OHIO Turnpike Commission

Comprehensive Annual Financial Report For The Year Ended December 31, 2012

Dave Yost • Auditor of State

Members of the Commission
Ohio Turnpike Commission
682 Prospect Street
Berea, Ohio 44017

We have reviewed the *Independent Auditors' Report* of the Ohio Turnpike Commission, Cuyahoga County, prepared by Ciuni & Panichi, Inc., for the audit period January 1, 2012 through December 31, 2012. 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.

Dave Yost

Dave Yost
Auditor of State

June 27, 2013

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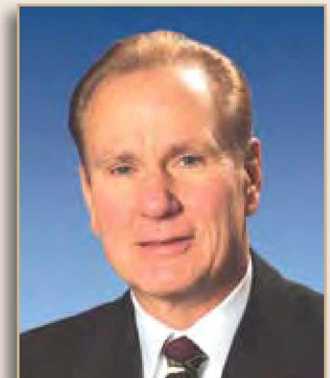
Members & Officers

Jerry N. Hruby
Chairman



Joseph A. Balog
Vice Chairman

Sandra K. Barber
Secretary/Treasurer

George F. Dixon III
Member

Jerry Wray
Director of Transportation
Member Ex-Officio

Thomas F. Patton
Senate Member

Michael D. Dovilla
House Member

Christiane Schmenk
Director of Development
Member Ex-Officio

Timothy S. Keen
Director of OBM
Member Ex-Officio

Richard Hodges
Executive Director

Independent Auditors:
Ciuni and Panichi, Inc.
Cleveland, OH

Trustee:
The Huntington National Bank
Cleveland, OH

Consulting Engineers:
URS Corporation
Akron, OH

Prepared by:
CFO/Comptroller's Office and
the Office of Marketing and
Communications

OHIO TURNPIKE COMMISSION
TOLL ROAD
SEAL – 1949

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2012

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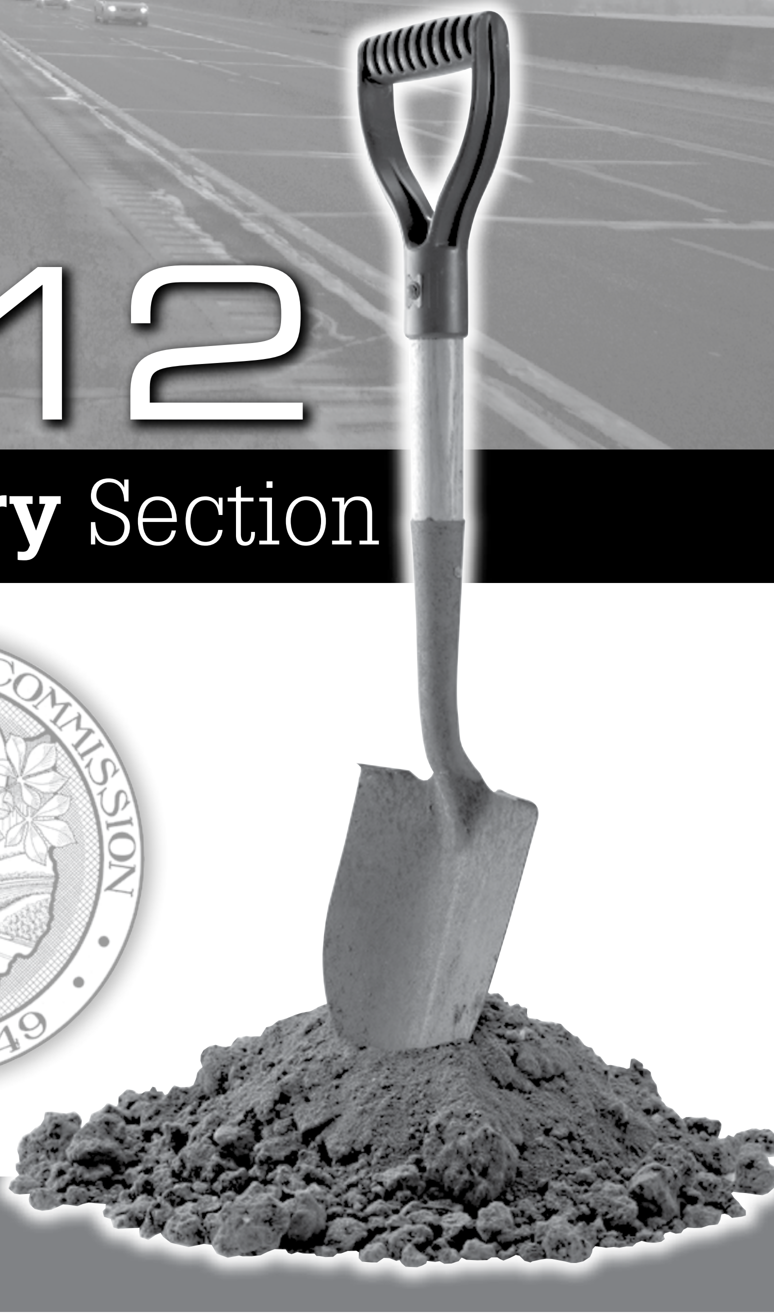


Letter of Transmittal

The OHIO Turnpike Commission

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

May 31, 2013

To:
The Honorable John Kasich, Governor, and
The General Assembly of Ohio

The Ohio Turnpike Commission, pursuant to law, presents herewith its sixty-fourth annual report covering the period from January 1, 2012 through December 31, 2012.

Respectfully yours,

Jerry N. Hruby
Chairman

Joseph A. Balog
Vice Chairman

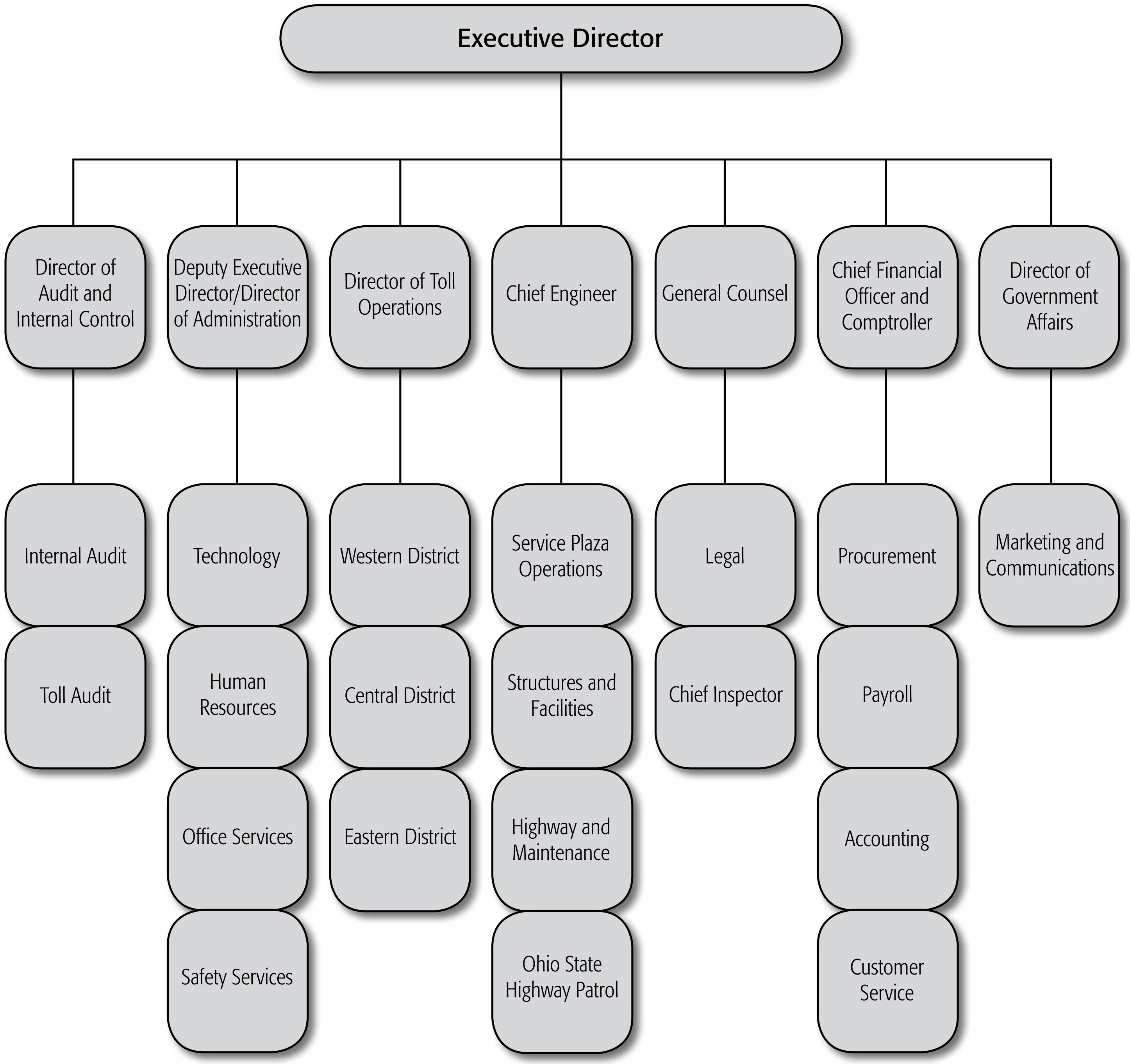
George F. Dixon III
Member

Sandra K. Barber
Secretary Treasurer

Jerry Wray
Member Ex-Officio

OHIO TURNPIKE COMMISSION
TOLL ROAD
SEAL – 1949

Organizational Chart



Members and Staff

Ohio Turnpike Commission Members (As of December 31, 2012)

		APPOINTED	TERM EXPIRATION
Jerry N. Hruby	Chairman	06/30/11	06/30/13
Joseph A. Balog	Vice Chairman	07/01/03	06/30/15
Sandra K. Barber	Secretary/Treasurer	06/14/12	06/30/19
George F. Dixon III	Member	10/05/01	06/29/17
Jerry Wray**	Director of Transportation	01/01/11	—
Thomas F. Patton	Senate Member	02/08/11	—
Michael D. Dovilla	House Member	06/14/11	—
Christiane Schmenk**	Director of Development	08/01/11	—
Timothy S. Keen**	Director, Office of Budget and Management	01/10/11	—

Names in bold indicate voting Member status
***Member Ex-Officio*

Ohio Turnpike Commission Senior Staff

Rick Hodges	Executive Director
Robin Carlin	Deputy Executive Director/Director of Administration
Kathleen Weiss	General Counsel
Martin Seekely	CFO/Comptroller
Adam Greenslade	Director of Government Affairs
Doug Hedrick	Chief Engineer
Sharon Isaac	Director of Toll Operations
David Miller	Director of Audit and Internal Control

Chairman's Letter

While many projects and accomplishments were realized during 2012, none was more significant than the Ohio Turnpike Study conducted by the Administration of Governor John Kasich. The results of the Study not only directly affect the Ohio Turnpike Commission ("Commission") but the entire state of Ohio. The year-long process of studying the Ohio Turnpike led to the announcement of the Governor's Ohio Jobs and Transportation Plan ("Plan"), which involves the Commission leveraging its bonding capacity to issue up to $1.5 billion in Turnpike Revenue bonds to fund badly needed transportation-related infrastructure projects. Bond proceeds will also be used to rebuild the 60-year-old road base of the Ohio Turnpike. Parts of the Governor's Plan that required legislative approval were incorporated into the State's Transportation Budget, which was passed in the form of Amended Substitute House Bill 51 (HB 51), which will become effective on July 1, 2013.

As Chairman of the Commission, I appreciate the fact that the Ohio Turnpike will continue to exist as an autonomous instrumentality of the state of Ohio without being leased to a private entity. The Plan allows for the Commission to continue to operate and maintain the Ohio Turnpike roadway in a cost effective manner and for the Commission to continue serving traveling customers and local communities at the same high levels they have come to expect for nearly 60 years.

I am very pleased that our employees no longer have to fear the loss of their jobs. I want to commend the Commission's executive staff, which has done a tremendous job in the past couple of years by internally reviewing our systems and operations, and determining ways to be even more efficient and cost effective. This imparts the true meaning of serving the public in the best possible way, with the best possible services and facilities.

Of course, none of this could have been accomplished without Governor Kasich's tenacity and his willingness to undertake an impartial, non-political review of the Ohio Turnpike, and then ultimately deciding what would be in the state's best interest. The Governor made, what I believe, to be the best possible decision. Furthermore, all of the Commission members have expressed their support for the Governor's Plan, and we are very appreciative of the opportunities it affords our state in moving forward to maintain and construct highway infrastructure, while at the same time acknowledging the tens of thousands of jobs that will be created or saved within the state as a results of the passage of HB 51.

HB 51 allows the Commission to play an integral role in funding vital parts of our statewide transportation system. This Plan provides the Commission appropriate oversight over the bond funding and, the Commission will take very seriously its responsibility to make the determination that the nexus requirements are met, as required by HB 51.

I would like to acknowledge the leadership, support and cooperation of Ohio Department of Transportation Director Jerry Wray, his staff and the members of the Ohio Legislature throughout this process. I look forward to working with the Commission's Executive Director, my fellow members of the Commission and our staff in overseeing the Governor's Plan and all of its many benefits to our state's overall transportation system, economic development and jobs that will be created for Ohioans. The Commission will continue to operate in a fiscally conservative, business-like manner, and we will continue to maintain this outstanding toll road for the benefit of our customers, the economy and commerce of our state. We do so fulfilling the dreams of those who envisioned the great benefits of this toll road.

Sincerely,

Jerry N. Hruby
Mayor, City of Brecksville
Chairman, Ohio Turnpike Commission

Executive Director's Year in Review

Ohio Jobs and Transportation Plan

In January 2012, the Ohio Department of Transportation ("ODOT") announced a $1.6 billion budget shortfall. This funding crisis meant that ODOT would need to postpone some of the state's largest, most complex transportation construction projects by up to a decade or more. In an effort to address this funding deficit, Governor John Kasich, along with ODOT and the Office of Budget and Management began to explore the Ohio Turnpike Commission ("Commission") as a potential revenue source.

The Ohio Turnpike Study looked at three basic options: 1) a long-term lease agreement; 2) ODOT assuming Turnpike operations; and 3) keeping the Turnpike status quo. During the course of 10 months, the Kasich Administration, along with various subcontractors and public agencies undertook a comprehensive review, which included technical, financial and legal analyses of each option, as well as one-on-one and group meetings to solicit public input.

On December 13, 2012, Governor Kasich announced his Ohio Jobs and Transportation Plan. It quickly drew praise from private and public officials who applauded that the Commission and ODOT have pledged to work more closely together to address the state's transportation infrastructure funding issues. The Commission voted unanimously in support of a resolution endorsing the Ohio Jobs and Transportation Plan at its January 22, 2013 meeting.

In general terms, the Ohio Jobs and Transportation Plan is based on the status quo option, using the Commission's ability to bond against future tolls, without making disruptive changes to its structure, operations and maintenance. The additional bonding capacity generated by the program is estimated to provide up to $1.5 billion in new infrastructure funds for Ohio highways from Turnpike Revenue Bonds issued by the Commission and backed by future toll revenues. It is further estimated that up to an additional $1.5 billion could be generated from matching local and federal funds for a combined total of approximately $3 billion for Ohio's major highway construction projects.

Other details of the Ohio Jobs and Transportation Plan include:

- The Ohio Turnpike will not be leased to a private operator, and will continue to be operated and maintained as it is today;
- The Ohio Turnpike Commission will retain its autonomy. Effective July 1, 2013, it will be renamed the "Ohio Turnpike and Infrastructure Commission." It will have two new Board members, and it will have expanded authority to approve the funding of infrastructure projects as requested by ODOT;
- At least 90 percent of infrastructure projects to be funded will be located in northern Ohio;
- Rebuilding the Ohio Turnpike road base will occur many years sooner than planned;
- Tolls for passenger vehicle trips of 30 miles or less paid with *E-ZPass®* will be frozen for 10 years;
- All other toll rates over the next 10 years will be capped at the historic rate of inflation, which is significantly less than previous toll rate increases over the last 20 years; and
- No Turnpike employee layoffs due to the plan.

Portions of the Ohio Jobs and Transportation Plan that required legislative changes to the Commission's governing statute (The Ohio Turnpike Act) were codified through passage of the State's Transportation Budget, Amended Substitute House Bill 51 (HB 51). This legislation passed the Ohio Legislature with bipartisan support and was signed by Governor Kasich on April 1, 2013. It will take effect on July 1, 2013.

***E-ZPass®* Update**

Although planned toll rate increases were implemented on January 1, 2012, the Commission opted to preserve the

two-tiered rate structure, whereby *E-ZPass*® customers continue to pay a lower toll than those customers who do not use this technology. Under Governor Kasich's Ohio Jobs and Transportation Plan, the E-ZPass® discount will continue into the future.

Overall, *E-ZPass*® has enhanced the efficiency of the toll collection process. Because everything involved with *E-ZPass*® is done electronically, it reduces or eliminates the manual functions that tend to add considerable time and cost to the toll collection process. Since the inception of *E-ZPass*® on the Ohio Turnpike, more than 160,000 Ohio Turnpike *E-ZPass*® transponders have been issued. Currently, approximately 46.2 percent of the vehicles traveling on the Turnpike (representing 51 percent of vehicle miles traveled and 53.9 percent of total revenue) are utilizing *E-ZPass*®.

In June 2012, the decision was made to move the *E-ZPass*® Tag Teller, which automatically dispenses live transponders to customers who open an account with a credit card, from the Administration Building Lobby to the Middle Ridge Service Plaza at Milepost ("MP") 139.5 westbound. This was done as a pilot project to gauge customer demand for a point-of-purchase *E-ZPass*® retail program. The Tag Teller pilot proved that there is significant demand for the transponders in a retail setting. As such, Commission staff began developing a broader retail program allowing for inactive *E-ZPass*® transponders to be distributed to Turnpike customers at the service plaza travel stores, which are operated through a contracted services agreement between the Commission and Hardees, Sunoco or HMS Host.

The initial rollout of this program started with a "soft opening" on March 4, 2013 at the Middle Ridge and Vermilion Valley Service Plazas at MP 139.5 and the Great Lakes and Towpath Service Plazas at MP 170.1. Beginning on April 1, 2013, the program was expanded to the Indian Meadow and Tiffin River Service Plazas at MP 20.8 and the Blue Heron and Wyandot Service Plazas at MP 76.9. As of May 22, 2013, *E-ZPass*® transponders were available at all 14 Turnpike service plazas.

The Commission is exploring the expansion of the retail program beyond the Turnpike mainline. Other locations will include local Bureaus of Motor Vehicles per language in HB 51 which allows for Deputy Registrars to distribute transponders in these locations.

Automated Toll Payment Machines ("ATPMs")

In an effort to gain greater efficiency, 20 ATPMs were added as a part of the new toll collection system at 10 Toll Plazas that experience low traffic volume. Five of these Toll Plazas (25, 39, 135, 215 and 216) are now fully automated with *E-ZPass*® and ATPMs, while the remaining five Toll Plazas (13, 34, 81, 140 and 234) are operating unstaffed during off-peak hours (the 11:00 p.m. to 7:00 a.m. shift). The Commission will install eight additional ATPMs at four Toll Plazas (52, 91, 152, and 193) during 2013.

Non-Toll Revenues and the Commission's Impact on the Northern Ohio Economy

The Ohio Turnpike toll road is a fee-for-service facility and 92.7 percent of its revenue is derived from tolls. In order to help keep tolls as low as possible, the Commission works diligently to produce revenue from other sources such as food and fuel concessions, advertising and special permits.

The Commission generates over $270 million each year in revenues. It is noteworthy that the Commission's $13 million in annual concession revenue is based on percentages of gross receipts generated by concessions such as: gas stations, restaurants, vending machines and advertising. The overall stimulus to the northern Ohio economy produced by the concessions alone is nearly $200 million each year. In addition, the Commission generates nearly another $1 million each year in revenues from cell tower leases, fiber optic cable leases and natural gas royalties. In turn, these agreements generate significant revenues for the companies that are leasing this space within the Commission's right-of-way.

Since the inception of the Turnpike in 1955, the Commission has received five cents per gallon in Ohio motor fuel tax for the fuel sold at Ohio Turnpike service plaza facilities. In 2012, this amount was approximately $2.1 million. This amount is significantly less than the $20 million in state/federal fuel taxes that is generated by fuel sold at the Turnpike's service plazas and returned to the state of Ohio. It is estimated that approximately $108 million in state/federal fuel taxes are generated annually from miles driven on the Ohio Turnpike.

Local Communities and Noise Walls

The Commission routinely receives requests for the construction of noise barriers or other noise abatement measures from both local communities through which the Turnpike traverses, and property owners whose residences are adjacent to the Turnpike. In conjunction with the funding of federal interstate highways, the federal government provides ODOT with federal funds that are utilized to construct noise barriers. The Commission is not eligible for the receipt of such funds due to the fact that it is not a federal aid highway.

A Report requested by the Ohio General Assembly analyzing noise sensitive areas ("NSA's") along the Turnpike, exclusive of interchanges, was issued in June 2009 and is available for complete viewing on the Commission's website, www.ohioturnpike.org.

The Commission continues to study traffic noise along the Turnpike, especially as it pertains to the new third-lane projects where the Commission receives more frequent noise complaints from property owners due to expansion of the Turnpike mainline in residential areas.

The Commission retained the services of TranSystems to collect noise data to assess the impact of the additional lane for the most recent third-lane projects. The first study was recently completed in the Hudson, Ohio area (MP 178.0 – MP 185.32). Utilizing the 2009 study, TranSystems identified locations in the affected area which were recognized as NSA's. Noise level data was collected at these locations prior to construction and again upon completion of the construction. These levels were taken during similar times of the year and under similar traffic conditions. The results from this study in this area, indicate the addition of the third-lane has had no impact to existing noise levels. TranSystems' final report states, "no noise levels were substantially higher in post-construction readings. Substantially higher readings are defined as readings that were more than a 10 dBA increase when compared to the pre-construction reading." This procedure is being utilized for the current and final third-

lane project being constructed between MP 64 to MP 59 in Maumee, Ohio. Pre-construction noise readings were taken in March of 2013 and will again be recorded at the completion of the project in 2014.

At the January 22, 2013 Commission meeting, Chairman Hruby appointed a committee that will review and determine if a formal policy related to noise abatement should be adopted by the Board. However, due to provisions in HB 51, ODOT has now been charged with the task of developing a Turnpike mitigation program to address these types of issues. Specifically, the bill requires the Director of Transportation, not later than July 1, 2013, to establish a Turnpike mitigation program to assist political subdivisions that have a portion of the Ohio Turnpike passing through the political subdivision. The program must address concerns resulting from the proximity of the Ohio Turnpike. The program may provide monetary and other resources, and must address conditions including noise mitigation, bridge embankments, drainage, bridge repair, grade separations, and other related conditions.

Slope Repairs

In accordance with Ohio Revised Code Section 5537.051, the Commission continues to fund the embankment repairs for overpasses carrying county and township roads over the Turnpike in Sandusky County. The repairs are currently on schedule to be completed by December 31, 2014, as defined in the statute. The following is the current status of each identified slope failure:

Completed: Jacobs Road, Yorktown Road

Under Construction: Karbler Road, Carley Road, Four Mile House Road, Fangboner Road, Shiets Road, Gibbs/Balsizer Road

Remaining Projects: Shannon Road, Werth Road, Township Line Road

Third-Lane Construction

The Commission has recently expanded its mainline capacity with the completion of a third-lane segment from MP 178 to MP 185 in Summit County. This most recent project allows travelers to enjoy three lanes in each direction from MP 64 to MP 218. Third-lane construction between MP 59.52 to 64.13 will begin in 2013 and be completed in 2014. This will complete the current third-lane expansion schedule.

Base Replacement Construction

The original road base of the Ohio Turnpike was completed in 1955. In the spring of 2011, the Commission began a $1 billion, 40-year plan to replace the base of the entire roadway. The base in Sandusky County (between MP 95.9 to MP 101.2 westbound) was the first location chosen for the start of this historic replacement program.

Replacement of the original concrete pavement projects for 2013 will include projects between MP 90.0 to MP 95.9 westbound and MP 164.8 to MP 169.74 eastbound. As part of the Ohio Jobs and Transportation Plan, $70 million of bond proceeds will be used to help accelerate this program.

Reduced Costs and Improved Services

In May of 2012, the Commission adopted two Resolutions pertaining to full-time, non-bargaining unit employees, which: 1) increased contribution levels towards the group health benefits plan as well as the deductibles paid by employees; and 2) modified the Commission's vacation and sick leave benefits usage plan by lowering carry-over amounts allowed for sick/vacation leave accruals. Also announced at that time was a reorganization plan under which the administrative arm of the Commission was downsized by consolidating various departments, and which established positional salary caps for the Executive Director and senior management. The reorganization plan also included merging the maintenance and engineering functions within the Engineering Department. The reorganization of maintenance and engineering included a negotiation with the Teamsters Union, which represents the maintenance non-supervisory field staff, whereby the number of certain classifications was reduced by 50 percent. By integrating the resources of maintenance and engineering, the Commission has continued to perform superior road maintenance in a more cost-effective manner. Through these changes, the Commission has projected up to $2 million in annual cost savings.

Most of these cost-saving initiatives were based on what is being instituted in the private sector and by other government entities. The goals were to reduce costs wherever possible and appropriate, while maintaining the Commission's legacy of excellence in both highway maintenance and service to our customers.

The 2012 reorganization, coupled with the long-term reductions in toll collection staff resulting from the implementation of *E-ZPass®*, as well as the expansion of ATPM installations, has led to an overall reduction in the workforce. The reductions in toll collection staff took place primarily during 2010 and 2011 through a voluntary separation incentive program as well as a small number of layoffs. As of December 31, 2012, the Commission employed 973 employees (742 full-time and 231 part-time). These levels are down from 1,338 total employees in 2004. Of the 742 full-time employees, 457 are bargaining unit employees (208 toll collectors and 249 maintenance workers).

During 2012, the Commission also reevaluated and renegotiated its agreements with disabled vehicle service operators and, as a result, operating expenses were significantly reduced while the high level of safety and service to customers was maintained.

As a result of all of the cost-saving initiatives, the Commission's fiscal year 2013 operating budget is 5.3 percent less than the previous year. As part of the ongoing effort to reduce costs and improve services, leadership and staff of the Commission continue to evaluate all aspects of the operations, including the exploration of opportunities to engage in shared services agreements with other state and local governments.

In conclusion, we look forward with great anticipation, to fulfilling the role of the Commission in the Governor's Ohio Jobs and Transportation Plan by helping to fund badly needed transportation infrastructure projects, while at the same time, continuing to maintain the high standard of excellence Ohio Turnpike customers expect and deserve in the most cost-effective manner possible.

OHIO Turnpike Commission

CFO/Comptroller's Report

The Ohio Turnpike Commission *CFO / Comptroller*

May 31, 2013

Ohio Turnpike Commission and Executive Director:

The Comprehensive Annual Financial Report ("CAFR") of the Ohio Turnpike Commission ("Commission") for the year ended December 31, 2012, 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, results of operations and cash flows of the Commission. All disclosures necessary to enable the reader to gain an understanding of the Commission's financial activities have been included. Readers of these financial statements are encouraged to review Management's Discussion and Analysis for an overview of the Commission's financial position and the results of 2012 operations.

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 considered, however, a related organization to the State of Ohio.

Accounting Policies and Internal Controls

The Commission's reporting entity and its accounting policies are briefly described 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 approved by the Auditor of the State of Ohio.

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

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

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www.ohioturnpike.org
Serving the nation – The James W. Shocknessy Ohio Turnpike

Long-Term Financial Planning

The Commission prepares annual operating and capital budgets which are approved by the Commission before the start of the next calendar year. The operating budget contains the projected revenues, operating expenses, debt service payments and the net amount expected to be transferred to the capital funds for the next calendar year. The capital budget details the construction projects and equipment purchases planned for the year that are necessary to maintain the Turnpike in good condition.

Each year the Commission also prepares a long-term projection of future operating and capital budgets that projects revenues, expenses, debt service payments and capital expenditures for at least the next five years. The long-term projection is used to plan for the sequencing of large capital projects and to forecast the need for toll increases or debt issuances.

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, 2011. 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. Since then, the Commission has received this award for every year with the exceptions of 1989 and 1990, when no applications were submitted. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR. This report 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 CAFR continues to meet 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 Director of Audit and Internal Control, the Marketing and Communications Manager, and the various department heads and employees who assisted with and contributed to its preparation.

Respectfully submitted,

Martin S. Seekely
CFO/Comptroller

682 Prospect Street, Berea, Ohio 44017-2799 Phone: (440) 234-2081 Fax: (440) 234-7180
www.ohioturnpike.org
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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, 2011

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.

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA CORPORATION SEAL CHICAGO

Christopher P Morrill

President

Jeffrey R. Esser

Executive Director

History and General Information

Organization and Background

The Ohio Turnpike Commission ("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, 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 ("ODOT"). The Commission is also authorized and empowered to issue Turnpike Revenue Bonds of the State of Ohio, payable solely from Turnpike 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, ODOT and the Federal Highway Administration was modified as a result of the provisions of the Intermodal Surface Transportation Efficiency Act ("ISTEA") of 1991. The modified agreement canceled the requirement that the Ohio Turnpike become free to the public upon redemption 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 ODOT 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 went into effect on October 17, 1996. Among other things, the bill recreated the Turnpike Oversight Committee; required the Commission to hold public hearings before it votes to change 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 unrelated projects.

Amendments to House Bill 699 (effective March 28, 2007) renamed the Turnpike Legislative Review Committee; requires the Commission to notify the Governor and legislative leaders prior to any toll change; and allows the appropriate chairs of Finance and Transportation Committees to request the Commission to appear and review past budget results and to present its proposed budget. Additional amendments require the Commission to seek approval of the Office of Budget and Management ("OBM") prior to any debt issuance, or any changes to the Master Trust Agreement. The amendments also require the Commission to submit its annual budget to OBM for review only at least 30 days before adoption. Finally, the legislation added the Director of Development and the Director of OBM as ex-officio, non-voting members of the Commission.

The Commission

The Commission consists of nine 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 ODOT, who is a member ex-officio. The four remaining members, a state senator and a state representative, the Director of Development and the Director of OBM have non-voting status. The two legislative members 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 Turnpike Legislative Review 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 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 ("OSHP"), 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, 8.5 million automobiles and 1.5 million trucks used the Turnpike. In 2012, the total annual traffic consisted of 39.4 million automobiles and 10.4 million trucks. Annual revenues from tolls, restaurant and service station concessionaire rentals and other sources rose from $15,351,000 in 1956 to $274,648,000 in 2012.

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 80/90 between the Ohio-Indiana line and the Lorain County West Interchange 142. Interstate Route 80 between the Lorain County West Interchange 142 and the Niles-Youngstown Interchange 218, and Interstate Route 76 between the Niles-Youngstown Interchange 218 and the Ohio-Pennsylvania line.

Access

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

Prior to October 1, 2009, toll charges for all vehicles were determined by gross-weight and distance traveled on the Turnpike. All vehicles were weighed while in motion upon entering the Turnpike on scales located at the entrance lanes of each toll plaza. Passenger cars weighing less than 7,000 pounds fell within Class 1 and all other vehicles fell within Classes 2-9, based on their

gross weight. (Classes 10 and 11 applied to triple-trailer combinations and long combination vehicles.)

On October 1, 2009, the Ohio Turnpike Commission implemented a new toll collection system, including electronic tolling collection technology (*E-ZPass*®). At that same time, the toll rate schedule and vehicle classification system were also revised. Vehicles traveling the Ohio Turnpike are now classified based on seven vehicle classifications, which was a reduction from the eleven classifications used previously. Vehicles are now classified based on the number of axles and height of the vehicle over the first two axles. The vehicle classification along with distance traveled still determines the appropriate toll fare; however, toll rates were adjusted to coincide with the compression of the vehicle classifications, along with the addition of *E-ZPass*®. Toll rates for customers using an *E-ZPass*® compatible transponder pay a lower toll fare for travel on the Ohio Turnpike than cash-paying customers. The Commission ended its previous charge account programs so that customers could take advantage of the same electronic tolling technology with *E-ZPass*®.

Physical Characteristics

The Ohio Turnpike mainline consists basically of two or three eastbound and westbound travel lanes of reinforced portland cement concrete, all of which has been resurfaced with asphaltic concrete, each flanked by paved shoulders 8 feet wide on the inside and 10 feet, 3 inches wide on the outside of the mainline roadway. The shoulders are hard surfaced with asphaltic concrete. 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 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 third lane section between Interchange 59 and Interchange 218 consists 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.

Service Plazas

The Commission has eight pairs of service plaza facilities to serve customers. As of the printing of this report, the service plazas located at Milepost ("MP") 49.0 in Lucas County are closed and demolished. The service plazas located at MP 237.2 in Mahoning County are under reconstruction. The Commission has contracted with

several private companies to operate the restaurants and service stations at the Turnpike's service plazas. Restaurants and service stations are open 24-hours each day throughout the year. 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 also available. 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.

As of the end of 2012, the Commission has replaced 12 of its original 16 service plazas with new, more modern structures. The original service plazas have been in operation since 1955 when the Turnpike was first opened to traffic from the Pennsylvania to the Indiana state borders.

Reconstruction of the first set of service plazas at MP 100 started in July of 1998 and opened to motorists in June of 1999. Reconstruction of the plazas at MP 170 began the following month and reopened in October of 1999. Work has continued on the remaining service plazas along the Ohio Turnpike and facilities have reopened to travelers at MP 197 in April of 2001, at MP 139.5 in May of 2002, at MP 76.9 in May of 2005, and at MP 20.8 in June of 2011. The service plazas at MP 237.2 reopened in May 2013.

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 Turnpike, are responsible for keeping the Turnpike facilities operational and the roadway and pavement in comfortable-riding, clean and safe condition. Weather monitoring stations along the road utilize embedded sensors in certain mainline bridges to provide advance notice of the need to initiate snow and ice operations.

Ohio State Highway Patrol (OSHP)

A special unit of the OSHP polices the Turnpike. Their headquarters, along with radio dispatchers for the OSHP Turnpike operations is located in the Commission's Telecommunications Building in Berea. OSHP 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 OSHP, the Commission utilizes toll revenue to reimburse the patrol for all costs of operating on the Turnpike.

As part of its continued commitment to safety, the Commission has funded the implementation of Multi-Agency Radio Communications System ("MARCS") for OSHP on the Turnpike.

MARCS voice services were activated for Turnpike operations on October 1, 2007; mobile data was activated in mid-December. This system enables OSHP troopers and law enforcement personnel serving communities adjacent to the Turnpike to effectively communicate with each other, thus providing an additional level of safety and support for both Turnpike motorists and for communities near the Turnpike corridor.

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 OSHP. Of particular value to Turnpike customers is the use of the systems for emergency services including ambulance, EMS life flights, OSHP and wrecker service.

Disabled Vehicle Service

Disabled vehicle services are available 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 also available for the removal of vehicles requiring garage work off the Turnpike.

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2012

Financial Section

FINANCIAL ADMINISTRATION

Martin Seekely
CFO/Comptroller

David Miller
Director of Audit
and Internal Control

Lisa Mejac
Assistant Comptroller

Linda Birth
Payroll Manager

Donna Cook
Accounts Payable/Accounts
Receivable Manager

Carol Zanin
Administrative Assistant

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Independent Auditor's Report

Ohio Turnpike Commission
Berea, Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the Ohio Turnpike Commission (the "Commission"), which comprise the statement of net position as of December 31, 2012, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 *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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Ohio Turnpike Commission
Berea, Ohio

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Commission, as of December 31, 2012, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 24-27 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2013 on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Ciuni & Panichi, Inc.

Cleveland, Ohio
May 31, 2013

Management's Discussion and Analysis

This section of the annual financial report presents the Commission's discussion and analysis of its financial position and the results of operations for the year ended December 31, 2012. Please read it in conjunction with the Chairman's Letter, Executive Director's Year in Review, CFO/Comptroller's Report, and History and General Information at the front of this report, and the Ohio Turnpike Commission's ("Commission") financial statements and notes, which follow this section.

Financial Highlights

- The total number of vehicles that traveled the Ohio Turnpike in 2012 increased 1.1 percent and vehicle miles traveled increased 0.6 percent from the levels reached in 2011. The increase in vehicle miles traveled combined with a toll rate increase that went into effect on January 1, 2012 resulted in an increase in toll revenue of approximately $21.5 million or 9.3 percent.

- Total 2012 revenues exceeded expenses by $76.4 million, providing additional resources for the Commission's ongoing Capital Improvement Program and allowing continued principal payments on outstanding bonds.

- Operating expenses increased by $3.4 million or 2.1 percent from 2011.

- In 2012, the Commission made capital improvements totaling approximately $90.8 million.

Condensed Statement of Net Position Information *(Dollars in Thousands)*

			Increase / (Decrease)	
	12/31/12	**12/31/11**	**$**	**%**
Assets				
Cash and Investments	$ 202,126	$ 181,890	$ 20,236	11.1%
Other Noncapital Assets	25,043	25,145	(102)	(0.4%)
Capital Assets, Net	1,306,929	1,276,325	30,604	2.4%
Total Assets	**$ 1,534,098**	**$ 1,483,360**	**$ 50,738**	**3.4%**
Liabilities and Net Position				
Liabilities				
Current Liabilities	$ 69,070	$ 67,212	$ 1,858	2.8%
Long-Term Liabilities	554,266	581,833	(27,567)	(4.7%)
Total Liabilities	**623,336**	**649,045**	**(25,709)**	**(4.0%)**
Net Position				
Net Investment in Capital Assets	733,024	679,211	53,813	7.9%
Restricted	47,533	43,063	4,470	10.4%
Unrestricted	130,205	112,041	18,164	16.2%
Total Net Position	**910,762**	**834,315**	**76,447**	**9.2%**
Total Liabilities and Net Position	**$ 1,534,098**	**$ 1,483,360**	**$ 50,738**	**3.4%**

Assets

The condensed statement of net position information on the prior page shows that cash and investments increased by $20.2 million in 2012. This increase was primarily the result of higher operating income as a result of the increased revenues from the toll rate increase on January 1, 2012. The $0.1 million decrease in other noncapital assets was due to a $0.3 million increase in inventories, a $0.1 million decrease in prepaid expenses and a $0.3 million decrease in unamortized bond issuance cost due to amortization. Inventories of ice melting materials increased due to a milder than anticipated winter.

Capital assets increased by $30.6 million in 2012 as the result of capital improvements of approximately $90.8 million, depreciation expense of $59.9 million and losses on the disposal/write-offs of capital assets of $0.3 million. See Note 4 of the financial statements for more detailed information on the Commission's capital assets.

The $90.8 million in improvements noted above were primarily for the reconstruction of two service plazas, the resurfacing of 110 lane miles of roadway, the construction of 3.7 new third lane miles, the full depth replacement of 21.2 lane miles, and the repainting of 12 bridges.

Liabilities

Current liabilities increased $1.9 million primarily as a result of a $3.7 million increase in bond interest and principal payable which was partially offset by a $1.7 million decrease in compensated absence liabilities. The decrease in compensated absence liability was due to higher than normal requests by employees to receive cash for accumulated sick and vacation leave due to the contemplated privatization of the Turnpike.

A decline in long-term liabilities of $27.6 million was primarily the result of principal payments on outstanding bonds of $22.8 million and a $1.1 million reduction in long-term compensated absences liabilities. See Note 5 of the financial statements for more detailed information on long-term debt activity.

As described in Note 6 of the financial statements, the Commission has commitments as of December 31, 2012 of $20.9 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 Commission's credit rating is among the highest of all the toll roads in the world. The current agency ratings are as follows:

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

Net Position

Net investment in capital assets increased by $53.8 million during 2012 as a result of the $22.8 million of bond principal payments discussed on the prior page combined with the $30.6 million increase in capital assets. Of the $47.5 million balance of restricted net position, $31.8 million is restricted for debt service and $12.7 million is restricted for capital improvements, in accordance with provisions of the Commission's Master Trust Agreement. The remaining $3.0 million of restricted net position represents accumulated Ohio fuel tax allocations, which are also restricted for future capital improvements in accordance with Ohio law. The $4.5 million increase in restricted net position during 2012 is due to a $1.0 million increase in amounts restricted for capital projects, an additional $3.3 million restricted for debt service and a $0.2 million increase in the amount of restricted Ohio fuel tax allocations. The $18.2 million increase in unrestricted net position and the $76.4 million total increase in net position is the result of 2012 revenues that exceeded expenses, as summarized in the following chart.

Changes in Net Position Information *(Dollars in Thousands)*

	In Thousands Years Ended		Increase / (Decrease)	
	12/31/12	**12/31/11**	**$**	**%**
Revenues:				
Operating Revenues:				
Tolls	$ 252,544	$ 231,011	$ 21,533	9.3%
Special Toll Permits	3,393	3,413	(20)	(0.6%)
Concessions	12,984	14,017	(1,033)	(7.4%)
Other	2,952	2,998	(46)	(1.5%)
Nonoperating Revenues:				
State Fuel Tax Allocation	2,074	2,051	23	1.1%
Investment Earnings	701	957	(256)	(26.8%)
Total Revenues	274,648	254,447	20,201	7.9%
Expenses:				
Operating Expenses:				
Administration and Insurance	9,936	8,745	1,191	13.6%
Maintenance of Roadway and Structures	35,565	36,131	(566)	(1.6%)
Services and Toll Operations	51,266	50,549	717	1.4%
Traffic Control, Safety, Patrol and Communications	14,559	14,904	(345)	(2.3%)
Depreciation	59,933	57,488	2,445	4.3%
Nonoperating Expenses:				
Interest Expense	26,902	28,427	(1,525)	(5.4%)
Loss on Disposals / Write-Offs of Capital Assets	40	378	(338)	(89.4%)
Total Expenses	198,201	196,622	1,579	0.8%
Change in Net Position	76,447	57,825	18,622	32.2%
Total Net Position - Beginning of Year	834,315	776,490	57,825	7.4%
Total Net Position - End of Year	$ 910,762	$ 834,315	$ 76,447	9.2%

Toll revenues are the major source of funding for the Ohio Turnpike Commission. Passenger car traffic volume increased by 1.0 percent and commercial traffic volume increased by 1.6 percent during 2012 as the economy continued its slow recovery from the recession.

	2012	2011	Increase / (Decrease) #	Increase / (Decrease) %
Traffic Volume (vehicles in thousands):				
Passenger Cars	39,418	39,026	392	1.0%
Commercial Vehicles	10,386	10,220	166	1.6%
Total	**49,804**	**49,246**	**558**	**1.1%**

The number of miles traveled by passenger cars increased by 0.4 percent while the miles traveled by commercial vehicles increased by 0.9 percent during 2012. The increase in passenger car vehicle miles traveled along with a toll rate increase that took effect on January 1, 2012 resulted in an increase in toll revenue from passenger cars of approximately $9.2 million or 8.9 percent. Revenues from commercial vehicles increased $12.3 million or 9.6 percent as a result of the increase in commercial vehicle miles traveled and the January 1, 2012 toll rate increase.

	2012	2011	Increase / (Decrease) $	Increase / (Decrease) %
Toll Revenues (dollars in thousands):				
Passenger Cars	$ 112,428	$ 103,201	$ 9,227	8.9%
Commercial Vehicles	140,116	127,810	12,306	9.6%
Total	**$ 252,544**	**$ 231,011**	**$ 21,533**	**9.3%**

Total expenses increased by $1.6 million or 0.8 percent in 2012 compared to the prior year. Fringe benefit expenses which are allocated to each area based on wages, increased $3.3 million over 2011 due to higher health insurance costs, higher workers compensation costs and higher compensated absence expense. The 13.6 percent increase in Administration and Insurance expense was primarily due to the increase in fringe benefit costs and the transfer of radio operator employees from Communications to Administration and the transfer of Administration Building maintenance employees from the Maintenance Department to Administration. The 1.6 percent decrease in Maintenance of Roadway and Structures expense is the result of milder winter weather in the first half of 2012 which resulted in a reduction of expenses for snow and ice control. The 1.4 percent increase in Services and Toll Operations expense is due primarily to increases in toll equipment maintenance. A full year of equipment maintenance costs was paid in 2012 on the toll system while part of the equipment maintenance costs in 2011 were covered under the one year warranty provided with the toll system purchase.

Statement of Net Position December 31, 2012 (In Thousands)

Assets		
Current Assets:		
Unrestricted Current Assets:		
Cash and Cash Equivalents	$	93,891
Investments, at Fair Value		40,201
Accounts Receivable		13,045
Inventories		6,203
Other		2,407
Total Unrestricted Current Assets		**155,747**
Restricted Current Assets:		
Cash and Cash Equivalents		14,018
Investments, at Fair Value		38,155
State Fuel Tax Allocation Receivable		345
Other		32
Total Restricted Current Assets		**52,550**
Total Current Assets		**208,297**
Noncurrent Assets:		
Restricted Cash and Cash Equivalents		15,819
Restricted Investments, at Fair Value		42
Unamortized Bond Issuance Costs		3,011
Capital Assets, Net		1,306,929
Total Noncurrent Assets		**1,325,801**
Total Assets	**$**	**1,534,098**
Liabilities and Net Position		
Current Liabilities:		
Current Liabilities Payable from Unrestricted Assets:		
Accounts Payable	$	3,523
Accrued Salaries, Wages and Benefits		3,358
Compensated Absences		5,275
Claims and Judgments		2,569
Contamination Remediation Costs Payable		132
Other Liabilities		5,382
Toll Agency Payable		1,648
Total Current Liabilities Payable from Unrestricted Assets		**21,887**
Current Liabilities Payable from Restricted Assets:		
Accrued Salaries, Wages and Benefits		28
Contracts Payable and Retained Amounts		9,851
Interest Payable		11,049
Bonds Payable		26,455
Total Current Liabilities Payable from Restricted Assets		**47,183**
Total Current Liabilities		**69,070**
Noncurrent Liabilities:		
Compensated Absences		5,590
Claims and Judgments		861
Contamination Remediation Costs Payable		365
Bonds Payable		547,450
Total Noncurrent Liabilities		**554,266**
Total Liabilities		**623,336**
Net Position:		
Net Investment in Capital Assets		733,024
Restricted for Debt Service		31,823
Restricted for Capital Projects		15,710
Unrestricted		130,205
Total Net Position		**910,762**
Total Liabilities and Net Position	**$**	**1,534,098**

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

Statement of Revenues, Expenses and Changes in Net Position

For the Year Ended December 31, 2012 (In Thousands)

Operating Revenues:	
Pledged as Security for Revenue Bonds:	
Tolls	$ 252,544
Special Toll Permits	3,393
Concessions	12,473
Leases and Licenses	1,077
Other Revenues	1,873
Unpledged Revenues:	
Concessions	511
Other Revenues	2
Total Operating Revenues	**271,873**
Operating Expenses:	
Administration and Insurance	9,936
Maintenance of Roadway and Structures	35,565
Services and Toll Operations	51,266
Traffic Control, Safety, Patrol and Communications	14,559
Depreciation	59,933
Total Operating Expenses	**171,259**
Operating Income	**100,614**
Nonoperating Revenues / (Expenses):	
State Fuel Tax Allocation	2,074
Investment Earnings Pledged as Security for Revenue Bonds	407
Investment Earnings - Unpledged	294
Loss on Disposals / Write-Offs of Capital Assets	(40)
Interest Expense	(26,902)
Total Nonoperating Revenues / (Expenses)	**(24,167)**
Increase in Net Position	**76,447**
Net Position - Beginning of Year	**834,315**
Net Position - End of Year	**$ 910,762**

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

Statement of Cash Flows *For the Year Ended December 31, 2012 (In Thousands)*

Cash Flows from Operating Activities:		
Cash Received from Customers	$	268,671
Cash Received from Other Operating Revenues		4,880
Cash Payments for Employee Salaries, Wages and Fringe Benefits		(77,052)
Cash Payments for Goods and Services		(37,012)
Net Cash Provided by Operating Activities		**159,487**
Cash Flows from Noncapital Financing Activities:		
State Fuel Tax Allocation		2,064
Net Cash Provided by Noncapital Financing Activities		**2,064**
Cash Flows from Capital and Related Financing Activities:		
Proceeds from Sale of Assets		260
Acquisition and Construction of Capital Assets		(89,477)
Principal Paid on Bonds		(22,760)
Interest Paid on Bonds		(30,022)
Net Cash Used in Capital and Related Financing Activities		**(141,999)**
Cash Flows from Investing Activities:		
Interest Received on Investments		723
Proceeds from Sale and Maturity of Investments		76,773
Purchase of Investments		(87,960)
Net Cash Used in Investing Activities		**(10,464)**
Net Increase in Cash and Cash Equivalents		**9,088**
Cash and Cash Equivalents - Beginning of Year		**114,640**
Cash and Cash Equivalents - End of Year	**$**	**123,728**
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	$	100,614
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation		59,933
Change in Assets and Liabilities:		
Accounts Receivable		48
Inventories		(344)
Other Assets		114
Accounts Payable		(141)
Accrued Salaries, Wages and Benefits		284
Compensated Absences		(2,832)
Claims and Judgments		585
Contamination Remediation		(421)
Other Liabilities		1,647
Net Cash Provided by Operating Activities	**$**	**159,487**
Noncash Investing and Capital Activities:		
Increase in Fair Value of Investments	$	8
Disposals / Write-Offs of Capital Assets		(300)
Decrease in Capital Assets due to Capitalized Costs		(2,564)
Increase in Capital Assets due to Decrease in Contracts Payable		1,204
Gain from Fixed Asset Trade-in		(4)
Amortization of Bond Issuance Costs, Bond Premiums and Refunding Losses Classified as Interest Expense		137

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

Notes to Financial Statements

December 31, 2012

(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, and GASB Statement* No. 39, *Determining Whether Certain Organizations are Component Units (an amendment of GASB Statement No. 14)*, the accompanying financial statements include only the accounts and transactions of the Ohio Turnpike Commission ("Commission" or "Turnpike"). Under the criteria specified in these GASB Statements, the Commission has no component units nor is it considered a component unit of the State of Ohio. The Commission is considered, however, 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 to 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.

New Accounting Pronouncements

During 2012, the Commission implemented GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The implementation of this Statement had minimal impact on the Commission's financial statements or disclosures.

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities.* The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2012. The Commission has not determined the impact, if any, that this Statement will have on its financial statements or disclosures.

During 2012, the Commission implemented GASB issued Statement No. 66, *Technical Corrections – 2012*. The implementation of this Statement had no impact on the Commission's financial statements or disclosures.

In June 2012, the GASB issued Statement No. 67, *Financial Reporting for Pension Plans*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2013. The Commission has not determined the impact, if any, that this Statement will have on its financial statements or disclosures.

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2014. The Commission has not determined the impact, if any, that this Statement will have on its financial statements or disclosures.

Net Position Classifications

GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, requires the classification of net position into the following three components:

- Net Investment in Capital Assets – 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 position, 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 – consisting of net position that does not meet the definition of "net investment in capital assets" 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 90 days of purchase. Commission investments in overnight repurchase agreements and money market mutual funds, which have remaining maturities of one year or less, are carried at amortized cost, which approximates fair value.

Investments

In the accompanying Statement of Net Position, investments are comprised of certificates of deposit maturing beyond 90 days of purchase, U.S. instrumentality securities and shares in the State Treasury Asset Reserve of Ohio ("STAR Ohio") investment pool. Commission investments in STAR Ohio are carried at amortized cost, which approximates fair value. All other Commission investments are recorded at fair value based on quoted market prices 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.

STAR Ohio is an investment pool created pursuant to Ohio statutes and is managed by the Treasurer of the State of Ohio. 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 Company Act of 1940. The fair value of the Commission's position in the pool is the same as the value of the pool shares.

Accounts Receivable

Accounts receivable consist of various tolls, charges and amounts due from individuals, commercial companies and other agencies and concession revenues receivable from operators of food and fuel concessions at the Commission's service plazas. Toll accounts receivable from E-ZPass® post-paid customers are 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 of $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:

Description	Years
Buildings, roadway and structures	40
Bridge painting and guardrail	20
Roadway resurfacing	8-12
Building improvements	10
Machinery, equipment and vehicles	5-10

Depreciation expense is included in the Statement of Revenues, Expenses and Changes in Net Position.

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 $2,564,000 was capitalized for the year ended December 31, 2012.

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 uses the vesting method to calculate its liability for unused sick leave, to the extent that it is probable that benefits will be paid in cash.

Operating / Nonoperating Activities

Operating revenues and expenses, as reported on the Statement of Revenues, Expenses and Changes in Net Position, are those that result from exchange transactions such as payments received for providing services and payments made for goods and services received.

Tolls, the principal source of Commission operating revenues, are recognized as vehicles use the Turnpike. For toll calculation purposes, through September 30, 2009 vehicles were assigned to one of eleven weight-based classifications. Tolls were assessed based on the vehicle classification and the distance traveled. Effective October 1, 2009, the Commission implemented a new toll collection system that includes electronic toll collection in the form of *E-ZPass®*, which is interoperable among a network of 25 northeastern U.S. toll agencies. Concurrent with the implementation of the new toll collection system and *E-ZPass®*, the Commission converted its weight-based vehicle classification system to a methodology that classifies vehicles based upon the number of axles and the height over the first two axles. New axle-based toll rates were implemented along with *E-ZPass®* on October 1, 2009 and another set of rates became effective January 1, 2012. As an incentive to utilize electronic tolling, the new toll rates are lower for customers who use *E-ZPass®* than for those who pay at the toll booths.

In addition to tolls, the other major source of operating revenue is concessions from the operation of the Commission's service plazas. Concession revenues arise 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). As provided by Ohio law, the Commission also receives nonoperating revenue of five cents in Ohio fuel taxes for each gallon of fuel sold at the Commission's service plazas. The Commission's revenues are recognized when the operators make the sales. All other revenues are recognized when earned.

Operating expenses include the costs of operating and maintaining the Commission's roadway, bridges, toll plazas, service plazas and other facilities, as well as administrative expenses and depreciation on capital assets. The Commission's practice is to first apply restricted resources when expenditures are made for purposes for which both unrestricted and restricted resources are available.

All revenues and expenses not meeting the definition of operating activities identified above are reported as nonoperating activities, including the allocation of Ohio fuel tax revenues, investment earnings, interest expense and gains/losses on disposals/write-offs of capital assets.

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.

(2) DEPOSITS AND INVESTMENTS

Deposits

At year-end, the Commission had $333,000 in undeposited cash on hand. The carrying amount of the Commission's deposits as of December 31, 2012 was $11,586,000 as compared to bank balances of $12,263,000. Of the bank balances, $11,886,000 was covered by federal depository insurance and the remainder was collateralized with securities held in joint custody accounts in the name of the pledging financial institution at the Federal Reserve Bank of Boston, Massachusetts.

Investments

As of December 31, 2012, the Commission's investment balances and maturities (in thousands) were as follows:

Investment Type	Fair Value	% of Total	Maturities (in Years) Less than 1	1 - 5
Collateralized Overnight Repurchase Agreements	$ 111,785	58.8%	$ 111,785	$ –
Federal Home Loan Bank	27,218	14.3%	27,218	–
Federal National Mortgage Association	26,371	13.9%	10,072	16,299
Federal Home Loan Mortgage Corporation	20,004	10.5%	-	20,004
Federal Farm Credit Bureau	4,660	2.4%	4,660	–
State Treasury Asset Reserve of Ohio	145	0.1%	145	–
Money Market Mutual Funds	24	0.0%	24	–
Total Investments	**$ 190,207**	**100.0%**	**$ 153,904**	**$ 36,303**

Federal National Mortgage Association securities totaling $16,299,000 and Federal Home Loan Mortgage Corporation securities totaling $20,004,000 with maturities between one and five years, are callable within one year of the Statement of Net Position date.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting exposure to fair value losses arising from rising interest rates, the Commission's Investment Policy provides that funds expected to be needed for current operating expenses and capital improvements be invested in securities maturing within 18 months, with an average weighted maturity not to exceed 90 days. The Investment Policy further provides that selection of investment maturities be consistent with projected cash requirements and the objective of avoiding the forced sale of securities prior to maturity. In addition, the Commission's Investment Policy and Ohio law prescribe that all Commission investments mature within five years of purchase, unless the investment is matched to a specific obligation or debt of the Commission.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Commission's Investment Policy authorizes investments in obligations of the U.S. Treasury, U.S. agencies and instrumentalities, certificates of deposit, STAR Ohio, money market mutual funds, repurchase agreements and General Obligations of the State of Ohio rated AA or higher by a rating service. As of December 31, 2012, the Commission's investments in U.S instrumentalities (Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Home Loan Bank, and Federal Farm Credit Bureau) were all rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service. STAR Ohio, as well as the money market mutual funds in which the Commission had investments, were rated AAAm by Standard & Poor's.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of a counterparty to a transaction, the Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Commission's Investment Policy requires that all deposits be secured by collateral held in safekeeping for the benefit of the Commission by a Federal Reserve Bank. The Commission's Investment Policy also requires that, excluding Debt Service Fund investments, all U.S. Treasury Obligations, U.S. Agency Obligations, U.S. Instrumentality Obligations, and General Obligations of the State of Ohio purchased by the Commission be held in third-party safekeeping for the benefit of the Commission at a bank or savings and loan association that is eligible to be a depository of public moneys under Section 135.04 of the Ohio Revised Code and that is also authorized under Ohio law to act as trustee for the safekeeping of securities.

As of the Statement of Net Position date, all Commission deposits and investments in overnight repurchase agreements were fully secured 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. Excluding Debt Service Fund investments, all U.S. Instrumentality Obligations held by the Commission as of the Statement of Net Position date were held in safekeeping for the benefit of the Commission by the Trust Department at KeyBank, Cleveland Ohio. As of the Statement of Net Position date, Debt Service Fund investments in U.S. instrumentality securities with fair values totaling $38,155,000 were held by The Huntington National Bank ("Trustee") for the payment of interest and principal on the Commission's outstanding bonds as required by the Commission's Master Trust Agreement as amended and supplemented (see Note 5). Assets held by the Trustee as a custodial agent are considered legally separate from the other assets of The Huntington National Bank.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The Commission's Investment Policy provides that 100 percent of its average monthly portfolio may be invested in U.S.

Treasury Obligations, fixed-rate non-callable U.S. Agency or Instrumentality Obligations, or collateralized overnight repurchase agreements. The Investment Policy further provides that a maximum of 50 percent of its average monthly portfolio may be invested in callable U.S. Agency or Instrumentality Obligations, STAR Ohio or certificates of deposit. The Investment Policy also provides that a maximum of 25 percent of its average monthly portfolio may be invested in variable-rate U.S. Agency or Instrumentality Obligations, uncollateralized repurchase agreements maturing beyond one day, general obligations of the State of Ohio and money market mutual funds. As of the Statement of Net Position date, more than five percent of the Commission's portfolio was invested in collateralized overnight repurchase agreements, as well as each of the following U.S. instrumentalities: Federal Home Loan Bank, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation.

(3) ACCOUNTS RECEIVABLE

The composition of accounts receivable (in thousands) as of December 31, 2012 is summarized as follows:

	Unrestricted
Tolls	$ 11,252
Concessions	1,041
Other	917
Less: Allowance for Doubtful Accounts	(165)
Total Accounts Receivable	**$ 13,045**

(4) CAPITAL ASSETS

Capital asset activity (in thousands) for the year ended December 31, 2012 was as follows:

	Balance 12/31/11	Increases	Decreases	Balance 12/31/12
Capital Assets Not Being Depreciated:				
Land	$ 38,149	$ 62	$ –	$ 38,211
Construction In Progress	47,283	89,244	(94,180)	42,347
Total Capital Assets Not Being Depreciated	85,432	89,306	(94,180)	80,558
Other Capital Assets:				
Roadway and Structures	1,508,209	93,421	(15,474)	1,586,156
Buildings and Improvements	459,671	697	(4,970)	455,398
Machinery and Equipment	85,070	1,597	(2,322)	84,345
Total Other Capital Assets at Historical Cost	2,052,950	95,715	(22,766)	2,125,899
Less Accumulated Depreciation for:				
Roadway and Structures	(693,245)	(39,081)	15,319	(717,007)
Buildings and Improvements	(125,967)	(12,901)	4,838	(134,030)
Machinery and Equipment	(42,845)	(7,951)	2,305	(48,491)
Total Accumulated Depreciation	(862,057)	(59,933)	22,462	(899,528)
Other Capital Assets, Net	1,190,893	35,782	(304)	1,226,371
Total Capital Assets, Net	**$ 1,276,325**	**$ 125,088**	**$ (94,484)**	**$ 1,306,929**

(5) LONG-TERM OBLIGATIONS

In accordance with Ohio law and the Commission's Master Trust Agreement ("Agreement"), dated February 15, 1994, as amended by seventeen Supplemental Trust Agreements, the Commission has issued revenue bonds payable solely from the Commission's System Pledged Revenues, as defined by the Agreement. The bond proceeds have been used to either help fund the purchase or construction of capital assets or to refund other Turnpike revenue bonds. Gross Pledged Revenues include tolls, special toll permits, certain realized investment earnings, appropriations from the Ohio Department of Transportation (if any), and, to the extent and in the amount necessary to achieve a net debt service coverage ratio of up to, but not more than 200 percent, revenue derived from leases, licenses, royalties, advertising, miscellaneous sales, fees, charges and certain concession revenues, together with all realized investment earnings thereon. The Commission's outstanding bonds do not constitute general obligations of the Commission or the State of Ohio. Neither the general credit of the Commission nor the State of Ohio is pledged for 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 paid from Pledged Revenues; 2) required deposits to maintain an expense reserve account equal to one-twelfth of budgeted annual operating, maintenance and administrative costs paid from Pledged Revenues; 3) budgeted annual amounts for renewal and replacement costs; and 4) annual debt service on its outstanding bonds.

The Commission also covenants that its System Pledged Revenues (annual Gross Pledged Revenues less annual operating, maintenance and administrative costs paid from Pledged Revenues and the required annual deposit to the expense reserve account) will equal at least 120 percent of the annual net debt service on its outstanding bonds. The Commission also covenants that its System Pledged Revenues during the fiscal year immediately preceding the issuance of additional bonds, or during any 12 consecutive calendar months selected by the Commission out of the 15 consecutive calendar months immediately preceding such issuance, will equal at least 150 percent of the maximum annual debt service on its bonds then outstanding and the bonds proposed to be issued.

The Commission also covenants that prior to reducing any toll rates on other than a temporary basis, it will engage the services of an independent consultant to estimate the Commission's Gross Pledged Revenues for each year during which Commission bonds are scheduled to be outstanding, and based on these estimated revenues, the Commission covenants that its System Pledged Revenues will equal at least 150 percent of its net debt service for each year during which Commission bonds are scheduled to be outstanding. The Commission complied with all of its bond covenants during 2012.

In addition, the Commission has, by resolution, declared its intention as a matter of policy to use its best efforts to maintain a ratio of System Pledged Revenues to net debt service of at least 150 percent. Other than in connection with the issuance of additional bonds or the implementation of a toll reduction on other than a temporary basis, 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.

The Agreement requires the Commission to establish and maintain a Debt Service Reserve Account ("DSRA") equal to the maximum annual debt service on its outstanding bonds. The DSRA may be funded either with cash or one or more Reserve Account Credit Facilities obtained from an issuer that has been assigned one of the two highest ratings by each rating agency which rates the Commission's bonds. In 2009, the Commission transferred $6,283,000 from unrestricted cash to its DSRA due to the downgrade of one of the issuers of one of its Reserve Account Credit Facilities, which deposit is restricted for debt service. Those funds were invested and are included in Investments, at Fair Value in restricted current assets. On January 17, 2013, Moody's Investors Service downgraded the issuer of the Commission's other Reserve Account Credit Facility to A2, which is lower than one of the two highest ratings. The Commission transferred $49,283,000 from unrestricted cash to its DSRA in January 2013 as a result.

Changes in long-term obligations (in thousands) for the year ended December 31, 2012 are as follows:

	Balance 12/31/11	Increases	Decreases	Balance 12/31/12	Amounts Due Within One Year
Revenue Bonds Payable:					
Principal Payable	$ 589,050	$ –	$ (22,760)	$ 566,290	$ 26,455
Unamortized Refunding Losses	(25,628)	2,406	–	(23,222)	–
Unamortized Premiums - Net	33,692	–	(2,855)	30,837	–
Total Revenue Bonds Payable	597,114	2,406	(25,615)	573,905	26,455
Compensated Absences	13,697	5,378	(8,210)	10,865	5,275
Claims and Judgments	2,845	12,872	(12,287)	3,430	2,569
Contamination Remediation	918	1,666	(2,087)	497	132
Totals	**$ 614,574**	**$ 22,322**	**$ (48,199)**	**$ 588,697**	**$ 34,431**

Revenue bonds, payable (in thousands) as of December 31, 2012, are summarized as follows:

	Original Amount	Average Yield	Bonds Payable
1998 Series A:			
Serial Bonds maturing 2014 through 2021	$ 168,180		$ 168,180
Term Bonds due 2024 and 2026	130,395		130,395
Total 1998 Series A	298,575	4.89%	298,575
2001 Series B:			
Serial Bonds maturing through 2013	93,550	4.55%	16,100
2009 Series A:			
Serial Bonds maturing through 2024	137,205	3.68%	120,325
2010 Series A:			
Serial Bonds maturing 2021 through 2027	93,920		93,920
Term Bonds due 2031	37,370		37,370
	131,290	4.31%	131,290
Total Principal Issued/Outstanding	$ 660,620	4.36%	$ 566,290
Add / (Subtract):			
Unamortized refunding losses			(23,222)
Unamortized bond premiums - net			30,837
Total Revenue Bonds Payable			**$ 573,905**

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

Year	Principal	Interest	Total
2013	$ 26,455	$ 28,768	$ 55,223
2014	28,145	27,421	55,566
2015	29,445	25,991	55,436
2016	30,995	24,458	55,453
2017	32,520	22,843	55,363
2018 - 2022	189,605	85,802	275,407
2023 - 2027	191,755	31,821	223,576
2028 - 2031	37,370	2,663	40,033
Totals	**$ 566,290**	**$ 249,767**	**$ 816,057**

Pollution Remediation Obligation

The Commission has recorded a liability for pollution (including contamination) remediation obligations, which are obligations to address current or potential detrimental effects of existing pollution by participating in remediation activities such as site assessments and cleanups. The liability includes estimated contamination remediation costs to collect and dispose of slag leachate estimated at $300,000 as required by the Ohio Environmental Protection Agency and $197,000 to remediate soil and underground water contamination from underground petroleum storage tanks as required by the Ohio Bureau of Underground Storage Tank Regulations. The liability was estimated using the expected cash flow technique. The pollution remediation obligation is an estimate and is subject to changes resulting from price increases or decreases, technology, or changes in applicable laws or regulations.

(6) COMMITMENTS AND CONTINGENCIES

Commitments

The Commission has commitments as of December 31, 2012 of approximately $20,886,000 for capital projects as well as 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 goods and services not received amounting to approximately $2,288,000 as of December 31, 2012.

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, 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 462 full-time, nonsupervisory, field employees in the Commission's Toll Operations and Maintenance Departments and approximately 209 part-time, nonsupervisory, field employees in the Toll Operations Department are represented by the Teamsters Local Union No. 436, affiliated with the International Brotherhood of Teamsters. The Commission ratified a three-year collective bargaining agreement with the full-time employees that is effective for the period January 1, 2011 through December 31, 2013. The agreement includes no annual wage increases for full-time employees over the term of the agreement. The Commission also has reached an agreement with the part-time employees for the same time period of January 1, 2011 through December 31, 2013 which includes no annual wage increases for part-time employees over the term of the agreement.

Legislation

The State of Ohio's FY 2014-2015 Biennial Transportation Budget was passed by the General Assembly and signed by Governor Kasich on April 1, 2013. Am. Sub. H.B. 51 contains the following important changes to the Turnpike statute that will become effective on July 1, 2013:

A) Renames the Commission throughout the Turnpike Act and everywhere else in the Ohio Revised Code as the "Ohio Turnpike and Infrastructure Commission".

B) Modifies governance of the Commission to include two new members for a total of seven voting members. Future member terms will be five years.

C) Removes the previous language adopted to allow for the lease of the Turnpike.

D) Allows the Commission to issue bonds for the purpose of funding infrastructure projects as defined under the statue.

E) Establishes rule making authority for the Commission to adopt rules on how application is to be made for infrastructure funding by the Director of Transportation based on approved Transportation Review Advisory Council projects. The rules will require that each project have an anticipated transportation related nexus to the Ohio Turnpike and Infrastructure System.

F) Establishes how toll and other revenues will be pledged to pay maintenance and operating expenses and debt service on both infrastructure projects and Turnpike projects.

G) Establishes that the Ohio Turnpike and Infrastructure Commission is a political subdivision for purposes of Chapter 2744 of the Ohio Revised Code. This clarification was needed because the statutory immunities intended for entities performing essential governmental functions within the State of Ohio, particularly as they relate to a highway such as the Turnpike, need to include the Commission.

(7) PENSION PLAN

Plan Description

The Commission contributes to the Ohio Public Employees Retirement System ("OPERS"). The OPERS administers three separate pension plans as follows:

A) The Traditional Pension Plan ("TP") – a cost-sharing multiple-employer defined benefit pension plan.

B) The Member-Directed Plan ("MD") – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the MD Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.

C) The Combined Plan ("CO") – a cost-sharing multiple-employer defined benefit pension plan. Under the CO Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the TP Plan benefit. Member contributions, the investment of which are self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

The OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TP and CO Plans. Members of the MD Plan do not qualify for ancillary benefits.

Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. The OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting https://www.opers.org/investments/cafr.shtml, making a written request to the OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding

The Ohio Revised Code provides statutory authority for member and employer contributions. During calendar years 2012, 2011, and 2010, the member contribution rate was 10.0 percent of covered payroll and the employer contribution rate was 14.0 percent of covered payroll across all three plans. The Commission's contributions to the OPERS for the traditional and combined plans for the years ended December 31, 2012, 2011 and 2010 were $7,121,000, $7,694,000, and $8,076,000, respectively, equal to 100 percent of the required contributions for each year. Contributions to the member-directed plan for 2012 were $183,000 made by the Commission and $131,000 made by plan members.

(8) OTHER POSTEMPLOYMENT BENEFITS

The Commission provides postemployment health care benefits through its contributions to the OPERS. The OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the TP and the CO Plans. Members of the MD Plan do not qualify for ancillary benefits, including postemployment health care coverage.

In order to qualify for postretirement health care coverage, age and service retirees must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and qualified survivor benefit recipients is available. The health care coverage provided by the OPERS is considered an Other Postemployment Benefit ("OPEB") as described in GASB Statement No. 45.

The Ohio Revised Code permits, but does not mandate, the OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

The Ohio Revised Code provides statutory authority for requiring public employers to fund postemployment health care through their contributions to the OPERS. A portion of each employer's contribution to the OPERS is set aside for the funding of postretirement health care coverage. Employer contribution rates are expressed as a percentage of the covered payroll of active members. During calendar year 2012, the employer contribution rate was 14.0 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed

14.0 percent of covered payroll for state and local employer units. Active members do not make contributions to the OPEB Plan.

OPERS' Postemployment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care benefits. The portion of employer contributions allocated to the health care for members in the TP was 4.0 percent during calendar year 2012. The portion of employer contributions allocated to the health care for members in the CO was 6.05 percent during calendar year 2012. Effective January 1, 2013, the portion of employer contributions allocated to health care was lowered to 1.0 percent for both plans, as recommended by the OPERS Actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Commission's contributions to the OPERS for other postemployment benefits for the years ended December 31, 2012, 2011 and 2010 were $2,057,000, $2,219,000, and $2,925,000, respectively, equal to 100 percent of the required contributions for each year.

(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 $175,000 per covered person per contract year. Employee health benefits are not subject to any lifetime maximum benefit payments.

Liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Claim liabilities are based upon the estimated ultimate cost of settling the claims, net of any subrogation recoveries from third parties, including specific incremental claim adjustment expenses.

"Claims and Judgments" as of December 31, 2012 in the accompanying Statement of Net Position are comprised of the estimated liability for workers' compensation claims totaling $1,607,000, the estimated liability for employee health claims totaling $1,692,000, and the estimated liability for miscellaneous claims and judgments totaling $131,000. The Commission is unaware of any unaccrued vehicle damage or unasserted workers' compensation claims as of December 31, 2012.

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

	Estimated Claims Payable-Beginning of Year	Current Claims	Claims Payments	Estimated Claims Payable-End of Year
2012	$ 2,845	$ 12,872	$ 12,287	$ 3,430
2011	2,852	10,988	10,995	2,845

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. 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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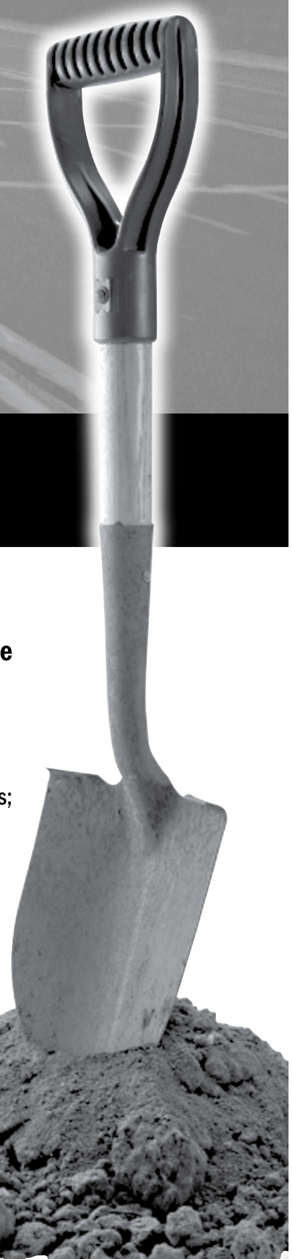
2012

Statistical Section



The objective of the statistical section is to provide financial statement users with additional historical perspective, context, and detail to further their understanding and assessment of the Commission's economic condition. This additional information includes:

- Financial trends detail intended to show changes in the Commission's financial position over time;
- Revenue capacity detail intended to show factors affecting the Commission's ability to generate its own-source revenues;
- Debt capacity detail intended to show the Commission's debt burden and its ability to issue additional debt; Demographic and economic detail intended to 1) show the socioeconomic environment within which the Commission operates, and 2) provide information that facilitates comparisons of financial statement information over time and among governmental entities; and
- Operating detail intended to provide contextual information about the Commission's operations, resources and economic condition.

Statements of Net Position *Last Ten Fiscal Years (In Thousands)*

	12/31/12	12/31/11	12/31/10
Assets			
Current Assets:			
Unrestricted Current Assets:			
Cash and Investments, at Fair Value	$ 134,092	$ 116,836	$ 110,888
Other	21,655	21,386	19,567
Total Unrestricted Current Assets	**155,747**	**138,222**	**130,455**
Restricted Current Assets:			
Cash and Investments, at Fair Value	52,173	50,425	46,428
Other	377	436	702
Total Restricted Current Assets	**52,550**	**50,861**	**47,130**
Total Current Assets	**208,297**	**189,083**	**177,585**
Noncurrent Assets:			
Restricted Cash and Investments, at Fair Value	15,861	14,629	33,401
Unamortized Bond Issuance Costs	3,011	3,323	3,635
Capital Assets, Net	1,306,929	1,276,325	1,234,535
Total Noncurrent Assets	**1,325,801**	**1,294,277**	**1,271,571**
Total Assets	**$ 1,534,098**	**$ 1,483,360**	**$ 1,449,156**
Liabilities and Net Position			
Current Liabilities:			
Current Liabilities Payable from Unrestricted Assets:			
Accounts, Salaries, Wages and Benefits Payable	$ 6,881	$ 6,752	$ 7,747
Other	15,006	15,364	14,104
Total Current Liabilities Payable from Unrestricted Assets	**21,887**	**22,116**	**21,851**
Current Liabilities Payable from Restricted Assets:			
Contracts, Salaries, Wages and Benefits Payable and Retained Amounts	9,679	10,868	9,302
Interest Payable	11,049	11,468	10,162
Bonds Payable	26,455	22,760	21,745
Total Current Liabilities Payable from Restricted Assets	**47,183**	**45,096**	**41,209**
Total Current Liabilities	**69,070**	**67,212**	**63,060**
Noncurrent Liabilities:			
Bonds Payable	547,450	574,354	597,563
Other	6,816	7,479	12,043
Total Noncurrent Liabilities	**554,266**	**581,833**	**609,606**
Total Liabilities	**623,336**	**649,045**	**672,666**
Net Position:			
Net Investment in Capital Assets	733,024	679,211	615,227
Restricted for Debt Service	31,823	28,524	27,666
Restricted for Capital Projects	15,710	14,539	33,332
Unrestricted	130,205	112,041	100,265
Total Net Position	**910,762**	**834,315**	**776,490**
Total Liabilities and Net Position	**$ 1,534,098**	**$ 1,483,360**	**$ 1,449,156**

12/31/09	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04	12/31/03
$ 102,960	$ 102,440	$ 100,721	$ 93,586	$ 85,596	$ 95,054	$ 60,843
18,668	13,757	11,002	12,136	11,534	11,902	10,549
121,628	**116,197**	**111,723**	**105,722**	**97,130**	**106,956**	**71,392**
39,143	38,085	38,593	34,624	33,698	37,293	37,758
484	599	765	889	1,002	1,158	1,032
39,627	**38,684**	**39,358**	**35,513**	**34,700**	**38,451**	**38,790**
161,255	**154,881**	**151,081**	**141,235**	**131,830**	**145,407**	**110,182**
8,343	23,216	21,308	23,575	23,151	19,444	30,976
4,135	4,507	4,818	5,129	5,454	5,908	6,331
1,233,289	1,237,111	1,255,465	1,247,601	1,252,460	1,256,672	1,247,552
1,245,767	**1,264,834**	**1,281,591**	**1,276,305**	**1,281,065**	**1,282,024**	**1,284,859**
$ 1,407,022	**$ 1,419,715**	**$ 1,432,672**	**$ 1,417,540**	**$ 1,412,895**	**$ 1,427,431**	**$ 1,395,041**

$ 6,376	$ 6,861	$ 6,424	$ 6,251	$ 6,305	$ 6,044	$ 5,029
11,669	9,646	10,437	7,689	15,157	23,656	6,540
18,045	**16,507**	**16,861**	**13,940**	**21,462**	**29,700**	**11,569**
3,720	4,465	5,427	4,952	4,678	6,494	6,975
12,252	12,962	13,331	13,620	13,928	14,396	14,722
17,290	21,320	20,320	16,125	15,415	17,575	16,700
33,262	**38,747**	**39,078**	**34,697**	**34,021**	**38,465**	**38,397**
51,307	**55,254**	**55,939**	**48,637**	**55,483**	**68,165**	**49,966**
619,580	636,861	657,982	678,104	693,994	715,323	732,478
14,232	15,344	14,125	13,451	13,417	20,439	12,926
633,812	**652,205**	**672,107**	**691,555**	**707,411**	**735,762**	**745,404**
685,119	**707,459**	**728,046**	**740,192**	**762,894**	**803,927**	**795,370**
596,419	578,930	577,163	553,372	543,052	523,774	498,374
23,655	21,257	20,600	16,941	16,094	17,561	17,093
8,183	23,018	21,264	23,455	23,068	18,878	30,976
93,646	89,051	85,599	83,580	67,787	63,291	53,228
721,903	**712,256**	**704,626**	**677,348**	**650,001**	**623,504**	**599,671**
$ 1,407,022	**$ 1,419,715**	**$ 1,432,672**	**$ 1,417,540**	**$ 1,412,895**	**$ 1,427,431**	**$ 1,395,041**

Revenues, Expenses and Changes in Net Position *Last Ten Fiscal Years (In Thousands)*

	2012	2011	2010
Operating Revenues:			
Tolls	$ 252,544	$ 231,011	$ 232,189 (1)
Concessions	12,984	14,017	13,670
Special Toll Permits	3,393	3,413	3,301
Leases and Licenses	1,077	1,062	941
Other Revenues	1,875	1,936	1,627
Total Operating Revenues	**271,873**	**251,439**	**251,728**
Operating Expenses:			
Administration and Insurance	9,936	8,745	8,737
Maintenance of Roadway and Structures	35,565	36,131	37,576
Services and Toll Operations	51,266	50,549	54,583
Traffic Control, Safety, Patrol and Communications	14,559	14,904	14,998
Major Repairs and Replacements	–	–	–
Depreciation	59,933	57,488	55,187
Total Operating Expenses	**171,259**	**167,817**	**171,081**
Operating Income	**100,614**	**83,622**	**80,647**
Nonoperating Revenues / (Expenses):			
Ohio Department of Transportation Purchase of Capacity	–	–	–
State Fuel Tax Allocation	2,074	2,051	2,240
Investment Income	701	957	1,266
Loss on Disposals / Write-Offs of Capital Assets	(40)	(378)	(455)
Interest Expense	(26,902)	(28,427)	(29,111)
Total Nonoperating Revenues / (Expenses)	**(24,167)**	**(25,797)**	**(26,060)**
Increase in Net Position	**76,447**	**57,825**	**54,587**
Net Position - Beginning of Year	**834,315**	**776,490**	**721,903**
Net Position - End of Year	**$ 910,762**	**$ 834,315**	**$ 776,490**

Notes:
(1) Toll rate increase effective October 1, 2009 with the implementation of *E-ZPass®* electronic tolling.
(2) Toll rate increase effective January 1, 2007 of $.005 per mile for Classes 1 through 3 and an increase over the temporary toll rates of $.01 per mile for Classes 4 through 9.
(3) Temporary toll rate reduction effective January 1, 2005 for weight Classes 4 through 9 as follows: Class 4 - 2%, Class 5 - 17%, Class 6 - 11%, Class 7 - 26%, Class 8 - 27% and Class 9 - 57%.

	2009	2008	2007	2006	2005	2004	2003
	$ 187,278	$ 187,530	$ 198,154 (2)	$ 183,937	$ 179,085 (3)	$ 189,701	$ 179,988
	13,616	13,564	14,078	14,210	14,024	13,793	13,704
	2,964	3,046	2,317	3,008	2,929	2,750	2,752
	995	928	903	898	867	797	634
	1,063	638	474	540	486	386	399
	205,916	**205,706**	**215,926**	**202,593**	**197,391**	**207,427**	**197,477**
	8,634	8,464	8,115	7,845	8,193	7,982	7,166
	35,699	37,281	37,703	31,479	34,185	30,957	29,127
	53,817	52,394	50,739	50,186	48,585	46,449	43,769
	15,529	15,794	14,614	14,004	13,565	12,902	13,136
	–	–	–	–	(79)	(277)	3,775
	53,539	52,652	52,458	52,516	51,023	50,428	52,541
	167,218	**166,585**	**163,629**	**156,030**	**155,472**	**148,441**	**149,514**
	38,698	**39,121**	**52,297**	**46,563**	**41,919**	**58,986**	**47,963**
	–	–	–	7,800	15,600	–	–
	2,199	2,146	2,358	2,599	2,772	2,698	2,780
	1,233	4,406	7,758	6,498	3,634	1,646	1,876
	(1,753)	(3,292)	(418)	(496)	(720)	(1,605)	(1,859)
	(30,730)	(34,751)	(34,717)	(35,617)	(36,708)	(37,892)	(40,306)
	(29,051)	**(31,491)**	**(25,019)**	**(19,216)**	**(15,422)**	**(35,153)**	**(37,509)**
	9,647	**7,630**	**27,278**	**27,347**	**26,497**	**23,833**	**10,454**
	712,256	**704,626**	**677,348**	**650,001**	**623,504**	**599,671**	**589,217**
	$ 721,903	**$ 712,256**	**$ 704,626**	**$ 677,348**	**$ 650,001**	**$ 623,504**	**$ 599,671**

Vehicles by Class *Last Ten Fiscal Years (In Thousands)*

Class		2012	2011	2010
Vehicle Classification by Axles and Height: (1)				
1	Low 2-axle vehicles and all motorcycles	39,418	39,026	38,900
2	Low 3-axle vehicles and high 2-axle vehicles	1,178	1,166	1,290
3	Low 4-axle vehicles and high 3-axle vehicles	620	598	594
4	Low 5-axle vehicles and high 4-axle vehicles	404	387	376
5	Low 6-axle vehicles and high 5-axle vehicles	7,766	7,633	7,279
6	High 6-axle vehicles	237	251	237
7	All vehicles with 7 or more axles	181	185	180
Vehicle Classification by Weight:				
1	--- - 7,000	–	–	–
2	7,001 - 16,000	–	–	–
3	16,001 - 23,000	–	–	–
4	23,001 - 33,000	–	–	–
5	33,001 - 42,000	–	–	–
6	42,001 - 53,000	–	–	–
7	53,001 - 65,000	–	–	–
8	65,001 - 80,000 (2)	–	–	–
9	80,001 - 90,000 (2)	–	–	–
10	90,001 - 115,000	–	–	–
11	115,001 - 127,400	–	–	–
Subtotal		49,804	49,246	48,856
Add Non-Revenue (3)		351	338	262
Total Vehicles		**50,155**	**49,584**	**49,118**

Percentage of Vehicles Using *E-ZPass®*:	2012	2011	2010
Passenger cars (Class 1)	38.4%	34.1%	28.8%
Commercial vehicles (Class 2-7)	75.9%	73.0%	69.9%
Total	46.2%	42.2%	37.2%

Source: Ohio Turnpike Commission, CFO/Comptroller's Office.

Notes: (1) On October 1, 2009, the Ohio Turnpike Commission implemented a new toll collection system inclusive of electronic tolling via *E-ZPass®*. Concurrent with this change, the vehicle classification methodology was revised to assess tolls based upon the number of axles and vehicle height as opposed to vehicle weight. The Volume Discount Program was also eliminated at this time. Cash customers pay higher toll rates than *E-ZPass®* customers. For purposes of the new classification methodology, vehicles less than seven feet six inches as measured over the first two axles are considered "low," vehicles seven feet six inches in height or greater are considered "high."

(2) Class 8 weight limits were 65,001 - 78,000 pounds and Class 9 weight limits were 78,001 - 90,000 pounds prior to February 1, 2004.

2009	2008	2007	2006	2005	2004	2003
9,197	–	–	–	–	–	–
322	–	–	–	–	–	–
128	–	–	–	–	–	–
83	–	–	–	–	–	–
1,681	–	–	–	–	–	–
50	–	–	–	–	–	–
42	–	–	–	–	–	–
29,281	39,036	40,134	40,269	40,149	40,364	39,196
1,332	1,463	1,452	1,430	1,434	1,451	1,445
334	564	629	622	610	568	473
1,003	1,755	1,907	1,921	1,780	1,535	1,438
968	1,321	1,298	1,320	1,274	1,138	1,092
943	1,451	1,495	1,534	1,490	1,318	1,210
996	1,578	1,598	1,632	1,500	1,316	1,223
1,746	2,651	2,781	2,832	2,680	2,256	1,949
67	149	185	177	178	155	193
24	36	39	38	45	50	55
5	8	9	9	9	9	8
48,202	50,012	51,527	51,784	51,149	50,160	48,282
187	192	247	226	205	212	272
48,389	**50,204**	**51,774**	**52,010**	**51,354**	**50,372**	**48,554**
Oct-Dec 2009						
23.0%	–	–	–	–	–	–
67.6%	–	–	–	–	–	–
32.0%	–	–	–	–	–	–

(3) Non-revenue vehicles represent traffic of officials, employees, agencies and representatives of the Commission 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.

Toll Revenue by Class *Last Ten Fiscal Years (In Thousands)*

Class		2012	2011	2010
Vehicle Classification by Axles and Height: (1)				
1	Low 2-axle vehicles and all motorcycles	$ 112,428	$ 103,201	$ 106,972
2	Low 3-axle vehicles and high 2-axle vehicles	6,739	6,147	6,939
3	Low 4-axle vehicles and high 3-axle vehicles	5,027	4,506	4,582
4	Low 5-axle vehicles and high 4-axle vehicles	3,790	3,303	3,309
5	Low 6-axle vehicles and high 5-axle vehicles	112,749	103,063	100,079
6	High 6-axle vehicles	4,477	4,198	3,870
7	All vehicles with 7 or more axles	7,334	6,593	6,438
Vehicle Classification by Weight:				
1	--- - 7,000	$ —	$ —	$ —
2	7,001 - 16,000	—	—	—
3	16,001 - 23,000	—	—	—
4	23,001 - 33,000	—	—	—
5	33,001 - 42,000	—	—	—
6	42,001 - 53,000	—	—	—
7	53,001 - 65,000	—	—	—
8	65,001 - 80,000 (2)	—	—	—
9	80,001 - 90,000 (2)	—	—	—
10	90,001 - 115,000	—	—	—
11	115,001 - 127,400	—	—	—
Subtotal		252,544	231,011	232,189
Add Volume Discount		—	—	—
Total Toll Revenue		**$ 252,544**	**$ 231,011**	**$ 232,189**

Percentage of Toll Revenue from *E-ZPass*®:	**2012**	**2011**	**2010**
Passenger cars (Class 1)	30.6%	27.2%	23.0%
Commercial vehicles (Class 2-7)	72.7%	69.8%	67.0%
Total	53.9%	50.7%	46.7%

Source: Ohio Turnpike Commission, CFO/Comptroller's Office.

Notes: (1) On October 1, 2009, the Ohio Turnpike Commission implemented a new toll collection system inclusive of electronic tolling via *E-ZPass*®. Concurrent with this change, the vehicle classification methodology was revised to assess tolls based upon the number of axles and vehicle height as opposed to vehicle weight. The Volume Discount Program was also eliminated at this time. Cash customers pay higher toll rates than *E-ZPass*® customers. For purposes of the new classification methodology, vehicles less than seven feet six inches as measured over the first two axles are considered "low," vehicles seven feet six inches in height or greater are considered "high."

(2) Class 8 weight limits were 65,001 - 78,000 pounds and Class 9 weight limits were 78,001 - 90,000 pounds prior to February 1, 2004.

2009	2008	2007	2006	2005	2004	2003
$ 25,928	$ –	$ –	$ –	$ –	$ –	$ –
1,687	–	–	–	–	–	–
971	–	–	–	–	–	–
703	–	–	–	–	–	–
23,436	–	–	–	–	–	–
833	–	–	–	–	–	–
1,487	–	–	–	–	–	–
$ 60,882	$ 78,680	$ 82,173	$ 76,752	$ 76,892	$ 78,985	$ 78,837
5,384	5,989	6,301	5,834	5,908	6,118	6,104
1,624	2,743	3,136	3,044	3,003	2,905	2,422
6,120	10,994	12,322	10,957	10,149	9,386	8,752
8,047	11,382	11,477	10,279	9,853	10,628	10,045
11,214	17,588	18,354	17,011	16,489	16,159	14,649
12,762	20,066	20,575	19,050	17,345	20,255	18,514
27,069	40,820	44,199	41,162	38,829	42,834	36,427
1,172	2,414	2,916	2,490	2,539	4,828	6,052
1,269	1,995	2,159	2,147	2,658	2,927	3,212
300	546	586	571	581	579	538
190,888	193,217	204,198	189,297	184,246	195,604	185,552
(3,610)	(5,687)	(6,044)	(5,360)	(5,161)	(5,903)	(5,564)
$ 187,278	**$ 187,530**	**$ 198,154**	**$ 183,937**	**$ 179,085**	**$ 189,701**	**$ 179,988**

Oct-Dec 2009						
19.4%	–	–	–	–	–	–
65.7%	–	–	–	–	–	–
44.1%	–	–	–	–	–	–

Vehicle Miles Traveled *Last Ten Fiscal Years (In Thousands)*

Class		2012	2011	2010
Vehicle Classification by Axles and Height: (1)				
1	Low 2-axle vehicles and all motorcycles	1,859,124	1,851,683	1,885,422
2	Low 3-axle vehicles and high 2-axle vehicles	67,423	67,624	75,534
3	Low 4-axle vehicles and high 3-axle vehicles	42,365	41,323	41,554
4	Low 5-axle vehicles and high 4-axle vehicles	27,208	26,155	26,049
5	Low 6-axle vehicles and high 5-axle vehicles	736,063	729,354	706,170
6	High 6-axle vehicles	21,192	21,959	20,269
7	All vehicles with 7 or more axles	24,541	24,363	23,846
Vehicle Classification by Weight:				
1	--- - 7,000	–	–	–
2	7,001 - 16,000	–	–	–
3	16,001 - 23,000	–	–	–
4	23,001 - 33,000	–	–	–
5	33,001 - 42,000	–	–	–
6	42,001 - 53,000	–	–	–
7	53,001 - 65,000	–	–	–
8	65,001 - 80,000 (2)	–	–	–
9	80,001 - 90,000 (2)	–	–	–
10	90,001 - 115,000	–	–	–
11	115,001 - 127,400	–	–	–
Total Vehicle Miles Traveled		**2,777,916**	**2,762,461**	**2,778,844**

Percentage of Vehicle Miles Traveled using *E-ZPass®*	**2012**	**2011**	**2010**
Passenger cars (Class 1)	39.1%	35.0%	30.2%
Commercial vehicles (Class 2-7)	75.2%	72.3%	69.5%
Total	51.0%	47.3%	42.8%

Source: Ohio Turnpike Commission, CFO/Comptroller's Office.

Notes: (1) On October 1, 2009, the Ohio Turnpike Commission implemented a new toll collection system inclusive of electronic tolling via *E-ZPass®*. Concurrent with this change, the vehicle classification methodology was revised to assess tolls based upon the number of axles and vehicle height as opposed to vehicle weight. For purposes of the new classification methodology, vehicles less than seven feet six inches as measured over the first two axles are considered "low," vehicles seven feet six inches in height or greater are considered "high."

(2) Class 8 weight limits were 65,001 - 78,000 pounds and Class 9 weight limits were 78,001 - 90,000 pounds prior to February 1, 2004.

2009	2008	2007	2006	2005	2004	2003
443,998	–	–	–	–	–	–
18,125	–	–	–	–	–	–
8,775	–	–	–	–	–	–
5,560	–	–	–	–	–	–
164,830	–	–	–	–	–	–
4,356	–	–	–	–	–	–
5,468	–	–	–	–	–	–
1,419,056	1,831,515	1,915,119	1,962,993	1,963,967	2,021,519	2,019,385
87,170	96,884	101,864	102,766	104,128	107,852	107,703
20,803	35,148	40,178	40,710	40,075	38,483	32,132
61,896	111,146	124,575	126,367	117,198	100,122	93,183
81,209	114,840	115,797	118,117	113,349	97,958	92,463
96,136	150,787	157,367	160,841	155,928	134,661	121,965
109,367	171,966	176,349	179,939	163,830	140,269	128,136
195,291	294,548	318,922	321,774	303,493	244,807	207,977
8,440	17,407	21,052	19,440	19,819	16,389	20,705
3,401	5,341	5,778	5,907	7,257	7,990	8,768
741	1,346	1,441	1,439	1,465	1,455	1,353
2,734,622	**2,830,928**	**2,978,442**	**3,040,293**	**2,990,509**	**2,911,505**	**2,833,770**

Oct-Dec 2009						
25.7%	–	–	–	–	–	–
68.1%	–	–	–	–	–	–
39.2%	–	–	–	–	–	–

Toll Rates Per Mile *Last Ten Fiscal Years*

Class			2012		2011		2010
Vehicle Classification by Axles and Height (Non *E-ZPass*®): (1)							
1	Low 2-axle vehicles and all motorcycles	$	0.07	$	0.06	$	0.06
2	Low 3-axle vehicles and high 2-axle vehicles		0.12		0.10		0.10
3	Low 4-axle vehicles and high 3-axle vehicles		0.14		0.12		0.12
4	Low 5-axle vehicles and high 4-axle vehicles		0.16		0.15		0.15
5	Low 6-axle vehicles and high 5-axle vehicles		0.18		0.17		0.17
6	High 6-axle vehicles		0.25		0.23		0.23
7	All vehicles with 7 or more axles		0.35		0.31		0.31
Vehicle Classification by Axles and Height (*E-ZPass*®): (1)							
1	Low 2-axle vehicles and all motorcycles	$	0.05	$	0.04	$	0.04
2	Low 3-axle vehicles and high 2-axle vehicles		0.08		0.07		0.07
3	Low 4-axle vehicles and high 3-axle vehicles		0.10		0.09		0.09
4	Low 5-axle vehicles and high 4-axle vehicles		0.12		0.11		0.11
5	Low 6-axle vehicles and high 5-axle vehicles		0.15		0.13		0.13
6	High 6-axle vehicles		0.21		0.19		0.19
7	All vehicles with 7 or more axles		0.30		0.27		0.27
Vehicle Classification by Weight:							
1	--- - 7,000	$	–	$	–	$	–
2	7,001 - 16,000		–		–		–
3	16,001 - 23,000		–		–		–
4	23,001 - 33,000		–		–		–
5	33,001 - 42,000		–		–		–
6	42,001 - 53,000		–		–		–
7	53,001 - 65,000		–		–		–
8	65,001 - 80,000 (2)		–		–		–
9	80,001 - 90,000 (2)		–		–		–
10	90,001 - 115,000		–		–		–
11	115,001 - 127,400		–		–		–

Source: Ohio Turnpike Commission, CFO/Comptroller's Office.

Notes:

(1) On October 1, 2009, the Ohio Turnpike Commission implemented a new toll collection system inclusive of electronic tolling via *E-ZPass*®. Concurrent with this change, the vehicle classification methodology was revised to assess tolls based upon the number of axles and vehicle height as opposed to vehicle weight. Cash customers pay higher toll rates than *E-ZPass*® customers. For purposes of the new classification methodology, vehicles less than seven feet six inches as measured over the first two axles are considered "low," vehicles seven feet six inches in height or greater are considered "high."

(2) Class 8 weight limits were 65,001 - 78,000 pounds and Class 9 weight limits were 78,001 - 90,000 pounds prior to February 1, 2004.

2009	2008	2007	2006	2005	2004	2003
$ 0.06	$ –	$ –	$ –	$ –	$ –	$ –
0.10	–	–	–	–	–	–
0.12	–	–	–	–	–	–
0.14	–	–	–	–	–	–
0.17	–	–	–	–	–	–
0.23	–	–	–	–	–	–
0.30	–	–	–	–	–	–
$ 0.05	$ –	$ –	$ –	$ –	$ –	$ –
0.07	–	–	–	–	–	–
0.09	–	–	–	–	–	–
0.11	–	–	–	–	–	–
0.13	–	–	–	–	–	–
0.19	–	–	–	–	–	–
0.27	–	–	–	–	–	–
$ 0.04	$ 0.04	$ 0.04	$ 0.04	$ 0.04	$ 0.04	$ 0.04
0.06	0.06	0.06	0.06	0.06	0.06	0.06
0.08	0.08	0.08	0.07	0.07	0.08	0.08
0.10	0.10	0.10	0.09	0.09	0.09	0.09
0.10	0.10	0.10	0.09	0.09	0.11	0.11
0.12	0.12	0.12	0.11	0.11	0.12	0.12
0.12	0.12	0.12	0.11	0.11	0.14	0.14
0.14	0.14	0.14	0.13	0.13	0.17	0.18
0.14	0.14	0.14	0.13	0.13	0.29	0.29
0.37	0.37	0.37	0.36	0.37	0.37	0.37
0.40	0.41	0.41	0.40	0.40	0.40	0.40

Comparative Traffic Statistics *Last Ten Fiscal Years*

	2012	2011	2010
Number of Vehicles *(In Thousands):*			
Passenger Cars	39,418	39,026	38,900
Commercial Vehicles	10,386	10,220	9,956
Total	**49,804**	**49,246**	**48,856**
Percentage of Vehicles:			
Passenger Cars	79.1%	79.2%	79.6%
Commercial Vehicles	20.9%	20.8%	20.4%
Number of Miles *(In Thousands):*			
Passenger Cars	1,859,124	1,851,683	1,885,422
Commercial Vehicles	918,792	910,778	893,422
Total	**2,777,916**	**2,762,461**	**2,778,844**
Percentage of Miles:			
Passenger Cars	66.9%	67.0%	67.8%
Commercial Vehicles	33.1%	33.0%	32.2%
Toll Revenue *(In Thousands):*			
Passenger Cars	$ 112,428	$ 103,201	$ 106,972
Commercial Vehicles	140,116	127,810	125,217
Total	**$ 252,544**	**$ 231,011**	**$ 232,189**
Percentage of Toll Revenue:			
Passenger Cars	44.5%	44.7%	46.1%
Commercial Vehicles	55.5%	55.3%	53.9%
Average Miles per Trip:			
Passenger Cars	47.2	47.4	48.5
Commercial Vehicles	88.5	89.1	89.7
Average Toll Revenue per Trip:			
Passenger Cars	$ 2.85	$ 2.64	$ 2.75
Commercial Vehicles	13.49	12.51	12.58
Average Toll Revenue per Mile:			
Passenger Cars	$ 0.06	$ 0.06	$ 0.06
Commercial Vehicles	0.15	0.14	0.14

Source: Ohio Turnpike Commission, CFO/Comptroller's Office.

2009	2008	2007	2006	2005	2004	2003
38,478	39,036	40,134	40,269	40,149	40,364	39,196
9,724	10,976	11,393	11,515	11,000	9,796	9,086
48,202	**50,012**	**51,527**	**51,784**	**51,149**	**50,160**	**48,282**
79.8%	78.1%	77.9%	77.8%	78.5%	80.5%	81.2%
20.2%	21.9%	22.1%	22.2%	21.5%	19.5%	18.8%
1,863,054	1,831,515	1,915,119	1,962,993	1,963,967	2,021,519	2,019,385
871,568	999,413	1,063,323	1,077,300	1,026,542	889,986	814,385
2,734,622	**2,830,928**	**2,978,442**	**3,040,293**	**2,990,509**	**2,911,505**	**2,833,770**
68.1%	64.7%	64.3%	64.6%	65.7%	69.4%	71.3%
31.9%	35.3%	35.7%	35.4%	34.3%	30.6%	28.7%
$ 86,810	$ 78,680	$ 82,173	$ 76,752	$ 76,892	$ 78,985	$ 78,837
100,468	108,850	115,981	107,185	102,193	110,716	101,151
$ 187,278	**$ 187,530**	**$ 198,154**	**$ 183,937**	**$ 179,085**	**$ 189,701**	**$ 179,988**
46.4%	42.0%	41.5%	41.7%	42.9%	41.6%	43.8%
53.6%	58.0%	58.5%	58.3%	57.1%	58.4%	56.2%
48.4	46.9	47.7	48.7	48.9	50.1	51.5
89.6	91.1	93.3	93.6	93.3	90.9	89.6
$ 2.26	$ 2.02	$ 2.05	$ 1.91	$ 1.92	$ 1.96	$ 2.01
10.33	9.92	10.18	9.31	9.29	11.30	11.13
$ 0.05	$ 0.04	$ 0.04	$ 0.04	$ 0.04	$ 0.04	$ 0.04
0.12	0.11	0.11	0.10	0.10	0.12	0.12

Activity by Interchange[1] *Last Ten Fiscal Years (In Thousands)*

Milepost / Name		2012	2011	2010
2	Westgate	7,289	7,218	7,274
13	Bryan-Montpelier	649	648	648
25	Archbold-Fayette	379	397	422
34	Wauseon	696	696	709
39	Delta-Lyons	535	518	519
52	Toledo Airport-Swanton	1,360	1,311	1,302
59	Maumee-Toledo	3,577	3,454	3,444
64	Perrysburg-Toledo	4,842	4,593	4,542
71	Stony Ridge-Toledo	6,400	6,304	6,277
81	Elmore-Woodville-Gibsonburg	502	537	562
91	Fremont-Port Clinton	1,733	1,642	1,628
110	Sandusky-Bellevue	1,435	1,453	1,449
118	Sandusky-Norwalk	1,541	1,547	1,639
135	Vermilion	679	679	688
140	Amherst-Oberlin (2)	1,253	1,231	1,234
142	Lorain County West	2,788	2,849	2,938
145	Lorain-Elyria	5,926	5,816	5,777
151	North Ridgeville-Cleveland	5,427	5,274	5,139
152	North Olmsted-Cleveland	2,603	2,606	2,617
161	Strongsville-Cleveland	6,586	6,753	6,838
173	Cleveland	6,656	6,696	6,663
180	Akron	5,412	5,253	4,924
187	Streetsboro	6,712	6,581	6,524
193	Ravenna	1,665	1,567	1,546
209	Warren	1,867	1,889	1,857
215	Lordstown West	524	510	489
216	Lordstown East	419	445	389
218	Niles-Youngstown	8,030	8,102	8,084
232	Youngstown	2,038	1,986	1,774
234	Youngstown-Poland	1,443	1,415	1,360
239	Eastgate	8,642	8,522	8,458

Source: Ohio Turnpike Commission, CFO/Comptroller's Office

Notes: (1) "Activity by Interchange" represents the number of vehicles entering and exiting at each toll interchange.
(2) Opened November 30, 2004.

2009	2008	2007	2006	2005	2004	2003
6,983	7,370	7,900	8,068	7,946	7,740	7,511
658	712	751	760	747	742	729
428	429	453	462	445	440	426
690	722	768	836	812	802	794
520	563	590	594	562	548	530
1,307	1,390	1,475	1,542	1,592	1,659	1,634
3,539	3,661	3,928	4,440	4,424	4,677	4,717
4,440	4,533	5,058	7,548	6,219	5,280	4,989
6,116	6,414	6,527	4,535	5,556	6,132	6,060
603	636	699	798	758	756	693
1,640	1,662	1,733	1,825	1,853	1,883	1,788
1,423	1,478	1,570	1,643	1,625	1,549	1,447
1,785	1,840	1,933	1,929	1,994	1,974	1,885
753	755	802	791	873	998	956
1,280	1,271	1,207	1,094	1,007	76	–
2,941	3,017	3,146	2,611	2,715	2,838	2,741
5,448	5,660	5,750	6,176	6,005	6,302	6,135
4,984	5,138	5,324	5,453	5,551	5,572	5,482
2,620	2,575	2,555	2,507	2,432	2,250	2,003
6,948	7,236	7,423	7,272	7,128	6,805	6,344
6,893	7,287	7,549	7,458	7,114	6,724	6,197
4,950	5,269	5,370	5,147	4,944	4,707	4,465
6,470	6,623	6,672	6,440	6,367	6,355	6,108
1,595	1,633	1,650	1,533	1,546	1,538	1,468
1,828	2,045	2,093	1,993	2,019	1,982	1,868
447	492	473	477	524	616	552
245	402	327	334	427	433	363
7,875	8,225	8,373	8,569	8,562	8,273	7,991
1,692	1,696	1,577	1,538	1,545	1,678	1,473
1,255	1,261	1,242	1,175	1,102	985	1,180
8,048	8,028	8,135	8,020	7,905	8,005	8,036

Debt Ratios and Revenue Bond Coverage *Last Ten Fiscal Years*

(Dollars in Thousands Except Per Capita Amounts)

	2012	2011	2010
Debt Ratios:			
Revenue Bonds Payable	**$ 573,905**	**$ 597,114**	**$ 619,308**
Revenue Bonds Payable as a % of Personal Income	**0.13%**	**0.14%**	**0.15%**
Revenue Bonds Payable Per Capita	**$ 50**	**$ 52**	**$ 54**
Revenue Bond Coverage:			
Pledged Revenues	**$ 259,239** [1]	**$ 237,474** [1]	**$ 238,188** [1]
Expenses Paid from Pledged Revenues:			
Administration and Insurance	9,936	8,745	8,737
Maintenance of Roadway and Structures	35,565	36,132	37,577
Services and Toll Operations	51,266	50,549	54,583
Traffic Control, Safety, Patrol and Communications	14,559	14,871	14,989
Total Expenses Paid from Pledged Revenues	**111,326**	**110,297**	**115,886**
Deposit to Reserve Account	**176**	**33**	**33**
Net Revenues Available for Debt Service	**$ 147,737**	**$ 127,144**	**$ 122,269**
Debt Service Requirements:			
Principal	$ 25,839	$ 22,591	$ 21,003
Interest	29,649	30,750	30,198
Less Interest Earned	(73)	(144)	(156)
Total Debt Service Requirements	**$ 55,415**	**$ 53,197**	**$ 51,045** [4]
Debt Coverage (see Note 5 to the financial statements)	**267%**	**239%**	**240%**

Source: Ohio Turnpike Commission, CFO/Comptroller's Office.

Notes: (1) Gross Revenues per the Master Trust Agreement dated February 15, 1994, as amended in 2005 - consisting of tolls, special toll permits, certain realized investment earnings, appropriations from the Ohio Department of Transportation, and to the extent needed to achieve a debt coverage ratio of up to, but not more than 200%, leases, licenses, royalties, advertising, miscellaneous sales, fees, charges and certain concession revenues.

2009	2008	2007	2006	2005	2004	2003
$ 636,870	$ 658,181	$ 678,302	$ 694,229	$ 709,409	$ 732,898	$ 749,178
0.16%	0.16%	0.17%	0.18%	0.19%	0.21%	0.22%
$ 55	$ 57	$ 59	$ 60	$ 62	$ 64	$ 65
$ 205,717 (1)	$ 208,265 (1)	$ 220,323 (1)	$ 207,307 (1)	$ 210,255 (1)	$ 208,780 (2)	$ 184,363 (3)
8,634	8,465	8,115	7,845	8,193	7,982	7,166
35,699	37,215	37,703	31,479	34,185	30,957	27,137
53,817	52,394	50,739	50,186	48,585	46,449	38,787
15,529	15,794	14,614	13,986	13,565	12,902	13,136
113,679	113,868	111,171	103,496	104,528	98,290	86,226
284	66	326	464	505	1,021	324
$ 91,754	$ 94,331	$ 108,826	$ 103,347	$ 105,222	$ 109,469	$ 97,813
$ 17,962	$ 21,153	$ 19,621	$ 16,007	$ 15,775	$ 17,429	$ 16,577
31,377	34,730	35,678	36,456	37,350	38,535	39,378
(233)	(499)	(887)	(789)	(514)	(242)	(215)
$ 49,106 (4)	$ 55,384	$ 54,412	$ 51,674	$ 52,611	$ 55,722	$ 55,740
187%	170%	200%	200%	200%	196%	175%

(2) Gross Revenues per the Master Trust Agreement dated February 15, 1994, as amended in 2004 - consisting of tolls, special toll permits, certain realized investment earnings, and to the extent needed to achieve a debt coverage ratio of up to, but not more than 200%, leases, royalties, advertising, miscellaneous sales, fees, charges and certain concession revenues.

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

(4) Savings realized from the advance refunding of debt in 2009 and the refunding of debt in 2010 reduced the amount required to be deposited in the debt service account, thereby increasing the Commission's debt coverage ratio.

Principal Toll Revenue Payers *Current Year and Nine Years Ago*

	2012		
Customers	**Tolls Paid**	**Rank**	**% of Total Tolls Paid**
Talon Logistics, Inc.	$ 122,402	1	0.05%
David Wilm	113,979	2	0.05%
Berner Trucking, Inc.	99,162	3	0.04%
UA Transport, LLC.	91,999	4	0.04%
W Pollock Trucking, Inc.	73,929	5	0.03%
Thomas Flatbed, Inc.	71,689	6	0.03%
VDS Farms, LLC.	70,534	7	0.03%
Red Cap Transportation, Inc.	69,294	8	0.03%
Wolverine Packing Co.	63,375	9	0.03%
Grand Rapids Transport, Inc.	54,136	10	0.02%
Totals (1)	**$ 830,498**		**0.33%**

	2003		
Customers	**Tolls Paid**	**Rank**	**% of Total Tolls Paid**
Talon Logistics, Inc.	$ –	–	–
David Wilm	–	–	–
Berner Trucking, Inc.	–	–	–
UA Transport, LLC.	–	–	–
W Pollock Trucking, Inc.	–	–	–
Thomas Flatbed, Inc.	–	–	–
VDS Farms, LLC.	–	–	–
Red Cap Transportation, Inc.	–	–	–
Wolverine Packing Co.	–	–	–
Grand Rapids Transport, Inc.	–	–	–
Yellow Transportation, Inc.	2,100,924	1	1.17%
United Parcel Service, Inc.	2,073,716	2	1.15%
Roadway Express, Inc.	1,914,668	3	1.06%
Falcon Transport Company	1,574,521	4	0.87%
Con-way Freight Inc.	1,300,162	5	0.72%
J.B. Hunt Transport, Inc.	1,297,516	6	0.72%
Werner Enterprises, Inc.	1,171,107	7	0.65%
U.S. Xpress Leasing, Inc.	949,636	8	0.53%
FedEx Ground Package Systems	825,620	9	0.46%
USF Holland, Inc.	760,648	10	0.42%
Totals	**$ 13,968,520**		**7.76%**

Source: Ohio Turnpike Commission, CFO/Comptroller's Office.

Notes: (1) Effective October 1, 2009, the Ohio Turnpike Commission implemented E-ZPass® and joined the InterAgency Group (IAG). Large commercial customers who previously had accounts with the Ohio Turnpike Commission now utilize their E-ZPass account that they had previously established with another IAG agency. The Commission is now paid for their travel through other IAG agencies.

Principal Ohio Employers *Current Year and Nine Years Ago*

	2012		
Employer	Employees	Rank	% of Total Ohio Employees
State of Ohio	129,124	1	1.98%
United States Government	80,329	2	1.23%
Wal-Mart Stores	48,630	3	0.75%
Cleveland Clinic Health Systems	41,200	4	0.63%
Kroger Company	39,000	5	0.60%
Catholic Healthcare Partners	28,850	6	0.44%
JP Morgan Chase (Bank One)	23,200	7	0.36%
Giant Eagle, Inc.	19,500	8	0.30%
University Hospitals Health Sys.	19,375	9	0.30%
Ohio Health	17,000	10	0.26%
Totals	**446,208**		**6.85%**

	2003		
Employer	Employees	Rank	% of Total Ohio Employees
State of Ohio	130,167	1	1.95%
United States Government	79,565	2	1.19%
Wal-Mart Stores	39,900	3	0.60%
Cleveland Clinic Health Systems	26,325	5	0.40%
Kroger Company	30,850	4	0.46%
Catholic Healthcare Partners	–	–	–
JP Morgan Chase (Bank One)	–	–	–
Giant Eagle, Inc.	–	–	–
University Hospitals Health Sys.	21,035	7	0.32%
Ohio Health	–	–	–
General Motors Corporation	21,625	6	0.32%
General Electric Company	20,150	8	0.30%
Meijer Inc.	17,485	9	0.26%
Ford Motor Company	16,400	10	0.25%
Totals	**403,502**		**6.05%**

Sources: U.S. Department of Commerce, Bureau of Economic Analysis.
Ohio Department of Development, Office of Strategic Research.
Ohio Department of Job and Family Services, Office of Workforce Development.

Employment, Demographic and Economic Statistics *Last Ten Fiscal Years*

	2012	2011	2010
Ohio Turnpike Commission Employees:			
Full-Time:			
Toll Collectors	208	216	236
Maintenance Workers	249	264	274
Toll and Service Plaza Supervisors	111	110	118
Professional and Clerical Staff	97	100	100
Maintenance Supervisors	44	45	45
Executive and Managerial Staff	18	17	18
Administrative Supervisors	15	22	22
Total Full-Time	**742**	**774**	**813**
Part-Time:			
Toll Collectors	209	211	232
Other	22	23	25
Total Part-Time	**231**	**234**	**257**
Total Ohio Turnpike Commission Employees	**973**	**1,008**	**1,070**

State of Ohio Statistics:			
Population (In Thousands)	11,544	11,545	11,537
Personal Income (In Millions)	$ 453,556	$ 436,297	$ 419,872
Per Capita Personal Income	$ 39,289	$ 37,791	$ 36,393
Unemployment Rate	6.7%	8.1%	9.8%

Sources: Employee counts provided by the Ohio Turnpike Commission, Payroll, Toll Operations and Maintenance Departments. Population data provided by the U.S. Census Bureau. Personal income and per capita personal income data provided by the U.S. Department of Commerce, Bureau of Economic Analysis. Unemployment rates provided by the Ohio Department of Job & Family Services.

2009	2008	2007	2006	2005	2004	2003
286	306	307	309	319	318	326
275	277	278	280	283	276	283
129	133	132	133	135	131	133
101	100	100	100	99	98	99
44	45	46	46	46	45	44
18	18	18	20	20	20	19
23	20	21	18	20	20	20
876	**899**	**902**	**906**	**922**	**908**	**924**
265	308	318	331	358	406	306
24	24	26	25	28	24	22
289	**332**	**344**	**356**	**386**	**430**	**328**
1,165	**1,231**	**1,246**	**1,262**	**1,308**	**1,338**	**1,252**
11,543	11,528	11,521	11,492	11,475	11,465	11,445
$ 408,395	$ 407,874	$ 395,615	$ 381,260	$ 365,319	$ 352,315	$ 340,840
$ 35,380	$ 35,381	$ 34,339	$ 33,176	$ 31,836	$ 30,730	$ 29,781
10.8%	7.8%	5.8%	5.6%	5.9%	6.2%	6.2%

Traffic Accident Statistics *Last Ten Fiscal Years*

	2012	2011	2010
All Accidents:			
Number	2,598	2,583	2,268
Rate	92.7	92.7	80.9
Property Damage (Over $150) Accidents:			
Number	2,140	2,090	1,885
Rate	76.4	75.0	67.3
Non-Fatal Personal Injury Accidents:			
Number	451	488	377
Rate	16.1	17.5	13.5
Number Injured	734	682	537
Injury Rate	26.2	24.5	19.2
Fatal Accidents:			
Number	7	4	6
Rate	.2	.1	.2
Fatalities	7	6	7
Fatality Rate	.2	.2	.2

Source: Ohio State Highway Patrol.

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

2009	2008	2007	2006	2005	2004	2003
2,125	2,689	2,532	2,342	2,858	2,609	2,433
81.8	95.0	85.0	77.0	95.6	89.6	85.9
1,695	2,168	2,025	1,881	2,293	2,134	1,965
65.2	76.6	68.0	61.9	76.7	73.3	69.3
422	516	496	453	554	463	458
16.2	18.2	16.7	14.9	18.5	15.9	16.2
612	738	711	686	829	724	698
23.5	26.1	23.9	22.6	27.7	24.9	24.6
8	5	11	8	11	12	10
.3	.2	.4	.3	.4	.4	.4
9	7	15	8	14	17	11
.3	.2	.5	.3	.5	.6	.4

Capital Asset Statistics Last Ten Fiscal Years

	2012	2011	2010
Land and Roadway:			
Land Area (Acres)	10,055	10,055	10,044
Length of Roadway (Miles)	241	241	241
Number of Lane Miles	1,382	1,374	1,370
Interchanges:			
Toll	29	29	29
Barrier	2	2	2
Total Interchanges	31	31	31
Service Plazas	14	16	16
Other Buildings:			
Maintenance	8	8	8
Administration	1	1	1
Telecommunications	1	1	1
Highway Patrol	1	1	1
Structures over or under the Turnpike:			
Roadways and Interchange Ramps	350	350	350
Railroads	49	49	49
Rivers and Streams	56	56	56

Source: Ohio Turnpike Commission, CFO/Comptroller's Office and Engineering Department

2009	2008	2007	2006	2005	2004	2003
10,038	10,015	10,012	10,010	10,010	9,978	9,949
241	241	241	241	241	241	241
1,370	1,370	1,370	1,356	1,356	1,356	1,317
29	29	29	29	29	29	28
2	2	2	2	2	2	2
31	31	31	31	31	31	30
14	14	14	14	16	16	16
8	8	8	8	8	8	8
1	1	1	1	1	1	1
1	1	1	1	1	1	1
1	1	1	1	1	1	1
350	350	350	350	350	350	350
49	49	49	49	52	52	52
56	56	56	56	59	59	59

OHIO Turnpike Commission

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Notes

Notes

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Ohio Turnpike Commission
Berea, Ohio

We have audited, in accordance with the 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, the financial statements of the Ohio Turnpike Commission (the "Commission"), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated May 31, 2013.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ciuni & Panichi, Inc.

Cleveland, Ohio
May 31, 2013

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
JULY 9, 2013