

Ohio Turnpike Commission

Senate Highways and Transportation Committee

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March 14, 2007

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LSC Redbook
for the
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- Total 2007 budget of \$233 million
- \$45 million in capital expenditures over 2007
- Moving forward with E-ZPass toll collection system
- Construction to continue on third lane
- Possible future replacement of original concrete base

OVERVIEW

The Ohio Turnpike is a publicly built toll east-west expressway across northern Ohio. The Ohio Turnpike was built during the 1950s by the Ohio Turnpike Commission (OTC) which continues to own and operate it. The Commission's mission is to operate and maintain a user-fee supported highway with sound financial management that provides motorists and travelers with safe, modern, and helpful services. Since the Turnpike opened, OTC has contracted with the Ohio State Highway Patrol (District 10), to provide law enforcement and assistance to disabled or stranded motorists. Recently, the Turnpike has reconstructed several of its service plazas and nearly completed construction of a third lane.

OTC is not a state agency and is not appropriated money from any state funds included within the transportation budget or main operating budget. The following overview presents information that legislators may find helpful in reviewing the Turnpike's operations.

Recent Legislative Changes

Am. Sub. H.B. 699 of the 126th General Assembly made several changes to oversight of the Ohio Turnpike Commission. Below is a list of changes and new responsibilities imposed by that act. It:

- Allows the chairperson of the Turnpike Oversight Committee to determine the location of Oversight Committee meetings, rather than requiring at least three of the required quarterly meetings to be held at sites located along a turnpike project as determined by the Oversight Committee chairperson;
- Renames the Turnpike Oversight Committee as the Turnpike Legislative Review Committee;
- Requires the Turnpike Commission, upon request of the appropriate chairpersons, to appear at least one time before the House and Senate transportation committees during the time the General Assembly is considering the biennial transportation budget and provide testimony concerning the Turnpike budget;
- Revises the current requirement for the Turnpike Commission to submit its annual proposed budget for executive and legislative review by requiring submission 30 to 60 days before adoption of the budget; also requires the Office of Budget and Management (OBM) to review the proposed budget of the Turnpike Commission and permits OBM to make recommendations to the Commission for its consideration;
- Requires the Turnpike Commission to notify the Governor and legislative leaders prior to increasing or temporarily decreasing tolls and also prior to acting to expand the sphere of responsibility of the Commission beyond the Ohio Turnpike;
- Requires the Turnpike Commission to submit to OBM, for the Director's review and approval, specified information regarding any proposed sale of obligations;

- Expands the membership of the Ohio Turnpike Commission to include the Director of Budget and Management and the Director of Development as ex officio, voting members.

Toll Rate Changes

Effective January 1, 2007, the Turnpike Commission increased tolls for cars and trucks traveling along the Turnpike. Based on news releases discussing the issue, the toll for cars is increased from 3.7 cents per mile to 4.2 cents, and tolls for Class 8 trucks (weighing between 65,001 – 80,000 pounds) are increased from 12.9 cents to 13.9 cents. Overall, under the new tolls, a car traveling the Turnpike's full 241-mile length will pay \$10.25 instead of the past \$8.95, while a Class 8 trucker (fully loaded standard 18-wheeler) will pay \$33.50 instead of the former \$31. In 1999, Class 8 trucks were paying a total of \$42.45 to travel across the entire Turnpike.

Use of New Toll Rate Revenue

Based on information from the Commission, OTC plans to use the new toll rates to complete the remaining 12 miles of the third-lane project, the replacement of original 1955 service plazas at the eastern and western ends of the Turnpike, and the eventual replacement of the original concrete base of the highway. Revenues will also be used to continue implementation of the E-ZPass electronic toll collection system over the next few years.

FY 2007 Adopted Budget

The Ohio Turnpike Commission's 2007 annual budget was adopted on December 18, 2006, under Resolution No. 50-2006. The following table displays OTC's budget.

OTC also adopted Resolution No. 49-2006 on December 18, 2006, that authorizes the transfers of revenues from the Systems Projects Fund, Renewal and Replacement Fund, Fuel Tax Fund, and Service Plazas and Capital Improvements Reserve Fund to be available for capital expenditures. The Commission has recommended a list of 2007 capital projects totaling \$45,970,000.

Table 1: OTC 2007 Adopted Budget	
	FY 2007
Revenue Sources	
Tolls	\$207,594,000
Concessions	\$14,863,200
Investments	\$6,685,000
Fuel Tax	\$2,800,000
Other	\$1,240,000
Total Revenues	\$233,183,000
Expenditures	
Administration and Maintenance	\$9,578,200
Maintenance of Roadway and Structures	\$37,398,300
Service and Toll Operations	\$53,517,900
Traffic Control, Safety, Patrol, & Communication	\$15,226,660
Debt Service Payments	\$55,585,000
Total Expenditures	\$171,306,000
Transfers	
Expense Reserve	\$326,000
Non-Trust Fund	\$700,000
Fuel Tax Fund	\$2,900,000
Service Plazas Capital Improvement Reserve	\$559,400
Renewal and Replacement Fund	\$7,300,000
Systems Projects Fund	\$50,091,600
Total Transfers	\$61,877,000
Total Expenditures and Transfers	\$233,183,000