scrapping plans to build several other toll roads in Ohio (but some of this planning was used in launching Ohio's interstate system). Thus, the Ohio Turnpike, which carries the designation of Project No. 1, is the one and only Turnpike project completed, operated and maintained by the Commission.

Even though the Commission receives no Federal funding, all of the 241.26 mile Turnpike has been incorporated by the Federal Highway Administration into the Interstate Highway System. The Turnpike is designated Interstate Route 80 between the Indiana Toll Road and the Niles-Youngstown Interchange (No. 15/Milemarker 218), Interstate Route 90 between the Ohio-Indiana line and the Lorain County West Interchange (No. 8A/Milemarker 142), and Interstate Route 76 between the Niles-Youngstown Interchange (No. 15/Milemarker 218) and the Ohio-Pennsylvania line.

Access

The Turnpike is linked directly with Interstate Route 75, Interstate Route 280, Interstate Route 71, Interstate Route 480 and Interstate Route 680.

There are 31 interchanges on the Ohio Turnpike, 26 of which are accesses to and from U.S., Ohio and Interstate routes and two of which are terminals connecting, respectively, with the Pennsylvania Turnpike in the east and the Indiana Toll Road in the west. The remaining three interchanges connect with county or local roads.

Tolls

Toll charges for all vehicles are determined by gross-weight classification and by distance traveled on the Turnpike. All vehicles are weighed (except passenger cars entering certain automatic lanes) while in motion upon entering the Turnpike on scales located at the entrance lanes of the toll plazas. Passenger cars weighing less than 7,000 pounds fall within Class 1 of the 11 weight classes embodied in the schedule of tolls and pay a toll of \$8.95 for a trip over the entire length of the Ohio Turnpike. The minimum charge for Class 1 vehicles between two adjacent interchanges is 50 cents. Class 8 vehicles (gross weight up to 78,000 pounds) pay a maximum fare of \$42.45 and Class 9 vehicles (gross weight up to 90,000 pounds) pay a maximum fare of \$72.45. Classes 10 and 11 apply to triple-trailer combinations and long combination vehicles, respectively.

A company whose tolls exceed \$1,200 per year may apply for a toll charge account. Charge customers whose toll charges in any calendar month exceed \$1,000 are given a 15 percent volume discount on those tolls in excess of \$1,000.

Physical Characteristics

The Ohio Turnpike mainline consists basically of two eastbound and two westbound travel lanes (three lanes in certain areas) of reinforced portland cement concrete, all of which has been resurfaced with asphaltic concrete, with each flanked by paved shoulders 8 feet wide on the inside and 10 feet 3 inches wide on the outside of the 24 foot mainline roadways. The shoulders are hard surfaced with 3 inches of bituminous (penetration) macadam, plus the thickness of the resurfacing asphalt. The mainline roadways are separated by a center strip with a standard width between roadway lanes of 56 feet, consisting of 40 feet of grass median and the inside shoulders. The construction of the new third lane eliminated the 56-foot center strip, replacing it with two 12-foot traffic lanes, two 14-foot-3-inch wide paved shoulders and a 50 inch high concrete barrier. The new third lane section between Exit 4 and Exit 15 will consist primarily of full depth asphalt.

"I was given the opportunity to learn the jobs of clerk and clerical supervisor at the Hiram Maintenance Building, and I filled in for both of them when necessary. When the Section Clerk position opened at the Boston Maintenance Building, I was very interested. I am very grateful that they allowed me to advance to this position. I use the skills I acquired in business college and have since learned new skills with classes at the Administration Building. I enjoy the work I do, and I have made many good friends over the years on the Turnpike, several of whom I still keep in touch with."

*- Jeanne Ebresman
Section Clerk
Boston Maintenance Building*

Ascending grades are kept to a maximum of 2.00 percent and descending grades to a maximum of 3.14 percent. Horizontal and vertical curves are of sufficient radius to provide the best sight distance, as well as ease of travel.

All of the roads and railroads intersected by the Turnpike cross under or over the Turnpike's roadways by means of bridges. There are no crossings at grade. To preserve the minimum separation between roadways, twin bridges carry the roadways whenever the Turnpike crosses over other highways, railroads or rivers.

Services to Customers

The Ohio Turnpike Commission offers a number of services for the convenience and safety of Turnpike patrons. The Commission has contracted with several private companies to operate restaurants and service stations at the Turnpike's 16 service plazas (eight pairs), to provide disabled vehicle service to stranded motorists and to furnish ambulance and fire fighting assistance in the event of an accident or other emergency situation.

Service Plazas

Restaurants and service stations at all service plazas are open 24 hours each day throughout the year. Currently, the

Commission has eight pairs of service plazas, which on average are approximately 30 miles apart. The farthest distance between pairs of service plazas is 39.5 miles. The service stations at the service plazas have gasoline, diesel fuel and assorted automotive accessories for sale. Turnpike maps, motel-hotel lists and other touring aids are available at the service plazas for travelers. Prices for food, fuel and other items sold at the service plazas are competitive with those charged at similar, off-Turnpike establishments in the same general vicinities. Each service plaza is also equipped with changeable message boards providing weather and road conditions that can be updated by computer from the administration building.

The Commission plans to reconstruct all 16 service plazas. The old service plazas were built and in operation in 1955 when the Turnpike was first opened to traffic from the Pennsylvania to Indiana state borders.

"My job as a State Trooper has been very rewarding. I've served as a supervisor at the Hiram Post for over 21 years. My duties on the Turnpike have given me the opportunity to interact and serve the public, which I have enjoyed very much."

*- Lieutenant Carney E. Matheny
Hiram Post, Ohio State Highway Patrol*

Construction of the first pair of reconstructed service plazas at milepost 100 started in July 1998, and construction of the second pair at milepost 170 began the following month. The Commission will continue the construction program and will complete work on the remaining service plazas over the next several years. The Commission will award contracts for both the construction and operation of the new service plazas through a competitive bidding process.

Turnpike Maintenance

Providing Turnpike patrons with a well-maintained highway is a task performed by the Commission's maintenance crews. Personnel assigned to the eight maintenance buildings, spaced at approximately 30-mile intervals along the road, keep the Turnpike in a comfortable-riding and safe condition. Automated weather monitoring stations along the road, including embedded sensors in certain mainline bridges, provide early notice of the need for snow and ice removal.

Ohio State Highway Patrol

A special Turnpike unit, District 10 of the Ohio State Highway Patrol, polices the Turnpike. The District 10 headquarters is located in the Commission's administration building at Berea. Two additional posts are incorporated into maintenance buildings and there is

one free-standing patrol post. District 10 operates patrol cars and airplanes to enforce the Commission's traffic regulations, as well as to perform service to ill, stranded or otherwise distressed travelers. Under a contract between the Commission and the Ohio State Highway Patrol, the Commission reimburses the patrol for all costs of operating on the Turnpike.

Radio Communications Systems

Two of the most modern, two-way radio communications systems to be found on any toll road are in operation on the Ohio Turnpike. Separate systems are maintained for the Commission and the Ohio State Highway Patrol. Of particular value to Turnpike travelers is the use of the systems for emergency services including ambulance, EMS life flights, Ohio State Highway Patrol and wrecker services.

Disabled Vehicle Service

Roadway vehicle-repair trucks on the Turnpike are equipped to assist temporarily stranded drivers in getting vehicles started again. On-the-spot service includes changing tires, supplying emergency gasoline, replacing broken fan belts and other minor repairs. Towing service is available for the removal of vehicles requiring garage work off the Turnpike.

Financial

SECTION

value
location
information service
convenience
favorite destinations



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Ohio Turnpike Commission

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1999

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Anne Spray Kinney
President

Jeffrey L. Essler
Executive Director



CFO/Comptroller's Report

The Ohio Turnpike Commission

James T. Steiner
CFO / Comptroller

March 16, 2001

Ohio Turnpike Commission and Executive Director:

Ruth Ann Leever
Chairman

Earl W. Williams
Vice Chairman

Tim Greenwood
Secretary-Treasurer

Stephen J. Strnisha
Commission Member

Gordon D. Proctor
Director of Transportation
Member Ex-Officio

Senator Jeffrey J. Armbruster
Ohio Senate Member

Rep. Stephen Buehrer
Ohio House Member

Gino Zomparelli
Assistant Secretary-Treasurer
Executive Director

The *Comprehensive Annual Financial Report* ("CAFR") of the Ohio Turnpike Commission (the "Commission") for the year ended December 31, 2000, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the financial presentation, including all disclosures, rests with the CFO/Comptroller's Office of the Commission. To the best of my knowledge and belief, the accompanying data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the Commission. All disclosures necessary to enable the reader to gain an understanding of the Commission's financial activities have been included.

The CAFR is presented in three sections: introductory, financial and statistical. The introductory section includes lists of the Commission Members and professional consultants, the Commission's organizational chart, and letters of transmittal. The financial section includes the general-purpose financial statements as well as the independent auditors' report on the financial statements. The notes provided in the financial section of this report are to be considered an integral and essential part of adequate disclosure and fair presentation of this CAFR. The statistical section includes selected financial and statistical information, presented on a ten-year basis.

The accompanying financial statements include only the accounts and transactions of the Commission. The Commission has no component units nor is it considered a component unit of the State of Ohio. The Commission is, however, considered to be a related organization to the State of Ohio.

Condensed Schedule of Revenues, Expenses, and Changes in Net Assets

	In Thousands		Increase/(Decrease)	
	Years Ended			
	12/31/00	12/31/99	\$	%
Revenues:				
Tolls	\$ 176,772	\$ 176,430	\$ 342	0.2%
Concessions	10,538	7,949	2,589	32.6%
Special Toll Permits	2,692	2,731	(39)	(1.4%)
State Fuel Tax Allocation	2,360	2,381	(21)	(0.9%)
Investment Income	16,783	15,936	847	5.3%
Other Revenues	592	678	(86)	(12.7%)
Total Revenues	209,737	206,105	3,632	1.8%
Expenses:				
Administration and Insurance	23,801	23,332	469	2.0%
Maintenance of Roadway and Structures	21,312	20,688	624	3.0%
Services and Toll Operations	28,012	24,809	3,203	12.9%
Traffic Control, Safety, Patrol and Communications	10,309	10,786	(477)	(4.4%)
Major Repairs and Replacements	3,384	2,271	1,113	49.0%
Depreciation Expense	39,062	34,576	4,486	13.0%
Interest Expense	33,126	32,783	343	1.0%
Loss on Disposals of Fixed Assets	4,006	4,502	(496)	(11.0%)
Total Expenses	163,012	153,747	9,265	6.0%
Net Income	46,725	52,358	(5,633)	(10.8%)
Total Net Assets - Beginning of Year	484,745	432,387	52,358	12.1%
Total Net Assets - End of Year	\$ 531,470	\$ 484,745	\$ 46,725	9.6%

The Commission adopts an annual operating budget. Again, 2000 was another very successful year from a financial perspective. Both passenger car and commercial traffic set new, all-time high records, exceeding the previous records established in 1999. Concession revenues also showed continued growth as a result of the increased traffic and the newly reconstructed service plazas.

	<u>2000</u>	<u>1999</u>	<u>Increase</u>	<u>%</u>
Number of Vehicles in Thousands:				
Passenger Cars	36,289	35,903	386	1.1%
Commercial Vehicles	<u>9,286</u>	<u>9,154</u>	<u>132</u>	<u>1.4%</u>
Total	<u><u>45,575</u></u>	<u><u>45,057</u></u>	<u><u>518</u></u>	<u><u>1.1%</u></u>

The increase in services and toll operations expenses reported in the condensed schedule of revenues, expenses and changes in net assets, reflects: 1) the hiring of additional toll supervisory staff, who were added to improve customer service and to assist with the record levels of traffic on the Turnpike; and 2) operating costs of the reconstructed service plazas. The increase in depreciation expenses is related to the growth in capital assets, which is discussed below.

Condensed Balance Sheet Information

	<u>In Thousands</u>		<u>Increase/(Decrease)</u>	
	<u>12/31/00</u>	<u>12/31/99</u>	<u>\$</u>	<u>%</u>
Assets				
Cash and Investments	\$ 203,270	\$ 309,806	\$ (106,536)	(34.4%)
Other Noncapital Assets	20,907	20,428	479	2.3%
Capital Assets	<u>1,061,474</u>	<u>916,005</u>	<u>145,469</u>	<u>15.9%</u>
Total Assets	<u>\$ 1,285,651</u>	<u>\$ 1,246,239</u>	<u>\$ 39,412</u>	<u>3.2%</u>
Liabilities and Net Assets				
Liabilities				
Current Liabilities	\$ 64,606	\$ 56,967	\$ 7,639	13.4%
Long-Term Liabilities	<u>689,575</u>	<u>704,527</u>	<u>(14,952)</u>	<u>(2.1%)</u>
Total Liabilities	<u>754,181</u>	<u>761,494</u>	<u>(7,313)</u>	<u>(1.0%)</u>
Total Net Assets	<u>531,470</u>	<u>484,745</u>	<u>46,725</u>	<u>9.6%</u>
Total Liabilities and Net Assets	<u><u>\$ 1,285,651</u></u>	<u><u>\$ 1,246,239</u></u>	<u><u>\$ 39,412</u></u>	<u><u>3.2%</u></u>

Assets

The condensed balance sheet information shows that cash and investments decreased \$107 million from December 31, 1999 to December 31, 2000, while capital assets increased by \$145 million. These changes reflect the continuing progress on a major capital improvement program that began in 1994. The overall project includes the addition of a third lane to the Turnpike, both eastbound and westbound, from Toledo to Youngstown, Ohio; reconstruction of the 16 service plazas; construction of new interchanges; renovation of older toll plazas; and other related projects. As we paid for construction costs throughout the year, our cash and investment balances were reduced and our capital assets increased.

As discussed in Note 3 of the financial statements, all of the Commission's cash deposits are either covered by federal depository insurance or by collateral held in joint custody accounts in the name of the Ohio Turnpike Commission and the pledging financial institution at the Federal Reserve Bank of Cleveland, Ohio. Investments consist of repurchase agreements, U.S. government securities, U.S. instrumentality securities and investments with the State Treasurer's Asset Reserve (STAR Ohio). Other than debt service funds held by a Trustee pursuant to the Commission's Master Trust Agreement, collateralized repurchase agreements and investments with STAR Ohio, the Commission's investments are all held at a custodian bank in the name of the Commission.

Long-term Debt

Approximately one-half of the Commission's capital improvement program costs are being funded on a pay-as-we-go basis from accumulated and current-year revenues, and the other half are being funded from borrowings. The Commission is empowered to issue revenue bonds payable solely from Commission revenues. As detailed in Note 5 of the financial statements, the Commission issued revenue bonds in 1994, 1996 and 1998.

The bonds issued in 1994 and 1996 were for par amounts of \$125,000,000 and \$370,000,000, respectively. In 1998, the Commission issued refunding bonds in the amount of \$298,575,000. The proceeds from this issue were used to refund a portion of the 1994 and 1996 bonds in order to realize economic savings. In 1998, the Commission also issued "new-money" bonds with a par amount of \$250,000,000. All of the Commission's outstanding bonds have fixed interest rates that have a combined average yield of 4.93 percent as of December 31, 2000.

In 2000, as permitted by the Commission's Master Trust Agreement, the Commission deposited a surety bond with the Trustee in lieu of funds otherwise required to be on deposit in the Commission's debt service reserve accounts. This allowed the Commission to draw approximately \$51 million from these reserve accounts to pay for construction costs.

It is anticipated that by the middle of the year 2001, the Commission will need an additional \$100 million of bond proceeds, to be combined with the Commission's own monies, to complete the capital improvement program described above. The Commission may issue fixed-rate and/or variable-rate debt. In addition, the Commission may advance refund all or a portion of its outstanding 1994 and/or 1996 Series Revenue Bonds, if market conditions permit sufficient and appropriate savings.

The Ohio Turnpike Commission's credit rating is among the highest of all the toll roads in the world. In May 2000, Fitch IBCA upgraded the Commission's rating from "AA-" to "AA." This followed a previous rating upgrade in 1998. Fitch's press release noted: "The rating upgrade reflects the strong economic fundamentals of the Ohio Turnpike."

In addition, on March 15, 2001, Moody's Investors Service upgraded the Commission's rating from "A1" to "Aa3." Moody's press release noted: "The Aa3 rating, which carries a stable outlook, reflects the Turnpike's position as an established, critical component of the nation's highway system between the large Chicago, Philadelphia, and New York City markets. Other credit strengths include a history of sound financial operations and expected traffic growth." The current agency ratings are as follows:

Agency	Rating
Standard & Poor's	AA
Fitch IBCA	AA
Moody's Investors Service	Aa3

Risk Management

As described in Note 9 of the financial statements, the Commission is self-insured for workers' compensation and vehicle damage claims. The Commission is also self-insured for employee health claims, up to a maximum of \$100,000 per covered person per contract year. Employee health benefits are subject to a lifetime maximum benefit of \$1 million per covered person. The Commission purchases commercial insurance for employee health claims in excess of \$100,000 per covered person per contract year, up to the lifetime limit of \$1 million per covered person.

The Commission purchases commercial insurance policies in varying amounts for general liability, vehicle liability, damage to capital assets other than vehicles, and public officials and employee liability coverage. The Commission also pays unemployment claims to the State of Ohio as incurred.

Accounting Policies and Internal Controls

The Commission's reporting entity and its accounting policies are described in detail in Notes 1 and 2 of the financial statements. The Commission is required to have annual audits of its financial statements by an independent certified public accountant of nationally recognized standing.

The management of the Commission is responsible for establishing and maintaining internal controls designed to ensure that the assets of the Commission are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

In addition to the independent audit, the Commission maintains its own Internal Audit Department. This department is responsible for strengthening and reviewing the Commission's internal controls. The Internal Audit Department performs its own in-depth operational and financial audits and provides assistance to the independent auditors as well.

Awards

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the Ohio Turnpike Commission for its *Comprehensive Annual Financial Report for the year ended December 31, 1999*. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. The Commission was the first Turnpike to be awarded this honor in 1985 and has received the award for every year in which it was eligible.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program's requirements, and we are submitting it to the GFOA.

Acknowledgments

Preparation of this report could not have been accomplished without the dedicated services of the staff of the CFO/Comptroller's Office, the Chief Auditor, and the various department heads and employees who assisted with and contributed to its preparation.

Respectfully submitted,



James T. Steiner
CFO/Comptroller

Independent Auditors' Report

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INDEPENDENT AUDITORS' REPORT

The Ohio Turnpike Commission
Berea, Ohio

We have audited the accompanying balance sheets of the Ohio Turnpike Commission (the "Commission"), as of December 31, 2000 and 1999, and the related statements of revenues, expenses, and changes in net assets and of cash flows for the years then ended, listed in the foregoing table of contents. These financial statements are the responsibility of the management of the Commission. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Commission, as of December 31, 2000 and 1999, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The statistical data on pages 33-46 is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the Commission. Such additional information has not been subjected to the auditing procedures applied in our audit of the basic financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 2001, on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Deloitte & Touche LLP

February 16, 2001

Deloitte
Touche
Tohmatsu

Balance Sheets

	In Thousands	
	12/31/00	12/31/99
Assets		
Current Assets:		
Cash and Cash Equivalents	\$ 18,624	\$ 23,047
Restricted Cash and Cash Equivalents	20,752	12,167
Investments, at Fair Value	30,212	54,224
Restricted Investments, at Fair Value	25,555	33,933
Interest Receivable	657	636
Restricted Interest Receivable	1,491	2,748
Accounts Receivable	5,325	5,167
Restricted Accounts Receivable	2,342	346
Restricted State Fuel Tax Allocation Receivable	349	392
Inventories	3,727	4,597
Other	507	343
Total Current Assets	109,541	137,600
Noncurrent Assets:		
Restricted Investments, at Fair Value	108,127	186,435
Unamortized Bond Issuance Costs	6,509	6,199
Capital Assets:		
Property, Roadway and Equipment	1,390,777	1,234,794
Construction in Progress	123,659	108,163
Less - Accumulated Depreciation	(452,962)	(426,952)
Total Noncurrent Assets	1,176,110	1,108,639
Total Assets	\$ 1,285,651	\$ 1,246,239
Liabilities and Net Assets		
Current Liabilities:		
Accounts Payable	\$ 2,395	\$ 1,466
Contracts Payable and Retained Amounts	26,850	22,617
Accrued Salaries, Wages and Benefits	2,584	2,604
Compensated Absences	3,471	1,754
Claims and Judgments	1,891	1,413
Interest Payable	14,007	14,438
Bonds Payable	13,045	12,510
Other Liabilities	363	165
Total Current Liabilities	64,606	56,967
Noncurrent Liabilities:		
Compensated Absences	10,414	12,783
Claims and Judgments	1,364	1,411
Bonds Payable	677,797	690,333
Total Noncurrent Liabilities	689,575	704,527
Total Liabilities	754,181	761,494
Total Net Assets - Retained Earnings	531,470	484,745
Total Liabilities and Net Assets	\$ 1,285,651	\$ 1,246,239

The accompanying notes are an integral part of these financial statements.

Statements of Revenues, Expenses

and Changes in Net Assets

	In Thousands	
	Years Ended	
	12/31/00	12/31/99
Operating Revenues:		
Tolls	\$ 176,772	\$ 176,430
Concessions	10,538	7,949
Special Toll Permits	2,692	2,731
Leases and Licenses	369	424
Other Revenues	223	254
Total Operating Revenues	190,594	187,788
Operating Expenses:		
Administration and Insurance	23,801	23,332
Maintenance of Roadway and Structures	21,312	20,688
Services and Toll Operations	28,012	24,809
Traffic Control, Safety, Patrol and Communications	10,309	10,786
Major Repairs and Replacements	3,384	2,271
Depreciation Expense	39,062	34,576
Total Operating Expenses	125,880	116,462
Operating Income	64,714	71,326
Non-Operating Revenues / (Expenses):		
State Fuel Tax Allocation	2,360	2,381
Investment Income	16,783	15,936
Loss on Disposals of Fixed Assets	(4,006)	(4,502)
Interest Expense	(33,126)	(32,783)
Total Non-Operating Revenues / (Expenses)	(17,989)	(18,968)
Net Income	46,725	52,358
Total Net Assets - Beginning of Year	484,745	432,387
Total Net Assets - End of Year	\$ 531,470	\$ 484,745

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

	In Thousands	
	Years Ended	
	12/31/00	12/31/99
Cash Flows from Operating Activities:		
Cash Received from Customers	\$ 189,988	\$ 186,036
Cash Received from Other Operating Revenues	672	683
Cash Payments for Employee Salaries, Wages and Fringe Benefits	(59,634)	(57,462)
Cash Payments for Goods and Services	(27,810)	(21,679)
Net Cash Provided by Operating Activities	103,216	107,578
Cash Flows from Capital and Related Financing Activities:		
State Fuel Tax Allocation Received	2,402	2,340
Proceeds from Sale of Assets	1	18
Acquisition and Construction of Capital Assets	(180,330)	(167,003)
Bond Issuance Costs	(630)	—
Principal Paid on Bonds	(12,510)	(11,450)
Interest Paid on Bonds	(36,703)	(36,102)
Net Cash Used in Capital and Related Financing Activities	(227,770)	(212,197)
Cash Flows from Investing Activities:		
Interest Received on Investments	16,040	17,500
Proceeds from Sale and Maturity of Investments	408,391	671,783
Purchase of Investments	(295,715)	(564,657)
Net Cash Provided by Investing Activities	128,716	124,626
Net Increase in Cash and Cash Equivalents	4,162	20,007
Cash and Cash Equivalents - Beginning of Year	35,214	15,207
Cash and Cash Equivalents - End of Year	\$ 39,376	\$ 35,214
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	\$ 64,714	\$ 71,326
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	39,062	34,576
Change in Assets and Liabilities:		
Accounts Receivable	(2,153)	(227)
Inventory	870	653
Other Assets	(164)	150
Accounts Payable	929	(796)
Accrued Salaries, Wages and Benefits	(19)	1,974
Compensated Absences	(652)	25
Claims and Judgments	431	(98)
Other Liabilities	198	(5)
Net Cash Provided by Operating Activities	\$ 103,216	\$ 107,578
Noncash Investing Activities:		
Increase / (Decrease) in Fair Value of Investments	\$ 861	\$ (1,828)

The accompanying notes are an integral part of these financial statements.

December 31, 2000

(1) Reporting Entity

In accordance with the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 14, *The Financial Reporting Entity*, the accompanying financial statements include only the accounts and transactions of the Ohio Turnpike Commission ("Commission"). Under the criteria specified in Statement No. 14, the Commission has no component units nor is it considered a component unit of the State of Ohio. The Commission is, however, considered to be a related organization to the State of Ohio because the Governor appoints the voting members of the Commission. These conclusions regarding the financial reporting entity are based on the concept of financial accountability. The Commission is not financially accountable for any other organizations nor is the State of Ohio financially accountable for the Commission. This is evidenced by the fact that the Commission is a legally and fiscally separate and distinct organization. The Commission has the power of eminent domain, the power to enter into contracts and sue and be sued in its own name. The annual budget is submitted to the Ohio General Assembly for informational purposes only and does not require its approval. The Commission is solely responsible for its finances and the credit of the State of Ohio is not pledged to the operation of the Turnpike. The Commission is empowered to issue revenue bonds payable solely from Commission revenues.

(2) Summary of Significant Accounting Policies

Basis of Accounting – The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America using the accrual basis of accounting. Under this basis of accounting, revenues and expenses are recognized in the period earned or incurred. All transactions are accounted for in a single proprietary (enterprise) fund. The measurement focus is on the determination of revenues, expenses, financial position, and cash flows as the identification of these items is necessary for appropriate capital maintenance, public policy, management control, accountability, and the calculation of amounts due.

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, the Commission has elected not to apply the provisions of the Statements and Interpretations of the Financial Accounting Standards Board issued after November 30, 1989. The Commission will continue applying all applicable pronouncements issued by the GASB.

Restricted Assets – The use of assets classified as "restricted" is limited to capital improvements or debt service, in accordance with applicable laws or provisions of the Commission's Master Trust Agreement dated February 15, 1994.

Cash and Cash Equivalents – Cash equivalents are defined as highly liquid investments, including overnight repurchase agreements, money market funds and certificates of deposit maturing within ninety days of purchase.

Investments – Investments are recorded at fair value with all related investment income, including the change in the fair value of investments and realized gains and losses, reflected in the Commission's net income. In the accompanying balance sheets, investments are generally comprised of U.S. government securities and U.S. instrumentality securities.

Accounts Receivable – Accounts receivable consist primarily of tolls receivable from commercial trucking companies. Each such account is guaranteed by a surety bond.

Inventories – Inventories consist of materials and supplies inventories that are valued at cost (first-in, first-out). The cost of inventory items is recognized as an expense when used.

Property and Depreciation – Property, roadway, and equipment are stated at cost. The costs of normal maintenance and repairs are charged to operations as incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

<u>Description</u>	<u>Years</u>
Buildings, roadway and structures	40
Roadway resurfacing	8-12
Building improvements	10
Machinery and equipment	5-10

Depreciation expenses are included in the statements of revenues, expenses, and changes in net assets.

Capitalization of Interest – Capitalized interest is included in the cost of constructed assets and is depreciated on the straight-line basis over the estimated useful lives of such assets. The amount of interest capitalized is based on the cost of assets under construction and the interest cost of eligible borrowings, less investment earnings on the related bond proceeds. Interest of \$3,934,369 and \$3,897,300 was capitalized for the years ended December 31, 2000 and 1999, respectively.

Bond Issuance Expenses, Discounts/Premiums, and Advance Debt Refundings – Bond issuance expenses are recorded as assets. Unamortized bond discounts and premiums are netted against long-term debt. Bond issuance expenses, as well as bond discounts and premiums, are amortized over the lives of the applicable bonds. Unamortized advance debt refunding gains and losses are netted against long-term debt and are amortized over the lives of the refunded bonds.

In 2000, as permitted by the Commission’s Master Trust Agreement, the Commission deposited a surety bond with the Trustee in lieu of funds otherwise required to be on deposit in the Commission’s debt service reserve accounts. This allowed the Commission to draw approximately \$51 million from these reserve accounts to pay for construction costs. The cost of the surety bond was recorded as a bond issuance cost and will be amortized over the life of the surety bond.

Compensated Absences – Vacation leave accumulates to all full-time employees of the Commission, ranging from 10 to 25 days per year, and any unused amounts are paid upon retirement or termination. The Commission records a liability for all vacation leave earned.

Sick leave accumulates to all full-time employees of the Commission, at the rate of 15 days per year with additional amounts for overtime worked. A portion of unused sick leave may be payable at the request of an employee or upon termination or retirement. The Commission records a liability for unused sick leave to the extent that it is probable that benefits will be paid in cash.

Recognition of Revenue – Toll revenues are recognized as vehicles use the Turnpike. Concession revenue arises from contracts entered into for the operation of the restaurants and service stations on the Turnpike. The operators pay fees based in part on percentages of gross sales (as defined in the respective contracts). The Commission’s revenues are recognized when the sales are made by the operators. All other revenues are recognized when earned.

Reclassifications – Certain reclassifications have been made to the 1999 amounts to conform to the 2000 presentation. The Commission receives an allocation of fuel taxes assessed by the State of Ohio. The allocation is based on the amount of fuel sold at service stations operated by the Commission. As prescribed by law, the Commission's use of these funds is limited to certain capital improvement costs. The state fuel tax allocation has been reclassified from "operating revenues" to "non-operating revenues". In addition, the Commission's statements of cash flows have been prepared using the direct method of presenting cash flows from operating activities. The Commission previously used the indirect method of presenting cash flows from operating activities.

New Accounting Pronouncements – The GASB has issued Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* and Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Statement No. 33 establishes accounting standards for nonexchange transactions, such as the state fuel tax allocation, provided to the Commission by another governmental unit. Statement No. 34 revises accounting and reporting standards for general purpose external financial reporting by governmental units. Statement No. 33 is effective for the Commission's year ending December 31, 2001 and Statement No. 34 is effective for the year ending December 31, 2002. The Commission has not completed an analysis of the impact of these two statements on its reported financial condition and results of operations.

(3) Deposits and Investments

Deposits

At year-end, the Commission had \$171,920 in undeposited cash on hand. The carrying amount of the Commission's deposits at December 31, 2000 was \$17,664,324, as compared to bank balances of \$18,986,382. Of the bank balances, \$1,805,919 was covered by federal depository insurance and the remainder by collateral held in joint custody accounts in the name of the Ohio Turnpike Commission and the pledging financial institution at the Federal Reserve Bank of Cleveland, Ohio.

Investments

The Commission's investment policy authorizes investments in obligations of the U.S. Treasury, agencies and instrumentalities, bankers' acceptances, certificates of deposit, time deposits, State Treasurer's Asset Reserve, money market mutual funds, repurchase agreements, general obligations of the State of Ohio rated AA or higher by a rating service and obligations of any state or political subdivision rated AAA by a rating service.

The investments are categorized as follows to give an indication of the level of credit risk assumed by the Commission: Category 1 includes investments that are insured or registered or for which the securities are held by the Commission or its agent in the Commission's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Commission's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the Commission's name.

The repurchase agreements listed in Category 3 are overnight investments that are fully covered by collateral held in joint custody accounts in the name of the Ohio Turnpike Commission and the pledging financial institution at the Federal Reserve Bank of Cleveland, Ohio. The other investments listed in Category 3 are held by The Huntington National Bank ("Trustee") as required by the Commission's Master Trust Agreement (see Note 5 below). Assets held by the Trustee as a custodial agent are considered legally separate from the other assets of The Huntington National Bank and are, therefore, protected against claims from its general creditors.

The State Treasurer's Asset Reserve (STAR Ohio) is an investment pool created pursuant to Ohio statutes and is managed by the Treasurer of the State of Ohio. The amounts invested with STAR Ohio are not classifiable as to risk category because the Commission does not own identifiable securities of the pool; rather it participates as a shareholder of the pool. STAR Ohio is not registered with the Securities and Exchange Commission as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Act of 1940. Investments in STAR Ohio are valued using STAR Ohio's share price, which is the price at which the investments could be redeemed.

In Thousands

	December 31, 2000			Total
	Category 1	Category 2	Category 3	Fair Value
Repurchase Agreements	\$ —	\$ —	\$ 29,540	\$ 29,540
U.S. Government Securities	5,316	—	—	5,316
U.S. Instrumentality Securities	126,688	—	23,281	149,969
Subtotals	\$ 132,004	\$ —	\$ 52,821	\$ 184,825
State Treasurer's Asset Reserve				609
Total Investments				<u>\$ 185,434</u>

(4) Capital Assets

Capital asset activity for the year ended December 31, 2000 was as follows (in thousands):

	Balance 12/31/99	Increases	Decreases	Balance 12/31/00
Capital Assets Not Being Depreciated:				
Land	\$ 29,552	\$ 1,871	\$ —	\$ 31,423
Construction in Progress	108,163	183,438	(167,942)	123,659
Total Capital Assets Not Being Depreciated	137,715	185,309	(167,942)	155,082
Other Capital Assets:				
Roadway and Structures	982,364	139,695	(15,106)	1,106,953
Buildings and Improvements	181,657	26,377	(165)	207,869
Machinery and Equipment	41,221	5,097	(1,786)	44,532
Total Other Capital Assets at Historical Cost	1,205,242	171,169	(17,057)	1,359,354
Less Accumulated Depreciation For:				
Roadway and Structures	(366,775)	(29,549)	11,402	(384,922)
Buildings and Improvements	(45,013)	(4,878)	75	(49,816)
Machinery and Equipment	(15,164)	(4,635)	1,575	(18,224)
Total Depreciation	(426,952)	(39,062)	13,052	(452,962)
Other Capital Assets, Net	778,290	132,107	(4,005)	906,392
Total Capital Assets, Net	<u>\$ 916,005</u>	<u>\$ 317,416</u>	<u>\$ (171,947)</u>	<u>\$1,061,474</u>

(5) Long-Term Debt of Turnpike Revenue Bonds

In accordance with Ohio law and the Commission's Master Trust Agreement ("Agreement") dated February 15, 1994, the Commission has issued revenue bonds payable solely from Commission "pledged revenues," as defined by the Agreement. Gross pledged revenues consist of tolls, special toll permits and certain investment revenues. The Commission's outstanding bonds do not constitute general obligations of the Commission or the State of Ohio. Neither the general credit, faith nor resources of the Commission or the State of Ohio are pledged to the payment of the bonds.

Under the terms of the Agreement, the Commission covenants to charge and collect sufficient tolls in order that annual gross pledged revenues equal at least the sum of the following: 1) annual operating, maintenance and administrative costs; 2) required deposits to maintain an expense reserve account equal to one twelfth of budgeted annual operating, maintenance and administrative costs; 3) budgeted annual amounts for renewal and replacement costs; and 4) annual debt service on the outstanding bonds. The Commission also covenants that annual gross pledged revenues less annual operating, maintenance and administrative costs and the required annual deposit to the expense reserve account, will equal at least 150 percent of the annual debt service on the outstanding bonds. The Commission has complied with all of its bond covenants.

Long-term debt from revenue bonds outstanding at December 31, 2000 and 1999, is as follows:

	<u>Average Yield</u>	<u>In Thousands</u>	
		<u>2000</u>	<u>1999</u>
1994 Series A:			
Serial Bonds maturing through 2013	5.16%	\$ 43,200	\$ 45,540
1996 Series A:			
Serial Bonds maturing through 2013	5.39%	115,055	121,125
1998 Series A:			
Serial Bonds maturing 2014 through 2021		168,180	168,180
Term Bonds due 2024 and 2026		<u>130,395</u>	<u>130,395</u>
	4.88%	298,575	298,575
1998 Series B:			
Serial Bonds maturing through 2018		117,845	121,945
Term Bonds due 2024 and 2028		<u>124,660</u>	<u>124,660</u>
	4.84%	242,505	246,605
 Total Principal Outstanding	 4.93%	 <u>699,335</u>	 <u>711,845</u>
Add:			
Unamortized gain on refunding		3,930	4,233
Less:			
Unamortized bond discount		(12,423)	(13,235)
Current portion of debt		(13,045)	(12,510)
 Total Long-Term Debt		 <u>\$ 677,797</u>	 <u>\$ 690,333</u>

On September 3, 1998, the Commission issued \$298,575,000 in State of Ohio Turnpike Revenue Refunding Bonds, 1998 Series A, pursuant to the Commission's Master Trust Agreement dated February 15, 1994 and a Fifth Supplemental Trust Agreement dated September 1, 1998. A portion of the 1994 Series A bonds and 1996 Series A bonds totaling \$303,110,000 were refunded from the proceeds of the 1998 Series A bonds to realize economic savings. Investments placed in an irrevocable escrow fund will earn interest and will mature at such times as to provide sufficient funds to pay the interest, principal and premium on the refunded bonds until and upon redemption. Bonds with a principal amount of \$69,180,000 will be called for redemption on February 15, 2004 and bonds with a principal amount of \$233,930,000 will be called for redemption on February 15, 2006. Neither the escrow funds nor the defeased bonds are included in the accompanying financial statements as of December 31, 1999 and 2000.

Minimum principal and interest payments on long-term debt are as follows (in thousands):

Year	Principal	Interest	Total
2001	\$ 13,045	\$ 36,154	\$ 49,199
2002	13,630	35,552	49,182
2003	14,255	34,911	49,166
2004	14,930	34,188	49,118
2005	15,730	33,365	49,095
2006 - 2010	92,395	152,864	245,259
2011 - 2015	120,150	124,402	244,552
2016 - 2020	155,580	88,050	243,630
2021 - 2025	192,240	42,084	234,324
2026 - 2028	67,380	3,827	71,207
Total	<u>\$ 699,335</u>	<u>\$ 585,397</u>	<u>\$ 1,284,732</u>

(6) Commitments and Contingencies

Commitments

The Commission has commitments at December 31, 2000 of approximately \$245,781,000 for capital projects and major repairs and replacements.

In addition, the Commission has issued purchase orders for unreceived goods and services amounting to approximately \$2,206,000 at December 31, 2000.

Litigation

The nature of the Commission's operations sometimes subjects the Commission to litigation resulting from traffic accidents and the like. The management and the General Counsel for the Commission are of the opinion that any unfavorable outcome of such claims in excess of insurance coverage will not result in a material adverse effect on the Commission's financial position as of December 31, 2000.

Environmental Matters

Due to the nature of operations at the Commission's service plazas and maintenance buildings, which include vehicle fueling facilities, the Commission may encounter underground fuel leaks or spills. The Commission, however, participates in the Petroleum Underground Storage Tank Release Compensation Board ("PUSTR") which limits the Commission's financial liability to \$55,000 per incident, up to a maximum reimbursement of \$1,000,000 per incident or \$2,000,000 per calendar year. The Commission is unaware of any incidents that will exceed these limits.

(7) Defined Benefit Pension Plan

Plan Description

The Commission contributes to the Public Employees Retirement System of Ohio ("PERS"), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-PERS (7377).

Funding

The Ohio Revised Code provides statutory authority for employee and employer contributions. During calendar years 2000, 1999, and 1998, the employees' contribution rate was 8.5 percent of their salary. The Retirement Board instituted a temporary employer contribution rate rollback of 20 percent for calendar year 2000. The employer contribution rates for calendar years 2000, 1999, and 1998 were 10.65 percent, 13.31 percent, and 13.31 percent, respectively, of covered payroll. The Commission's contributions (including contributions for other postemployment benefits described in Note 8) to PERS for the years ended December 31, 2000, 1999 and 1998 were \$4,558,000, \$5,600,000 and \$5,295,000, respectively, equal to 100 percent of the required contributions for each year.

Voluntary Early Retirement Incentive Plan

On March 8, 1999, the Commission adopted a voluntary Early Retirement Incentive Plan ("Early Retirement Plan") for all eligible employees. Pursuant to this Early Retirement Plan, the Commission agreed to purchase a maximum of three years of PERS service credit for eligible employees who retire during the period from June 1, 1999 through February 1, 2001. Employees wishing to participate were required to apply in writing no later than November 30, 2000. The cost to purchase service credit for an employee was recorded as an expense in the year in which the employee submitted a properly completed and signed agreement to participate in the Early Retirement Plan.

During 1999, 52 full-time and 8 part-time employees agreed to participate in the Early Retirement Plan. The cost to purchase PERS service credit for these employees totaled approximately \$3,566,000, which was recorded as an expense in 1999. During 2000, 57 full-time and 7 part-time employees agreed to participate in the Early Retirement Plan. The cost to purchase PERS service credit for these employees totaled approximately \$3,173,000, which was recorded as an expense in 2000.

(8) Other Postemployment Benefits

The Commission provides health care benefits as a postemployment benefit (as defined by GASB Statement No. 12) through its contributions to PERS.

In addition to the pension benefits described in Note 7, PERS provides postretirement health care coverage to age and service retirants with 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is also available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit ("OPEB") as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The employer contribution rate was rolled back for the year 2000. For the Commission, the total employer contribution rate was 10.65 percent of covered payroll; 4.3 percent was the portion that was used to fund health care for the year.

The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to PERS.

The assumptions and calculations noted below were based on the Retirement System's latest actuarial review performed as of December 31, 1999. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial purposes, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25 percent of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 1999 was 7.75 percent. An annual increase of 4.75 percent compounded annually is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases over and above the 4.75 percent base increase were assumed to range from 0.54 percent to 5.1 percent. Health care costs were assumed to increase 4.75 percent annually.

OPEB are advance-funded on an actuarially determined basis. The number of active contributing participants was 401,339. The Commission's contributions for other postemployment benefits to PERS for the years ended December 31, 2000, 1999 and 1998 were \$1,840,000, \$2,209,000 and \$2,089,000, respectively, equal to 100 percent of the required contributions for each year.

The actuarial value of the Retirement System's net assets available for OPEB at December 31, 1999 was \$10,805.5 million. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$12,473.6 million and \$1,668.1 million, respectively.

The Retirement Board instituted a temporary employer contribution rate rollback of 20 percent for calendar year 2000. The decision to rollback rates was based on the December 31, 1998 actuarial study, which indicated that actuarial assets exceeded actuarial liabilities. The Board reallocated employer contributions from 4.20 percent to 4.30 percent at the beginning of the year to improve health care financing. The proportion of contributions dedicated to funding OPEB increased during the year for those reasons.

(9) Risk Management

The Commission is self-insured for workers' compensation and vehicle damage claims. The Commission is also self-insured for employee health claims, up to a maximum of \$100,000 per covered person per contract year. Employee health benefits are subject to a lifetime maximum benefit of \$1 million per employee.

In accordance with GASB Statement No. 10, claims liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The estimated liability at December 31, 2000 for workers' compensation claims of \$2,445,000 and the estimated liability for employee health claims of \$810,000, including estimated claims incurred but not reported, are included in "Claims and Judgments" in the accompanying financial statements. The Commission is unaware of any unaccrued vehicle damage or unasserted workers' compensation claims at December 31, 2000.

Changes in the estimated workers' compensation and employee health claims payable, for the years ended December 31 were as follows (in thousands):

	Estimated Claims Payable– Beginning of Year	Current Claims	Claims Payments	Estimated Claims Payable– End of Year
1999	\$2,923	5,192	5,291	\$2,824
2000	\$2,824	6,554	6,123	\$3,255

The Commission purchases commercial insurance policies in varying amounts for general liability, vehicle liability, damage to capital assets other than vehicles, and public officials and employee liability coverage. In addition, the Commission purchases commercial insurance for employee health claims in excess of \$100,000 per covered person per covered year, up to the lifetime limit of \$1 million per employee. The Commission also pays unemployment claims to the State of Ohio as incurred.

“Our role is to make sure that all the steps and specifications that are in place are met by our contractors and consultants. This includes work done at the service plazas, third lane resurfacing and bridge reconstruction.

On a daily basis we come into contact with designers, construction managers, testing lab inspection firms, maintenance departments, superintendents and all labor forces. We help keep these people on their toes. We are always looking out for what's in the best interest of the Ohio Turnpike.

Our main concern is a quality product at a fair value, providing safety to workers and our patrons. Secondly, we try to resolve any issues which may come up in the field, from construction issues to traffic maintenance. Anything we can't resolve, we bring back to Berea for the engineers to clear up.

We also make suggestions to the Commission that could improve a project's quality, cost or appearance. We have filled a void here in a positive, productive way which benefits both the Ohio Turnpike and the traveling public.”

*- Domenic Ferritto
Construction Supervisor*

Statistical

SECTION

value
location
information service
convenience
favorite destinations



Revenues and Expenses

Last Ten Fiscal Years In Thousands

	2000	1999	1998
Revenues			
Tolls	\$ 176,772	176,430 (1)	156,175 (2)
Concessions	10,538	7,949	7,406
State Fuel Tax Allocation	2,360	2,381	2,274
Special Toll Permits	2,692	2,731	2,748
Leases and Licenses	369	424	1,198
Other Revenues	223	254	282
Total Operating Revenues	192,954	190,169	170,083
Investment Income	16,783	15,936	16,307
Total Revenues	\$ 209,737	206,105	186,390
Expenses			
Administration and Insurance	\$ 23,801	23,332	17,004
Maintenance of Roadway and Structures	21,312	20,688	17,641
Services and Toll Operations	28,012	24,809	22,473
Traffic Control, Safety, Patrol and Communications	10,309	10,786	10,120
Major Repairs and Replacements	3,384	2,271	1,210
Total Operating Expenses Before Depreciation	86,818	81,886	68,448
Depreciation	39,062	34,576	31,216
Total Operating Expenses	125,880	116,462	99,664
Loss on Disposals of Fixed Assets	4,006	4,502	1,003
Interest Expense	33,126	32,783	27,630
Capital Outlay, Major Repairs and Replacements			
Debt Service			
Total Expenses (Expenditures for Years 1991-1995)	\$ 163,012	153,747	128,297

Notes:

(1) 10% toll rate increase effective January 1, 1999.

(2) 10% toll rate increase effective January 1, 1998.

(3) 20% toll rate increase effective January 1, 1997.

(4) 15% toll rate increase effective January 1, 1996.

(5) 10% toll rate increase effective July 1, 1995.

(6) 1996 and 1997 have been restated from modified accrual to accrual basis accounting in connection with the adoption of the proprietary reporting model.

1997	1996	1995	1994	1993	1992	1991
138,577 (3)	118,785 (4)	102,004 (5)	94,442	88,369	83,645	80,185
7,666	7,901	7,933	7,089	5,996	6,024	5,955
2,329	2,368	2,262	2,080	2,135	2,243	2,214
2,735	2,769	2,680	2,337	2,088	1,766	1,167
809	949	537	521	513	506	501
265	231	132	186	121	162	364
<u>152,381</u>	<u>133,003</u>	<u>115,548</u>	<u>106,655</u>	<u>99,222</u>	<u>94,346</u>	<u>90,386</u>
<u>19,401</u>	<u>16,323</u>	<u>7,616</u>	<u>5,410</u>	<u>513</u>	<u>1,334</u>	<u>2,651</u>
<u><u>171,782</u></u>	<u><u>149,326</u></u>	<u><u>123,164</u></u>	<u><u>112,065</u></u>	<u><u>99,735</u></u>	<u><u>95,680</u></u>	<u><u>93,037</u></u>

18,074 (6)	19,573 (6)	19,477	17,896	16,728	16,098	14,668
18,633	19,064	18,599	17,995	16,370	15,072	14,287
21,459	20,471	20,109	19,796	18,361	17,342	15,818
9,962	10,070	9,481	8,396	8,305	8,045	7,449
3,573 (6)	1,086 (6)	—	—	—	—	—
<u>71,701</u>	<u>70,264</u>	<u>67,666</u>	<u>64,083</u>	<u>59,764</u>	<u>56,557</u>	<u>52,222</u>
<u>23,586</u>	<u>20,352</u>					
<u>95,287</u>	<u>90,616</u>	<u>67,666</u>	<u>64,083</u>	<u>59,764</u>	<u>56,557</u>	<u>52,222</u>
1,604 (6)	— (6)					
16,187 (6)	15,935 (6)	56,601	51,938	38,624	41,665	52,317
		8,474	5,408	—	4,980	409
<u>113,078</u>	<u>106,551</u>	<u>132,741</u>	<u>121,429</u>	<u>98,388</u>	<u>103,202</u>	<u>104,948</u>

Revenue Bond Coverage

Last Ten Fiscal Years In Thousands

	2000	1999	1998
Revenues	<u>\$ 190,944</u>	<u>(1) 190,846</u>	<u>(1) 169,204</u>
Expenses:			
Administration and Insurance	23,801	23,332	17,004
Maintenance of Roadway and Structures	19,943	20,688	17,641
Services and Toll Operations	25,917	24,809	22,473
Traffic Control, Safety, Patrol and Communications	10,306	10,786	10,120
Major Repairs and Replacements	<u>3,384</u>	<u>2,271</u>	<u>1,210</u>
Total Expenses	83,351	81,886	68,448
Deposit to Reserve Account	535	555	121
Net Revenues Available for Debt Service	<u><u>\$ 107,058</u></u>	<u><u>108,405</u></u>	<u><u>100,635</u></u>
Debt Service Requirements:			
Principal	12,956	13,125	10,039
Interest	36,526	36,508	28,324
Interest Earned	<u>(2,901)</u>	<u>(3,794)</u>	<u>(2,954)</u>
Total Debt Service Requirements	<u><u>\$ 46,581</u></u>	<u><u>45,839</u></u>	<u><u>35,409</u></u>
Calculated Coverage	2.30	2.36	2.84
Minimum Coverage Required per Master Trust Agreement	1.50	1.50	1.50

Notes:

(1) Gross Revenues per the Master Trust Agreement dated February 15, 1994 - consisting of toll, special toll permit, and certain investment revenues.

(2) 1996 and 1997 have been restated from modified accrual to accrual basis accounting in connection with the adoption of the proprietary reporting model.

1997	1996	1995	1994	1993	1992	1991
<u>156,768</u>	(1) <u>135,567</u>	(1) <u>106,807</u>	(1) <u>98,491</u>	(1) <u>99,736</u>	<u>95,680</u>	<u>93,037</u>
18,074	(2) 19,573	(2) 19,477	17,896	16,728	16,098	14,668
18,633	19,064	18,599	17,995	16,370	15,072	14,287
21,459	20,471	20,109	19,796	18,361	17,342	15,818
9,962	10,070	9,481	8,396	8,305	8,045	7,449
<u>3,573</u>	(2) <u>1,086</u>	(2) —	—	—	—	—
<u>71,701</u>	<u>70,264</u>	<u>67,666</u>	<u>64,083</u>	<u>59,764</u>	<u>56,557</u>	<u>52,222</u>
92	297	187	—	—	—	—
<u>84,975</u>	<u>65,006</u>	<u>38,954</u>	<u>34,408</u>	<u>39,972</u>	<u>39,123</u>	<u>40,815</u>
7,682	4,721	1,968	1,508	—	4,810	—
26,650	19,202	6,666	5,594	—	170	409
<u>(2,818)</u>	<u>(1,740)</u>	<u>(707)</u>	<u>(538)</u>	—	<u>(61)</u>	<u>(48)</u>
<u>31,514</u>	<u>22,183</u>	<u>7,927</u>	<u>6,564</u>	—	<u>4,919</u>	<u>361</u>
2.70	(2) 2.93	(2) 4.91	5.24	N/A	7.95	113.06
1.20	1.20	1.20	1.20			

“Traffic is an ever-changing entity along the Ohio Turnpike, so I especially enjoy the variety and facing new challenges. My work for the Turnpike is always exciting.”

*- Kerry Ferrier
Traffic Engineer*

Comparative Traffic Statistics

Last Ten Fiscal Years

	2000	1999	1998
Number of Vehicles in Thousands:			
Passenger Cars	36,289	35,903	35,064
Commercial Vehicles	9,286	9,154	8,525
Total	45,575	45,057	43,589
Percentage of Vehicles:			
Passenger Cars	79.6%	79.7%	80.4%
Commercial Vehicles	20.4%	20.3%	19.6%
Number of Miles in Thousands:			
Passenger Cars	1,851,766	1,820,823	1,797,105
Commercial Vehicles	850,533	836,591	772,424
Total	2,702,299	2,657,414	2,569,529
Percentage of Miles:			
Passenger Cars	68.5%	68.5%	69.9%
Commercial Vehicles	31.5%	31.5%	30.1%
Toll Revenue in Thousands:			
Passenger Cars	\$ 72,356	\$ 71,017	\$ 64,480
Commercial Vehicles	104,416	105,413	91,695
Total	\$ 176,772	\$ 176,430	\$ 156,175
Percentage of Toll Revenue:			
Passenger Cars	40.9%	40.3%	41.3%
Commercial Vehicles	59.1%	59.7%	58.7%
Average Miles per Trip:			
Passenger Cars	51.0	50.7	51.3
Commercial Vehicles	91.6	91.4	90.6
Average Toll Revenue per Trip:			
Passenger Cars	\$ 1.99	\$ 1.98	\$ 1.84
Commercial Vehicles	\$ 11.24	\$ 11.52	\$ 10.76
Average Toll Revenue per Mile:			
Passenger Cars	\$ 0.04	\$ 0.04	\$ 0.04
Commercial Vehicles	\$ 0.12	\$ 0.13	\$ 0.12

	1997	1996	1995	1994	1993	1992	1991
	32,795	32,878	33,718	32,395	30,492	29,146	27,170
	8,234	8,466	8,589	8,370	7,655	7,283	6,911
	<u>41,029</u>	<u>41,344</u>	<u>42,307</u>	<u>40,765</u>	<u>38,147</u>	<u>36,429</u>	<u>34,081</u>
	79.9%	79.5%	79.7%	79.5%	79.9%	80.0%	79.7%
	20.1%	20.5%	20.3%	20.5%	20.1%	20.0%	20.3%
	1,703,800	1,701,542	1,715,389	1,639,651	1,602,258	1,566,898	1,516,124
	751,772	781,674	797,785	777,270	704,210	667,927	642,211
	<u>2,455,572</u>	<u>2,483,216</u>	<u>2,513,174</u>	<u>2,416,921</u>	<u>2,306,468</u>	<u>2,234,825</u>	<u>2,158,335</u>
	69.4%	68.5%	68.3%	67.8%	69.5%	70.1%	70.2%
	30.6%	31.5%	31.7%	32.2%	30.5%	29.9%	29.8%
	\$ 56,281	\$ 46,731	\$ 39,486	\$ 35,711	\$ 34,764	\$ 33,912	\$ 32,718
	82,296	72,054	62,518	58,731	53,605	49,733	47,467
	<u>\$ 138,577</u>	<u>\$ 118,785</u>	<u>\$ 102,004</u>	<u>\$ 94,442</u>	<u>\$ 88,369</u>	<u>\$ 83,645</u>	<u>\$ 80,185</u>
	40.6%	39.3%	38.7%	37.8%	39.3%	40.5%	40.8%
	59.4%	60.7%	61.3%	62.2%	60.7%	59.5%	59.2%
	52.0	51.8	50.9	50.6	52.5	53.8	55.8
	91.3	92.3	92.9	92.9	92.0	91.7	92.9
	\$ 1.72	\$ 1.42	\$ 1.17	\$ 1.10	\$ 1.14	\$ 1.16	\$ 1.20
	\$ 9.99	\$ 8.51	\$ 7.28	\$ 7.02	\$ 7.00	\$ 6.83	\$ 6.87
	\$ 0.03	\$ 0.03	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02
	\$ 0.11	\$ 0.09	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.07	\$ 0.07

Vehicles and Toll Revenue

Last Ten Fiscal Years In Thousands

Class	Gross Weight Classification (Pounds)	2000	1999	1998
Vehicles				
1	— - 7,000	36,289	35,903	35,064
2	7,001 - 16,000	1,326	1,270	1,182
3	16,001 - 23,000	456	448	408
4	23,001 - 33,000	1,579	1,511	1,359
5	33,001 - 42,000	1,215	1,146	1,014
6	42,001 - 53,000	1,221	1,169	1,042
7	53,001 - 65,000	1,359	1,234	1,071
8	65,001 - 78,000	1,943	2,144	2,172
9	78,001 - 90,000	130	163	189
10	90,001 - 115,000	48	60	79
11	115,001 - 127,400	9	9	9
Subtotal		45,575	45,057	43,589
Add Non-Revenue*		580	537	605
Total Vehicles		46,155	45,594	44,194

Toll Revenue				
1	— - 7,000	\$ 72,356	\$ 71,017	\$ 64,480
2	7,001 - 16,000	5,601	5,372	4,598
3	16,001 - 23,000	2,482	2,426	1,974
4	23,001 - 33,000	10,086	9,360	7,557
5	33,001 - 42,000	12,035	11,172	8,768
6	42,001 - 53,000	15,322	14,703	11,707
7	53,001 - 65,000	20,845	18,552	14,642
8	65,001 - 78,000	35,841	39,883	36,701
9	78,001 - 90,000	4,257	5,275	5,633
10	90,001 - 115,000	2,974	3,724	4,361
11	115,001 - 127,400	663	730	622
Subtotal		182,462	182,214	161,043
Deduct Volume Discounts		(5,690)	(5,784)	(4,868)
Total Toll Revenue		\$ 176,772	\$ 176,430	\$ 156,175

*Non-revenue vehicles represent traffic of members, officers, employees, agents and representatives of the Commission and, while in the discharge of their official duties, police officers of the United States, of the State of Ohio and of its political subdivisions, and vehicles of contractors used in the maintenance of the Turnpike and its buildings.

1997	1996	1995	1994	1993	1992	1991
32,795	32,878	33,718	32,395	30,492	29,146	27,170
1,093	1,080	1,102	1,039	970	916	860
384	378	377	363	316	293	280
1,314	1,362	1,398	1,321	1,213	1,215	1,181
963	961	953	914	800	739	707
991	1,018	1,016	981	877	830	789
1,059	1,109	1,128	1,089	982	960	932
2,138	2,253	2,295	2,354	2,173	2,087	1,955
202	210	218	211	248	243	207
81	86	93	88	69	—	—
9	9	9	10	7	—	—
<u>41,029</u>	<u>41,344</u>	<u>42,307</u>	<u>40,765</u>	<u>38,147</u>	<u>36,429</u>	<u>34,081</u>
<u>617</u>	<u>536</u>	<u>238</u>	<u>238</u>	<u>238</u>	<u>216</u>	<u>203</u>
<u>41,646</u>	<u>41,880</u>	<u>42,545</u>	<u>41,003</u>	<u>38,385</u>	<u>36,645</u>	<u>34,284</u>

\$ 56,281	\$ 46,731	\$ 39,486	\$ 35,711	\$ 34,764	\$ 33,912	\$ 32,718
3,855	3,159	2,669	2,370	2,239	2,119	2,042
1,664	1,360	1,124	1,026	889	811	785
6,667	5,917	5,094	4,528	4,123	4,168	4,136
7,589	6,350	5,350	4,902	4,195	3,898	3,798
10,108	8,691	7,232	6,551	5,742	5,471	5,279
13,185	11,641	9,830	9,040	7,993	7,894	7,763
33,191	29,572	25,157	24,514	22,376	21,510	20,587
5,614	4,692	4,029	3,758	4,642	4,779	3,855
4,059	3,497	3,154	2,926	2,303	—	—
620	509	396	408	293	—	—
<u>142,833</u>	<u>122,119</u>	<u>103,521</u>	<u>95,734</u>	<u>89,559</u>	<u>84,562</u>	<u>80,963</u>
<u>(4,256)</u>	<u>(3,334)</u>	<u>(1,517)</u>	<u>(1,292)</u>	<u>(1,190)</u>	<u>(917)</u>	<u>(778)</u>
<u>\$ 138,577</u>	<u>\$ 118,785</u>	<u>\$ 102,004</u>	<u>\$ 94,442</u>	<u>\$ 88,369</u>	<u>\$ 83,645</u>	<u>\$ 80,185</u>

Activity by Interchange

Last Ten Fiscal Years In Thousands

Number		Name		2000	1999	1998
Old	New					
1	2	Westgate		7,101	6,951	6,731
2	13	Bryan-Montpelier		713	719	735
2A	25	Archbold-Fayette	(9)	375	342	37
3	34	Wauseon		754	729	848
3B	39	Delta-Lyons	(7)	463	420	381
3A	52	Toledo Airport-Swanton	(1)	1,493	1,421	1,370
4	59	Maumee-Toledo		4,550	4,557	4,510
4A	64	Perrysburg-Toledo	(2)	4,117	4,062	3,809
5	71	Stony Ridge-Toledo		6,297	5,815	5,546
5A	81	Elmore-Woodville-Gibsonburg	(8)	642	590	520
6	91	Fremont-Port Clinton		1,843	1,826	1,769
6A	110	Sandusky-Bellevue	(5)	1,392	1,246	1,107
7	118	Sandusky-Norwalk		1,872	1,883	1,887
7A	135	Vermilion	(6)	902	880	793
8A	142	Lorain County West		2,645	2,577	2,445
8	145	Lorain-Elyria		6,030	6,061	6,022
9A	151	North Ridgeville-Cleveland		5,509	5,377	5,169
9	152	North Olmsted-Cleveland		1,821	1,814	1,701
10	161	Strongsville-Cleveland		6,007	6,106	6,153
11	173	Cleveland		4,964	5,006	5,036
12	180	Akron		3,869	3,911	3,920
13	187	Streetsboro		5,707	5,609	5,372
13A	193	Ravenna	(4)	1,312	1,260	1,146
14	209	Warren		1,876	1,964	1,984
14A	215	Lordstown West	(3)	497	528	511
14B	216	Lordstown East	(3)	356	387	297
15	218	Niles-Youngstown		7,684	7,523	7,118
16	232	Youngstown		1,512	1,524	1,473
16A	234	Youngstown-Poland		1,097	1,204	1,167
17	238	Eastgate		7,750	7,822	7,620

Note: Totals of the number of vehicles entering and exiting at the toll interchanges are shown in the table above.

(1) Opened November 20, 1991

(4) Opened December 1, 1994

(7) Opened December 20, 1996

(2) Opened December 4, 1991

(5) Opened December 15, 1994

(8) Opened February 6, 1997

(3) Opened July 14, 1993

(6) Opened December 13, 1995

(9) Opened November 13, 1998

1997	1996	1995	1994	1993	1992	1991
6,485	6,520	6,579	6,258	6,041	5,768	5,605
742	724	756	733	730	791	702
—	—	—	—	—	—	—
876	1,007	1,018	997	922	833	685
332	9	—	—	—	—	—
1,343	1,433	1,414	1,353	1,165	959	70
4,404	4,544	4,527	4,507	4,144	3,858	4,105
3,644	3,561	3,530	3,551	2,715	2,410	98
5,160	5,709	6,117	5,610	5,700	5,148	5,586
379	—	—	—	—	—	—
1,765	2,059	2,063	2,165	2,083	1,945	1,951
957	972	848	26	—	—	—
1,675	1,958	2,189	2,479	2,391	2,316	2,199
805	895	28	—	—	—	—
2,392	2,509	2,453	2,356	2,221	2,193	2,184
5,432	5,216	6,333	6,346	6,021	5,922	5,712
4,790	4,590	5,099	5,276	5,073	4,806	4,624
1,446	1,612	1,669	1,526	1,393	1,372	1,326
5,750	5,757	5,783	5,683	5,021	4,887	4,765
4,746	4,868	5,018	4,879	4,378	4,144	3,979
3,681	3,826	3,840	3,703	3,189	3,105	2,964
5,061	5,003	5,096	5,068	4,939	4,884	4,701
984	943	855	54	—	—	—
1,808	1,684	1,994	2,050	2,043	2,165	2,108
521	604	584	546	176	—	—
304	334	354	352	120	—	—
6,771	6,546	6,711	6,564	6,471	6,345	6,084
1,411	1,506	1,560	1,457	1,369	1,318	1,262
1,103	1,073	1,071	1,080	1,082	998	929
7,288	7,225	7,135	6,911	6,909	6,692	6,523

Traffic Accident Statistics

Last Ten Fiscal Years

	2000	1999	1998
All Accidents:			
Number	2,443	2,303	1,889
Rate	90.4	86.7	73.5
Property Damage Accidents: (Greater than \$150)			
Number	1,936	1,787	1,472
Rate	71.6	67.2	57.3
Personal Injury Accidents:			
Number	496	508	410
Rate	18.4	19.1	16.0
Number Injured	840	801	682
Injury Rate	31.1	30.1	26.5
Fatal Accidents:			
Number	11	8	7
Rate	.4	.3	.3
Fatalities	12	8	8
Fatality Rate	.4	.3	.3

Note: All rates are per 100,000,000 vehicle miles.

1997	1996	1995	1994	1993	1992	1991
2,035 82.9	2,248 90.5	2,019 80.3	1,978 81.8	1,846 80.0	1,755 78.5	1,759 81.5
1,596 65.0	1,763 71.0	1,587 63.1	1,577 65.2	1,454 63.0	1,379 61.7	1,393 64.5
434 17.7	473 19.0	421 16.8	389 16.1	381 16.5	360 16.1	354 16.4
716 29.2	780 31.4	700 27.9	682 28.2	615 26.7	626 28.0	604 28.0
5 .2	12 .5	11 .4	12 .5	11 .5	16 .7	12 .6
10 .4	13 .5	12 .5	19 .8	12 .5	21 .9	13 .6

*"I enjoy my work, especially because
it is never the same thing day after day.
There is always something new and
different developing and that keeps my
job exciting."*

*- Scott Cobb
Telecommunications Supervisor,
Ohio Turnpike Radio Room*

Miscellaneous Data and Statistics

December 31, 2000

Effective Date of Ohio Turnpike Act	September 1, 1949
Ohio Turnpike Commission organized	September 8, 1949
Eastern-most 22-mile section of Turnpike opened to traffic	December 1, 1954
Remaining 219 miles of Turnpike opened to traffic	October 1, 1955

Revenue bonds sold to construct Turnpike	\$326,000,000	July 29, 1952
1984 Refunding Revenue Bonds sold	\$4,810,000	September 19, 1984
Last of 1952 Revenue Bonds retired		December 1, 1984
1984 Refunding Revenue Bonds retired		June 1, 1992
1994 Revenue Bonds sold	\$125,000,000	February 24, 1994
1996 Revenue Bonds sold	\$370,000,000	June 5, 1996
1998A Refunding Revenue Bonds sold	\$298,575,000	September 3, 1998
1998B Revenue Bonds sold	\$250,000,000	September 22, 1998

Length of The James W. Shocknessy Ohio Turnpike	241.26 miles
Number of lane miles	1,252.24 miles
Total land area of right of way	9,885.1082 acres

Facilities:

Interchanges		
Toll	28	
Non-toll	1	
Barrier	<u>2</u>	
Total	31	
Service Plazas		16
Maintenance Buildings		8
Administration Building		1

Number of structures over or under the Turnpike:

Other highways or interchange ramps	399
Railroads	69
Rivers and streams	<u>80</u>
Total	548

Number of employees:

Full-time	906
Part-time	283

Note: The Commission has no taxing authority; overlapping debt or debt limitations.

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THE OHIO TURNPIKE COMMISSION

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 5, 2001**