2003

The Ohio Turnpike Commission

Comprehensive Annual Financial Report
for the Year Ended December 31, 2003

The Ohio Turnpike - One constant in a changing world

The **Ohio** Turnpike Commission

Members & Officers

Tim Greenwood
Chairman
(Term ended 6/30/03)

William W. Wilkins
Chairman
(Elected Chairman 7/21/03)
(Resigned 1/11/04)

Thomas W. Noe
Chairman
(Elected Chairman 3/15/04)

Joseph A. Balog
Vice Chairman
(Elected Vice Chairman 3/15/04)

Stephen J. Strnisha
Secretary - Treasurer
(Resigned 2/28/03)

George F. Dixon III
Secretary - Treasurer
(Elected Secretary-Treasurer 7/21/03)

David O. Regula
Member

Gordon Proctor
Member Ex-Officio

Kirk Schuring
Senate Member

Stephen Buehrer
House Member

Gary C. Suhadolnik
Executive Director
Assistant
Secretary - Treasurer

Independent Auditors -
Deloitte & Touche LLP

Trustee -
The Huntington National Bank,
Cleveland, OH

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

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

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Top-Cleveland Advertising Professionals,
2 and 3 - AJF Photography, Fairlawn, OH
Bottom - OTC Maintenance Dept.

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Introductory Section

Letter of Transmittal

The Ohio Turnpike Commission

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March 16, 2004

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

The Ohio Turnpike Commission pursuant to law presents herewith its fifty-fifth annual report covering the period from January 1, 2003 through December 31, 2003.

Respectfully yours,

Thomas W. Noe
Chairman

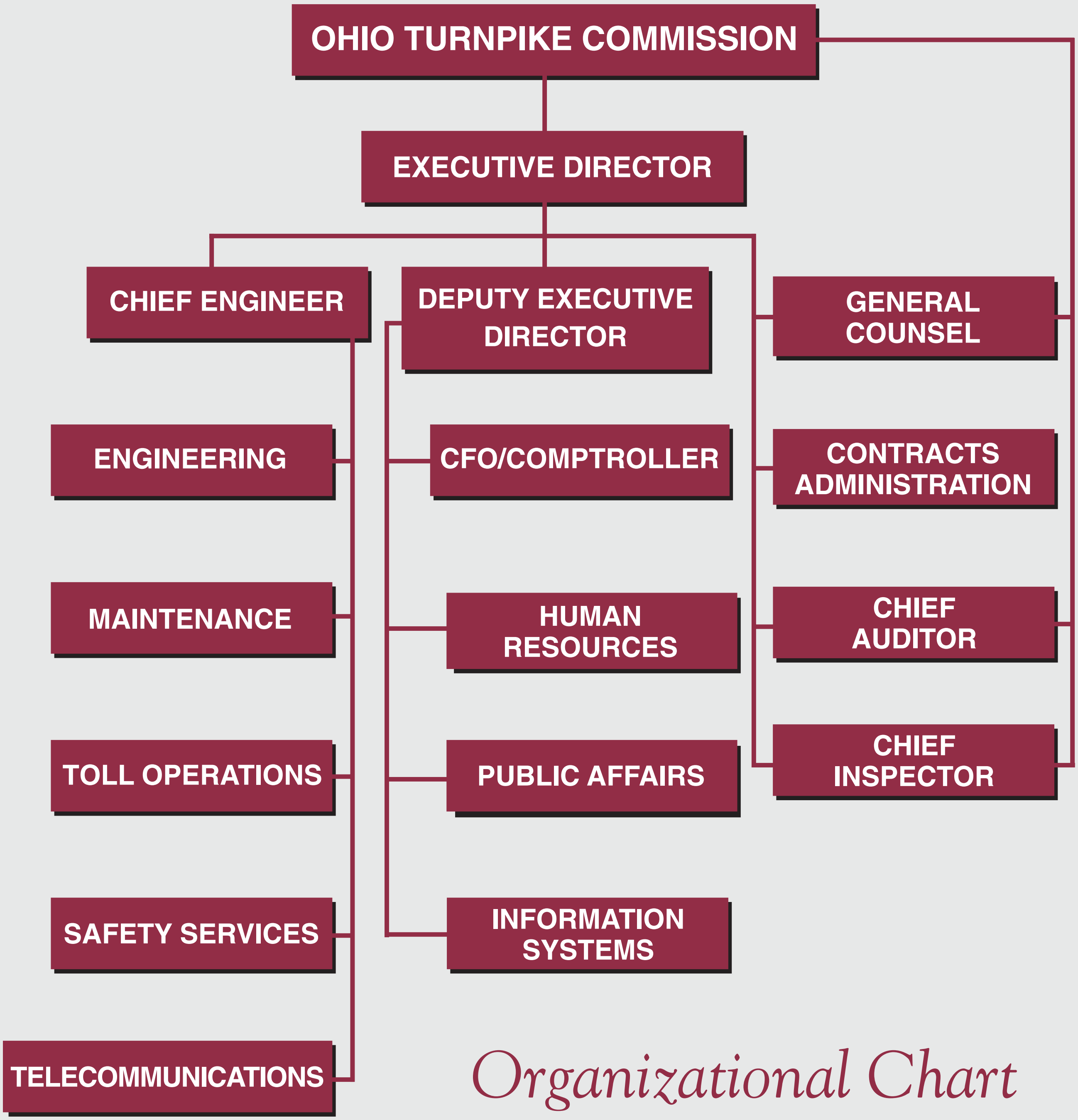
Joseph A. Balog
Vice Chairman

George F. Dixon III
Secretary - Treasurer

David O. Regula
Member

Gordon Proctor
Member Ex-Officio

The **Ohio** *Turnpike Commission*



Organizational Chart

Members and Staff

Ohio Turnpike Commission Members

		Appointed	Term Expiration
Tim Greenwood	Chairman	9/1/99	6/30/03
William W. Wilkins	Vice Chairman Chairman	12/7/01 7/21/03	6/30/05 Resigned 1/11/04
Stephen J. Strnisha	Secretary-Treasurer	8/13/99	6/30/07 Resigned 2/28/03
George F. Dixon III	Member Secretary-Treasurer	10/5/01 7/21/03	6/30/09
Thomas W. Noe	Member Vice Chairman Chairman	7/1/03 7/21/03 3/15/04	6/30/11
Joseph A. Balog	Member Vice Chairman	7/1/03 3/15/04	6/30/07
David O. Regula	Member	3/5/04	6/30/05
Gordon Proctor	Member Ex-Officio	1/11/99	—-
Kirk Schuring	Senate Member	2/03	—-
Stephen Buehrer	House Member	3/99	—-

Ohio Turnpike Commission Administrative Staff

Gary Suhadolnik	Executive Director
Jerry Pursley	Deputy Executive Director
Dan Castrigano	Chief Engineer
Noelle Tsevdos	General Counsel
James Steiner	CFO/Comptroller
David Miller	Chief Auditor
Sharon Isaac	Director of Toll Operations
Lauren Dehrmann	Public Affairs Manager
Richard Morgan	Director of Information Systems
Tim Ujvari	Maintenance Engineer
William Keaton	Telecommunications Manager
Anne Fornshell	Director of Human Resources
Dick Lash	Director of Safety Services
Richard Rob	Chief Inspector
Kathleen Weiss	Director of Contracts Administration and Government Affairs

Chairman's Letter

January 2004

This past year proved to be another challenging one – with a history-making power outage, record snowfall and a still struggling economy – all of which affected our country in various ways, but none of which halted the progress and direction of the Ohio Turnpike. Through it all, the Ohio Turnpike Commission continued to endure and persevere through even the most extraordinary conditions.

The year began with immediate changes in the composition of the staff at the Commission – including a new Executive Director – Gary Suhadolnik; Deputy Executive Director – Jerry Pursley; and General Counsel – Noelle Tsevdos. All are newcomers to the transportation industry, yet all have brought with them a wealth of experience, enthusiasm and a commitment to excellence. Despite the change in leadership, the Commission did not miss a step and continued to press forward on several ongoing projects. The Commission moved ahead with several construction projects, including a much-anticipated groundbreaking on a new interchange at State Route 58. In addition to these undertakings, the Executive Director and staff placed heavy emphasis on customer service, specifically focusing on meeting and exceeding customers' expectations with regard to their travel experience on the Ohio Turnpike. All of these items will be discussed in further detail throughout this Comprehensive Annual Financial Report.

At the end of the day, one thing is for sure - in an ever-changing world, one that is often unpredictable, it is comforting to know that there are some things, like the Ohio Turnpike, that always seem to remain constant and reliable. The Commission is pleased with our continued accomplishments and steadfast commitment to excellence in an ever-changing world.

Sincerely,

William W. Wilkins, Chairman

"As the new Executive Director of the Ohio Turnpike Commission, it was a year of learning and discovery. My goals are to build upon the base that was already here, to continue progress on many fronts and to make the Ohio Turnpike the best road it can be for our customers." — Gary C. Suhadolnik

ACCOUNTABILITY AND EFFICIENCY

NEW STAFF LEADS THE TURNPIKE

Early in the year, I made some changes to the Ohio Turnpike Commission's administrative staff, including some top-level management positions. My appointment as Executive Director was effective on January 1, 2003 and at that time, with the assent of the Commission; I brought onboard Jerry Pursley to serve in the Deputy Executive Director's role. Jerry brings with him a wealth of experience, including service as the Chief Administrative Law Judge for the State Employment Relations Board (SERB), a former Law Director, a Service Director, an Assistant County Prosecutor and a Deputy Director in the Ohio Department of Commerce. Additional appointments included Noelle Tsevdos - General Counsel, who was a former Assistant Attorney General for the State of Ohio; Anne Fornshell - Director of Human Resources, who was the former Director of Human Resources for the Ohio Department of Transportation; Kathleen Weiss - Director of Contracts Administration and Government Affairs, who was a former Ohio Senate staffer and Chief Legal Counsel for the Ohio Lottery Commission; Jo Ann Wasil - Worker's Compensation Attorney, who is an attorney with recognized expertise in the area of Worker's Compensation; and Richard Rob - Chief Investigator, who was a former Police Detective and Fraud Investigator for a major health insurance company.

I am pleased to have such a knowledgeable and experienced management team in place. The new staff members made a smooth transition into their leadership roles and have helped to round out the existing team, some of whom have been serving the Commission for nearly 30 years. I believe the staff we have in place at this time will continue to do an excellent job representing the Commission on all matters.

CAPITAL IMPROVEMENT PROGRAM

THIRD-LANE CONSTRUCTION

The Ohio Turnpike Commission is constructing a third-lane on a 160-mile long portion of the Turnpike from Toledo to Youngstown. One third-lane construction project totaling 4.87 miles was completed in 2003. This brought the third-lane construction project to 88 percent completion or 141 miles at the end of 2003.

NEW INTERCHANGE – STATE ROUTE 58

The much-anticipated, long-awaited, State Route 58 interchange came closer to becoming a reality in 2003 when the construction contractor was given a Notice to Proceed on June 9. Construction began the following day with clearing and grubbing of the land for the interchange. Despite a number of obstacles, which impeded the start of this project, the Commission is pleased that this project is now underway and expected to be open to traffic at the end of 2004.

CUYAHOGA RIVER BRIDGE

The largest construction contract awarded in Turnpike history was the $51.1 million Cuyahoga River Bridge project, which began in 1999 and was completed in 2003 – ahead of schedule and below engineering estimates. The project included constructing two, new, 1/2 mile long three-lane bridges in Summit County, which carries the Turnpike over the Cuyahoga Valley National Park, the Cuyahoga River, and the Cuyahoga Valley Scenic Railroad.

Two major milestones for this project in 2003 were opening the new westbound bridge to traffic, followed by the demolition of the old westbound structure. While traffic was enjoying the free-flowing three lanes on the new bridge, which opened to traffic in early September, preparations were underway for the massive demolition of the old structure. On Wednesday, November 5, with hundreds of eager spectators gathered to see the demolition of the steel superstructure, the Turnpike's old, westbound Cuyahoga River Bridge came down within seconds. This phase of demolition used 100 lbs. of explosives to demolish the remaining steel trusses, which were approximately 2,600 feet long and weighed in excess of 9,600,000 lbs. or 4,800 tons.

TIMELINE:

December 22, 1999 - construction began on the eastbound bridge
October 12, 2001 - new eastbound bridge opened to traffic (2-lanes)
November 12, 2001 - first phase of demolition (using explosives) of the old eastbound bridge
November 20, 2001 - construction of the new westbound bridge began
January 19, 2002 - second phase of demolition of old eastbound bridge
September 8, 2003 - new westbound bridge opened to traffic (2-lanes)
October 13, 2003 - new eastbound bridge opened to traffic (3-lanes)
October 15, 2003 – new westbound bridge opened to traffic (3-lanes)
November 5, 2003 - demolition of old westbound bridge

The demolition marked a final page in the history of the original Cuyahoga River Bridge on the Ohio Turnpike.

HISTORICAL FACTS ABOUT THE ORIGINAL CUYAHOGA RIVER BRIDGE:

- The first construction contract awarded was for the substructure (piers and abutments) of the Cuyahoga River Bridge in Summit County, the longest (2,682 feet) structure of the project. It was awarded to the Horvitz Company of Cleveland, whose bid of $1,163,433 was the lowest of 17 bids submitted.
- Ground was broken on October 27, 1952, on the site of Pier 3 north of the Cuyahoga River Bridge on the west bank of the Cuyahoga River in Boston Township.
- By the end of 1952, plans had been completed for the superstructure of the bridge.
- The first construction contract to be completed was building the piers for the Turnpike's half-mile long twin bridges spanning the Cuyahoga River and Ohio Canal.
- The final inspection of the piers was made on November 10, 1953.
- The majority of the work on this bridge was completed in 1954, in preparation for the full, grand-opening in 1955. Upon completion of the project, the work had utilized more than 30,000 man-hours of labor.
- Representatives of the Commission and the Consulting Engineers drove both lanes of both decks on the Ohio Turnpike twin bridges before October 1, 1955, in order to determine the "ride-ability" of all structures carrying Turnpike traffic.

(Information obtained from the 1952, 1953, 1954 and 1955 Ohio Turnpike Commission Annual Reports.)

Above photos by: Christopher J. Lynch

FOCUS ON CUSTOMER SERVICE

Shortly after joining the Commission, I began to emphasize a fundamentally important fact - the Ohio Turnpike exists to serve travelers and to do so in the best, most efficient and professional manner possible. Having logged many miles during my 22-years of weekly commuting to and from Columbus, I gained an even greater appreciation for getting to my destination in a timely manner and avoiding delays whenever possible. Like any traveler, I realize the need for maintaining the roadway, yet at the same time, I do not want to be delayed when traveling. Realizing that temporary delays are necessary for long-term improvements, we are making strides to better inform the public of construction projects or repairs that may cause temporary slowdowns on the Ohio Turnpike. We are mindful that the only reason the Ohio Turnpike exists is because customers choose to travel on the roadway. We want their business and their repeat business. It is our goal to meet or exceed our customers' expectations by providing them with the safest, most efficient route to travel. I continue to emphasize, both in personal conversations with employees and in columns in the employee newsletter, that customer satisfaction must be our main focus.

CUSTOMER ADVISORY BOARD

We took additional steps to continue with our customer service efforts by re-establishing the Customer Advisory Board. I appointed several new members to assist in providing some new perspectives and fresh ideas. The first meeting was held on May 13 in the Community Room at the Middle Ridge Service Plaza. The Customer Advisory Board's first task was to provide suggestions on the development of a Mission and Vision Statement for the Commission. The next Advisory Board meeting was held on June 26 and the group approved the proposed Mission and Vision Statements, which were later adopted at the September 15 Commission meeting and read as follows:

***Mission Statement*:** "To operate and maintain a user-fee supported highway with sound financial management that provides motorists and travelers with safe, modern and helpful services."

***Vision Statement*:** "To be the road of choice for those traveling across Northern Ohio."

READY TOLL PROGRAM

The *Ready Toll* program was implemented Turnpike-wide on July 22, 2002 as a way to simplify the toll payment process for our frequent Turnpike customers. The *Ready Toll* program uses a prepaid card (similar to a credit card), which is used in place of cash to pay tolls - so customers no longer have to search for money to pay tolls or wait for change. Since its introduction, many customers have expressed their delight with *Ready Toll*; however, participation in the initial program was not widespread.

We listened to our customers' suggestions for enhancing the program. As a result, we changed some of the features of the program to make it easier and more affordable.

The new features included a lower initial prepaid balance so customers can sign-up to participate in the program for only $50.00. When a customer's *Ready Toll* account balance decreases to $25.00, the Commission will automatically charge their major credit card on file an amount equal to their approximate monthly toll usage (or a minimum of $50.00). Customers receive a detailed billing statement each time their card is replenished. This can be as often as once a month depending on usage, which is helpful for our frequent business travelers. These enhancements are just one more example of our enhanced customer service efforts.

As a result, the number of customers participating in the *Ready Toll* program more than tripled in just one year. By the end of 2003 there were more than 3,000 customers with active *Ready Toll* accounts.

INCREASING TRAFFIC

ESTABLISHING RELATIONSHIPS

As part of an effort to enhance our relationship with the trucking industry, the Commission joined the Ohio Trucking Association (OTA) in May. The trucking industry represents a very important segment of Ohio Turnpike customers, since commercial vehicles bring in the greatest amount of revenue for the Turnpike. One of my goals this past year has been to increase truck traffic on the Ohio Turnpike – thus helping to alleviate some of the congestion experienced on auxiliary state routes, most of which are not equipped to handle the weight of these large trucks. Joining the OTA was the first, logical step in reaching out to the trucking industry in Ohio.

VALUE PRICING STUDY

The Commission and the Ohio Department of Transportation (ODOT) developed a proposal seeking a $200,000 grant from the Federal Highway Administration for a Commercial Vehicle Value Pricing Study. This grant was approved in July and will help to determine what incentives can be used to attract more commercial traffic from the state highway system to the Ohio Turnpike.

While we know that some trucks on parallel state routes are actually delivering goods to the area, the Commission acknowledges that many overweight trucks are simply avoiding the Turnpike and taking their chances on parallel routes. As expected, patrol enforcement of traffic laws is superior on the Turnpike and weight limits are consistently enforced on the Turnpike, where each vehicle is weighed upon entry. Approval of this grant will allow us to study all of the issues that affect traffic patterns in the northern corridor, and to help find out what incentives, if any, would attract more trucks to the Turnpike. The study will also help us to determine whether added traffic would produce sufficient, additional revenue to possibly allow for greater commercial toll discounts.

WEIGHT ENFORCEMENT

In an effort to prove our theory that some trucks are avoiding the Turnpike and using parallel routes because they are over the state's legal weight limit, the Commission requested the help of the Ohio State Highway Patrol (OSHP) for overweight truck enforcement. In October, the OSHP unit assigned to the Turnpike trained one of their troopers in the use of portable scales and began weight enforcement at State Route 49 – just past the Westgate on the Turnpike. The Patrol's findings supported our belief that overweight trucks are avoiding the Turnpike and using parallel routes such as U.S. 20. The enforcement program continued for a period of six weeks and during that time, over 90 percent of the vehicles weighed were overloaded. The Commission plans to continue to work with the OSHP to monitor and schedule additional enforcement in those areas while awaiting findings from the Value Pricing Study.

Photos by: Cleveland Advertising Professionals

Lastly, in an effort to provide an additional incentive to truckers, the Commission reviewed its weight classifications and proposed a revision in the weights for Class 8 and Class 9 vehicles. While seemingly minor, these adjustments were favored by the OTA representatives who testified in favor of this adjustment at the various public meetings that were held on October 14 (Toledo area), November 12 (Youngstown area) and December 4 at the Ohio Turnpike Commission's Administrative Building. This small change, expected to be approved by the Commission early in 2004, will make the Class 8 weight limit of 80,000 pounds consistent with the weight limit on all other state highways.

CUSTOMER SAFETY

The Ohio Turnpike remains one of the safest routes to travel in the nation, which is evidenced by its safety record, accident rate and fatality statistics. Nonetheless, the Commission continued to enhance its customer safety by installing Automated External Defibrillator (AED) units at each of the 16 service plazas along the 241-mile toll road. On February 19, the Commission completed the installation of these life-saving devices, located near the 9-1-1 phones just inside each service plaza. The Commission felt that it was important to provide these units at various locations since it has been proven that an individual's chance of surviving a Sudden Cardiac Arrest *increases* when defibrillation is performed within five to seven minutes. Since safety remains a top priority for the Ohio Turnpike Commission, we are delighted to be able to provide this new, life-saving technology on our toll road.

NATIONAL EXPOSURE

The Ohio Turnpike received some positive, national media exposure in 2003. Specifically, we were acknowledged in a feature article in *The New York Times* (Wednesday, October 22) and in the December issue of *Esquire* magazine. Both articles highlighted the Turnpike's new service plazas by reporting positive observations and sharing complimentary photos with a wide audience of readers. The Commission plans to continue to promote these service plazas as one of the most important amenities on the toll road. The reconstruction of these facilities will continue in 2004 with the closure of the Wyandot and Blue Heron Service Plazas at milepost 76.9.

OVERCOMING ADVERSITY

WINTER WEATHER

The winter of 2002 – 2003 wreaked havoc on the entire region, making snow and ice removal an even more vital component of our service to customers. Our maintenance crews consistently devote extensive time and resources to making the Ohio Turnpike safe for travel despite record snowfall levels and inclement weather that persisted into late March, when we were hit with a sudden ice storm. The 2003 winter was most unusual as it consisted of a series of small snowfalls that seemed to occur almost daily and which necessitated plowing and salting the roads almost continuously. This is in contrast with other winters where a few scattered snowfalls account for most of the winter's recorded snowfall. As a result of these winter conditions, the Commission spent more than $6.9 million on snow and ice removal and used in excess of 90,000 tons of salt. The salt usage this year was the most used since 1994.

Photo by: OTC Maintenance Dept.

The Ohio Turnpike Commission takes great pride in the work done by our maintenance crews, who work nights, weekends and holidays to make the road safe and clear for our customers to reach their destination safely. While this work may go unnoticed by some, we have received many compliments throughout the year from customers who wished to commend our hard-working crews for their devotion to public safety. I wish to do the same. These efforts are noticed and appreciated by me and customers from across the country who travel on the Ohio Turnpike.

HISTORY-MAKING BLACKOUT

While the year was trying for many reasons, I was favorably impressed with the Commission's ability to handle even the most unusual type of situation. In particular, I am referring to the now infamous, history-making power outage that struck the United States in August. What turned out to be an incapacitating series of events for most businesses and governmental entities was merely a temporary glitch for the well-organized, well-prepared Ohio Turnpike. We were one of the few entities equipped with emergency power generators, which made it possible for us to continue our operations with few disruptions in service to our customers. All of our interchanges remained open and transferred seamlessly over to auxiliary power generators, so there was no lost revenue as a result of the outage. Additionally, all of our service plazas remained open during the blackout and those that maintained running water were able to provide limited restaurant services and restroom facilities. (Accommodations for portable restroom facilities were quickly made at the service plazas where water was not available.) All service plazas were able to provide vending, and all of our locations were able to dispense fuel, which was a crucial and scarce commodity during the blackout. Several local radio stations reported that fuel was available on the Ohio Turnpike and the Public Affairs and Customer Service Departments logged more than 100 calls from customers inquiring about obtaining fuel on our road.

The Ohio Turnpike Commission is one agency of record being commended for its emergency preparedness during the blackout. The Ohio Turnpike Commission is cited several times in a draft copy of the *Effects of Catastrophic Events on Transportation System Management and Operations – August 2003 Northeast Blackout Great Lakes Region*. This report is being prepared by the U.S. Department of Transportation's (U.S. DOT) John A. Volpe National Transportation Systems Center for the Federal

Highway Administration (FHWA) Office of Operations and the U.S. DOT's Intelligent Transportation Systems (ITS) Joint Program Office. One of the areas in the report states that the Ohio Turnpike's efforts considered the needs of both people and equipment.

The draft report states, "*Options for people include things like available drinking water, food, portable toilets, flashlights, and battery powered radios. The Ohio Turnpike, for example, has put extensive effort into planning for the needs of its computer equipment in case of emergency. Backup battery supplies last up to 10 hours, and generators can then recharge the batteries. The agency even has a redundant data center to which they can shift full operations in less than 12 hours.*"

The draft report further states, "*Because the Ohio Turnpike was well prepared for a power outage, for example, managers were able to oversee seamless conversion to backup power systems with few decisions that deviated from protocol. They decided in advance which functions could continue, and which few would be suspended until the power returned, such as the kitchens of restaurants in the service plazas.*"

The draft copy of the report also mentioned that due to the Commission's preparedness, "*The Ohio Turnpike maintained scales and toll collection equipment as well as traffic volume detection devices, all powered by backup generators.*"

The Commission's actions during the August 14 blackout and our ability to continue to provide sufficient service during this tumultuous event confirms what our customers have come to expect. In an uncertain world, one thing you can count on is the Ohio Turnpike.

Photos by: Cleveland Advertising Professionals

History and General Information

Organization and Background

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

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

On May 18, 1992, a Tripartite Agreement that had been entered into in 1964 among the Commission, the Ohio Department of Transportation and the Federal Highway Administration was modified as a result of the provisions of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). The modified agreement canceled the requirement that the Ohio Turnpike become free to the public upon liquidation of the bonds outstanding (which were redeemed on June 1, 1992) and permitted tolls to continue without repayment of certain federal financial assistance

Traffic surveys, such as the one at the Strongsville-Cleveland Interchange in June 1963, were conducted by the Ohio Department of Highways to help determine the need for an interchange between the Turnpike and I-71.

Lake Erie and the Islands are only a short drive away on the Ohio Turnpike. Here a boating enthusiast tows an outboard through the Niles-Youngstown Interchange. Today, the trend continues on the Ohio Turnpike, as many boaters use the Ohio Turnpike each weekend.

previously received by the Ohio Department of Transportation for Interstate Highway approaches to the Turnpike.

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

Amended Substitute House Bill 335 became effective October 17, 1996. Among other things, the bill recreated the Turnpike Oversight Committee; required the Commission to hold public hearings before it votes to 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 another unrelated project.

The Commission

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

History

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

The remaining 219 miles of the Turnpike were opened on October 1, 1955. As traffic flowed through the 17 interchanges and terminals, all service and operating functions were activated – restaurants and service stations, disabled vehicle service, maintenance buildings, the Ohio State Highway Patrol (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, 8,511,931 automobiles and 1,469,023 trucks used the Turnpike. In 2003, the total annual traffic consisted of 39,196,000 automobiles and 9,086,000 trucks. Annual revenues from tolls, restaurant and service station concessionaire rentals and other sources rose from $15,351,000 in 1956 to $202,133,000 in 2003.

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 (Milemarker 142). Interstate Route 80 between the Lorain County West Interchange (Milemarker 142) and the Niles-Youngstown Interchange (Milemarker 218), and Interstate Route 76 between the Niles-Youngstown Interchange (Milemarker 218) and the Ohio-Pennsylvania line.

Access

The Turnpike is linked directly with Interstate Route 75, Interstate Route 280, Interstate Route 71, Interstate Route 480, Interstate Route 77 and Interstate Route 680.

There are 30 interchanges on the Ohio Turnpike, 25 of which provide access to and from U.S., Ohio and interstate routes and two of which are terminals connecting, respectively, with the Pennsylvania Turnpike in the east and the Indiana Toll Road in the west. The remaining three interchanges connect with county or local roads.

Tolls

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

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

Physical Characteristics

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

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

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

Travelers enjoyed the RV/Travel Trailer lot, shown here at the Wyandot Service Plaza in August 1967. The Commission still offers overnight parking facilities for customers at several service plazas.

Inspection tour of construction section 22 (Milemarker 153.3 - 148.9) - May 17, 1955.

Services to Customers

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

Service Plazas

Restaurants and service stations at all service plazas are open 24 hours each day throughout the year. Currently the Commission has eight pairs of service plazas, which on average are approximately 30 miles apart. The farthest distance between pairs of service plazas is 39.5 miles. The service stations at the service plazas have gasoline, diesel fuel and assorted automotive accessories for sale. Turnpike maps, motel-hotel lists and other touring aids are available at the service plazas for travelers. Prices for food, fuel and other items sold at the service plazas are competitive with those charged at similar, off-Turnpike establishments in the same general vicinities.

* *(changed to 80,000 pounds effective 2/1/04)*

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

Construction of the first pair of reconstructed service plazas at milepost 100 started in July 1998, and construction of the second pair at milepost 170 began the following month. The service plazas located at milepost 197 opened in 2001 followed by the plazas located at milepost 139.5 in 2002. The Commission will continue the construction program and will complete work on the remaining service plazas over the next several years. The Commission will award contracts for both the construction and operation of the new service plazas through a competitive bidding process.

Turnpike Maintenance

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

Ohio State Highway Patrol

A special Turnpike unit, District 10 of the OSHP, polices the Turnpike. Headquarters for District 10 is in the Commission's administration building at Berea. Two additional posts are incorporated into maintenance buildings and there is one free-standing patrol post. District 10 operates patrol cars and airplanes to enforce the Commission's traffic regulations, as well as to perform service to ill, stranded or otherwise distressed travelers. Under a contract between the Commission and the OSHP, utilizing toll revenue the Commission reimburses the Patrol for all costs of operating on the Turnpike.

Radio Communications Systems

Two of the most modern, two-way radio communications systems to be found on any toll road are in operation on the Ohio Turnpike. Separate systems are maintained for the Commission and the 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

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

James W. Shocknessy (center) stands with two photographers at one of the original construction sites on what is now the Ohio Turnpike. Mr. Shocknessy, was the first Chairman of the Commission and served from 1949 until his death in 1976.

CFO/Comptroller's Report

The Ohio Turnpike Commission

James T. Steiner
CFO/Comptroller

March 16, 2004

Ohio Turnpike Commission and Executive Director:

The *Comprehensive Annual Financial Report* ("CAFR") of the Ohio Turnpike Commission (the "Commission") for the year ended December 31, 2003, 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.

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

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 2003 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 of nationally recognized standing.

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

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Serving the nation — The James W. Shocknessy Ohio Turnpike

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

Awards

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the Ohio Turnpike Commission for its *Comprehensive Annual Financial Report for the year ended December 31, 2002*. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. The Commission was the first Turnpike to be awarded this honor in 1985 and has received the award for every year in which it was eligible.

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

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

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

Respectfully submitted,

James T. Steiner

James T. Steiner
CFO/Comptroller

Certificate of Achievement

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Ohio Turnpike Commission

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2002

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.

President

Executive Director

2003 Financial Section

Financial Administration

James T. Steiner	CFO/Comptroller
David Miller	Chief Auditor
Nancy Siler	Chief Accountant
Linda Birth	Payroll Manager
Daniel J. Fiktus	Purchasing Manager

Independent Auditors' Report

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Deloitte.

INDEPENDENT AUDITORS' REPORT

Ohio Turnpike Commission
Berea, Ohio

We have audited the accompanying balance sheet of the Ohio Turnpike Commission (the "Commission"), as of December 31, 2003, and the related statements of revenues, expenses and changes in net assets and of cash flows for the year then ended. These financial statements are the responsibility of the management of the Commission. Our responsibility is to express an opinion on these financial statements based on our 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Commission as of December 31, 2003 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

The statistical data on pages 39 - 52 is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the Commission. Such additional information has not been subjected to the auditing procedures applied in our audit of the basic financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2004, on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Deloitte & Touche LLP

February 23, 2004

Member of
Deloitte Touche Tohmatsu

This section of the annual financial report presents the Commission's discussion and analysis of its financial position and results of operations for the year ended December 31, 2003. Please read it in conjunction with the Chairman's Letter, Executive Director's Year in Review, History and General Information, and CFO/Comptroller's Report in the Introductory Section of this report, and the Commission's financial statements and notes, which follow this section.

Financial Highlights

- Both passenger and total traffic volumes set new all-time records in 2003. Commercial traffic volume fell just 2.1 percent short of the all-time record level reached in 2000.
- Concession revenues from the reconstructed service plazas continued to grow.
- Total 2003 revenues exceeded expenses by more than $10 million, providing additional resources for the Commission's ongoing Capital Improvement Program.
- The Commission made capital improvements in 2003 totaling $63 million, including the completion of the reconstruction of the westbound bridge over the Cuyahoga River, an overhead railroad bridge and a ramp bridge, the replacement of the decks of two other bridges, extension of the third-lane, renovation of a toll plaza, commencement of construction of a new interchange at milepost 140 and continuation of resurfacing of selected portions of the roadway and interchanges.

Condensed Balance Sheet Information (dollars in thousands)

			Increase / (Decrease)	
	12/31/03	12/31/02	$	%
Assets				
Cash and Investments	$ 129,577	$ 153,777	$ (24,200)	(15.7%)
Other Noncapital Assets	17,912	19,009	(1,097)	(5.8%)
Capital Assets	1,247,552	1,239,116	8,436	0.7%
Total Assets	$ 1,395,041	$ 1,411,902	$ (16,861)	(1.2%)
Liabilities and Net Assets				
Liabilities				
Current Liabilities	$ 49,966	$ 60,543	$ (10,577)	(17.5%)
Long-Term Liabilities	745,404	762,142	(16,738)	(2.2%)
Total Liabilities	795,370	822,685	(27,315)	(3.3%)
Net Assets				
Invested in Capital Assets, Net of Debt	504,705	481,151	23,554	4.9%
Restricted	48,069	61,305	(13,236)	(21.6%)
Unrestricted	46,897	46,761	136	0.3%
Total Net Assets	599,671	589,217	10,454	1.8%
Total Liabilities and Net Assets	$ 1,395,041	$ 1,411,902	$ (16,861)	(1.2%)

Assets

The condensed balance sheet information shows that cash and investments decreased by $24 million in 2003 while capital assets increased by $8 million. The increase in capital assets resulted from capital expenditures during the year of approximately $63 million, reduced by depreciation expense of $53 million and losses from disposals/write-offs of $2 million. See Note 4 of the financial statements for more detailed information on the Commission's capital assets. While a portion of the capital expenditures were funded from cash generated from operations in 2003, the decrease in cash and investments reflects the fact that resources accumulated from previous years were also used. In addition, cash was used to reduce liabilities for contracts payable and retained amounts by $11 million.

The expenditures noted above are part of an ongoing major Capital Improvement Program that began in 1995. The overall project includes the addition of a third-lane to the Turnpike, both eastbound and westbound, from Toledo to Youngstown, Ohio; reconstruction of the 16 service plazas; construction of new interchanges; renovation of older toll plazas; and other related projects. Major 2003 projects included the completion of the reconstruction of the westbound bridge over the Cuyahoga River in Summit County, an overhead railroad bridge in Cuyahoga County, and a ramp bridge in Lucas County; the replacement of the decks of two bridges in Portage County; extension of the third-lane in Lorain and Cuyahoga Counties; renovation of a toll plaza in Lorain County; commencement of construction of a new interchange at milepost 140 in Lorain County; continuation of resurfacing of selected portions of the roadway in Lucas, Wood, Lorain and Portage Counties; and resurfacing of ramps at an interchange in Cuyahoga County and another in Summit County.

Liabilities

As mentioned above, the $11 million decrease in current liabilities was primarily the result of cash being used to reduce contracts payable and retained amounts.

Approximately half of the cost of the Commission's Capital Improvement Program is being funded on a pay-as-we-go basis from accumulated and current-year operating cash flows. The other half was funded from borrowings. The Commission is empowered to issue revenue bonds payable solely from Commission revenues. The Commission issued revenue bonds in 1994, 1996, 1998 and 2001. The $17 million decrease in long-term liabilities during 2003 is primarily the result of principal payments on those bonds. See Note 5 of the financial statements for more detailed information on the Commission's long-term debt.

As described in Note 6 of the financial statements, the Commission has commitments at December 31, 2003 of approximately $23 million for capital projects and major repairs and replacements. It is anticipated that these commitments will be financed from the Commission's cash balances. However, at the discretion of the Commission, additional bonds may be issued in the future to finance a portion of these costs.

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

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

Net Assets

Net assets invested in capital assets, net of related debt, increased by $24 million during 2003 as a result of the $8 million increase in capital assets and $16 million of bond principal payments. Restricted net assets decreased by $13 million because revenues accumulated from previous years were utilized in 2003 to help fund capital improvements.

Of the $48 million balance of restricted net assets, $17 million is restricted for debt service and $25 million is restricted for capital improvements, in accordance with provisions of the Commission's Master Trust Agreement. The remaining $6 million represents accumulated Ohio fuel tax allocations and is also restricted for future capital improvements in accordance with Ohio law. The $10 million total increase in net assets is the result of 2003 revenues that exceeded expenses, as discussed below.

Condensed Statements of Revenues, Expenses and Changes in Net Assets Information (dollars in thousands)

	Years Ended		Increase / (Decrease)	
	12/31/03	12/31/02	$	%
Revenues:				
Operating Revenues:				
Tolls	$ 179,988	$ 179,200	$ 788	0.4%
Special Toll Permits	2,752	2,540	212	8.3%
Concessions	13,704	12,340	1,364	11.1%
Other	1,033	908	125	13.8%
Nonoperating Revenues:				
State Fuel Tax Allocation	2,780	2,669	111	4.2%
Investment Earnings	1,876	4,755	(2,879)	(60.5%)
Total Revenues	202,133	202,412	(279)	(0.1%)
Expenses:				
Operating Expenses:				
Administration and Insurance	7,166	6,432	734	11.4%
Maintenance of Roadway and Structures	29,127	27,677	1,450	5.2%
Services and Toll Operations	43,769	42,068	1,701	4.0%
Traffic Control, Safety, Patrol & Communications	13,136	12,474	662	5.3%
Major Repairs and Replacements	3,775	5,580	(1,805)	(32.3%)
Depreciation Expense	52,541	47,888	4,653	9.7%
Nonoperating Expenses:				
Interest Expense	40,306	37,113	3,193	8.6%
Loss on Disposals/Write-Offs of Capital Assets	1,859	1,957	(98)	(5.0%)
Total Expenses	191,679	181,189	10,490	5.8%
Change in Net Assets	10,454	21,223	(10,769)	(50.7%)
Total Net Assets - Beginning of Year	589,217	567,994	21,223	3.7%
Total Net Assets - End of Year	$ 599,671	$ 589,217	$ 10,454	1.8%

Toll revenues are the major source of funding for the Ohio Turnpike Commission. Both passenger car and total traffic volumes during 2003 set new all-time highs, exceeding the prior records established in 2002. Commercial traffic in 2003 was just 0.1 percent below the volume from the previous year and was only 2.1 percent below the record-level reached in 2000.

			Increase / (Decrease)	
	2003	2002	#	%
Traffic Volume (vehicles in thousands):				
Passenger Cars	39,196	38,614	582	1.5%
Commercial Vehicles	9,086	9,093	(7)	(0.1%)
Total	48,282	47,707	575	1.2%

The record-setting traffic volumes generated toll revenues from passenger cars and total toll revenues that reached new highs. Toll revenues from commercial traffic in 2003 were only 0.1 percent below the amounts from the previous year, but were 4.0 percent below the record-level reached in 1999.

	2003	2002	Increase / (Decrease) $	Increase / (Decrease) %
Toll Revenues (dollars in thousands):				
Passenger Cars	$ 78,837	$ 77,904	$ 933	1.2%
Commercial Vehicles	101,151	101,296	(145)	(0.1)%
Total	$ 179,988	$ 179,200	$ 788	0.4%

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

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

Approximately 615 full-time, nonsupervisory, field employees in the Commission's Toll Collection and Maintenance Departments and approximately 305 part-time, nonsupervisory, field employees in the Commission's Toll Collection Department are represented by the Teamsters Local Union No. 436, affiliated with the International Brotherhood of Teamsters. During 2002, the Commission entered into a new three-year collective bargaining agreement for the period January 1, 2002 through December 31, 2004. Higher wages and benefits costs associated with this agreement, along with comparable increases in salaries and benefits for nonbargaining employees and other inflationary cost increases, contributed to an increase in operating expenses of approximately $7 million, or 5.2% in 2003 compared to 2002.

Property and liability insurance costs increased by $350,000 in 2003 compared to 2002. This accounted for almost one-half of the increase in administrative and insurance expenses. Severe winter weather added more than $2 million to the 2003 snow and ice removal costs, which are included in maintenance of roadway and structures.

The decrease in major repairs and replacements expenses was due to 2002 expenditures totaling $2.4 million to repair and resurface a railroad bridge that is not owned by the Commission, but which the Commission is obligated to maintain. The increase in depreciation expenses from 2002 to 2003 is a consequence of the growth in capital assets discussed above. The increase in interest expense is the result of a reduction in capitalized interest in 2003.

Total 2003 revenues of $202 million exceeded expenses of $192 million by $10 million. This increase in net assets reflects the Commission's continued sound financial operations and improving financial position. The Commission endeavors to diligently manage its resources to meet its financial obligations, while operating, maintaining and improving one of the highest quality and safest highways anywhere. As discussed above, most of the increase in net assets has been invested in the Commission's ongoing Capital Improvement Program.

Balance Sheet as of December 31, 2003 (In Thousands)

Assets	
Current Assets:	
Unrestricted Current Assets:	
Cash and Cash Equivalents	$ 21,145
Investments, at Fair Value	39,698
Accounts Receivable	5,172
Inventories	4,429
Other	948
Total Unrestricted Current Assets	71,392
Restricted Current Assets:	
Cash and Cash Equivalents	10,924
Investments, at Fair Value	26,834
State Fuel Tax Allocation Receivable	434
Other	598
Total Restricted Current Assets	38,790
Total Current Assets	110,182
Noncurrent Assets:	
Restricted Cash and Cash Equivalents	2,668
Restricted Investments, at Fair Value	28,308
Unamortized Bond Issuance Costs	6,331
Capital Assets:	
Property, Roadway and Equipment	1,764,466
Construction in Progress	20,034
Less - Accumulated Depreciation	(536,948)
Total Capital Assets	1,247,552
Total Noncurrent Assets	1,284,859
Total Assets	$ 1,395,041
Liabilities and Net Assets	
Current Liabilities:	
Current Liabilities Payable from Unrestricted Assets:	
Accounts Payable	$ 2,484
Accrued Salaries, Wages and Benefits	2,545
Compensated Absences	4,027
Claims and Judgments	1,978
Other Liabilities	535
Total Current Liabilities Payable from Unrestricted Assets	11,569
Current Liabilities Payable from Restricted Assets:	
Accrued Salaries, Wages and Benefits	30
Contracts Payable and Retained Amounts	6,945
Interest Payable	14,722
Bonds Payable	16,700
Total Current Liabilities Payable from Restricted Assets	38,397
Total Current Liabilities	49,966
Noncurrent Liabilities:	
Compensated Absences	12,082
Claims and Judgments	844
Bonds Payable	732,478
Total Noncurrent Liabilities	745,404
Total Liabilities	795,370
Net Assets:	
Invested in Capital Assets, Net of Related Debt	504,705
Restricted For Debt Service	17,093
Restricted For Capital Projects	30,976
Unrestricted	46,897
Total Net Assets	599,671
Total Liabilities and Net Assets	$ 1,395,041

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

Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended December 31, 2003
(In Thousands)

Operating Revenues:	
Pledged as Security for Revenue Bonds:	
Tolls	$ 179,988
Special Toll Permits	2,752
Concessions	13,704
Leases and Licenses	634
Other Revenues	399
Total Operating Revenues	197,477
Operating Expenses:	
Administration and Insurance	7,166
Maintenance of Roadway and Structures	29,127
Services and Toll Operations	43,769
Traffic Control, Safety, Patrol and Communications	13,136
Major Repairs and Replacements	3,775
Depreciation Expense	52,541
Total Operating Expenses	149,514
Operating Income	47,963
Nonoperating Revenues / (Expenses):	
State Fuel Tax Allocation	2,780
Investment Earnings Pledged as Security for Revenue Bonds	1,618
Investment Earnings - Unpledged	258
Loss on Disposals / Write-Offs of Capital Assets	(1,859)
Interest Expense	(40,306)
Total Nonoperating Revenues / (Expenses)	(37,509)
Increase in Net Assets	10,454
Net Assets — Beginning of year	589,217
Net Assets — End of year	$ 599,671

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

Statement of Cash Flows
For the Year Ended December 31, 2003
(In Thousands)

Cash Flows from Operating Activities:		
Cash Received from Customers	$	196,285
Cash Received from Other Operating Revenues		1,066
Cash Payments for Employee Salaries, Wages and Fringe Benefits		(66,633)
Cash Payments for Goods and Services		(30,255)
Net Cash Provided by Operating Activities		100,463
Cash Flows from Noncapital Financing Activities:		
State Fuel Tax Allocation		2,776
Cash Flows from Capital and Related Financing Activities:		
Proceeds from Sale of Assets		8
Acquisition and Construction of Capital Assets		(74,075)
Principal Paid on Bonds		(15,960)
Interest Paid on Bonds		(39,617)
Net Cash Used in Capital and Related Financing Activities		(129,644)
Cash Flows from Investing Activities:		
Interest Received on Investments		3,689
Proceeds from Sale and Maturity of Investments		190,196
Purchase of Investments		(156,370)
Net Cash Provided by Investing Activities		37,515
Net Increase in Cash and Cash Equivalents		11,110
Cash and Cash Equivalents - Beginning of Year		23,627
Cash and Cash Equivalents - End of Year	$	34,737
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	$	47,963
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation		52,541
Change in Assets and Liabilities:		
Accounts Receivable		301
Inventories		79
Other Assets		(29)
Accounts Payable		(422)
Accrued Salaries, Wages and Benefits		(461)
Compensated Absences		234
Claims and Judgments		141
Other Liabilities		116
Net Cash Provided by Operating Activities	$	100,463
Noncash Investing and Capital Activities:		
Decrease in Fair Value of Investments	$	(266)
Disposals / Write-Offs of Capital Assets		(1,867)

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

December 31, 2003

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity — In accordance with the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 14, *The Financial Reporting Entity*, the accompanying financial statements include only the accounts and transactions of the Ohio Turnpike Commission ("Commission" or "Turnpike"). Under the criteria specified in Statement No. 14, the Commission has no component units nor is it considered a component unit of the State of Ohio. The Commission is 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, sue and be sued in its own name. The annual budget is submitted to the Ohio General Assembly for informational purposes only and does not require its approval. The Commission is solely responsible for its finances and the credit of the State of Ohio is not pledged as security for the repayment of the financial obligations of the Turnpike. The Commission is empowered to issue revenue bonds payable solely from Commission revenues.

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

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

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

During March 2003, the GASB issued Statement No. 40, *Deposit and Investment Risk Disclosures (an amendment of GASB Statement No. 3)*. This Statement addresses disclosures related to common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. As an element of interest rate risk, this Statement requires certain disclosures of investments that have fair values that are highly sensitive to changes in interest rates. Deposit and investment policies related to the risks identified in this Statement also should be disclosed. The provisions of this Statement are effective for financial statements of periods beginning after June 15, 2004. The Commission has not determined the impact, if any, that this Statement will have on its financial statements.

During 2003, the Commission implemented GASB Statement No. 41, *Budgetary Comparison Schedules – Perspective Differences (an amendment of GASB Statement No. 34)*. This amendment to Statement No. 34 clarifies the budgetary presentation requirements for governments with significant budgetary perspective differences that result in such governments not being able to present budgetary comparison information for their general fund and major special revenue funds. The implementation of this Statement had no impact on the Commission's financial statements.

During November 2003, the GASB issued Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. This Statement establishes accounting and financial reporting standards for impairment of capital assets. Under provisions of this Statement, a capital asset is considered impaired when its service utility has declined significantly and unexpectedly. This Statement also clarifies and establishes accounting requirements for insurance recoveries. The provisions of this Statement are effective for fiscal periods beginning after December 15, 2004. The Commission has not determined the impact, if any, that this Statement will have on its financial statements.

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

- Invested in capital assets, net of related debt – consisting of capital assets, net of accumulated depreciation and reduced by the outstanding balance of borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted – consisting of net assets, the use of which, is limited by external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, constitutional provisions or enabling legislation.
- Unrestricted net assets – consisting of net assets that do not meet the definition of "invested in capital assets, net of related debt" or "restricted".

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

Investments —Investments are recorded at fair value with all related investment income, including the change in the fair value of investments and realized gains and losses, reflected in the Commission's net income. In the accompanying balance sheet, investments are comprised of U.S. agency and instrumentality securities, certificates of deposit maturing beyond ninety days of purchase and shares in the State Treasurer's Asset Reserve (STAR Ohio).

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

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

Property and Depreciation — Property, roadway, and equipment with an original cost 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, roadways and structures	40
Roadway resurfacing	8-12
Building improvements	10
Machinery and equipment	5-10

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

Capitalization of Interest — Capitalized interest is included in the cost of constructed assets and is depreciated on the straight-line basis over the estimated useful lives of such assets. The amount of interest capitalized is based on the cost of assets under construction and the interest cost of eligible borrowings, less investment earnings, if any, on the related bond proceeds. Interest of $1,894,000 was capitalized for the year ended December 31, 2003.

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

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

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

(2) DEPOSITS AND INVESTMENTS

Deposits

At year-end, the Commission had $232,000 in undeposited cash on hand. The carrying amount of the Commission's deposits at December 31, 2003 was $13,295,000, as compared to bank balances of $16,362,000. Of the bank balances, $1,746,000 was covered by federal depository insurance and the remainder was collateralized with securities held by the Commission's agent in the Commission's name. Such collateral was held in joint custody accounts in the name of the Ohio Turnpike Commission and the pledging financial institution at the Federal Reserve Bank of Boston, Massachusetts.

Investments

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

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

The repurchase agreements listed in Category 1 are overnight repurchase agreements that are fully covered by collateral held in joint custody accounts in the name of the Ohio Turnpike Commission and the pledging financial institution at the Federal Reserve Bank of Boston, Massachusetts. The investments listed in Category 3 are held by The Huntington National Bank ("Trustee") for the payment of interest and principal on the Commission's outstanding bonds as required by the Commission's Master Trust Agreement (see Note 5 below). Assets held by the Trustee as a custodial agent are considered legally separate from the other assets of The Huntington National Bank.

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

At year-end, the Commissions investment balances (in thousands) were as follows:

	Category			Total
	1	2	3	Fair Value
Collateralized Overnight Repurchase Agreements	$ 28,215	$ —	$ —	$ 28,215
U.S. Agency and Instrumentality Securities	60,819	—	24,050	84,869
Subtotals	$ 89,034	$ —	$ 24,050	$ 113,084
Investments not subject to categorization:				
Money Market Mutual Funds				280
State Treasurer's Asset Reserve				2,687
Total Investments				$ 116,051

(3) ACCOUNTS RECEIVABLE

The composition of accounts receivable at December 31, 2003 (in thousands) is summarized as follows:

	Unrestricted	Restricted
Tolls	$ 3,602	$ —
Concessions	1,600	—
Other	592	2
Less: Allowance for Doubtful Accounts	(622)	—
Total Accounts Receivable	$ 5,172	$ 2

(4) CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2003 was as follows (in thousands):

	Balance 1/1/03	Increases	Decreases	Balance 12/31/03
Capital Assets Not Being Depreciated:				
Land	$ 32,078	$ 2,746	$ —	$ 34,824
Construction In Progress	87,751	64,289	(132,006)	20,034
Total Capital Assets Not Being Depreciated	119,829	67,035	(132,006)	54,858
Other Capital Assets:				
Roadway and Structures	1,283,863	99,233	(24,995)	1,358,101
Buildings and Improvements	304,556	27,102	(1,657)	330,001
Machinery and Equipment	41,792	1,481	(1,733)	41,540
Total Other Capital Assets at Historical Cost	1,630,211	127,816	(28,385)	1,729,642
Less Accumulated Depreciation For:				
Roadway and Structures	(433,926)	(39,855)	23,524	(450,257)
Buildings and Improvements	(53,292)	(8,358)	1,349	(60,301)
Machinery and Equipment	(23,706)	(4,328)	1,644	(26,390)
Total Depreciation	**(510,924)**	**(52,541)**	**26,517**	**(536,948)**
Other Capital Assets, Net	**1,119,287**	**75,275**	**(1,868)**	**1,192,694**
Total Capital Assets, Net	**$ 1,239,116**	**$ 142,310**	**$ (133,874)**	**$ 1,247,552**

(5) LONG-TERM OBLIGATIONS

In accordance with Ohio law and the Commission's Master Trust Agreement ("Agreement") dated February 15, 1994, the Commission has issued revenue bonds payable solely from Commission "pledged revenues", as defined by the Agreement. Gross pledged revenues consist of tolls, special toll permits and certain investment revenues. The Commission's outstanding bonds do not constitute general obligations of the Commission or the State of Ohio. Neither the general credit of the Commission or 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 the outstanding bonds.

The Commission also covenants that its "Net Debt Service Coverage Ratio" (annual gross pledged revenues less annual operating, maintenance and administrative costs paid from pledged revenues and the required annual deposit to the expense reserve account, divided by the annual net debt service on its outstanding bonds) will equal at least 120 percent. The Commission also covenants that its "Net Debt Service Coverage Ratio" will equal at least 150 percent during the Fiscal Year immediately preceding the issuance of additional bonds, or during any twelve (12) consecutive calendar months selected by the Commission out of the fifteen (15) consecutive calendar months immediately preceding such issuance. The Commission complied with all of its bond covenants during 2003.

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

On September 30, 1998, the Commission issued $298,575,000 in State of Ohio Turnpike Revenue Refunding Bonds, 1998 Series A, pursuant to the Commission's Master Trust Agreement dated February 15, 1994 and a Fifth Supplemental Trust Agreement dated September 1, 1998. The proceeds from the 1998 Series A bonds were used to advance refund a portion of the 1994 Series A bonds and 1996 Series A bonds totaling $303,110,000 in order to realize economic savings. Investments placed in an irrevocable escrow fund will earn interest and will mature at such times as to provide sufficient funds to pay the interest, principal and premium on the refunded bonds until and upon redemption. Bonds with a principal amount of $69,180,000 will be called for redemption on February 15, 2004 and bonds with a principal amount of $233,930,000 will be called for redemption on February 15, 2006. Neither the escrow funds nor the defeased bonds are included in the accompanying Balance Sheet as of December 31, 2003.

On August 15, 2001, the Commission issued $93,550,000 in State of Ohio Turnpike Revenue Refunding Bonds, 2001 Series B, pursuant to the Commission's Master Trust Agreement dated February 15, 1994 and the Twelfth Supplemental Trust Agreement dated August 15, 2001. The proceeds from the 2001 Series B bonds were used to advance refund a portion of the 1994 Series A bonds and 1996 Series A bonds totaling $95,370,000, in order to realize economic savings. Investments placed in an irrevocable escrow fund will earn interest and will mature at such times as to provide sufficient funds to pay the interest, principal and premium on the refunded bonds until and upon redemption. Bonds with a principal amount of $23,445,000 were called for redemption on February 15, 2004 and bonds with a principal amount of $71,925,000 will be called for redemption on February 15, 2006. Neither the escrow funds nor the defeased bonds are included in the accompanying Balance Sheet as of December 31, 2003

Changes in long-term obligations for the year ended December 31, 2003 are as follows (in thousands):

	Balance 1/1/03	Increases	Decreases	Balance 12/31/03	Amounts Due Within One Year
Revenue Bonds Payable	$ 764,718	$ —	$ (15,540)	$ 749,178	$ 16,700
Compensated Absences	15,875	5,171	(4,937)	16,109	4,027
Claims and Judgements	2,681	8,122	(7,981)	2,822	1,978
Totals	$ 783,274	$ 13,293	$ (28,458)	$ 768,109	$ 22,705

Revenue bonds outstanding at December 31, 2003 are summarized as follows (dollars in thousands):

	Average Yield	
1994 Series A:		
Serial Bonds maturing through 2007	5.11%	$ 12,080
1996 Series A:		
Serial Bonds maturing through 2006	5.20%	23,205
1998 Series A:		
Serial Bonds maturing 2014 through 2021		168,180
Term Bonds due 2024 and 2026		130,395
	4.88%	298,575
1998 Series B:		
Serial Bonds maturing through 2018		104,515
Term Bonds due 2024 and 2028		124,660
	4.88%	229,175
2001 Series A:		
Serial Bonds maturing through 2021		46,980
Term Bonds due 2026 and 2031		50,315
	5.17%	97,295
2001 Series B:		
Serial Bonds maturing through 2013	4.34%	93,550
Total Principal Outstanding	4.89%	753,880
Add / (Subtract):		
Unamortized refunding losses		(27,453)
Unamortized bond premiums - net		22,751
Total Revenue Bonds Payable		$ 749,178

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

Year	Principal	Interest	Total
2004	$ 16,700	$ 38,825	$ 55,525
2005	17,575	37,929	55,504
2006	18,505	36,978	55,483
2007	19,370	36,019	55,389
2008	20,320	35,058	55,378
2009 - 2013	118,475	157,936	276,411
2014 - 2018	155,140	121,918	277,058
2019 - 2023	200,300	75,595	275,895
2024 - 2028	169,630	22,541	192,171
2029 - 2031	17,865	1,439	19,304
Total	$ 753,880	$ 564,238	$ 1,318,118

(6) COMMITMENTS AND CONTINGENCIES

Commitments

The Commission has commitments at December 31, 2003 of approximately $23,294,000 for capital projects and major repairs and replacements. It is anticipated that these commitments will be financed from the Commission's cash balances. However, at the discretion of the Commission, additional bonds may be issued in the future to finance a portion of these costs.

In addition, the Commission has issued purchase orders for goods and services not received amounting to approximately $3,709,000 at December 31, 2003.

Litigation

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

Environmental Matters

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

Collective Bargaining

Approximately 615 full-time, nonsupervisory, field employees in the Commission's Toll Collection and Maintenance Departments and approximately 305 part-time, nonsupervisory, field employees in the Commission's Toll Collection Department are represented by the Teamsters Local Union No. 436, affiliated with the International Brotherhood of Teamsters. The current three-year collective bargaining agreement is effective for the period January 1, 2002 through December 31, 2004 and includes a wage increase of $0.70 per hour effective January 1, 2004 for full-time employees and February 1, 2004 for part-time employees.

(7) DEFINED BENEFIT PENSION PLAN

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

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% per year). Under the MD Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon.
C) The Combined Plan ("CO") – a cost-sharing multiple-employer defined benefit pension plan. Under the CO Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to 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 by state statute per Chapter 145 of the Ohio Revised Code. The OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. During calendar years 2003, 2002 and 2001, the member contribution rate was 8.5 percent of covered payroll and the employer contribution rate was 13.31 percent of covered payroll. The Commission's contributions to the OPERS for all plans (TP, MD and CO) (including contributions for other post-employment benefits described in Note 8) for the years ended December 31, 2003, 2002 and 2001 were $6,640,000, $6,123,000 and $5,808,000, respectively, equal to 100 percent of the required contributions for each year.

(8) OTHER POST-EMPLOYMENT BENEFITS

The Commission provides health care benefits as a post-employment benefit (as defined by GASB Statement No. 12) through its contributions to the OPERS. In addition to the pension benefit described in Note 7, the OPERS provides post-retirement health care benefits to qualifying members of both the TP and CO Plans; however, health care benefits are not statutorily guaranteed. Members of the MD Plan do not qualify for ancillary benefits, including post-employment health care coverage. In order to qualify for post-retirement 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 primary survivor recipients is also available. The health care coverage provided by the OPERS is considered an Other Post-employment Benefit ("OPEB") as described in GASB Statement No. 12.

A portion of each employer's contribution to the OPERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. For the Commission, 5.00 percent of covered payroll was the portion of the 13.31 percent total contribution rate for 2003 that was used to fund health care for the year. The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to the OPERS.

The assumptions and calculations noted below were based on the Retirement System's latest actuarial review performed as of December 31, 2002. An entry-age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of the unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25 percent of unrealized market appreciation or depreciation on investment assets. The assumed rate of return on investments for 2002 was 8.00 percent. An annual increase of 4.00 percent, compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.00 percent base increase, were assumed to range from 0.50 percent to 6.30 percent. Health care costs were assumed to increase 4.00 percent annually.

OPEB provided through the OPERS are advance-funded on an actuarially determined basis. The total number of active contributing participants in the TP and CO Plans was 364,881 at December 31, 2003. The Commission's contributions to the OPERS for other post-employment benefits for the years ended December 31, 2003, 2002 and 2001 were $2,495,000, $2,300,000 and $1,876,000, respectively, equal to 100 percent of the required contributions for each year. The actuarial value of the Retirement System's net assets available for OPEB at December 31, 2002 was $10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were $18.7 billion and $8.7 billion, respectively.

In December 2001, the OPERS adopted the Health Care "Choices" Plan in its continuing effort to respond to the rise in the cost of health care. The Choices Plan is offered to all persons newly hired in an OPERS covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices, as the name suggests, will incorporate a cafeteria approach, offering a more broad range of health care options. The plan uses a graded scale from ten to thirty years of service to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present plan. Each benefit recipient will be free to select the option that best meets his or her needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply his or her allowance toward specific medical expenses, much like a Medical Spending Account.

In response to the adverse investment returns experienced by the OPERS from 2000 through 2002, and the continued staggering rate of health care inflation, the OPERS Board is considering extending "Choices" type cost cutting measures to all active members and benefit recipients. The OPERS Board has not determined the exact changes that will be made to the health care plan. However, changes to the plan are expected to be approved by the summer of 2004.

(9) RISK MANAGEMENT

The Commission is self-insured for workers' compensation and property damage to Commission owned vehicles. The Commission is also self-insured for employee health claims, up to a maximum of $150,000 per covered person per contract year. Employee health benefits are subject to a lifetime maximum benefit of $1 million per covered person for non-bargaining employees and their family members and up to a lifetime limit of $1.25 million per covered person for bargaining unit employees and their family members.

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 including specific, incremental claim adjustment expenses.

"Claims and Judgments" at December 31, 2003 in the accompanying balance sheet are comprised of the estimated liability for workers' compensation claims totaling $1,469,000, the estimated liability for employee health claims totaling $1,251,000, and the estimated liability for miscellaneous claims and judgments totaling $102,000. The Commission is unaware of any unaccrued vehicle damage or unasserted workers' compensation claims at December 31, 2003.

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

	Estimated Claims Payable- Beginning of Year	Current Claims	Claims Payments	Estimated Claims Payable- End of Year
2003	$ 2,681	$ 8,122	$ 7,981	$ 2,822
2002	2,885	7,420	7,624	2,681

The Commission purchases commercial insurance policies in varying amounts for general liability, vehicle liability, bridges, use and occupancy, damage to capital assets other than vehicles, and public officials and employee liability coverage. In addition, the Commission purchases commercial insurance for employee health claims in excess of $150,000 per covered person per contract year, up to a lifetime limit of $1 million per covered person for non-bargaining employees and their family members and up to a lifetime limit of $1.25 million per covered person for bargaining unit employees and their family members. 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.

2003
Statistical Section

Last Ten Fiscal Years (Dollars In Thousands)

	2003	2002	2001
Revenues			
Tolls	$ 179,988	179,200	174,326
Concessions	13,704	12,340	11,547
Special Toll Permits	2,752	2,540	2,614
Leases and Licenses	634	640	555
Other Revenues	399	268	407
Total Operating Revenues	197,477	194,988	189,449
State Fuel Tax Allocation	2,780	2,669	2,328
Investment Income	1,876	4,755	9,498
Total Revenues	**$ 202,133**	**202,412**	**201,275**

	2003	2002	2001
Expenses			
Administration and Insurance	$ 7,166	6,432	6,099
Maintenance of Roadway and Structures	29,127	27,677	24,441
Services and Toll Operations	43,769	42,068	37,305
Traffic Control, Safety, Patrol and Communications	13,136	12,474	11,966
Major Repairs and Replacements	3,775	5,580	5,219
Total Operating Expenses Before Depreciation	96,973	94,231	85,030
Depreciation	52,541	47,888	43,225
Total Operating Expenses	**149,514**	**142,119**	**128,255**
Loss on Disposals of Fixed Assets	1,859	1,957	4,092
Interest Expense	40,306	37,113	32,404
Capital Outlay, Major Repairs and Replacements	—	—	—
Debt Service	—	—	—
Total Expenses (Expenditures for Years 1994-1995)	**$ 191,679**	**181,189**	**164,751**

Notes:

(1) 9% toll rate increase effective January 1, 1999.
(2) 10% toll rate increase effective January 1, 1998.
(3) 20% toll rate increase effective January 1, 1997.
(4) 15% toll rate increase effective January 1, 1996.
(5) 10% toll rate increase effective July 1, 1995.
(6) 1996 and 1997 have been restated from modified accrual to accrual basis accounting in connection with the adoption of the proprietary reporting model.

2000	1999	1998	1997	1996	1995	1994
176,772	176,430 (1)	156,175 (2)	138,577 (3)	118,785 (4)	102,004 (5)	94,442
10,538	7,949	7,406	7,666	7,901	7,933	7,089
2,692	2,731	2,748	2,735	2,769	2,680	2,337
369	424	1,198	809	949	537	521
223	254	282	265	231	132	186
190,594	187,788	167,809	150,052	130,635	113,286	104,575
2,360	2,381	2,274	2,329	2,368	2,262	2,080
16,783	15,936	16,307	19,401	16,323	7,616	5,410
209,737	**206,105**	**186,390**	**171,782**	**149,326**	**123,164**	**112,065**

8,555	7,640	7,044	6,978 (6)	6,077 (6)	6,526	6,663
27,559	27,140	21,746	23,415	24,927	24,213	22,836
36,420	33,405	27,882	27,258	27,473	26,842	25,667
10,900	11,430	10,566	10,477	10,701	10,085	8,917
3,384	2,271	1,210	3,573 (6)	1,086 (6)	—	—
86,818	81,886	68,448	71,701	70,264	67,666	64,083
39,062	34,576	31,216	23,586	20,352	—	—
125,880	**116,462**	**99,664**	**95,287**	**90,616**	**67,666**	**64,083**
4,006	4,502	1,003	1,604 (6)	— (6)	—	—
33,126	32,783	27,630	16,187 (6)	15,935 (6)	—	—
—	—	—	—	—	56,601	51,938
—	—	—	—	—	8,474	5,408
163,012	**153,747**	**128,297**	**113,078**	**106,551**	**132,741**	**121,429**



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Revenue Bond Coverage

Last Ten Fiscal Years (Dollars In Thousands)

	2003	2002	2001
Pledged Revenues (1)	**$ 184,363**	**186,159**	**184,573**
Operating, Maintenance and Administrative Expenses Paid from Pledged Revenues:			
Administration and Insurance	7,166	6,432	6,099
Maintenance of Roadway and Structures	27,137	26,236	23,321
Services and Toll Operations	38,787	37,401	34,355
Traffic Control, Safety, Patrol and Communications	13,136	12,474	11,966
Total	86,226	82,543	75,741
Deposit to Reserve Account	324	27	(76)
Net Revenues Available for Debt Service	**$ 97,813**	**103,589**	**108,908**
Debt Service Requirements:			
Principal	16,577	15,857	14,247
Interest	39,378	40,286	37,641
Interest Earned	(215)	(353)	(690)
Total Debt Service Requirements	**$ 55,740**	**55,790**	**51,198**
Calculated Coverage (see Note 5 to the financial statements)	**1.75**	**1.86**	**2.13**

Notes:

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

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

2000	1999	1998	1997	1996	1995	1994
190,944	**190,846**	**169,204**	**156,768**	**135,567**	**106,807**	**98,491**
8,555	7,640	7,044	6,978 (2)	6,077 (2)	6,526	6,663
26,190	27,140	21,746	23,415	24,927	24,213	22,836
34,325	33,405	27,882	27,258	27,473	26,842	25,667
10,897	11,430	10,566	10,477	10,701	10,085	8,917
79,967	79,615	67,238	68,128	69,178	67,666	64,083
535	555	121	92	297	187	—
110,442	**110,676**	**101,845**	**88,548**	**66,092**	**38,954**	**34,408**
12,956	13,125	10,039	7,682	4,721	1,968	1,508
36,526	36,508	28,324	26,650	19,202	6,666	5,594
(2,901)	(3,794)	(2,954)	(2,818)	(1,740)	(707)	(538)
46,581	**45,839**	**35,409**	**31,514**	**22,183**	**7,927**	**6,564**
2.37	**2.41**	**2.88**	**2.81** (2)	**2.98** (2)	**4.91**	**5.24**


Photos by: Cleveland Advertising Professionals

Last Ten Fiscal Years

	2003	2002	2001
Number of Vehicles in Thousands:			
Passenger Cars	39,196	38,614	37,036
Commercial Vehicles	9,086	9,093	8,864
Total	**48,282**	**47,707**	**45,900**
Percentage of Vehicles:			
Passenger Cars	81.2%	80.9%	80.7%
Commercial Vehicles	18.8%	19.1%	19.3%
Number of Miles in Thousands:			
Passenger Cars	2,019,385	1,994,626	1,913,889
Commercial Vehicles	814,385	814,978	803,853
Total	**2,833,770**	**2,809,604**	**2,717,742**
Percentage of Miles:			
Passenger Cars	71.3%	71.0%	70.4%
Commercial Vehicles	28.7%	29.0%	29.6%
Toll Revenue in Thousands:			
Passenger Cars	$ 78,837	$ 77,904	$ 74,710
Commercial Vehicles	101,151	101,296	99,616
Total	**$ 179,988**	**$ 179,200**	**$ 174,326**
Percentage of Toll Revenue:			
Passenger Cars	43.8%	43.5%	42.9%
Commercial Vehicles	56.2%	56.5%	57.1%
Average Miles per Trip:			
Passenger Cars	51.5	51.7	51.7
Commercial Vehicles	89.6	89.6	90.7
Average Toll Revenue per Trip:			
Passenger Cars	$ 2.01	$ 2.02	$ 2.02
Commercial Vehicles	$ 11.13	$ 11.14	$ 11.24
Average Toll Revenue per Mile:			
Passenger Cars	$ 0.04	$ 0.04	$ 0.04
Commercial Vehicles	$ 0.12	$ 0.12	$ 0.12

	2000	1999	1998	1997	1996	1995	1994
	36,289	35,903	35,064	32,795	32,878	33,718	32,395
	9,286	9,154	8,525	8,234	8,466	8,589	8,370
	45,575	**45,057**	**43,589**	**41,029**	**41,344**	**42,307**	**40,765**
	79.6%	79.7%	80.4%	79.9%	79.5%	79.7%	79.5%
	20.4%	20.3%	19.6%	20.1%	20.5%	20.3%	20.5%
	1,851,766	1,820,823	1,797,105	1,703,800	1,701,542	1,715,389	1,639,651
	850,533	836,591	772,424	751,772	781,674	797,785	777,270
	2,702,299	**2,657,414**	**2,569,529**	**2,455,572**	**2,483,216**	**2,513,174**	**2,416,921**
	68.5%	68.5%	69.9%	69.4%	68.5%	68.3%	67.8%
	31.5%	31.5%	30.1%	30.6%	31.5%	31.7%	32.2%
	$ 72,356	$ 71,017	$ 64,480	$ 56,281	$ 46,731	$ 39,486	$ 35,711
	104,416	105,413	91,695	82,296	72,054	62,518	58,731
	$ 176,772	**$ 176,430**	**$ 156,175**	**$ 138,577**	**$ 118,785**	**$ 102,004**	**$ 94,442**
	40.9%	40.3%	41.3%	40.6%	39.3%	38.7%	37.8%
	59.1%	59.7%	58.7%	59.4%	60.7%	61.3%	62.2%
	51.0	50.7	51.3	52.0	51.8	50.9	50.6
	91.6	91.4	90.6	91.3	92.3	92.9	92.9
	$ 1.99	$ 1.98	$ 1.84	$ 1.72	$ 1.42	$ 1.17	$ 1.10
	$ 11.24	$ 11.52	$ 10.76	$ 9.99	$ 8.51	$ 7.28	$ 7.02
	$ 0.04	$ 0.04	$ 0.04	$ 0.03	$ 0.03	$ 0.02	$ 0.02
	$ 0.12	$ 0.13	$ 0.12	$ 0.11	$ 0.09	$ 0.08	$ 0.08

Vehicles and Toll Revenue

Last Ten Fiscal Years (In Thousands)

Class	Gross Weight Classification (Pounds)	2003	2002	2001
Vehicles				
1	— - 7,000	39,196	38,614	37,036
2	7,001 - 16,000	1,445	1,404	1,322
3	16,001 - 23,000	473	435	419
4	23,001 - 33,000	1,438	1,486	1,496
5	33,001 - 42,000	1,092	1,112	1,099
6	42,001 - 53,000	1,210	1,193	1,157
7	53,001 - 65,000	1,223	1,251	1,254
8	65,001 - 78,000	1,949	1,957	1,892
9	78,001 - 90,000	193	183	160
10	90,001 - 115,000	55	64	58
11	115,001 - 127,400	8	8	7
Subtotal		48,282	47,707	45,900
Add Non-Revenue*		272	345	402
Total Vehicles		**48,554**	**48,052**	**46,302**
Toll Revenue				
1	— - 7,000	$ 78,837	$ 77,904	$ 74,710
2	7,001 - 16,000	6,104	5,884	5,506
3	16,001 - 23,000	2,422	2,247	2,205
4	23,001 - 33,000	8,752	9,082	9,381
5	33,001 - 42,000	10,045	10,434	10,596
6	42,001 - 53,000	14,649	14,542	14,324
7	53,001 - 65,000	18,514	19,069	19,195
8	65,001 - 78,000	36,427	36,023	35,142
9	78,001 - 90,000	6,052	5,572	5,085
10	90,001 - 115,000	3,212	3,584	3,290
11	115,001 - 127,400	538	561	490
Subtotal		185,552	184,902	179,924
Deduct Volume Discounts		(5,564)	(5,702)	(5,598)
Total Toll Revenue		**$179,988**	**$179,200**	**$174,326**

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

2000	1999	1998	1997	1996	1995	1994
36,289	35,903	35,064	32,795	32,878	33,718	32,395
1,326	1,270	1,182	1,093	1,080	1,102	1,039
456	448	408	384	378	377	363
1,579	1,511	1,359	1,314	1,362	1,398	1,321
1,215	1,146	1,014	963	961	953	914
1,221	1,169	1,042	991	1,018	1,016	981
1,359	1,234	1,071	1,059	1,109	1,128	1,089
1,943	2,144	2,172	2,138	2,253	2,295	2,354
130	163	189	202	210	218	211
48	60	79	81	86	93	88
9	9	9	9	9	9	10
45,575	45,057	43,589	41,029	41,344	42,307	40,765
580	537	605	617	536	238	238
46,155	**45,594**	**44,194**	**41,646**	**41,880**	**42,545**	**41,003**

$ 72,356	$ 71,017	$ 64,480	$ 56,281	$ 46,731	$ 39,486	$ 35,711
5,601	5,372	4,598	3,855	3,159	2,669	2,370
2,482	2,426	1,974	1,664	1,360	1,124	1,026
10,086	9,360	7,557	6,667	5,917	5,094	4,528
12,035	11,172	8,768	7,589	6,350	5,350	4,902
15,322	14,703	11,707	10,108	8,691	7,232	6,551
20,845	18,552	14,642	13,185	11,641	9,830	9,040
35,841	39,883	36,701	33,191	29,572	25,157	24,514
4,257	5,275	5,633	5,614	4,692	4,029	3,758
2,974	3,724	4,361	4,059	3,497	3,154	2,926
663	730	622	620	509	396	408
182,462	182,214	161,043	142,833	122,119	103,521	95,734
(5,690)	(5,784)	(4,868)	(4,256)	(3,334)	(1,517)	(1,292)
$176,772	**$176,430**	**$156,175**	**$138,577**	**$118,785**	**$102,004**	**$ 94,442**

Activity by Interchange

Last Ten Fiscal Years (In Thousands)

Milepost	Name		2003	2002	2001
2	Westgate		7,511	7,430	7,118
13	Bryan-Montpelier		729	725	730
25	Archbold-Fayette	(6)	426	416	387
34	Wauseon		794	781	752
39	Delta-Lyons	(4)	530	503	456
52	Toledo Airport-Swanton		1,634	1,652	1,562
59	Maumee-Toledo		4,717	4,879	4,644
64	Perrysburg-Toledo		4,989	4,723	4,185
71	Stony Ridge-Toledo		6,060	6,214	6,121
81	Elmore-Woodville-Gibsonburg	(5)	693	682	621
91	Fremont-Port Clinton		1,788	1,803	1,728
110	Sandusky-Bellevue	(2)	1,447	1,408	1,370
118	Sandusky-Norwalk		1,885	1,828	1,815
135	Vermilion	(3)	956	955	933
142	Lorain County West		2,741	2,790	2,691
145	Lorain-Elyria		6,135	6,287	6,195
151	North Ridgeville-Cleveland		5,482	5,608	5,551
152	North Olmsted-Cleveland		2,003	1,891	1,888
161	Strongsville-Cleveland		6,344	6,066	5,971
173	Cleveland		6,197	5,700	5,013
180	Akron		4,465	4,318	3,986
187	Streetsboro		6,108	5,947	5,825
193	Ravenna	(1)	1,468	1,413	1,346
209	Warren		1,868	1,857	1,837
215	Lordstown West		552	529	488
216	Lordstown East		363	355	328
218	Niles-Youngstown		7,991	7,958	7,729
232	Youngstown		1,473	1,468	1,442
234	Youngstown-Poland		1,180	1,181	1,188
239	Eastgate		8,036	8,047	7,900

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

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

2000	1999	1998	1997	1996	1995	1994
7,101	6,951	6,731	6,485	6,520	6,579	6,258
713	719	735	742	724	756	733
375	342	37	—	—	—	—
754	729	848	876	1,007	1,018	997
463	420	381	332	9	—	—
1,493	1,421	1,370	1,343	1,433	1,414	1,353
4,550	4,557	4,510	4,404	4,544	4,527	4,507
4,117	4,062	3,809	3,644	3,561	3,530	3,551
6,297	5,815	5,546	5,160	5,709	6,117	5,610
642	590	520	379	—	—	—
1,843	1,826	1,769	1,765	2,059	2,063	2,165
1,392	1,246	1,107	957	972	848	26
1,872	1,883	1,887	1,675	1,958	2,189	2,479
902	880	793	805	895	28	—
2,645	2,577	2,445	2,392	2,509	2,453	2,356
6,030	6,061	6,022	5,432	5,216	6,333	6,346
5,509	5,377	5,169	4,790	4,590	5,099	5,276
1,821	1,814	1,701	1,446	1,612	1,669	1,526
6,007	6,106	6,153	5,750	5,757	5,783	5,683
4,964	5,006	5,036	4,746	4,868	5,018	4,879
3,869	3,911	3,920	3,681	3,826	3,840	3,703
5,707	5,609	5,372	5,061	5,003	5,096	5,068
1,312	1,260	1,146	984	943	855	54
1,876	1,964	1,984	1,808	1,684	1,994	2,050
497	528	511	521	604	584	546
356	387	297	304	334	354	352
7,684	7,523	7,118	6,771	6,546	6,711	6,564
1,512	1,524	1,473	1,411	1,506	1,560	1,457
1,097	1,204	1,167	1,103	1,073	1,071	1,080
7,750	7,822	7,620	7,288	7,225	7,135	6,911

Traffic Accident Statistics

Last Ten Fiscal Years

	2003	2002	2001
All Accidents:			
Number	2,433	2,373	2,092
Rate	85.9	84.5	77.0
Property Damage Accidents:			
(Greater than $150)			
Number	1,965	1,947	1,698
Rate	69.3	69.3	62.5
Personal Injury Accidents:			
Number	459	416	381
Rate	16.2	14.8	14.0
Number Injured	699	628	602
Injury Rate	24.7	22.4	22.2
Fatal Accidents:			
Number	9	10	13
Rate	.3	.4	.5
Fatalities	10	10	14
Fatality Rate	.4	.4	.5

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

Source - Ohio State Highway Patrol accident statistics.

2000	1999	1998	1997	1996	1995	1994
2,443	2,303	1,889	2,035	2,248	2,019	1,978
90.4	86.7	73.5	82.9	90.5	80.3	81.8
1,936	1,787	1,472	1,596	1,763	1,587	1,577
71.6	67.2	57.3	65.0	71	63.1	65.2
496	508	410	434	473	421	389
18.4	19.1	16.0	17.7	19	16.8	16.1
840	801	682	716	780	700	682
31.1	30.1	26.5	29.2	31.4	27.9	28.2
11	8	7	5	12	11	12
.4	.3	.3	.2	.5	.4	.5
12	8	8	10	13	12	19
.4	.3	.3	.4	.5	.5	.8

Miscellaneous Data and Statistics

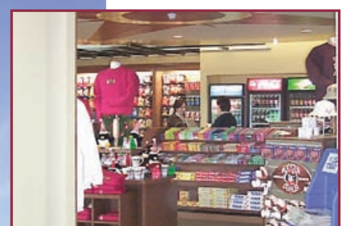
December 31, 2003

Effective Date of Ohio Turnpike Act		September 1, 1949
Ohio Turnpike Commission organized		September 8, 1949
Eastern-most 22-mile section of Turnpike opened to traffic		December 1, 1954
Remaining 219 miles of Turnpike opened to traffic		October 1, 1955
Revenue bonds sold to construct Turnpike	$326,000,000	July 29, 1952
1984 Refunding Revenue Bonds sold	$4,810,000	September 19, 1984
Last of 1952 Revenue Bonds retired		December 1, 1984
1984 Refunding Revenue Bonds retired		June 1, 1992
1994 Revenue Bonds sold	$125,000,000	March 10, 1994
1996 Revenue Bonds sold	$370,000,000	June 20, 1996
1998A Refunding Revenue Bonds sold	$298,575,000	September 30, 1998
1998B Revenue Bonds sold	$250,000,000	October 6, 1998
2001A Revenue Bonds sold	$100,000,000	July 25, 2001
2001B Revenue Refunding Bonds sold	$93,550,000	August 15, 2001
Length of the James W. Shocknessy Ohio Turnpike		241.26 miles
Number of lane miles		1,316.60 miles
Total land area of right of way		9,948.5233 acres

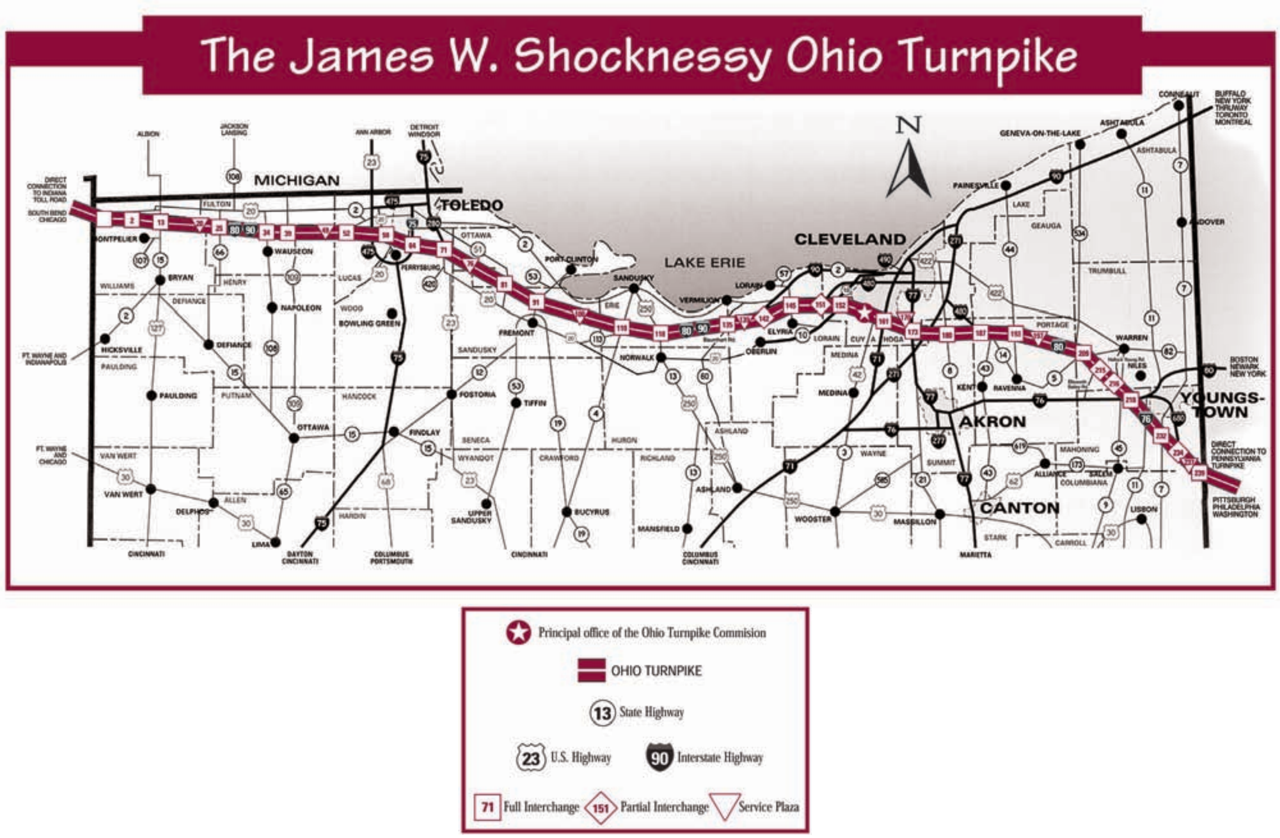
Facilities:		
Interchanges		
Toll	28	
Barrier	2	
Total	30	
Service Plazas		16
Maintenance buildings		8
Administration Building		1
Number of structures over or under the Turnpike:		
Other highways or interchange ramps	399	
Railroads	69	
Rivers and streams	80	
Total	548	
Number of employees:		
Full-time		924
Part-time		328

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

Total copies printed: 600 Unit Cost: $6.82 Publication date: March 2004



The **Ohio** *Turnpike Commission*



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