

## **Press Release** From the Ohio Turnpike Commission

682 Prospect Street ↔ Berea, OH 44017 ↔ www.ohioturnpike.org

For immediate release

Lauren L. Hakos Public Relations Manager 440-234-2081 x1171

## Ohio Turnpike Commission approves organizational changes and cost-savings initiatives

The Commission anticipates that this reorganization and cost-savings plan will result in approximately \$2 million dollars that will be reinvested into the road.

May 21, 2012 – Berea, Ohio – Today, the Ohio Turnpike Commission announced plans to restructure the organization and outlined several cost-savings initiatives. Part of the plan includes consolidating various departments within the administration arm of the organization and salary caps for the Executive Director and senior management. In addition to those changes, Commission members approved two Resolutions at the Commission meeting that pertain to full-time, non-bargaining unit employees, which 1.) revise the group health benefits plan, and 2.) modify the vacation and sick leave benefits plan.

According to Executive Director Rick Hodges, "our goal is to save money wherever possible so we can continue to provide the best road for our customers at an affordable price." The Commission anticipates a \$2 million dollars savings through decreased personnel costs, modifications to the health insurance plan and changes in sick/vacation leave benefits. Hodges added, "Any savings on our expenses will be reinvested into the road, and the longer and better it is maintained, the more affordable it will remain."

The reorganization plans will affect almost every area of the Turnpike, including merging the maintenance and engineering departments. The Commission believes that this consolidation will improve coordination of workflow and result in superior road maintenance, which ultimately may lead to fewer work zones for customers. "Yes, construction and maintenance is necessary, but we will have more flexibility to meet these ongoing needs. Developing a long-term plan and integrating resources will ultimately benefit our customers," Hodges added. In addition to the departmental consolidation, the Commission also plans to alter the employee pay scale so that the compensation system is more uniform with that of private sector and other public agencies. This began in 2003, when the Commission reduced the Executive Director's salary from \$150,000 to \$125,000. The current salary for the Commission's Executive Director is \$129,000. Today, the Commission approved the restructuring of salaries for senior management, ultimately reducing the top end pay scale from \$136,000 to \$111,785.00.

Hodges stated, "We have an obligation to our customers to provide the best service at the lowest cost. While our funding source is relatively stable, that should not make us immune to reviewing our operations and making the same kind of changes that have impacted so many people during the course of the recent recession."

Lastly, the Commission approved changes to the health care benefits and vacation/sick leave accrual system for full-time, non-bargaining unit employees of the Commission. Some of the changes include: greater employee monetary contributions to the plan, higher deductibles and lower carry-over amounts allowed for sick/vacation leave accruals. Hodges reiterated that these changes were identified based on consistency, specifically with what is being experienced in the private sector and other government agencies. Hodges stated, "I have led our staff in an effort to identify savings and envision ways we can do our jobs better. Responsibility for the recommendations rests solely with me, but I could not make these recommendations."

Hodges added, "I believe we all shared the goal of maintaining our legacy of highway excellence, building relationships with the communities we serve, and reducing costs wherever possible and appropriate."

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A press conference was held immediately following the Commission Meeting to discuss the reorganization in more detail. Media who was unable to participate in the press conference but would like more information or to speak with the Executive Director should contact:

Lauren Hakos Public Relations and Marketing Manager 440-234-2081 x1171