

*24 hours a day
7 days a week*

365

days a year

THE
Ohio 2002
TURNPIKE COMMISSION

Going the distance to meet our commitments.



**Auditor of State
Betty Montgomery**

Ohio Turnpike Commission
Berea, Ohio

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, 2002 through December 31, 2002. Based upon this review, we have accepted these reports 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.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

April 17, 2003

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THE Ohio 2002

TURNPIKE COMMISSION

Members & Officers



Tim Greenwood
Chairman



William W. Wilkins
Vice Chairman



Stephen J. Strnisha
Secretary - Treasurer



George F. Dixon III
Member



Gordon Proctor
Member Ex-Officio



Jeffry Armbruster
Senate Member



Stephen Buehrer
House Member



Gary C. Suhadolnik
Executive Director
Assistant
Secretary - Treasurer

Independent Auditors - Deloitte & Touche, LLP

Trustee - The Huntington National Bank, Cleveland, Ohio

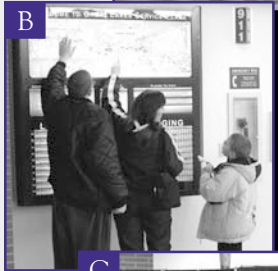
Consulting Engineers - HNTB Ohio, Inc., Cleveland, Ohio

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

Photos by: AJF Photography, Fairlawn, Ohio - pgs. 2, 3, 4, 11, 20, 39, 41, 42, 45

Cleveland Advertising Professionals - pgs. 12, 43, 51, 55

Table Of Contents



Introductory Section

Letter of Transmittal	5
Organizational Chart	6
Chairman's Letter	8
Executive Director's Year in Review	9
History and General Information	13
CFO/Comptroller's Report	17
Certificate of Achievement	19

Financial Section

Independent Auditors' Report	21
Management's Discussion and Analysis	22
Balance Sheets	26
Statements of Revenues, Expenses and Changes in Net Assets	27
Statements of Cash Flows	28
Notes to Financial Statements	29

Statistical Section

Revenues and Expenses	40
Revenue Bond Coverage	42
Comparative Traffic Statistics	44
Vehicles and Toll Revenue	46
Activity by Interchange	48
Traffic Accident Statistics	50
Miscellaneous Data and Statistics	52

- A. Truck parking is available in the rear lot of the new service plazas.
- B. A family examines the travel board map to double-check their interchange number.
- C. All of the service plazas offer extensive vending machine selections for motorists.
- D. Halina Rolleder (left) helps her grandson, Stanley, as his mom, Hana Nowicki (right) watches.
- E. Each of the Turnpike's 16 service plazas features some type of gift shop or retail store for travelers.
- F. Kelly Scudder (left) watches as her dogs (Zeus & Zoe) try to play with Lori Hazard's German Shepherd puppy (Aro) in the pet walk area of the service plaza.





Victor Mayo, Pennsylvania

I am very happy taking the Ohio Turnpike. I travel it frequently because the maintenance of the road is better than most.



Kay Cummings - Arizona

I used to take the Turnpike regularly when I lived here, and I always enjoyed it. I wasn't sure if I was heading in the right direction today, so I stopped into this service plaza, and it was so nice to have someone (service plaza attendant) available to ask.

Introductory Section



**Tim Lilyhorn - Mantua, OH -
Right: Tony DiBacco (Great Lakes/Towpath Service Plaza Manager)**

I use the Ohio Turnpike about once every two months. The Turnpike does a good job of taking care of everything - the plazas and the road - especially during winter months.

Letter of Transmittal



682 Prospect Street
Berea, Ohio 44017
telephone: 440.234.2081
fax: 440.234.4618
www.ohioturnpike.org

February 25, 2003

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

The Ohio Turnpike Commission pursuant to law presents herewith its fifty-fourth annual report covering the period from January 1, 2002 through December 31, 2002.

Respectfully yours,

Handwritten signature of Tim Greenwood in black ink.

Tim Greenwood
Chairman

Handwritten signature of William W. Wilkins in black ink.

William W. Wilkins
Vice Chairman

Handwritten signature of Stephen J. Strnisha in black ink.

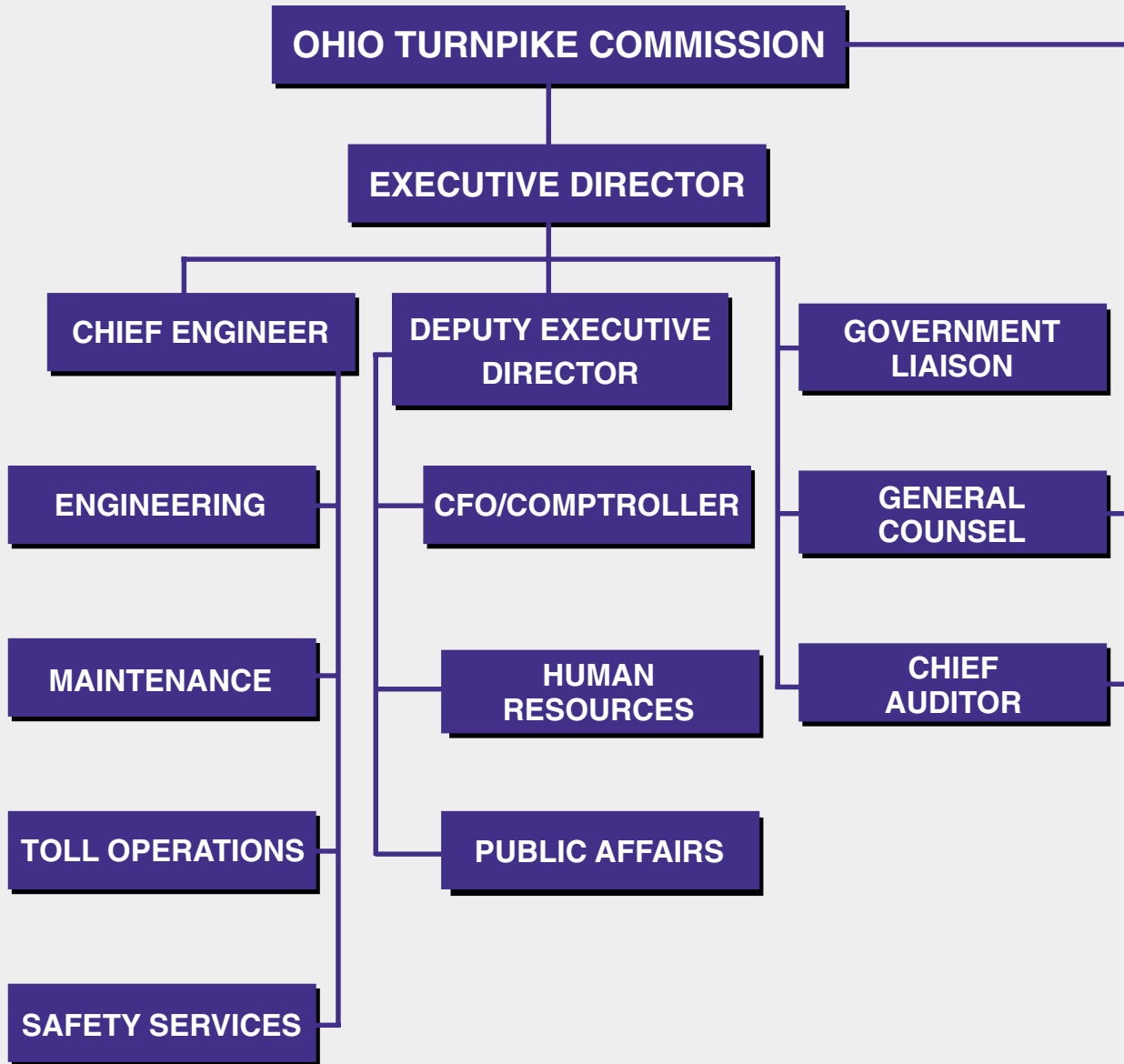
Stephen J. Strnisha
Secretary - Treasurer

Handwritten signature of George F. Dixon III in black ink.

George F. Dixon III
Member

Handwritten signature of Gordon Proctor in black ink.

Gordon Proctor
Member Ex-Officio



Organizational Chart

Members and Staff

Ohio Turnpike Commission Members

		Appointed	Term Expires
Chairman	Tim Greenwood	12/10/01	6/30/03
Vice Chairman	William W. Wilkins	12/07/01	6/30/05
Secretary-Treasurer	Stephen J. Strnisha	8/13/99	6/30/07
Member	George F. Dixon, III	10/09/01	6/30/09
Member Ex Officio	Gordon Proctor	1/11/99	—
Senate Member	Jeffry Armbruster	3/99	—
House Member	Stephen Buehrer	3/99	—

*Ohio Turnpike Commission Administrative Staff**

Gary Suhadolnik	Executive Director
Jerry Pursley	Deputy Executive Director
Dan Castrigano	Chief Engineer
Noelle Tsevdos	General Counsel
James Steiner	CFO/Comptroller
David Miller	Chief Auditor
Nancy Siler	Chief Accountant
Linda Birth	Payroll Manager
Sharon Isaac	Director of Toll Operations
Gary Cawley	Superintendent of Toll Operations
Lauren Dehrmann	Public Affairs Manager
Richard Morgan	Director of Information Systems
Tim Ujvari	Maintenance Engineer
William Keaton	Telecommunications Manager
Anne Fornshell	Director of Human Resources
Dick Lash	Director of Safety Services
Fred McFall	Patron Services Manager
Dan Fiktus	Purchasing Agent
Vacant	Government Liaison Officer
Richard Rob	Internal Investigator

*As of March 1, 2003



Chairman's Letter

February 2003

During an eventful year filled with many challenges and several significant changes at the Ohio Turnpike Commission, our dedication and commitment to our travelers continues to improve and is stronger than ever. Our organization remained devoted to the safety and security of patrons through increased efforts with the Ohio State Highway Patrol, support of the Department of Public Safety's "Buckle Up, What's Holding You Back" campaign, and monthly educational and informational events at our service plazas. The Turnpike launched initiatives to provide patrons with new conveniences and amenities such as the implementation of our Ready Toll Program, the opening of a new set of service plazas along with a community room, and many new restaurants at these facilities. The Turnpike's core commitment to providing a quality transportation structure was enhanced by maintaining and improving road conditions for patrons through additional third-lane projects and new snow and ice removal techniques. In short, our commitment to excellence remains intact.

To meet the challenges of a 21st century transportation system, a number of significant projects were accomplished in 2002. It was a record setting year for passenger car traffic on the Ohio Turnpike, proving that even as the economy was struggling, people were still choosing to travel on one of the safest roads in the country. As the economy began to improve slightly later in the year, so to did the truck traffic on the Turnpike. The Turnpike extended its non-toll revenue-advertising program and introduced signage on our tollbooths. The new interchange milemarker numbering system became official when the old numbers were removed from the signs in the fall. In keeping with our loyalty to safety and serving patrons, the Commission purchased life-saving Automated External Defibrillator (AED) equipment, which was installed during the first quarter of 2003 at all of the service plazas. Our Capital Improvement Program continued with great success, including work on the Cuyahoga River Bridge. The Ohio Turnpike Commission's year ended with new insight and understanding, along with the appointment of a new Executive Director, Mr. Gary Suhadolnik.

The changes that occurred in 2002 will undoubtedly strengthen our organization. Meanwhile, all of our employees, from toll collectors to maintenance workers, will continue to do what they have always done - serve motorists from Ohio and around the country, meeting their needs 24 hours a day, 7 days-a-week, 365 days a year. The previous two annual reports featured many of these hard-working and dedicated workers. This year, we plan to show some of our patrons and those who have been positively affected by our efforts. It is a tremendous task to serve 47+ million motorists each year. Throughout the pages of this report, we will be highlighting some of our success stories, as well as featuring some travelers who have expressed an appreciation for our continued commitment to excellence.

Sincerely,

A handwritten signature in black ink that reads "Tim Greenwood". The signature is written in a cursive, flowing style.

Tim Greenwood, Chairman



“The Ohio Turnpike Commission achieved many goals in 2002, which will be highlighted throughout this Year In Review section. Reaching these goals made it possible for the Commission to maintain its tradition of excellence as a vital transportation facility for the state of Ohio and beyond. And, as always, we continued to provide service and value to our patrons.” — Gary C. Suhadolnik

CAPITAL IMPROVEMENT PROGRAM

GOALS/OBJECTIVES:

To continue progress on the Commission's Capital Improvement Program, which includes third-lane construction, service plaza and toll plaza reconstruction.

THIRD-LANE CONSTRUCTION

ACTIONS & ACCOMPLISHMENTS:

The Ohio Turnpike Commission is constructing a third-lane on a 160-mile long portion of the Turnpike from Toledo to Youngstown. Three, third-lane construction projects totaling 8.9 miles were completed in 2002. This additional third-lane construction brought the project to 85 percent, or 136 miles, complete at the end of 2002.

A small portion, approximately 500 feet in length, of the eastbound Cuyahoga River Bridge was dropped using explosives during the initial demolition stage in November, 2001.

Construction crews also removed portions of the old bridge using cranes; however, the remaining steel trusses, weighing 3,739,000 lbs. or 1,880 tons, also needed to be removed using explosives. Demolition of the remaining steel superstructure {(1,750 feet) of the old, eastbound Cuyahoga River Bridge at milepost 176.9} took place January 19, 2002. The operation began at 7:30 a.m. as a series of rolling roadblocks were utilized to slow traffic in the eastbound and



westbound directions approaching the bridge. Once demolition was complete, construction crews quickly began building the new westbound structure in the location of the old, eastbound bridge. The construction award for the two bridges is approximately \$51 million, and this project remains on schedule for completion by the end of 2003.

NEW SERVICE PLAZAS OPEN

ACTIONS & ACCOMPLISHMENTS:

In 2002, the Commission provided patrons with additional services and amenities when it opened another set of new plazas (Middle Ridge/Vermilion Valley, milepost 139.5) in Amherst, offering a variety of food choices, retail sales and other conveniences, including a Community Room. The reconstructed service plazas opened on the Turnpike with full services in July, signifying the fourth set to be completed to serve travelers. The new plazas have several new restaurant choices for motorists, including Panera Bread, Starbucks, Popeye's Chicken, Burger King, TCBY, Manchu Wok, and Great Steak and Potato Company. In addition to the opening of these new plazas, Portage and Brady's Leap Service Plazas (milepost 197) added several new restaurant choices, including Au Bon Pain, Krispy Kreme and an Italian Eatery - Mamma Leone's Pizza. This reconstruction program has now reached the midpoint, leaving four remaining pairs of original plazas.

NATIONAL COVERAGE OF SERVICE PLAZAS

The Ohio Turnpike was featured in a national magazine, *Travel Holiday*, as one of the Editor's Choice "Best Buys". The Ohio Turnpike and service plazas are featured on Page 93 of the December/January 2003 issue. At \$8.95 (the cost for a passenger vehicle to travel the entire 241-mile toll road) the Turnpike is considered a "Best Buy" along with 101 others. It states that the bathrooms are "eerily roomy and spotless, the convenience stores uncluttered and open late, and it seems like the official greeters never go off duty. Plus, there is a Starbucks in almost every pit stop." We are honored to be included in this publication featuring our service plazas.

OPEN HOUSE AT MIDDLE RIDGE SERVICE PLAZA

The Commission held an Open House reception at the Middle Ridge Service Plaza in Amherst on Saturday, November 2, 2002. This was a chance for residents and community leaders to visit the plaza, enjoy snacks and refreshments in our Community Room, and socialize with Turnpike staff and Commission Members. Service Plaza Managers were available to answer questions and provide tours of the facility.

TOLL PLAZA RENOVATION

ACTIONS & ACCOMPLISHMENTS:

The Ohio Turnpike Commission initiated the reconstruction of four additional toll plazas during the 2002-construction season. Three of these toll plazas will be finished by the end of the first quarter of 2003, and the fourth late in 2003, bringing the total number of reconstructed toll plazas to 17. This program involves the reconstruction of the "original" 20 plazas, with only three remaining to complete this initiative.

FOCUS ON SAFETY

GOALS/OBJECTIVES:

To broaden our commitment to motorists' safety, as well as educate and promote safety on the Ohio Turnpike.

NEW SAFETY SIGNS

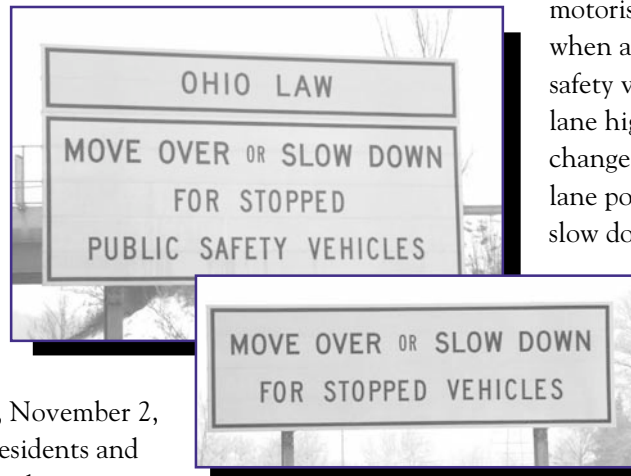
ACTIONS & ACCOMPLISHMENTS:

The Ohio Turnpike Commission began installing signs along the Turnpike signifying the Ohio Law that requires motorists to slow down and proceed with caution when approaching stopped public safety vehicles with lights activated. [The law states that

motorists must safely change lanes when approaching a stopped public safety vehicle if traveling on multi-lane highways. If motorists cannot change lanes safely, or are on a two-lane portion of highway, they must slow down and proceed with caution.]

Signs were erected along the Ohio Turnpike informing motorists of this Ohio Law. Smaller signs stating, "MOVE OVER OR SLOW DOWN FOR STOPPED VEHICLES" are located

westbound at mileposts 69.9, 137.8, and 215.8 and eastbound at mileposts 73.6, 174.8, and 220.15. The larger signs read, "OHIO LAW - MOVE OVER OR SLOW DOWN FOR STOPPED PUBLIC SAFETY VEHICLES" and are located westbound at mileposts 116.8 and 238.7, and eastbound at mileposts 4.08 and 120.0. Additional signs will be erected in 2003.



CAR CARE & SAFETY DAY

ACTIONS & ACCOMPLISHMENTS:

Given the success of the Turnpike's Car Care and Safety Day in 2001, the Commission established it as an annual event, offering a fun and free event for Turnpike motorists and communities along the Turnpike corridor. The Second Annual Car Care and Safety Day event was held on Friday, July 26, 2002, in

the rear parking lot of the Great Lakes Service Plaza (milepost 170 westbound) in Broadview Heights. The number of attractions and participants doubled from the first event, and the Commission invited residents from the area to come out to the event as well.

Attendees enjoyed meeting with representatives from Metro Life Flight, Broadview Fire and Rescue, Richfield

Fire and EMS, the Ohio State Highway Patrol (K-9 Unit), Ohio Turnpike maintenance crews and more. A special “No Zone” demonstration, conducted by representatives from Roadway Express, Inc. gave travelers the opportunity to experience exactly what a truck driver is able to “see” when driving.

There were plenty of free games, prizes and giveaways. Children were allowed to enter a special “KIDZ KORNER” after signing a pledge card to wear their seatbelt

when they travel. Also participating in the event were representatives from Mothers Against Drunk Driving, Parents Against Tired Truckers, Ohio Bicentennial Commission, Broadview Heights Chamber of Commerce, Jellystone Park Camp Resort, Trooper Teddy and Coastie the Coast Guard Auxiliary safety boat. There were several new attractions including the Dale Jarrett UPS Show Car and Sunoco offered an “Enter To Win” opportunity for a Ford Escape, which drew people of all ages to the event. Motorists were able to take advantage of a free vehicle inspection by a certified technician who checked such things as tire pressure, fluids, belts, and hoses. The Car Care and Safety Day is a commitment to safety by the Ohio Turnpike Commission, all of the volunteers, participants and our sponsors: Sunoco, UPS, Pepsi, Panera Bread, and Pizza Hut/TCBY.



INTERCHANGE NUMBERING SYSTEM

GOALS/OBJECTIVES:

To change the interchange numbering system on the Ohio Turnpike to be consistent with the interchange references on other interstates throughout Ohio and across the country.

ACTIONS & ACCOMPLISHMENTS:

In a survey conducted in 1997, the Commission concluded that 66 percent of Turnpike travelers preferred the use of mileposts for the interchange numbering system (from 81,062 responses). As a result, a Resolution was adopted on

December 15, 1997, to include the “new” milepost designations for Ohio Turnpike interchanges. To ease into the transition, the new signs displaying the milepost number as well as the old exit number were erected in January, 1998. It was intended to have the old numbers appear on the signs for approximately one year, but in an effort to accommodate patrons who were familiar with the old numbering system, that time frame was extended. In 2002, the Commission decided to take the next step by removing the old exit numbers from the signs and to reference interchanges strictly according to their corresponding milemarker. The change began after the Labor Day weekend and was completed in December.

OVER-DIMENSIONAL AND SPECIAL PERMIT FEE STRUCTURE

GOALS/OBJECTIVES:

To develop a simplified fee schedule for over-dimensional vehicles and vehicles requiring special permits.

ACTIONS & ACCOMPLISHMENTS:

On July 1, the Ohio Turnpike Commission implemented a new fee schedule for special permits. The revisions only affected vehicles that are over-dimensional or hauling explosives, and the changes did not affect the toll charges for other vehicles traveling on the Turnpike. In anticipation of these changes, the Commission conducted three public meetings across the state in October and November of 2001. Commission staff met with approximately 40 representatives from the trucking industry to discuss the effects of these changes. In addition, the Commission worked closely with The Ohio Trucking Association to establish the appropriate timing for implementation of the fee changes given the uncertainty of the nation's economy after the 9/11 tragedy. The new fee schedule was delayed from the initial start date of January 1, 2002, and was subsequently implemented on July 1.

READY TOLL PROGRAM

GOALS/OBJECTIVES:

To provide an alternate toll collection system for travelers.

ACTIONS & ACCOMPLISHMENTS:

While the Commission continued to explore and research various electronic toll collection systems such as E-ZPasssm, the Ohio Turnpike Commission was able to provide a more convenient service for frequent Ohio Turnpike travelers. The Ready Toll Program was implemented Turnpike-wide on July 22 and provides several advantages to frequent users of the Turnpike. The main advantage of the Ready Toll Program is that it uses a prepaid card (similar to a credit card) that can be used to pay tolls. Ready Toll cardholders no longer have to search for money to pay tolls or wait for change. A detailed statement of all toll fares and transactional information is sent to cardholders approximately every 90 days (depending on usage), which is another benefit of the program, specifically for the business or self-employed traveler. The program is much different from the typical E-ZPasssm electronic toll collection system. Ready Toll was cost-effective to implement since it uses the

equipment already in place in the toll plazas. At the end of 2002, nearly 1,000 motorists were participating in the Ready Toll Program.

ADVERTISING VALUE SERVICES

GOALS/OBJECTIVES:

To further explore ways to keep tolls at a reasonable rate for travelers, while still offering travelers the level of service they expect on our road.

ACTION & ACCOMPLISHMENTS:

The first in a series of Commission efforts to raise non-toll revenue included a coupon program, which was created to generate alternative revenue from advertising to counterbalance operational costs. At the same time, this program provides patrons with another value-added feature for choosing to travel on the toll facility. The Commission proceeded with its advertising efforts when it implemented the coupon program on January 7. Patrons requesting a toll receipt now also receive a discount coupon on the front. Advertisers have included OfficeMax, Advance Auto Parts, Speedco and Exec Connect.

The initial advertising program was so successful that the Commission opted to expand the program to allow a window advertisement on exiting tollbooths. Several local advertisers are now able to feature their services to exiting Turnpike travelers.

TravelersMarketing of Wellesley, Massachusetts administers the advertising program for the Ohio Turnpike Commission as well as several other toll agencies, including the Pennsylvania Turnpike. They are responsible for obtaining advertisers and generating revenue for the Turnpike. The coupon program generated

\$59,767.50 in revenue in 2002 and the window sign program generated an additional \$35,560.69 in revenue for the Commission.



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 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 2002, the total annual traffic consisted of 38,613,940 automobiles and 9,092,929 trucks. Annual revenues from tolls, restaurant and service station concessionaire rentals and other sources rose from \$15,350,966 in 1956 to \$202,412,087 in 2002.

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 (Milemarker 218), Interstate Route 90 between the Ohio-Indiana line and the Lorain County West Interchange (Milemarker 142), and Interstate Route 76 between the Niles-Youngstown Interchange (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, Interstate Route 77, 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 eight feet wide on the inside and ten feet three inches wide on the outside of the twenty-four foot mainline roadways. The shoulders are hard surfaced with three 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 will consist primarily of full depth asphalt.

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 customers. 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.

The Commission has replaced eight of its 16 service plazas with new, more modern structures. The original service plazas were built and in operation in 1955 when the Turnpike was first opened to traffic from the Pennsylvania to Indiana state borders.

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 service plazas located at milepost 197 opened in 2001 followed by the plazas located at milepost 139.5 in 2002. The Commission will continue their 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 customers 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 comfortable-riding and safe condition.

Ohio State Highway Patrol

A special Turnpike unit, District 10 of the Ohio State Highway Patrol, polices the Turnpike. Headquarters for District 10 is 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 all costs to the Patrol 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 customers is the use of the systems for emergency services including ambulance, EMS life flights, Ohio State Highway Patrol and wrecker service.

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.



CFO/Comptroller's Report

The Ohio Turnpike Commission

James T. Steiner
CFO/Comptroller

February 28, 2003

Ohio Turnpike Commission and Executive Director:

The *Comprehensive Annual Financial Report* ("CAFR") of the Ohio Turnpike Commission (the "Commission") for the year ended December 31, 2002, 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 report of the independent auditor, management's discussion and analysis, and the general-purpose financial statements. The notes provided in the financial section of this report are 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.

Accounting Policies and Internal Controls

The Commission's reporting entity and its accounting policies are described in detail in Note 1 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.

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Serving the nation — The James W. Shocknessy Ohio Turnpike

Tim Greenwood
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William W. Wilkins
Vice Chairman

Stephen J. Strnisha
Secretary-Treasurer

George F. Dixon
Member

Gordon D. Proctor
Director of Transportation
Member Ex-Officio

Senator Jeffrey J. Armbruster
Ohio Senate Member

Rep. Stephen Buehrer
Ohio House Member

Gary C. Suhadolnik
Assistant Secretary-Treasurer
Executive Director

CFO/Comptroller's Report (continued)

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, 2001*. 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.

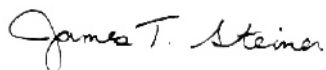
In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable 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 to determine its eligibility for another certificate.

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, the Public Affairs Manager, and the various department heads and employees who assisted with and contributed to its preparation.

Respectfully submitted,



James T. Steiner
CFO/Comptroller

Certificate of Achievement

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, 2001

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.



William Patrick Pate
President

Jeffrey L. Esser
Executive Director



Steve Pipfer - Dover, OH

I'm a truck driver, so I take the Turnpike just about everyday. I like the truckers' lounge - I use the showers more than anything. I enjoy the food at the service plazas, but I would like to see a steak place.



Michael Rush w/Sylvia Bennett on left - Pittsburgh, PA

We travel this way a lot. I travel on business, and I always stop in and take food home.

Financial Section



Tom & Sandy Dowling - Washington, D.C.

We travel this way often. You can always breathe a sigh of relief when you hit the Ohio Turnpike because it's flat and there are three lanes. The Turnpike is doing a great job with these new facilities. We especially enjoy the restaurant choices.

Independent Auditors' Report

Deloitte & Touche LLP
Suite 2500
127 Public Square
Cleveland, Ohio 44114-1303

Tel: (216) 589-1300
Fax: (216) 589-1369
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**Deloitte
& Touche**

INDEPENDENT AUDITORS' REPORT

Ohio Turnpike Commission
Berea, Ohio

We have audited the accompanying balance sheets of the Ohio Turnpike Commission (the "Commission"), as of December 31, 2002 and 2001, and the related statements of revenues, expenses and changes in net assets and of cash flows for the years then ended. 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.

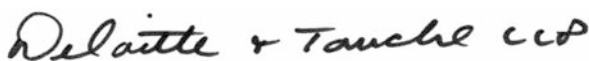
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Commission as of December 31, 2002 and 2001 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 to the financial statements, during 2002, the Commission adopted Governmental Accounting Standards Board ("GASB") Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus, an amendment of GASB Statements No. 21 and No. 34*, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*.

Management's Discussion and Analysis on pages 22 - 25 is not a required part of the basic financial statements but is supplementary information required by the GASB. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The statistical data on pages 39 - 52 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 7, 2003, 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.



February 7, 2003

**Deloitte
Touche
Tohmatsu**

Management's Discussion and Analysis

Management's Discussion and Analysis

This section of the annual financial report presents the Commission's discussion and analysis of its' financial performance during the year ended December 31, 2002. Please read it in conjunction with the Chairman's Letter, Executive Director's Year in Review, History and General Information, and CFO/Comptroller's Report at the front of this report, and the Commission's financial statements and notes, which follow this section.

Financial Highlights

- Both passenger and total traffic volumes set new all-time records in 2002. Improving commercial traffic volume exceeded the level from the previous year.
- Concession revenues from the reconstructed service plazas continued to grow.
- Total 2002 revenues exceeded expenses by \$21 million, providing additional resources for the Commission's ongoing Capital Improvement Program.
- The Commission made capital improvements in 2002 totaling \$113 million, including the reconstruction and reopening of the Middle Ridge and Vermilion Valley Service Plazas, renovation of three toll plazas, extension of the third lane, continuation of the reconstruction of the westbound bridge over the Cuyahoga River, resurfacing of selected portions of the roadway, and renovation of several maintenance buildings.

Condensed Balance Sheet Information

	In Thousands		Increase / (Decrease)	
	12/31/02	12/31/01	\$	%
Assets				
Cash and Investments	\$ 153,777	\$ 207,598	\$ (53,821)	(26%)
Other Noncapital Assets	19,009	22,188	(3,179)	(14%)
Capital Assets	1,239,116	1,175,766	63,350	5%
Total Assets	\$ 1,411,902	\$ 1,405,552	\$ 6,350	0%
Liabilities and Net Assets				
Liabilities				
Current Liabilities	\$ 60,543	\$ 61,334	\$ (791)	(1%)
Long-Term Liabilities	762,142	776,224	(14,082)	(2%)
Total Liabilities	822,685	837,558	(14,873)	(2%)
Net Assets				
Invested in Capital Assets, Net of Debt	481,151	404,015	77,136	19%
Restricted	61,305	124,549	(63,244)	(51%)
Unrestricted	46,761	39,430	7,331	19%
Total Net Assets	589,217	567,994	21,223	4%
Total Liabilities and Net Assets	\$ 1,411,902	\$ 1,405,552	\$ 6,350	0%

Assets

The condensed balance sheet information shows that cash and investments decreased by \$54 million in 2002 while capital assets increased by \$63 million. As detailed in Note 4 of the financial statements, the increase in capital assets resulted from capital expenditures during the year of approximately \$113 million, reduced by depreciation expense of \$48 million and losses from disposals/write-offs of \$2 million. While a portion of the capital expenditures were funded from cash generated from operations in 2002, the decrease in cash and investments reflects the fact that resources accumulated from previous years were also used.

The expenditures noted above are part of an ongoing major capital improvement program that began in 1995. 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. Major 2002 projects included the reconstruction and reopening of the Middle Ridge and Vermilion Valley Service Plazas in Lorain County; renovation of toll plazas at milepost 118 in Erie County, milepost 152 in Lorain County and milepost 187 in Portage County; third-lane projects in Wood, Lorain and Cuyahoga Counties; resurfacing projects in Williams and Sandusky Counties, continuing work on the westbound bridge over the Cuyahoga River in Summit County, along with several other bridge reconstructions; and renovation of several of the Commission's maintenance buildings.

Long-term Debt

Approximately half of the cost of the Commission's Capital Improvement Program is being funded on a pay-as-we-go basis from accumulated and current-year operating cash flows, and the other half is 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, 1998 and 2001. The \$14 million decrease in long-term liabilities during 2002 is primarily the result of principal payments on those bonds.

As described in Note 6 of the financial statements, the Commission has commitments at December 31, 2002 of approximately \$104.5 million for capital projects and major repairs and replacements. It is anticipated that these commitments will be financed from the Commission's cash balances. However, at the discretion of the Commission, additional bonds may be issued in the future to finance a portion of these costs.

The Ohio Turnpike Commission's credit rating is among the highest of all the toll roads in the world. The current agency ratings are as follows:

<u>Agency</u>	<u>Rating</u>
Standard & Poor's	AA
Fitch Ratings	AA
Moody's Investors Service	Aa3

Net Assets

Net assets invested in capital assets, net of related debt, increased by over \$77 million during 2002 as a result of the \$63 million increase in capital assets and the \$15 million of bond principal payments. Restricted net assets decreased

Management's Discussion and Analysis (continued)

by \$63 million because revenues accumulated from previous years were utilized in 2002 to help fund the Commission's Capital Improvement Program. Of the \$61 million balance of restricted net assets, \$17 million is restricted for debt service and \$40 million is restricted for capital improvements, in accordance with provisions of the Commission's Master Trust Agreement. The remaining \$4 million represents accumulated Ohio fuel tax allocations and is also restricted for future capital improvements in accordance with Ohio law. The \$7 million increase in unrestricted net assets and the overall \$21 million increase in net assets is the result of 2002 revenues that exceeded expenses, as discussed below.

Condensed Statements of Revenues, Expenses and Changes in Net Assets Information

	In Thousands		Increase / (Decrease)	
	Years Ended		\$	%
	12/31/02	12/31/01		
Revenues:				
Operating Revenues:				
Tolls	\$ 179,200	\$ 174,326	\$ 4,874	3%
Special Toll Permits	2,540	2,614	(74)	(3%)
Concessions	12,340	11,547	793	7%
Other	908	962	(54)	(6%)
Nonoperating Revenues:				
State Fuel Tax Allocation	2,669	2,328	341	15%
Investment Earnings	4,755	9,498	(4,743)	(50%)
Total Revenues	202,412	201,275	1,137	1%
Expenses:				
Administration and Insurance	6,432	6,099	333	5%
Maintenance of Roadway and Structures	27,677	24,441	3,236	13%
Services and Toll Operations	42,068	37,305	4,763	13%
Traffic Control, Safety, Patrol & Communications	12,474	11,966	508	4%
Major Repairs and Replacements	5,580	5,219	361	7%
Depreciation Expense	47,888	43,225	4,663	11%
Interest Expense	37,113	32,404	4,709	15%
Loss on Disposals/Write-Offs of Capital Assets	1,957	4,092	(2,135)	(52%)
Total Expenses	181,189	164,751	16,438	10%
Change in Net Assets	21,223	36,524	(15,301)	(42%)
Total Net Assets - Beginning of Year	567,994	531,470	36,524	7%
Total Net Assets - End of Year	\$ 589,217	\$ 567,994	\$ 21,223	4%

Toll revenue is the major source of funding for the Ohio Turnpike Commission. Both passenger car and total traffic volumes during 2002 set new all-time highs, exceeding the prior records established in 2001. Commercial traffic in 2002 also exceeded the volume from the previous year and was only 2.1 percent below the record-level reached in 2000.

	2002	2001	Increase / (Decrease)	
			#	%
Number of Vehicles in Thousands:				
Passenger Cars	38,614	37,036	1,578	4.3%
Commercial Vehicles	9,093	8,864	229	2.6%
Total	47,707	45,900	1,807	3.9%

The record-setting traffic volumes generated toll revenues from passenger cars and total toll revenues that reached new highs. Toll revenues from commercial traffic in 2002 also exceeded the amounts from the previous year, but were 3.9 percent below the record-level reached in 1999.

	<u>2002</u>	<u>2001</u>	<u>Increase / (Decrease)</u>	
			<u>\$</u>	<u>%</u>
Toll Revenues in Thousands:				
Passenger Cars	\$ 77,904	\$ 74,710	\$ 3,194	4.3%
Commercial Vehicles	101,296	99,616	1,680	1.7%
Total	<u>\$ 179,200</u>	<u>\$ 174,326</u>	<u>\$ 4,874</u>	<u>2.8%</u>

Concession revenues showed continued growth as a result of the increased traffic and the newly reconstructed service plazas, which offer a wide variety of food choices, vending, and retail goods.

Expenditures related to the Commission’s ongoing Capital Improvement Program, discussed above, reduced the funds available for investment. This fact, combined with lower short-term interest rates, caused a decline in investment income.

Approximately 600 full-time, nonsupervisory, field employees in the Commission’s Toll Collection and Maintenance Departments and approximately 290 part-time, nonsupervisory, field employees in the Commission’s Toll Collection Department are represented by the Teamsters Local Union No. 436, affiliated with the International Brotherhood of Teamsters. During 2002, the Commission entered into a new three-year collective bargaining agreement for the period January 1, 2002 through December 31, 2004. Higher wages and benefits costs associated with this agreement, along with comparable increases in salaries and benefits for nonbargaining employees and other inflationary cost increases, resulted in increased operating expenses of approximately \$9.2 million in 2002 compared to 2001.

Due to weather conditions, snow and ice removal costs increased about \$1.2 million in 2002, thereby adding to the higher maintenance expenses. The mid-year reopening of the Middle Ridge and Vermilion Valley Service Plazas also contributed approximately \$87,000 to the increase in maintenance expenses, as well as \$590,000 to the increase in services and toll operations expenses.

The increase in depreciation expenses from 2001 to 2002 is a consequence of the growth in capital assets discussed above. The increased interest expense is the result of the issuance of \$100 million in State of Ohio Turnpike Revenue Bonds, 2001 Series A on July 25, 2001, to pay a portion of the Commission’s Capital Improvement Program.

Total 2002 revenues of \$202 million exceeded expenses of \$181 million by \$21 million. This increase in net assets reflects the Commission’s continued sound financial operations and improving financial position. The Commission endeavors to diligently manage its resources to meet its financial obligations, while operating, maintaining and improving one of the highest quality and safest highways anywhere. As discussed above, most of the increase in net assets has been invested in the Commission’s ongoing Capital Improvement Program.

Balance Sheets

Assets	In Thousands	
	12/31/02	12/31/01
Current Assets:		
Unrestricted Current Assets:		
Cash and Cash Equivalents	\$ 3,708	\$ 6,575
Investments, at Fair Value	57,684	43,709
Interest Receivable	411	540
Accounts Receivable	4,786	5,082
Inventories	4,508	4,355
Other	540	471
Total Unrestricted Current Assets	<u>71,637</u>	<u>60,732</u>
Restricted Current Assets:		
Cash and Cash Equivalents	19,919	14,701
Investments, at Fair Value	27,708	33,207
Interest Receivable	893	2,150
Accounts Receivable	689	2,028
State Fuel Tax Allocation Receivable	429	386
Total Restricted Current Assets	<u>49,638</u>	<u>52,472</u>
Total Current Assets	<u>121,275</u>	<u>113,204</u>
Noncurrent Assets:		
Restricted Investments, at Fair Value	44,758	109,406
Unamortized Bond Issuance Costs	6,753	7,176
Capital Assets:		
Property, Roadway and Equipment	1,662,289	1,569,481
Construction in Progress	87,751	78,626
Less - Accumulated Depreciation	(510,924)	(472,341)
Total Noncurrent Assets	<u>1,290,627</u>	<u>1,292,348</u>
Total Assets	<u>\$ 1,411,902</u>	<u>\$ 1,405,552</u>
Liabilities and Net Assets		
Current Liabilities:		
Current Liabilities Payable from Unrestricted Assets:		
Accounts Payable	\$ 2,906	\$ 1,613
Accrued Salaries, Wages and Benefits	2,995	2,335
Compensated Absences	3,334	3,125
Claims and Judgments	1,838	2,038
Other Liabilities	419	264
Total Current Liabilities Payable from Unrestricted Assets	<u>11,492</u>	<u>9,375</u>
Current Liabilities Payable from Restricted Assets:		
Accrued Salaries, Wages and Benefits	41	11
Contracts Payable and Retained Amounts	18,059	21,542
Interest Payable	14,991	15,776
Revenue Bonds Payable	15,960	14,630
Total Current Liabilities Payable from Restricted Assets	<u>49,051</u>	<u>51,959</u>
Total Current Liabilities	<u>60,543</u>	<u>61,334</u>
Noncurrent Liabilities:		
Compensated Absences	12,541	11,079
Claims and Judgments	843	847
Revenue Bonds Payable	748,758	764,298
Total Noncurrent Liabilities	<u>762,142</u>	<u>776,224</u>
Total Liabilities	<u>822,685</u>	<u>837,558</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	481,151	404,015
Restricted For Debt Service	16,547	15,143
Restricted For Capital Projects	44,758	109,406
Unrestricted	46,761	39,430
Total Net Assets	<u>589,217</u>	<u>567,994</u>
Total Liabilities and Net Assets	<u>\$ 1,411,902</u>	<u>\$ 1,405,552</u>

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

Statements of Revenues, Expenses and Changes in Net Assets

www.ohioturnpike.org

	In Thousands	
	Years Ended	
	12/31/02	12/31/01
Operating Revenues:		
Pledged as Security for Revenue Bonds:		
Tolls	\$ 179,200	\$ 174,326
Special Toll Permit Fees	2,540	2,614
Concessions	12,340	11,547
Leases and Licenses	640	555
Other Revenues	268	407
Total Operating Revenues	<u>194,988</u>	<u>189,449</u>
Operating Expenses:		
Administration and Insurance	6,432	6,099
Maintenance of Roadway and Structures	27,677	24,441
Services and Toll Operations	42,068	37,305
Traffic Control, Safety, Patrol and Communications	12,474	11,966
Major Repairs and Replacements	5,580	5,219
Depreciation Expense	47,888	43,225
Total Operating Expenses	<u>142,119</u>	<u>128,255</u>
Operating Income	<u>52,869</u>	<u>61,194</u>
Nonoperating Revenues / (Expenses):		
State Fuel Tax Allocation	2,669	2,328
Investment Earnings Pledged as Security for Revenue Bonds	4,772	8,323
Investment Earnings - Unpledged	(17)	1,175
Loss on Disposals / Write-Offs of Capital Assets	(1,957)	(4,092)
Interest Expense	(37,113)	(32,404)
Total Nonoperating Revenues / (Expenses)	<u>(31,646)</u>	<u>(24,670)</u>
Increase in Net Assets	21,223	36,524
Net Assets — Beginning of year	567,994	531,470
Net Assets — End of year	<u>\$ 589,217</u>	<u>\$ 567,994</u>

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

Statements of Cash Flows

	In Thousands	
	Years Ended	
	12/31/02	12/31/01
Cash Flows from Operating Activities:		
Cash Received from Customers	\$ 194,433	\$ 188,559
Cash Received from Other Operating Revenues	1,030	941
Cash Payments for Employee Salaries, Wages and Fringe Benefits	(60,772)	(57,848)
Cash Payments for Goods and Services	(28,919)	(28,439)
Net Cash Provided by Operating Activities	<u>105,772</u>	<u>103,213</u>
Cash Flows from Noncapital Financing Activities:		
State Fuel Tax Allocation	2,625	2,291
Cash Flows from Capital and Related Financing Activities:		
Proceeds from Sale of Assets	35	2
Proceeds from Sales of Revenue Bonds	—	201,874
Acquisition and Construction of Capital Assets	(112,832)	(160,673)
Revenue Bond Issuance Costs	(3)	(1,975)
Advanced Refunding of Revenue Bonds	—	(99,820)
Principal Paid on Revenue Bonds	(14,630)	(13,045)
Interest Paid on Revenue Bonds	(40,931)	(36,496)
Net Cash Used in Capital and Related Financing Activities	<u>(168,361)</u>	<u>(110,133)</u>
Cash Flows from Investing Activities:		
Interest Received on Investments	7,479	7,076
Proceeds from Sale and Maturity of Investments	224,194	413,309
Purchase of Investments	(169,358)	(433,856)
Net Cash Provided by / (Used in) Investing Activities	<u>62,315</u>	<u>(13,471)</u>
Net Increase / (Decrease) in Cash and Cash Equivalents	2,351	(18,100)
Cash and Cash Equivalents - Beginning of Year	21,276	39,376
Cash and Cash Equivalents - End of Year	<u>\$ 23,627</u>	<u>\$ 21,276</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	\$ 52,869	\$ 61,194
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	47,888	43,225
Change in Assets and Liabilities:		
Accounts Receivable	1,634	557
Inventory	(153)	(628)
Other Assets	(69)	36
Accounts Payable	1,293	(782)
Accrued Salaries, Wages and Benefits	690	(239)
Compensated Absences	1,670	319
Claims and Judgments	(204)	(370)
Other Liabilities	154	(99)
Net Cash Provided by Operating Activities	<u>\$ 105,772</u>	<u>\$ 103,213</u>
Noncash Investing and Capital Activities:		
Increase / (Decrease) in Fair Value of Investments	\$ (475)	\$ 441
Disposals / Write-Offs of Capital Assets	(1,992)	(4,094)

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

December 31, 2002 and 2001

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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” or “Turnpike”). 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 as security for the repayment of the financial obligations of the Turnpike. The Commission is empowered to issue revenue bonds payable solely from Commission revenues.

Basis of Accounting — The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America, as prescribed by the GASB. The statements were prepared using the economic resources measurement focus and the accrual basis of accounting. All transactions are accounted for in a single proprietary (enterprise) fund.

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.

New Accounting Pronouncements — During 2002, the Commission adopted GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus*, and Statement No. 38, *Certain Financial Statement Note Disclosures*. These Statements revise accounting and reporting standards for general purpose external financial reporting by governmental units. The implementation of these statements had no impact on the Commission's net assets.

During May 2002, the GASB issued Statement No. 39, *Determining Whether Certain Organizations are Component Units (an amendment of GASB Statement No. 14)*. This statement amends Statement No. 14 to provide additional guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as a component unit based on the nature and significance of their relationship with the primary government. Generally, this statement requires reporting, as a component unit, an organization that raises and holds economic resources for the direct benefit of a governmental unit. The provisions of this statement are effective for financial statements for periods beginning after June 15, 2003. The Commission has not determined the impact, if any, that this statement will have on its financial statements.

Net Asset Classifications — GASB Statement No. 34 requires the classification of net assets into the following three components:

- Invested in capital assets, net of related debt – consisting of capital assets, net of accumulated depreciation and reduced by the outstanding balance of borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- Restricted – consisting of net assets, the use of which, is limited by external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, constitutional provisions or enabling legislation.
- Unrestricted net assets – consisting of net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted”.

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, U.S. agency and instrumentality securities, certificates of deposit maturing beyond ninety days of purchase and shares in the State Treasurer’s Asset Reserve (STAR Ohio).

Accounts Receivable — Accounts receivable consist primarily of tolls receivable from commercial trucking companies. Each such account is guaranteed by a surety bond. Reserves are established for accounts receivable determined to be uncollectible based on specific identification and historical experience.

Inventories — Inventories consist of materials and supplies 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 with an original cost \$1,000 or more are capitalized and reported 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, roadways 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, if any, on the related bond proceeds. Interest of \$3,876,364 and \$6,248,711 was capitalized for the years ended December 31, 2002 and 2001, respectively.

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

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.

Operating / Nonoperating Activities — Operating revenues, as reported on the Statements of Revenues, Expenses and Changes in Net Assets, are those that result from exchange transactions such as toll and concession revenues received in return for providing goods and services. Nonoperating revenues include an annual allocation of Ohio fuel tax revenues, investment earnings, and gains and losses on disposals and write-offs of capital assets.

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.

Use of Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Reclassifications — Certain reclassifications have been made to the 2001 amounts to conform to the 2002 presentation. All employee fringe benefit costs were previously classified on the Statements of Revenues, Expenses and Changes in Net Assets as "Administration and Insurance" expenses. The Commission now allocates fringe benefit costs among individual categories of operating expenses in proportion to the salaries and wages expenses included in each category. In addition, the amounts of year-end cash and cash equivalents required to be transferred from unrestricted funds to restricted funds in order to pay debt service in accordance with the terms of the Commission's Master Trust Agreement are now classified as "restricted" rather than "unrestricted" on the Balance Sheets.

(2) DEPOSITS AND INVESTMENTS

Deposits

At year-end, the Commission had \$229,803 in undeposited cash on hand. The carrying amount of the Commission's deposits at December 31, 2002 was \$38,322,151, as compared to bank balances of \$40,137,329. Of the bank balances, \$2,438,759 was covered by federal depository insurance and the remainder was collateralized with securities held by the Commission's agent in the Commission's name. Such collateral was held in joint custody accounts in the name of the Ohio Turnpike Commission and the pledging financial institution at the Federal Reserve Bank of Boston, Massachusetts.

Investments

The Commission's investment policy authorizes investments in obligations of the U.S. Treasury, U.S. 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

Notes to Financial Statements (continued)

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 1 are overnight repurchase agreements 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 Boston, Massachusetts. The 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.

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, 2002			Total Fair Value
	Category 1	Category 2	Category 3	
Collateralized Overnight				
Repurchase Agreements	\$ 8,340	\$ —	\$ —	\$ 8,340
U.S. Government Securities	5,436	—	—	5,436
U.S. Agency and Instrumentality Securities	82,587	—	1,281	83,868
Subtotals	<u>\$ 96,363</u>	<u>\$ —</u>	<u>\$ 1,281</u>	<u>\$ 97,644</u>
State Treasurer's Asset Reserve				17,581
Total Investments				<u>\$ 115,225</u>

(3) ACCOUNTS RECEIVABLE

The composition of accounts receivable at December 31, 2002 and 2001 is summarized as follows:

	In Thousands	
	2002	2001
Unrestricted:		
Tolls	\$ 3,440	\$ 3,544
Concessions	1,604	1,343
Other	347	287
Less: Allowance for Doubtful Accounts	(605)	(92)
Total Unrestricted	<u>\$ 4,786</u>	<u>\$ 5,082</u>
Restricted:		
Intergovernmental	\$ 689	\$ 1,284
Other	—	744
Total Restricted	<u>\$ 689</u>	<u>\$ 2,028</u>

(4) CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2002 was as follows (in thousands):

	Balance 1/1/02	Increases	Decreases	Balance 12/31/02
Capital Assets Not Being Depreciated:				
Land	\$ 31,818	\$ 260	\$ —	\$ 32,078
Construction In Progress	78,626	110,457	(101,332)	87,751
Total Capital Assets Not Being Depreciated	<u>110,444</u>	<u>110,717</u>	<u>(101,332)</u>	<u>119,829</u>
Other Capital Assets:				
Roadway and Structures	1,238,154	53,755	(8,046)	1,283,863
Buildings and Improvements	257,206	47,577	(227)	304,556
Machinery and Equipment	42,304	2,512	(3,024)	41,792
Total Other Capital Assets at Historical Cost	<u>1,537,664</u>	<u>103,844</u>	<u>(11,297)</u>	<u>1,630,211</u>
Less Accumulated Depreciation For:				
Roadway and Structures	(404,758)	(35,480)	6,312	(433,926)
Buildings and Improvements	(45,834)	(7,685)	227	(53,292)
Machinery and Equipment	(21,750)	(4,723)	2,767	(23,706)
Total Depreciation	<u>(472,342)</u>	<u>(47,888)</u>	<u>9,306</u>	<u>(510,924)</u>
Other Capital Assets, Net	1,065,322	55,956	(1,991)	1,119,287
Total Capital Assets, Net	<u>\$ 1,175,766</u>	<u>\$ 166,673</u>	<u>\$ (103,323)</u>	<u>\$ 1,239,116</u>

(5) LONG-TERM OBLIGATIONS

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 its "Net Debt Service Coverage Ratio" (annual gross pledged revenues less annual operating, maintenance and administrative costs paid from the pledged revenues and the required annual deposit to the expense reserve account, divided by the annual debt service on its outstanding bonds) will equal at least 120 percent. The Commission also covenants that its "Net Debt Service Coverage Ratio" will equal at least 150

percent during the Fiscal Year immediately preceding the issuance of additional bonds, or during any twelve (12) consecutive calendar months selected by the Commission out of the fifteen (15) consecutive calendar months immediately preceding such issuance. The Commission has complied with all of its bond covenants.

In addition, the Commission has, by resolution, declared its intention as a matter of policy to maintain its “Net Debt Service Coverage Ratio” at a target of at least 150 percent. Other than in connection with the issuance of additional bonds, the Commission has no obligation to meet such coverage levels or to maintain a policy of doing so, and the Commission may rescind that policy at any time.

On September 30, 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, 2002 and 2001.

On July 25, 2001, the Commission issued \$100,000,000 in State of Ohio Turnpike Revenue Bonds, 2001 Series A, pursuant to the Commission’s Master Trust Agreement dated February 15, 1994 and the Eleventh Supplemental Trust Agreement dated July 1, 2001. The net proceeds (after payment of underwriting fees, insurance and other issuance costs) were used to reimburse the Commission for funds advanced to pay a portion of the Commission’s Capital Improvement Program that began in 1995, which 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.

On August 15, 2001, the Commission issued \$93,550,000 in State of Ohio Turnpike Revenue Refunding Bonds, 2001 Series B, with an average all-inclusive interest rate of 4.4 percent, pursuant to the Commission’s Master Trust Agreement dated February 15, 1994 and the Twelfth Supplemental Trust Agreement dated August 15, 2001, in order to advance refund a portion of the 1994 Series A bonds and 1996 Series A bonds totaling \$95,370,000, with an average interest rate of 5.5 percent. The net proceeds of \$99.8 million (after payment of \$0.9 million in underwriting fees, insurance and other issuance costs) were used to purchase securities guaranteed by the United States government. Those securities were deposited in an irrevocable escrow fund and 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 \$23,445,000 will be called for redemption on February 15, 2004 and bonds with a principal amount of \$71,925,000 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, 2002 and 2001.

Changes in long-term obligations for the year ended December 31, 2002 are as follows:

	<u>Balance</u> <u>1/1/02</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/02</u>
Revenue Bonds Payable	\$ 778,928	\$ —	\$ (14,210)	\$ 764,718
Compensated Absences	14,204	5,741	(4,070)	15,875
Totals	<u>\$ 793,132</u>	<u>\$ 5,741</u>	<u>\$ (18,280)</u>	<u>\$ 780,593</u>

Revenue bonds outstanding at December 31, 2002 and 2001 are summarized as follows:

	<u>Average</u> <u>Yield</u>	<u>In Thousands</u>	
		<u>2002</u>	<u>2001</u>
1994 Series A:			
Serial Bonds maturing through 2007	5.08%	\$ 14,755	\$ 17,310
1996 Series A:			
Serial Bonds maturing through 2006	5.17%	30,155	36,790
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		109,145	113,585
Term Bonds due 2024 and 2028		<u>124,660</u>	<u>124,660</u>
	4.88%	233,805	238,245
2001 Series A:			
Serial Bonds maturing through 2021		48,685	49,685
Term Bonds due 2026 and 2031		<u>50,315</u>	<u>50,315</u>
	5.15%	99,000	100,000
2001 Series B:			
Serial Bonds maturing through 2013	4.33%	93,550	93,550
Total Principal Outstanding	4.88%	<u>769,840</u>	<u>784,470</u>
Add / (Subtract):			
Unamortized refunding losses		(29,066)	(30,679)
Unamortized bond premiums - net		23,944	25,137
Total Revenue Bonds Payable		<u>\$ 764,718</u>	<u>\$ 778,928</u>

Notes to Financial Statements (continued)

Minimum principal and interest payments on bonds payable are as follows (in thousands):

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2003	\$ 15,960	\$ 39,617	\$ 55,577
2004	16,700	38,825	55,525
2005	17,575	37,929	55,504
2006	18,505	36,978	55,483
2007	19,370	36,019	55,389
2008 - 2012	112,570	163,992	276,562
2013 - 2017	147,055	129,889	276,944
2018 - 2022	190,380	85,787	276,167
2023 - 2027	193,250	31,940	225,190
2028 - 2031	38,475	2,879	41,354
Total	<u>\$ 769,840</u>	<u>\$ 603,855</u>	<u>\$ 1,373,695</u>

(6) COMMITMENTS AND CONTINGENCIES

Commitments

The Commission has commitments at December 31, 2002 of approximately \$104,499,000 for capital projects and major repairs and replacements. It is anticipated that these commitments will be financed from the Commission's cash balances. However, at the discretion of the Commission, additional bonds may be issued in the future to finance a portion of these costs.

In addition, the Commission has issued purchase orders for unreceived goods and services amounting to approximately \$3,828,000 at December 31, 2002.

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 or results of operations.

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.

Collective Bargaining

Approximately 600 full-time, nonsupervisory, field employees in the Commission's Toll Collection and Maintenance Departments and approximately 290 part-time, nonsupervisory, field employees in the Commission's Toll Collection Department are represented by the Teamsters Local Union No. 436, affiliated with the International Brotherhood of Teamsters. The current three-year collective bargaining agreement is effective for the period January 1, 2002 through December 31, 2004 and includes wage increases of \$0.70 per hour effective January 1, 2003 and 2004.

(7) DEFINED BENEFIT PENSION PLAN

Plan Description

The Commission contributes to the Ohio Public Employees Retirement System of Ohio (“OPERS” or the “Retirement System”), a cost-sharing multiple-employer defined benefit pension plan. OPERS 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. OPERS 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) 222-6705 or 1-800-222-PERS (7377).

Funding

The Ohio Revised Code provides statutory authority for employee and employer contributions. During calendar years 2002, 2001 and 2000, the employees’ contribution rate was 8.5 percent of their salary. The employer contribution rates for calendar years 2002, 2001 and 2000 were 13.31 percent, 13.31 percent and 10.65 percent, respectively, of covered payroll. The Retirement Board instituted a temporary employer contribution rate rollback of 20 percent for calendar year 2000, and regular rates were reinstated beginning in 2001. The Commission’s contributions (including contributions for other postemployment benefits described in Note 8) to OPERS for the years ended December 31, 2002, 2001 and 2000 were \$6,123,000, \$5,808,000 and \$4,558,000, respectively, equal to 100 percent of the required contributions for each year.

(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 OPERS.

In addition to the pension benefits described in Note 7, OPERS 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 OPERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority for employer contributions. For the Commission, 5.00 percent of covered payroll was the portion of the 13.31 percent total contribution rate for 2002 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 OPERS.

The assumptions and calculations noted below were based on the Retirement System’s latest actuarial review performed as of December 31, 2001. 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 assumed rate of return on investments for 2001 was 8.00 percent. An annual increase of 4.00 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 4.00 percent base increase, were assumed to range from 0.50 percent to 6.30 percent. Health care costs were assumed to increase 4.00 percent annually.

OPEB provided through OPERS are advance-funded on an actuarially determined basis. The total number of active contributing participants to OPERS was 402,041 at December 31, 2001. The Commission's contributions to OPERS for other postemployment benefits for the years ended December 31, 2002, 2001 and 2000 were \$2,300,000, \$1,876,000 and \$1,840,000, 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, 2001 was \$11.6 billion. The actuarial accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$16.4 billion and \$4.8 billion, respectively.

In December 2001, OPERS adopted the Health Care "Choices" Plan in its continuing effort to respond to the rise in the cost of health care. The Choices Plan will be offered to all persons newly hired under OPERS after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices, as the name suggests, will incorporate a cafeteria approach, offering a more broad range of health care options. The Plan uses a graded scale from ten to thirty years of service to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a medical spending account.

(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 covered person.

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, 2002 for workers' compensation claims of \$1,427,000 and the estimated liability for employee health claims of \$1,254,000, 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, 2002.

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
2002	\$ 2,885	\$ 7,420	\$ 7,624	\$ 2,681
2001	3,255	6,132	6,502	2,885

The Commission purchases commercial insurance policies in varying amounts for general liability, vehicle liability, bridges, use and occupancy, 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 contract year, up to the lifetime limit of \$1 million per covered person. Paid claims have not exceeded the limits of the Commission's commercial insurance policies for each of the last three fiscal years. The Commission also pays unemployment claims to the state of Ohio as incurred.

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Roger Diegele - Youngstown, OH

I take the Turnpike because I like the three lanes. I stop at the plazas a lot because I have two sons and they need a break from traveling in the car.



Barry and Ann Tillett - Barberton, OH

We travel the Ohio Turnpike frequently to visit our son at the University of Toledo. Even though we don't usually have time to stop in and eat - when we have to stop we always make it a point to visit the new plazas - they're beautiful.

Statistical Section



Bill and Helen Spitznagel (right) - North Hills, PA

Bob and Elvina Gebhart (left) - Valencia, PA

We are taking a bus tour to Sawmill Creek for the weekend. We travel this way a couple of times a year and the new plazas are beautiful. We enjoy eating at Panera Bread because we don't have many near our home.

Revenues and Expenses

Last Ten Fiscal Years In Thousands

	2002	2001	2000
Revenues			
Tolls	\$ 179,200	174,326	176,772
Concessions	12,340	11,547	10,538
Special Toll Permits	2,540	2,614	2,692
Leases and Licenses	640	555	369
Other Revenues	268	407	223
Total Operating Revenues	<u>194,988</u>	<u>189,449</u>	<u>190,594</u>
State Fuel Tax Allocation	2,669	2,328	2,360
Investment Income	4,755	9,498	16,783
Total Revenues	<u>\$ 202,412</u>	<u>201,275</u>	<u>209,737</u>
Expenses			
Administration and Insurance	\$ 6,432	6,099	8,555
Maintenance of Roadway and Structures	27,677	24,441	27,559
Services and Toll Operations	42,068	37,305	36,420
Traffic Control, Safety, Patrol and Communications	12,474	11,966	10,900
Major Repairs and Replacements	5,580	5,219	3,384
Total Operating Expenses Before Depreciation	<u>94,231</u>	<u>85,030</u>	<u>86,818</u>
Depreciation	47,888	43,225	39,062
Total Operating Expenses	<u>142,119</u>	<u>128,255</u>	<u>125,880</u>
Loss on Disposals of Fixed Assets	1,957	4,092	4,006
Interest Expense	37,113	32,404	33,126
Capital Outlay, Major Repairs and Replacements			
Debt Service			
Total Expenses (Expenditures for Years 1993-1995)	<u>\$ 181,189</u>	<u>164,751</u>	<u>163,012</u>

Notes:

- (1) 9% 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.

1999	1998	1997	1996	1995	1994	1993
176,430 (1)	156,175 (2)	138,577 (3)	118,785 (4)	102,004 (5)	94,442	88,369
7,949	7,406	7,666	7,901	7,933	7,089	5,996
2,731	2,748	2,735	2,769	2,680	2,337	2,088
424	1,198	809	949	537	521	513
254	282	265	231	132	186	121
<u>187,788</u>	<u>167,809</u>	<u>150,052</u>	<u>130,635</u>	<u>113,286</u>	<u>104,575</u>	<u>97,087</u>
2,381	2,274	2,329	2,368	2,262	2,080	2,135
15,936	16,307	19,401	16,323	7,616	5,410	513
<u>206,105</u>	<u>186,390</u>	<u>171,782</u>	<u>149,326</u>	<u>123,164</u>	<u>112,065</u>	<u>99,735</u>

7,640	7,044	6,978 (6)	6,077 (6)	6,526	6,663	6,589
27,140	21,746	23,415	24,927	24,213	22,836	20,739
33,405	27,882	27,258	27,473	26,842	25,667	23,661
11,430	10,566	10,477	10,701	10,085	8,917	8,775
2,271	1,210	3,573 (6)	1,086 (6)	—	—	—
<u>81,886</u>	<u>68,448</u>	<u>71,701</u>	<u>70,264</u>	<u>67,666</u>	<u>64,083</u>	<u>59,764</u>
34,576	31,216	23,586	20,352	—	—	—
<u>116,462</u>	<u>99,664</u>	<u>95,287</u>	<u>90,616</u>	<u>67,666</u>	<u>64,083</u>	<u>59,764</u>
4,502	1,003	1,604 (6)	— (6)	56,601	51,938	38,624
32,783	27,630	16,187 (6)	15,935 (6)	8,474	5,408	—
<u>153,747</u>	<u>128,297</u>	<u>113,078</u>	<u>106,551</u>	<u>132,741</u>	<u>121,429</u>	<u>98,388</u>



Sharon Woods and John Sparks - Washington, D.C.

We are heading to Chicago, and this is the first time we've traveled on the Ohio Turnpike. We wanted to stop at this service plaza to check it out. It's so nice and it reminds us of an airport.



I.C. Patel, Georgia

I have been traveling a lot over the last 12 months. These are really nice plazas - I stop frequently for fuel.

Revenue Bond Coverage

Last Ten Fiscal Years In Thousands

	2002	2001	2000
Pledged Revenues	<u>\$ 186,159</u> (1)	<u>184,573</u> (1)	<u>190,944</u> (1)
Operating, Maintenance and Administrative Expenses Paid from Pledged Revenues:			
Administration and Insurance	6,432	6,099	8,555
Maintenance of Roadway and Structures	26,236	23,321	26,190
Services and Toll Operations	37,401	34,355	34,325
Traffic Control, Safety, Patrol and Communications	<u>12,474</u>	<u>11,966</u>	<u>10,897</u>
Total	82,543	75,741	79,967
Deposit to Reserve Account	27	(76)	535
Net Revenues Available for Debt Service	<u>\$ 103,589</u>	<u>108,908</u>	<u>110,442</u>
Debt Service Requirements:			
Principal	15,857	14,247	12,956
Interest	40,286	37,641	36,526
Interest Earned	(353)	(690)	(2,901)
Total Debt Service Requirements	<u>\$ 55,790</u>	<u>51,198</u>	<u>46,581</u>
Calculated Coverage (see Note 5 to the financial statements)	1.86	2.13	2.37

Notes:

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



1999	1998	1997	1996	1995	1994	1993
<u>190,846</u> (1)	<u>169,204</u> (1)	<u>156,768</u> (1)	<u>135,567</u> (1)	<u>106,807</u> (1)	<u>98,491</u> (1)	<u>99,736</u>
7,640	7,044	6,978 (2)	6,077 (2)	6,526	6,663	6,589
27,140	21,746	23,415	24,927	24,213	22,836	20,739
33,405	27,882	27,258	27,473	26,842	25,667	23,661
<u>11,430</u>	<u>10,566</u>	<u>10,477</u>	<u>10,701</u>	<u>10,085</u>	<u>8,917</u>	<u>8,775</u>
79,615	67,238	68,128	69,178	67,666	64,083	59,764
555	121	92	297	187	—	—
<u>110,676</u>	<u>101,845</u>	<u>88,548</u>	<u>66,092</u>	<u>38,954</u>	<u>34,408</u>	<u>39,972</u>
13,125	10,039	7,682	4,721	1,968	1,508	—
36,508	28,324	26,650	19,202	6,666	5,594	—
(3,794)	(2,954)	(2,818)	(1,740)	(707)	(538)	—
<u>45,839</u>	<u>35,409</u>	<u>31,514</u>	<u>22,183</u>	<u>7,927</u>	<u>6,564</u>	—
2.41	2.88	2.81 (2)	2.98 (2)	4.91	5.24	N/A



Comparative Traffic Statistics

Last Ten Fiscal Years

	2002	2001	2000
Number of Vehicles in Thousands:			
Passenger Cars	38,614	37,036	36,289
Commercial Vehicles	9,093	8,864	9,286
Total	47,707	45,900	45,575
Percentage of Vehicles:			
Passenger Cars	80.9%	80.7%	79.6%
Commercial Vehicles	19.1%	19.3%	20.4%
Number of Miles in Thousands:			
Passenger Cars	1,994,626	1,913,889	1,851,766
Commercial Vehicles	814,978	803,853	850,533
Total	2,809,604	2,717,742	2,702,299
Percentage of Miles:			
Passenger Cars	71.0%	70.4%	68.5%
Commercial Vehicles	29.0%	29.6%	31.5%
Toll Revenue in Thousands:			
Passenger Cars	\$ 77,904	\$ 74,710	\$ 72,356
Commercial Vehicles	101,296	99,616	104,416
Total	\$ 179,200	\$ 174,326	\$ 176,772
Percentage of Toll Revenue:			
Passenger Cars	43.5%	42.9%	40.9%
Commercial Vehicles	56.5%	57.1%	59.1%
Average Miles per Trip:			
Passenger Cars	51.7	51.7	51.0
Commercial Vehicles	89.6	90.7	91.6
Average Toll Revenue per Trip:			
Passenger Cars	\$ 2.02	\$ 2.02	\$ 1.99
Commercial Vehicles	\$ 11.14	\$ 11.24	\$ 11.24
Average Toll Revenue per Mile:			
Passenger Cars	\$ 0.04	\$ 0.04	\$ 0.04
Commercial Vehicles	\$ 0.12	\$ 0.12	\$ 0.12

1999	1998	1997	1996	1995	1994	1993
35,903	35,064	32,795	32,878	33,718	32,395	30,492
<u>9,154</u>	<u>8,525</u>	<u>8,234</u>	<u>8,466</u>	<u>8,589</u>	<u>8,370</u>	<u>7,655</u>
45,057	43,589	41,029	41,344	42,307	40,765	38,147
79.7%	80.4%	79.9%	79.5%	79.7%	79.5%	79.9%
20.3%	19.6%	20.1%	20.5%	20.3%	20.5%	20.1%
1,820,823	1,797,105	1,703,800	1,701,542	1,715,389	1,639,651	1,602,258
<u>836,591</u>	<u>772,424</u>	<u>751,772</u>	<u>781,674</u>	<u>797,785</u>	<u>777,270</u>	<u>704,210</u>
2,657,414	2,569,529	2,455,572	2,483,216	2,513,174	2,416,921	2,306,468
68.5%	69.9%	69.4%	68.5%	68.3%	67.8%	69.5%
31.5%	30.1%	30.6%	31.5%	31.7%	32.2%	30.5%
\$ 71,017	\$ 64,480	\$ 56,281	\$ 46,731	\$ 39,486	\$ 35,711	\$ 34,764
<u>105,413</u>	<u>91,695</u>	<u>82,296</u>	<u>72,054</u>	<u>62,518</u>	<u>58,731</u>	<u>53,605</u>
\$ 176,430	\$ 156,175	\$ 138,577	\$ 118,785	\$ 102,004	\$ 94,442	\$ 88,369
40.3%	41.3%	40.6%	39.3%	38.7%	37.8%	39.3%
59.7%	58.7%	59.4%	60.7%	61.3%	62.2%	60.7%
50.7	51.3	52.0	51.8	50.9	50.6	52.5
91.4	90.6	91.3	92.3	92.9	92.9	92.0
\$ 1.98	\$ 1.84	\$ 1.72	\$ 1.42	\$ 1.17	\$ 1.10	\$ 1.14
\$ 11.52	\$ 10.76	\$ 9.99	\$ 8.51	\$ 7.28	\$ 7.02	\$ 7.00
\$ 0.04	\$ 0.04	\$ 0.03	\$ 0.03	\$ 0.02	\$ 0.02	\$ 0.02
\$ 0.13	\$ 0.12	\$ 0.11	\$ 0.09	\$ 0.08	\$ 0.08	\$ 0.08



David Montalvo - handing money to Susan Bryner (HMS Host)

I stop into the service plazas for coffee often.

Vehicles and Toll Revenue

Last Ten Fiscal Years In Thousands

Class	Gross Weight Classification (Pounds)	2002	2001	2000
Vehicles				
1	— - 7,000	38,614	37,036	36,289
2	7,001 - 16,000	1,404	1,322	1,326
3	16,001 - 23,000	435	419	456
4	23,001 - 33,000	1,486	1,496	1,579
5	33,001 - 42,000	1,112	1,099	1,215
6	42,001 - 53,000	1,193	1,157	1,221
7	53,001 - 65,000	1,251	1,254	1,359
8	65,001 - 78,000	1,957	1,892	1,943
9	78,001 - 90,000	183	160	130
10	90,001 - 115,000	64	58	48
11	115,001 - 127,400	8	7	9
Subtotal		47,707	45,900	45,575
Add Non-Revenue*		345	402	580
Total Vehicles		48,052	46,302	46,155

Toll Revenue				
1	— - 7,000	\$ 77,904	\$ 74,710	\$ 72,356
2	7,001 - 16,000	5,884	5,506	5,601
3	16,001 - 23,000	2,247	2,205	2,482
4	23,001 - 33,000	9,082	9,381	10,086
5	33,001 - 42,000	10,434	10,596	12,035
6	42,001 - 53,000	14,542	14,324	15,322
7	53,001 - 65,000	19,069	19,195	20,845
8	65,001 - 78,000	36,023	35,142	35,841
9	78,001 - 90,000	5,572	5,085	4,257
10	90,001 - 115,000	3,584	3,290	2,974
11	115,001 - 127,400	561	490	663
Subtotal		184,902	179,924	182,462
Deduct Volume Discounts		(5,702)	(5,598)	(5,690)
Total Toll Revenue		\$179,200	\$174,326	\$176,772

*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.

1999	1998	1997	1996	1995	1994	1993
35,903	35,064	32,795	32,878	33,718	32,395	30,492
1,270	1,182	1,093	1,080	1,102	1,039	970
448	408	384	378	377	363	316
1,511	1,359	1,314	1,362	1,398	1,321	1,213
1,146	1,014	963	961	953	914	800
1,169	1,042	991	1,018	1,016	981	877
1,234	1,071	1,059	1,109	1,128	1,089	982
2,144	2,172	2,138	2,253	2,295	2,354	2,173
163	189	202	210	218	211	248
60	79	81	86	93	88	69
<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>10</u>	<u>7</u>
45,057	43,589	41,029	41,344	42,307	40,765	38,147
<u>537</u>	<u>605</u>	<u>617</u>	<u>536</u>	<u>238</u>	<u>238</u>	<u>238</u>
<u>45,594</u>	<u>44,194</u>	<u>41,646</u>	<u>41,880</u>	<u>42,545</u>	<u>41,003</u>	<u>38,385</u>

\$ 71,017	\$ 64,480	\$ 56,281	\$ 46,731	\$ 39,486	\$ 35,711	\$ 34,764
5,372	4,598	3,855	3,159	2,669	2,370	2,239
2,426	1,974	1,664	1,360	1,124	1,026	889
9,360	7,557	6,667	5,917	5,094	4,528	4,123
11,172	8,768	7,589	6,350	5,350	4,902	4,195
14,703	11,707	10,108	8,691	7,232	6,551	5,742
18,552	14,642	13,185	11,641	9,830	9,040	7,993
39,883	36,701	33,191	29,572	25,157	24,514	22,376
5,275	5,633	5,614	4,692	4,029	3,758	4,642
3,724	4,361	4,059	3,497	3,154	2,926	2,303
<u>730</u>	<u>622</u>	<u>620</u>	<u>509</u>	<u>396</u>	<u>408</u>	<u>293</u>
182,214	161,043	142,833	122,119	103,521	95,734	89,559
<u>(5,784)</u>	<u>(4,868)</u>	<u>(4,256)</u>	<u>(3,334)</u>	<u>(1,517)</u>	<u>(1,292)</u>	<u>(1,190)</u>
<u>\$176,430</u>	<u>\$156,175</u>	<u>\$138,577</u>	<u>\$118,785</u>	<u>\$102,004</u>	<u>\$ 94,442</u>	<u>\$ 88,369</u>

Activity by Interchange

Last Ten Fiscal Years In Thousands

Milepost	Name		2002	2001	2000
2	Westgate		7,430	7,118	7,101
13	Bryan-Montpelier		725	730	713
25	Archbold-Fayette	(7)	416	387	375
34	Wauseon		781	752	754
39	Delta-Lyons	(5)	503	456	463
52	Toledo Airport-Swanton		1,652	1,562	1,493
59	Maumee-Toledo		4,879	4,644	4,550
64	Perrysburg-Toledo		4,723	4,185	4,117
71	Stony Ridge-Toledo		6,214	6,121	6,297
81	Elmore-Woodville-Gibsonburg	(6)	682	621	642
91	Fremont-Port Clinton		1,803	1,728	1,843
110	Sandusky-Bellevue	(3)	1,408	1,370	1,392
118	Sandusky-Norwalk		1,828	1,815	1,872
135	Vermilion	(4)	955	933	902
142	Lorain County West		2,790	2,691	2,645
145	Lorain-Elyria		6,287	6,195	6,030
151	North Ridgeville-Cleveland		5,608	5,551	5,509
152	North Olmsted-Cleveland		1,891	1,888	1,821
161	Strongsville-Cleveland		6,066	5,971	6,007
173	Cleveland		5,700	5,013	4,964
180	Akron		4,318	3,986	3,869
187	Streetsboro		5,947	5,825	5,707
193	Ravenna	(2)	1,413	1,346	1,312
209	Warren		1,857	1,837	1,876
215	Lordstown West	(1)	529	488	497
216	Lordstown East	(1)	355	328	356
218	Niles-Youngstown		7,958	7,729	7,684
232	Youngstown		1,468	1,442	1,512
234	Youngstown-Poland		1,181	1,188	1,097
239	Eastgate		8,047	7,900	7,750

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

- (1) Opened July 14, 1993 (4) Opened December 13, 1995 (7) Opened November 13, 1998
 (2) Opened December 1, 1994 (5) Opened December 20, 1996
 (3) Opened December 15, 1994 (6) Opened February 6, 1997

1999	1998	1997	1996	1995	1994	1993
6,951	6,731	6,485	6,520	6,579	6,258	6,041
719	735	742	724	756	733	730
342	37	—	—	—	—	—
729	848	876	1,007	1,018	997	922
420	381	332	9	—	—	—
1,421	1,370	1,343	1,433	1,414	1,353	1,165
4,557	4,510	4,404	4,544	4,527	4,507	4,144
4,062	3,809	3,644	3,561	3,530	3,551	2,715
5,815	5,546	5,160	5,709	6,117	5,610	5,700
590	520	379	—	—	—	—
1,826	1,769	1,765	2,059	2,063	2,165	2,083
1,246	1,107	957	972	848	26	—
1,883	1,887	1,675	1,958	2,189	2,479	2,391
880	793	805	895	28	—	—
2,577	2,445	2,392	2,509	2,453	2,356	2,221
6,061	6,022	5,432	5,216	6,333	6,346	6,021
5,377	5,169	4,790	4,590	5,099	5,276	5,073
1,814	1,701	1,446	1,612	1,669	1,526	1,393
6,106	6,153	5,750	5,757	5,783	5,683	5,021
5,006	5,036	4,746	4,868	5,018	4,879	4,378
3,911	3,920	3,681	3,826	3,840	3,703	3,189
5,609	5,372	5,061	5,003	5,096	5,068	4,939
1,260	1,146	984	943	855	54	—
1,964	1,984	1,808	1,684	1,994	2,050	2,043
528	511	521	604	584	546	176
387	297	304	334	354	352	120
7,523	7,118	6,771	6,546	6,711	6,564	6,471
1,524	1,473	1,411	1,506	1,560	1,457	1,369
1,204	1,167	1,103	1,073	1,071	1,080	1,082
7,822	7,620	7,288	7,225	7,135	6,911	6,909

Traffic Accident Statistics

Last Ten Fiscal Years

	2002	2001	2000
All Accidents:			
Number	2,373	2,092	2,443
Rate	84.5	77.0	90.4
Property Damage Accidents: (Greater than \$150)			
Number	1,947	1,698	1,936
Rate	69.3	62.5	71.6
Personal Injury Accidents:			
Number	416	381	496
Rate	14.8	14.0	18.4
Number Injured	628	602	840
Injury Rate	22.4	22.2	31.1
Fatal Accidents:			
Number	10	13	11
Rate	.4	.5	.4
Fatalities	10	14	12
Fatality Rate	.4	.5	.4

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

Source - Ohio State Highway Patrol accident statistics.

1999	1998	1997	1996	1995	1994	1993
2,303 86.7	1,889 73.5	2,035 82.9	2,248 90.5	2,019 80.3	1,978 81.8	1,846 80.0
1,787 67.2	1,472 57.3	1,596 65.0	1,763 71	1,587 63.1	1,577 65.2	1,454 63.0
508 19.1	410 16.0	434 17.7	473 19	421 16.8	389 16.1	381 16.5
801 30.1	682 26.5	716 29.2	780 31.4	700 27.9	682 28.2	615 26.7
8 .3	7 .3	5 .2	12 .5	11 .4	12 .5	11 .5
8 .3	8 .3	10 .4	13 .5	12 .5	19 .8	12 .5



Miscellaneous Data and Statistics

December 31, 2002

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	March 10, 1994
1996 Revenue Bonds sold	\$370,000,000	June 20, 1996
1998A Refunding Revenue Bonds sold	\$298,575,000	September 30, 1998
1998B Revenue Bonds sold	\$250,000,000	October 6, 1998
2001A Revenue Bonds sold	\$100,000,000	July 25, 2001
2001B Revenue Refunding Bonds sold	\$93,550,000	August 15, 2001

Length of the James W. Shocknessy Ohio Turnpike	241.26 miles
Number of lane miles	1,303.52 miles
Total land area of right of way	9,912.5053 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	917
Part-time	287

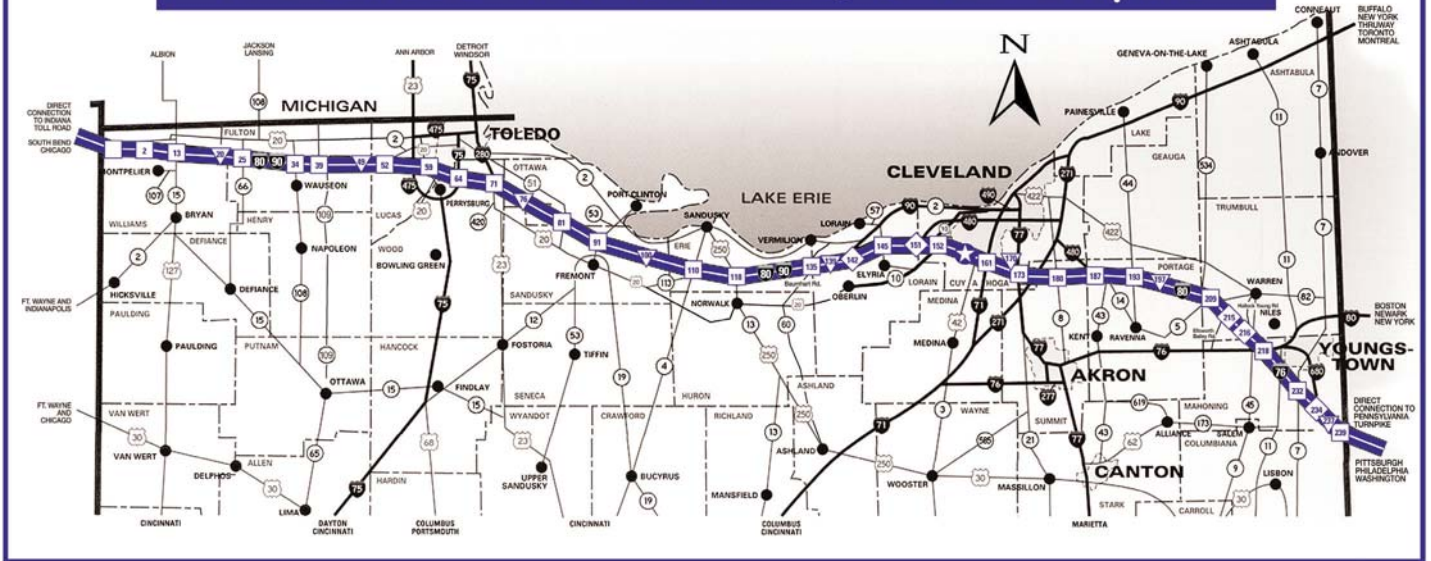
Note: The Commission has no taxing authority, overlapping debt or debt limitations.









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The James W. Shocknessy Ohio Turnpike



-  Principal office of the Ohio Turnpike Commission
-  OHIO TURNPIKE
-  State Highway
-  U.S. Highway
-  Interstate Highway
-  Full Interchange
-  Partial Interchange
-  Service Plaza

THE
Ohio 2002
 TURNPIKE COMMISSION

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL
CONTROL OVER FINANCIAL REPORTING BASED UPON THE AUDIT
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Ohio Turnpike Commission
Berea, Ohio

We have audited the financial statements of the Ohio Turnpike Commission (the "Commission"), as of and for the year ended December 31, 2002, and have issued our report thereon dated February 7, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Commission's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Commission and the Auditor of State of Ohio and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

February 7, 2003

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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
MAY 8, 2003**