Ohio Turnpike and Infrastructure Commission

(A Component Unit of the State of Ohio)

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEARS ENDED December 31, 2022 and 2021

PREPARING THE OHIO TURNPIKE FOR OPEN ROAD TOLLING

ISSUED BY: CFO/COMPTROLLER'S OFFICE

OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Commission Members
Oho Turnpike and Infrastructure Commission
682 Prospect Street
Berea, Ohio 44017

We have reviewed the *Independent Auditor's Report* of the Oho Turnpike and Infrastructure Commission, Cuyahoga County, prepared by Plante & Moran, PLLC, for the audit period January 1, 2022 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Oho Turnpike and Infrastructure Commission is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

June 20, 2023

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Ohio Turnpike and Infrastructure Commission

MEMBERS AND OFFICERS

AS OF DECEMBER 31, 2022

JERRY N. HRUBY
Chairman

TIMOTHY J. PARADISO
Vice Chairman

SANDRA K. BARBER
Secretary-Treasurer

GUY COVIELLO
Member

BILL REINEKE
Ohio Senate Member

HARAZ N. GHANBARI
Ohio House Member

KIMBERLY MURNIEKS
Director of Office of Budget and Management,
Member Ex-Officio

JACK MARCHBANKS, PH.D.
Director of Transportation,
Member Ex-Officio

FERZAN M. AHMED, P.E.
Assistant Secretary-Treasurer/Executive Director

CONSULTING ENGINEERS: AECOM Technical Services, Inc.

TRUSTEE: The Huntington National Bank, Cleveland OH

PREPARED BY: CFO/Comptroller's Office and the Office of Marketing and Communications

Ohio Turnpike and Infrastructure Commission

(A Component Unit of the State of Ohio)

2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT

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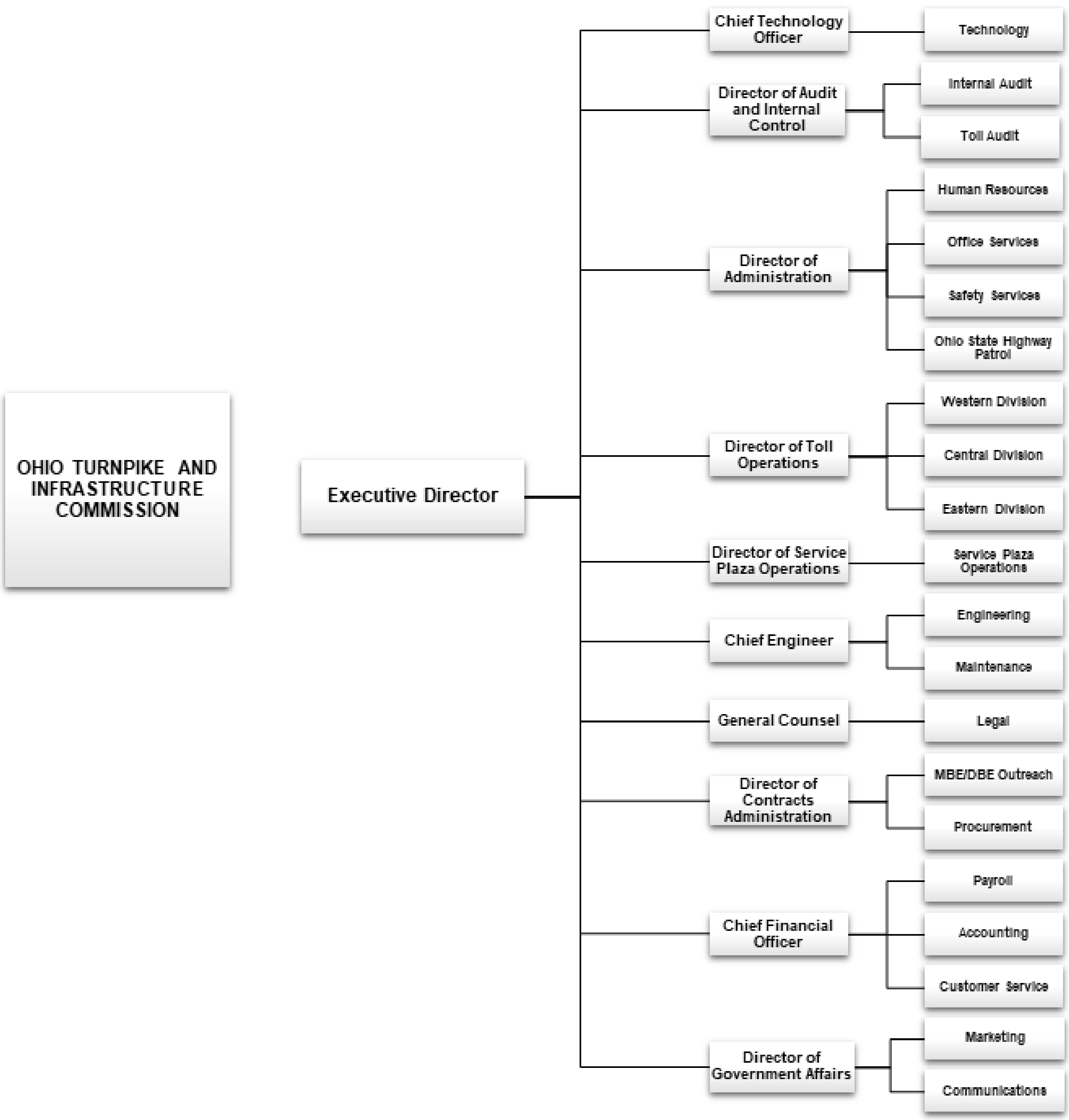


MEMBERS AND STAFF

Ohio Turnpike and Infrastructure Commission Members (as of December 31, 2022)

		APPOINTED	TERM EXPIRATION
JERRY N. HRUBY*	Chairman	08/27/21	06/30/26
TIMOTHY J. PARADISO*	Vice Chairman	07/01/18	06/30/23
SANDRA K. BARBER	Secretary – Treasurer	07/01/19	06/30/24
GUY COVIELLO	Member	03/22/18	06/30/23
VICKIE EATON JOHNSON	Member	06/15/18	06/30/22
JACK MARCHBANKS**	Director of Transportation	01/14/19	—
KIMBERLY MURNIEKS**	Director, Office of Budget and Management	01/14/19	—
BILL REINEKE***	Senate Member	01/19/21	12/31/24
HARAZ N. GHANBARI***	House Member	06/04/21	12/31/24

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

Ohio Turnpike and Infrastructure Commission Senior Staff

Ferzan M. Ahmed, P.E.	Executive Director
Matthew Cole	Director of Administration
Laurie Davis	Director of Toll Operations
Adam Greenslade	Director of Government Affairs
Andrew Herberger	Director of Service Plaza Operations
Aimee Lane	Director of Contracts Administration
Christopher Matta, P.E.	Chief Engineer
Lisa Mejac	Chief Financial Officer
David Miller	Director of Audit and Internal Control
Jennifer Monty Rieker	General Counsel
Chriss Pogorelc	Chief Information Officer

Chairman's Letter

JERRY N. HRUBY

OPERATING REVENUES AND VEHICLE MILES TRAVELED SET RECORDS IN 2022

During the Ohio Turnpike and Infrastructure Commission's 67th year of operation in 2022, several financial and traffic records were set.

In 2022, total operating revenues, which includes tolls, concessions, special toll permits, leases and licenses, and other revenues, set a record of $390,284,248, up nearly $16.6 million or more than 4.4 percent compared to 2021.

Toll revenues collected in 2022 set a record of $351,472,027, an increase of $9.9 million or 2.9 percent from 2021. In addition, concession revenues of $15,511,931 increased by $0.4 million, up 2.6 percent.

Toll revenue accounts for more than 90 percent of funding for the Commission.

Despite a fourth quarter decline, the combined number of vehicle miles traveled on the Ohio Turnpike by passenger car and commercial truck customers set a record in 2022.

Last year, the total number of vehicle miles traveled was a record 3,063,794,240, up 0.7 percent from 2021. Passenger cars traveled 1,841,860,121 miles, up 0.1 percent; and commercial vehicles traveled a record 1,221,934,119 miles, up 1.5 percent from 2021.

The total number of vehicles that traveled on the Ohio Turnpike in 2022 was 49,567,827, which included 36,736,443 passenger cars, up 0.6 percent; and a record 12,831,384 commercial vehicles, up 0.1 percent. Fourth quarter 2022 numbers declined for both passenger cars and commercial trucks.

THE OHIO TURNPIKE—*AN ECONOMIC ENGINE*

As an economic engine, the 241-mile Ohio Turnpike is an essential east-west corridor for the safe and efficient transport of passenger vehicles and commercial trucking freight, a generator of tax revenue, and a job creator in northern Ohio and beyond.

In 2022, the Commission's direct business operations alone generated an estimated $750 million in economic activity. This does not include the Infrastructure funding spent on local Ohio Department of Transportation projects.

This figure represents more than $390 million in revenue, and about $359 million in revenue from gasoline and diesel sales and concessions is generated by the contracted vendors at the 14 service plazas.

Our service plazas are also responsible for generating a significant amount of sales tax revenue for the counties where they are located.

An estimated $172 million in state and federal fuel taxes was generated from vehicle miles driven by passenger cars and commercial trucks traveling on the Ohio Turnpike in 2022. These funds return to state and local governments for transportation projects.

Last year, about 66 million gallons of gasoline and diesel fuel was sold at the Ohio Turnpike's 14 service plazas, which generated about $28 million in fuel taxes for the state. Of that, the Commission received more than $3.3 million in revenue or about $.05 per gallon. Fuel sold on the Ohio Turnpike also generated approximately $14 million in federal taxes.

In addition to our 803 employees (613 full-time and 190 part-time) in 2022, the Ohio Turnpike created an estimated 1,200 jobs for workers affiliated with our service plazas.

COMMISSION RECEIVES HIGH MARKS FROM THE GLOBAL CREDIT RATING INDUSTRY

To reduce our financing costs with more favorable interest rate terms, the Commission refinanced $356,326,000 from its 2013 Series A Junior-lien Revenue Bonds with $310,220,000 from the sale of its 2022 Series A Junior-lien Revenue Refunding Bonds (forward delivery) in February 2022. The refunding transaction closed last November.

The refunding transaction was a huge success. It reduced the Commission's future Junior-lien debt service payments by about $92.3 million, which is a net present value savings of $75.3 million or 20.9 percent of refunded par.

Prior to the issuance, S&P Global Ratings affirmed its AA- Senior and A+ Junior lien ratings; Fitch Ratings affirmed its AA Senior and A+ Junior lien ratings; and Moody's Investors Service affirmed its Aa2 Senior and Aa3 Junior lien ratings. (The Senior-lien Bonds provide funds to pay for and reimburse the cost of capital improvements on the Ohio Turnpike; and the Junior-lien Bonds pay for other state infrastructure projects established by House Bill 51 in 2013.)

The interest rate received by the Commission to refund its Junior-lien Revenue Bonds last year is a direct result of our high credit ratings, which historically are among the highest ratings for the Commission as well as all major toll agencies in the country.

BENEFITS OF *E-ZPASS*®

E-ZPass use on the Ohio Turnpike continued to increase in 2022. Last year, 63.2 percent of our passenger car customers used *E-ZPass*, an increase of 2.3 percent compared to 2021; and 89.3 percent of our commercial truck customers used *E-ZPass,* up 1.3 percent from 2021.

E-ZPass began providing discounted tolls and more efficient travel on the Ohio Turnpike in 2009. To promote *E-ZPass* over the years, we have established partnerships with Ohio retailers—and today *E-ZPass* is available for purchase at 437 retail locations in 53 Ohio counties.

There are now more than 593,000 active Ohio *E-ZPass* accounts. By taking advantage of discounted tolls, our *E-ZPass* customers have saved about $742 million in toll fees since 2009.

ACKNOWLEDGEMENTS

All our department directors and the entire management team deserve a lot of credit for the milestones we achieved last year. From the Executive Director to the staff who are out there every day performing maintenance work and collecting tolls, everyone combined working together is doing a remarkable job. No one is more important than the other. Everyone shares in the credit for this outstanding past year.

I would also like to reflect upon our recent staff changes in our Finance and Legal departments. The new employees have done a marvelous job transitioning to their new positions.

When it comes to motorist safety, assisting crash victims, or handling other emergencies on the Ohio Turnpike, we truly appreciate the support from our local government agencies and fire departments along the Ohio Turnpike corridor for the services they provide.

Over the past year, we thank Gov. Mike DeWine for his continued support and his openness to work with the Commission. We appreciate the support from Commission members, Sen. Bill Reineke and Rep. Haraz Ghanbari, as well as the rest of my colleagues on the Commission for their commitment and diligence in attending our monthly Commission meetings.

We can all look back and be proud of our accomplishments this past year. We look forward to next year, which will be a great year of change moving us ahead with a new state-of-the-art Toll Collection System that will benefit both our traveling customers and employees with a more efficient toll road across northern Ohio.

Executive Director's Year-in-Review

FERZAN M. AHMED, P.E.

TOLL COLLECTION SYSTEM MODERNIZATION CONTINUES

In 2022, travelers on the Ohio Turnpike began seeing a glimpse of the new Toll Collection System (TCS) — from the new construction and renovation of four mainline toll plazas to the lane conversions and the removal of gates at the toll plaza interchanges. It's the largest construction project in the history of the Ohio Turnpike since its completion in October 1955.

Our new toll system will be a hybrid flat-rate barrier and distance-based ticketed system that will incorporate Open Road Tolling (ORT). Our *E-ZPass*® customers will be able to travel at highway speeds without stopping through designated *E-ZPass* lanes across the entire 241-mile Ohio Turnpike. Customers without an *E-ZPass* will still have the option to stop for a ticket and pay with cash or by credit card when they exit. The modernization of the TCS will enhance the driving and tolling experience for our passenger car and commercial truck customers.

The TCS modernization work continued with the construction of the new Westgate Barrier Toll Plaza in Edon (Williams County) at milepost 4 and Newton Falls Toll Plaza at milepost 211 (Trumbull County). The Eastgate Toll Plaza in New Springfield (Mahoning County) at milepost 239 will be converted to the Eastgate Barrier Toll Plaza in 2023. The newly constructed Swanton Toll Plaza at milepost 49 (Lucas County), which was completed in 2021, is being used for testing components of the new system. The two new mainline barrier toll plazas at milepost 49 and milepost 211 will be the ends of the middle section of the Ohio Turnpike that will be the closed ticketed system.

Additional projects, under the TCS modernization plan, began to convert existing lanes at 20 interchanges from toll plazas 52 to 209. The lane conversion project includes the installation of new electronic tolling equipment, the removal of all entrance gates, and the removal of gates in *E-ZPass* only exit lanes. Under the new TCS plan, the number of toll plazas will be reduced from 31 to 24. There will be nine toll plazas in the east and the west that will be shut down and no longer have tolls. However, access will be maintained at each of these interchanges.

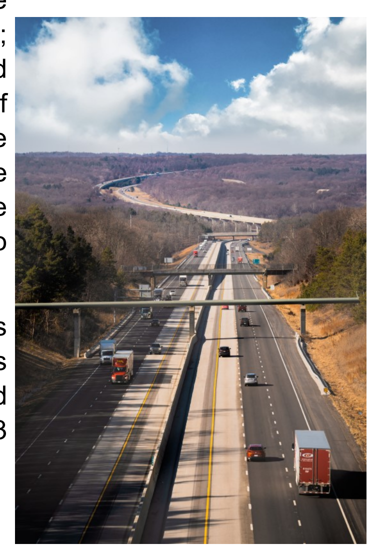
To assist motorists, new Patron Dynamic Message Signs (PDMS) are being installed at eye level at each of the converted lanes. The PDMS will provide the customer with messages, such as "*E-ZPASS* ACCEPTED," which indicates an account is in good standing; or "*E-ZPASS* ACCEPTED, and LOW BALANCE, CHECK ACCOUNT," which indicates an account balance is getting low; or "TAKE TICKET" if an *E-ZPass* transponder was not read properly or there's another issue.

IMPROVING THE ROADWAY INFRASTRUCTURE

Roadway construction in 2022 included three projects that replaced nearly 28 lane miles of pavement. These full-depth pavement projects included the eastbound lanes from milepost 2.8 to 7.26 in Williams County; the eastbound lanes from milepost 208.2 to 212.8 in Trumbull County; and the westbound lanes from milepost 236.3 to 241.2 in Mahoning County.

In addition, two resurfacing projects included about 70 lane miles of new pavement. The projects included all lanes and shoulders from milepost 73.95 to 80.5 through Wood, Ottawa and Sandusky counties; and the right and center lanes, and right shoulder from milepost 178.05 to 185.65 in Summit County. The lanes at Toll Plaza 187 (Streetsboro) were also newly paved.

The construction projects in 2022 also included work on 13 bridges. This included the widening of four bridges; removing one bridge and starting the removal of another; replacing four bridge decks; beginning the complete replacement of one bridge; and repainting two bridges.



The Commission maintains more than 530 bridges across the 241-mile toll road that traverses through 13 counties in northern Ohio.

NEW RESTAURANTS AND CONVENIENCE STORES OPEN AT SERVICE PLAZAS

There was a lot of new construction and renovations at several service plazas along the Ohio Turnpike that established new and exciting restaurant and convenience store destinations in 2022.

AVI Foodsystems opened a new restaurant lineup, which included Dunkin', Freshens Fresh Food Kitchen, Jimmy John's, Wendy's, and Pike Plaza Retail Shop, at Portage and Brady's Leap service plazas at milepost 197 in Mantua.

At Great Lakes and Towpath service plazas at milepost 170.1 in Broadview Hts., Applegreen USA started planning the construction for two new Popeyes, which will be the largest restaurants in the plazas and will include self-order, fast lane kiosks.

A three-phase redevelopment plan with Applegreen USA began at Erie Island and Commodore Perry service plazas at milepost 100 in Clyde. The new restaurant renovations include new Burger Kings and Applegreen retail stores. The new convenience stores are equipped with two self-checkout stations for improved customer service. Next, Dunkin' and Baskin-Robbins will be added to the lineup. And in phase three, a new Panda Express will be added along with an updated Sbarro.

A two-phase redevelopment at Blue Heron and Wyandot service plazas at milepost 76.9 in Genoa also began with AVI Foodsystems. Pike Plaza Shop and Hardee's were the first operational units. In phase II, two new Starbucks will be developed, and Ohio-based Marco's Pizza will be added to both food courts.

To improve convenience and access to the service plaza concessions for our customers, our operating partners – Applegreen USA, AVI Foodsystems, 7-Eleven and Covelli Enterprises – have invested in significant upgrades to their point-of-sale register systems at various restaurants and retail locations at the service plazas.

Our customers will soon be able to participate in national promotions, mobile order and payment options, and loyalty programs at all service plaza locations. Mobile apps accepted at the service plazas continued to expand in 2022.

CONNECTING WITH CUSTOMERS ON THE OHIO TURNPIKE

After a two-year hiatus, our customer appreciation events returned to the service plazas in 2022. We teamed up with troopers from the Ohio State Highway Patrol (OSHP) and other organizations for six events, which provided a fun and engaging experience to meet with travelers, residents, and the news media to promote roadway safety initiatives.

Inside the service plazas, visitors could spin an electronic wheel to win numerous prizes from the Ohio Turnpike, including $25 gas cards. The OSHP displayed a patrol car for the public to see a cruiser up close and promote career opportunities in law enforcement.

In addition, to raise awareness about human trafficking and the victims who are transported on the state's highway system, faculty from Bowling Green State University – Firelands College's criminal justice program participated in the events.

Outside the service plazas, the Cleveland Police Historical Society and Museum, in association with the OSHP Retirees' Association, displayed four vintage cruisers .

Our service plaza partners, AVI Foodsystems provided $1 hot dogs and other items for lunch, and Applegreen USA provided complimentary samples. Kona Ice provided complimentary flavored ice cones, courtesy of the Ohio Turnpike.

DEVELOPING LEADERS THROUGH A NEW PARTNERSHIP WITH CUYAHOGA COMMUNITY COLLEGE

In May 2022, the inaugural class of supervisors employed by the Commission completed the Frontline Supervisor Program, which is offered through a partnership with Corporate College, a division of Cuyahoga Community College.

The program, which develops leadership and management skills, is an innovative way to train our employees to achieve supervisory success in the workplace while supporting the strategic objectives of the organization. Another important objective of all leadership training programs is to assist with our organization’s succession planning.

The first class included seven supervisors from our maintenance facilities, toll operations, and service plazas. The program is taught by Corporate College professors and instructors as well as leaders from the Ohio Turnpike.

The six-month program includes 70 hours of training through in-person and virtual sessions and a curriculum covering topics such as change and conflict management, coaching and talent development, professionalism, team building, time management and more. The first class began in September 2021.

OHIO TURNPIKE JOINS EFFORT TO REBUILD PLAYGROUND AND MORE AT BOYS & GIRLS CLUBS

In June 2022, more than 80 member volunteers from the International Bridge, Tunnel and Turnpike Association (IBTTA) – including a dozen volunteers from the Ohio Turnpike – installed a new, full-sized outdoor multipurpose basketball court at Boys & Girls Clubs of Northeast Ohio in Cleveland. The Commission is an IBTTA member.

The community service project – which was chosen by IBTTA – was held ahead of its Maintenance, Engineering and Roadway Operations Workshop in Cleveland. The IBTTA Foundation has a long history of giving back to organizations in cities that host its conferences.

Other volunteer work at the club on Broadway Avenue, which serves more than 170 children each day, included grooming the baseball field and repairing the dugout benches, cleaning the greenhouse, sprucing up the planters, landscaping the property, and organizing the library, art room, and other areas inside the facility.

IBTTA is the worldwide trade group for the owners and operators of toll facilities and the businesses that serve them. Founded in 1932, IBTTA has members in 23 countries on six continents.

100% OF WINTER STORM EVENTS CLEARED WITHIN ONE HOUR

The Commission’s maintenance and roadway crews handled 55 winter storm events during the 2021-22 season, up one event from the previous season. All 55 winter events were cleared on the 241-mile Ohio Turnpike within one hour of the storms’ cessation, which exceeded our organization’s goal-setting methodology to improve customer experience.

Our operators, mechanics, supervisors, and support staff deserve the recognition for their dedication to help ensure the safety of our customers.

From October 2021 to May 2022, the Ohio Turnpike's crews: spent more than 32,000 hours to keep the turnpike and service plazas safe and clear of snow and ice; applied more than 56,000 tons of salt; and sprayed more than 309,000 gallons of liquid deicing solution.

On average, the maintenance and roadway crews use about 65,000 tons of salt per year and about 293,000 gallons of liquid deicing solution. Typically, 100 snowplows are available at any given moment to maintain the 1,395 lane miles, 31 interchanges, and 14 service plazas on the Ohio Turnpike.

In preparation for the 2022-23 winter season, a 136-point safety inspection of all snowplows and equipment at eight maintenance buildings are performed each year in October, which coincides with the launch of the Ohio Turnpike’s Name-a-Snowplow contest and safety awareness campaign.

COMMISSION WINS IBTTA DIVERSITY, EQUITY AND INCLUSION AWARD FOR OPPORTUNITY CORRIDOR PROJECT

The Commission, in partnership with the Ohio Department of Transportation, was recognized in September 2022 by the international toll road industry for its role in funding the Opportunity Corridor, a transportation improvement project in Cleveland that resulted in a positive environmental and economic impact on historically disadvantaged communities.

The Commission approved more than $200 million in funding for the Opportunity Corridor project, which included the construction of a 3.1-mile boulevard in Cleveland from East 55th St. at I-77/I-490 (known as the Forgotten Triangle) to East 105th St. It was the first time in the Commission's history that it provided funding for a project that had a transportation-related nexus to the 241 -mile Ohio Turnpike.

Because the Opportunity Corridor project was funded primarily by Commission bond proceeds with no federal funding for construction, diversity and inclusion goals to select contractors were established and exceeded by using an innovative approach. Contractors were also required to provide local residents with employment and career training opportunities.

OHIO TURNPIKE WINS PUBLIC RELATIONS AWARDS, INCLUDING BEST OF SHOW

In December 2022, the Commission was the recipient of five Cleveland Rocks Awards – including Best of Show – presented by the Greater Cleveland Chapter of the Public Relations Society of America (PRSA).

The Ohio Turnpike, representing the International Bridge, Tunnel and Turnpike Association (IBTTA), won Best of Show (Guitar Award) and a Gold Award for "Building a Solid Foundation at Boys & Girls Clubs of Northeast Ohio" in the campaign category of Community Relations (or Cause).

As part of the submittal for the awards, our communications staff produced videos highlighting the community service project, including a time-lapse video of the court installation.

We also won a Silver Award for "Ohio Turnpike Issues Warning Ahead of Winter Storm Landon" in the tactic category of Multimedia Content: Video.

In the tactic categories of Press Release and Newsletter, the Ohio Turnpike won Bronze Awards for "Raising Awareness of Work Zone Safety on the Ohio Turnpike During the 2022 Construction Season" and "*Customer Connection*," respectively.

The 20th anniversary of the PRSA Cleveland Rocks Awards honored outstanding campaigns and tactics implemented from Jan. 1, 2021, to July 1, 2022, that incorporated sound research, planning, execution and evaluation. Funds raised benefit the Greater Cleveland Chapter's scholarship funds.

OHIO TURNPIKE EMPLOYEES RAISE $28,701 FOR COMBINED CHARITABLE CAMPAIGN

Each year, the Commission, along with other state agencies, participate in Ohio's Combined Charitable Campaign. In 2022, Ohio Turnpike employees raised $24,581 from individual pledges. The financial contributions will benefit individuals in communities everywhere. An additional $4,120 was raised from the sale of Ohio Turnpike apparel and other fundraising contests.

Ohio Turnpike and Infrastructure Commission

Lisa R. Mejac
Chief Financial Officer

May 23, 2023

***Ohio Turnpike and Infrastructure Commission and Executive Director**:*

The *Annual Comprehensive Financial Report* ("ACFR") of the Ohio Turnpike and Infrastructure Commission ("Commission") for the years ended December 31, 2022 and 2021, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the financial presentation, including all disclosures, rests with the CFO/Comptroller's Office of the Commission. To the best of my knowledge and belief, the accompanying data are accurate in all material respects and are reported in a manner designed to present fairly the financial position, results of operations and cash flows of the Commission. All disclosures necessary to enable the reader to gain an understanding of the Commission's financial activities have been included. Readers of these financial statements are encouraged to review Management's Discussion and Analysis for an overview of the Commission's financial position and the results of 2022 and 2021 operations.

The accompanying financial statements include only the accounts and transactions of the Commission. The Commission is considered a component unit of the State of Ohio. The Commission has no component units.

Accounting Policies and Internal Controls

The Commission's reporting entity and its accounting policies are briefly described in Note 1 of the financial statements. The Commission is required to have annual audits of its financial statements by an independent certified public accountant approved by the Auditor of the State of Ohio.

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

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

Ohio Turnpike and Infrastructure Commission

Long-Term Financial Planning

The Commission prepares annual operating and capital budgets which are approved by the Commission before the start of the next calendar year. The operating budget contains the projected revenues, operating expenses, debt service payments and the net amount expected to be transferred to the capital funds for the next calendar year.

The capital budget details the construction projects and equipment purchases planned for the year that are necessary to maintain the Turnpike in good condition.

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

Awards

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the Ohio Turnpike and Infrastructure Commission for its *Annual Comprehensive Financial Report for the year ended December 31, 2021*. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. The Commission was the first Turnpike to be awarded this honor in 1985. Since then, the Commission has received this award for every year with the exceptions of 1989 and 1990, when no applications were submitted. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

Preparation of this report could not have been accomplished without the dedicated services of the staff of the CFO/Comptroller's Office, the Director of Audit and Internal Control, the Office of Marketing and Communications, and the various department heads and employees who assisted with and contributed to its preparation.

Respectfully submitted,

Lisa R. Mejac

Lisa R. Mejac
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Ohio Turnpike and Infrastructure Commission

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO

HISTORY AND GENERAL INFORMATION

DRIVEN TO SUCCEED

ORGANIZATION AND BACKGROUND

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

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

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

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

Amended Substitute House Bill 335 went into effect on October 17, 1996. Among other things, the bill recreated the Turnpike Oversight Committee; required the Commission to hold public hearings before it votes to change tolls on a toll project or take any action that will increase its sphere of responsibility beyond the Ohio Turnpike; and prohibited the Commission from expending any toll revenues generated by a Turnpike project to pay any part of the cost of unrelated projects.

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

Amended Substitute House Bill 51 went into effect on July 1, 2013. Among other things, the bill renamed the Commission throughout the Turnpike Act and everywhere else in the Ohio Revised Code as the "Ohio Turnpike and Infrastructure Commission"; modified governance of the Commission to include two new members for a total of seven voting members; eliminated the Director of Development as a member; changed the terms of future members to five years; allowed the Commission to issue bonds for the purpose of funding infrastructure projects as defined under the statute; established rule-making authority for the Commission concerning how application is to be made for infrastructure funding by the Director of Transportation based on approved Transportation Review Advisory Council projects; and established how toll and other revenues will be pledged to pay maintenance and operating expenses and debt service on both infrastructure projects and Turnpike projects.

THE COMMISSION

The Commission consists of ten members when at full strength, six of whom are appointed by the Governor with the advice and consent of the Senate, no more than three of whom are members of the same political party. Appointed members' terms were for eight years until June 30, 2013; effective July 1, 2013 newly appointed members' terms are for five years. The seventh member is the Director of ODOT, who is a member ex-officio. The three remaining members, a state senator, a state representative and the Director of OBM have non-voting status. The two legislative members are named, respectively, by the President of the Senate and the Speaker of the House of Representatives. The Turnpike's operations are further monitored by a six member Turnpike Legislative Review Committee.

HISTORY

The first completed section of the Ohio Turnpike, 22 miles from the Pennsylvania Turnpike at the Ohio-Pennsylvania border to an interchange at Mahoning County Road 18, nine miles west of the city of Youngstown, was opened for traffic on December 1, 1954. This Eastgate section had been rushed to completion to relieve congestion of traffic moving to and from the Pennsylvania Turnpike over state and other highways. The remaining 219 miles of the

Turnpike were opened on October 1, 1955. As traffic flowed through the 17 interchanges and terminals, all service and operating functions were activated - restaurants and service stations, disabled vehicle service, maintenance buildings, the Ohio State Highway Patrol ("OSHP"), and the Turnpike radio communications system.

For the most part, the Turnpike has experienced a relatively steady increase in traffic volume and revenues. In 1956, the first calendar year of full operation, 8.5 million automobiles and 1.5 million trucks used the Turnpike. In 2022, the total annual traffic consisted of 36.7 million automobiles and 12.8 million trucks. Annual revenues from tolls, restaurant and service station concessionaire rentals and other sources rose from $15,351,000 in 1956 to $384,755,000 in 2022.

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 and Infrastructure Commission from its inception in 1949 until his death in 1976.

The beginning of the National System of Interstate and Defense Highways early in 1956 resulted in the Commission scrapping plans to build several other toll roads in Ohio (but some of this planning was used in launching Ohio's interstate system). Thus, the Ohio Turnpike, which carries the designation of Project No. 1, is the one and only Turnpike project completed, operated and maintained by the Commission.

Even though the Commission receives no federal funding, all of the 241.26 mile Turnpike has been incorporated by the Federal Highway Administration into the Interstate Highway System. The Turnpike is designated Interstate Route 80/90 between the Ohio-Indiana line and the Lorain County West Interchange 142, Interstate Route 80 between the Lorain County West Interchange 142 and the Niles-Youngstown Interchange 218, and Interstate Route 76 between the Niles-Youngstown Interchange 218 and the Ohio-Pennsylvania line.

ACCESS

The Turnpike is linked directly with Interstate Route 75, Interstate Route 280, Interstate Route 480, Interstate Route 71, Interstate Route 77 and Interstate Route 680. There are 31 interchanges on the Ohio Turnpike, 26 of which are accesses to and from U.S., Ohio and Interstate routes and two of which are terminals connecting, respectively, with the Pennsylvania Turnpike in the east and the Indiana Toll Road in the west. The remaining three interchanges connect with county or local roads.

TOLLS

Prior to October 1, 2009, toll charges for all vehicles were determined by gross-weight and distance traveled on the Turnpike. All vehicles were weighed while in motion upon entering the Turnpike on scales located at the entrance lanes of each toll plaza. Passenger cars weighing less than 7,000 pounds fell within Class 1 and all other vehicles fell within Classes 2-9, based on their gross weight. (Classes 10 and 11 applied to triple-trailer combinations and long combination vehicles.)

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

NEW TOLL COLLECTION SYSTEM

The current Toll Collection System (TCS), installed in 2009, is approaching the end of its useful life. Original parts are no longer manufactured and replacement inventories for installed components are becoming scarce. While the TCS continues to perform as designed, equipment failures will lead to lost revenue and will negatively affect the Commission's toll collection operation.

In December of 2017, the Commission adopted a resolution approving a plan to modernize the Ohio Turnpike by replacing the TCS and customer service center software with new state of the art technology and contracting for unpaid toll processing services to enforce the collection of unpaid tolls. The plan is to complete the toll system modernization in 2023.

The TCS modernization consists of the following elements: 1) implement highway speed *E-ZPass* lanes at the Eastgate and Westgate mainline toll plazas and convert them to barrier plazas where flat tolls are assessed for each vehicle class regardless of distance travelled; 2) convert Eastgate toll collection to one-way only in the westbound direction (into Ohio and opposite to the Pennsylvania Turnpike's Gateway Plaza which is tolled one-way eastbound into Pennsylvania); 3) construct two new mainline toll plazas with highway speed *E-ZPass* lanes at mile post 49 and mile post 211 to become the new ends of a closed ticket system where all movements within mile post 49 and mile post 211 are tolled by vehicle class and distance traveled between entry and exit tolling points; 4) remove nine selected Toll Plazas but maintain interchange access to the Ohio Turnpike (toll plazas 13, 25, 34, 39, 215, 216, 218, 232, 234); 5) remove all entry toll lane gates as well as exit gates in low speed *E-ZPass* only lanes within the ticket system; 6) install new license plate image capture cameras in all gateless *E-ZPass* exit lanes; and 7) retain toll lane gates in non-*E-ZPass* exit lanes.

PHYSICAL CHARACTERISTICS

The Ohio Turnpike mainline consists basically of two or three eastbound and westbound travel lanes of reinforced portland cement concrete, all of which has been resurfaced with asphaltic concrete, each flanked by paved shoulders 8 feet wide on the inside and 10 feet, 3 inches wide on the outside of the mainline roadway. The shoulders are hard surfaced with asphaltic concrete. The mainline roadways are separated by a center strip with a standard width between roadway lanes of 56 feet, consisting of 40 feet of grass median and the inside shoulders. The construction of the third lane eliminated the 56 foot center strip, replacing it with two 12 foot traffic lanes, two 14 foot 3 inch wide paved shoulders and a 50 inch high concrete barrier. The third lane section between Interchange 59 and Interchange 218 consists primarily of full depth asphalt. Ascending grades are kept to a maximum of 2.00 percent and descending grades to a maximum of 3.14 percent. Horizontal and vertical curves are of sufficient radius to provide the best sight distance, as well as ease of travel.

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

SERVICE PLAZAS

The Commission currently operates 14 service plazas on the Turnpike to meet the needs of the traveling public. The Commission has contracted with several private companies to operate restaurants and service stations at each of the seven pairs of service plazas, which are approximately 30 miles apart. The farthest distance between pairs of service plazas is 56.1 miles. Restaurants and service stations are located at all service plazas, which are open 24 hours each day throughout the year. The service stations at the service plazas have gasoline, diesel fuel and assorted automotive accessories for sale. The restaurants at the service stations offer travelers a variety of food and beverage choices. 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. Additionally, Turnpike maps, motel-hotel lists, traffic updates and other touring aids are available at the service plazas for travelers.

TURNPIKE MAINTENANCE

Providing Turnpike customers with a well-maintained highway is a task performed by the Commission's Maintenance Department. Personnel are assigned to the eight maintenance buildings, spaced at approximately 30-mile intervals along the Turnpike. Maintenance workers are responsible for keeping the Turnpike facilities operational and the roadway and pavement in a comfortable-riding, clean and safe condition by performing routine roadway maintenance, patching, joint repair, guardrail repair, lighting maintenance, fabricating and installing roadway signage, mowing, landscaping, applying herbicides and snow and ice removal. Mechanics are employed to maintain the Commission's service vehicles and equipment for such tasks. The Maintenance Department is also responsible for administering compliance with environmental and other state regulations relative to water systems, wastewater treatment plants, sanitary sewer pumping stations and underground storage tanks.

OHIO STATE HIGHWAY PATROL (OSHP)

The OSHP operates patrol cars and airplanes to enforce the Commission's traffic regulations, as well as to perform service to ill, stranded or otherwise distressed travelers. Under a contract between the Commission and the OSHP, the Commission utilizes toll revenue to reimburse the patrol for all costs of operating on the Turnpike.

RADIO COMMUNICATIONS SYSTEMS

In the interest of improved efficiency and effectiveness, the Commission has migrated to the Ohio Multi-Agency Radio Communications System ("MARCS") 800 MHz two-way radio communication system for Turnpike operations. MARCS is of particular value to Turnpike customers as it provides greater interoperability between Turnpike personnel and emergency services providers such as OSHP, EMS, EMS life flight, fire departments and contracted disable vehicle services when responding to vehicle accidents or incidents along the Turnpike corridor.

DISABLED VEHICLE SERVICE

Disabled vehicle services are available to assist temporarily stranded drivers in getting vehicles started again by calling "511" as displayed on signs along the Ohio Turnpike. On-the-spot service includes changing tires, supplying emergency gasoline, replacing broken fan belts and other minor repairs. Towing service is also available for the removal of vehicles requiring garage work off the Turnpike.

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Ohio Turnpike and Infrastructure Commission

2022 Annual Comprehensive Financial Report

FINANCIAL SECTION

Financial Administration

Lisa Mejac
Chief Financial Officer

David Miller
Director of Audit and Internal Control

Joe Gardner
Comptroller

Jacquelyn Dohoda-Herberger
Assistant Comptroller

Dawn Shockey
Payroll Manager

Amanda Ginley
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Carol Zanin
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Independent Auditor's Report

To the Commission Members
Ohio Turnpike and Infrastructure Commission

Report on the Audits of the Financial Statements

Opinion

We have audited the financial statements of the Ohio Turnpike and Infrastructure Commission (the "Commission"), a component unit of the State of Ohio, as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Ohio Turnpike and Infrastructure Commission as of December 31, 2022 and 2021 and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Financial Statements* section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1 to the financial statements, effective January 1, 2021, the Commission adopted new accounting guidance from Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the basic financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Commission Members
Ohio Turnpike and Infrastructure Commission

In performing audits in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the basic financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the basic financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the basic financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

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

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2023 on our consideration of the Ohio Turnpike and Infrastructure Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Ohio Turnpike and Infrastructure Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Ohio Turnpike and Infrastructure Commission's internal control over financial reporting and compliance.

Plante & Moran, PLLC

May 23, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the annual financial report presents the Ohio Turnpike and Infrastructure Commission's ("Commission", "Ohio Turnpike" or "Turnpike") unaudited discussion and analysis of its financial position and the results of operations for the year ended December 31, 2022 and 2021. Please read it in conjunction with the Chairman's Letter, Executive Director's Year in Review, Letter of Transmittal, and History and General Information at the front of this report, and the Commission's financial statements and notes, which follow this section.

Financial Highlights

2022

◊ The total number of vehicles that traveled the Ohio Turnpike in 2022 increased 0.4 percent and vehicle miles traveled increased 0.7 percent from the levels in 2021. Commercial vehicle miles traveled and passenger car vehicle miles traveled both increased in 2022. Passenger car vehicle miles traveled increased 0.1 percent and commercial vehicle miles traveled increased 1.5 percent from 2021. The percentage of commercial vehicle miles traveled to total vehicle miles traveled increased to 39.9 percent in 2022 from 39.5 percent in 2021. The increase in vehicle miles traveled, combined with a 2.7 percent toll rate increase implemented on January 1, 2022, resulted in an increase in toll revenue of approximately $9.9 million or 2.9 percent.

◊ Operating expenses increased by $27.5 million or 17.2 percent from 2021. Excluding non-cash GASB 68 pension expense and GASB 75 other post-employment benefit expense, operating expenses increased by $4.9 million or 2.4 percent from 2021.

◊ The Commission incurred $42.2 million in Infrastructure Project reimbursement expenses in 2022 for previously approved Infrastructure Project costs that were expended by the Ohio Department of Transportation ("ODOT").

◊ In 2022, the Commission made capital improvements totaling approximately $179.9 million.

◊ In 2022, the Commission adopted GASB Statement No. 87, *Leases* that had impacts to the Statements of Net Position, Statements of Revenues, Expenses and Change in Net Position, and the Statements of Cash Flows. Balances shown in fiscal year 2021 in the Management's Discussion and Analysis have been restated. Additional details with the impacts of GASB Statement No. 87 may be found in Note 11, Leases, of the financial statements.

2021

◊ Traffic showed steady improvement from the effects of COVID-19 in 2021. The total number of vehicles that traveled the Ohio Turnpike in 2021 increased 19.10 percent and vehicle miles traveled increased 23.3 percent from the levels in 2020. Commercial vehicle miles traveled and passenger car vehicle miles traveled both increased in 2021. Passenger car vehicle miles traveled increased 30.3 percent and commercial vehicle miles traveled increased 13.9 percent from 2020. The percentage of commercial vehicle miles traveled to total vehicle miles traveled decreased to 39.5 percent in 2021 from 42.8 percent in 2020. The increase in vehicle miles traveled, combined with a 2.7 percent toll rate increase implemented on January 1, 2021, resulted in an increase in toll revenue of approximately $60.5 million or 21.5 percent.

◊ Operating expenses decreased by $46.2 million or 22.4 percent from 2020. Excluding non-cash GASB 68 pension expense and GASB 75 other post-employment benefit expense, operating expenses increased by $7.4 million or 3.7 percent from 2020.

◊ The Commission incurred $135.6 million in Infrastructure Project reimbursement expenses in 2021 for previously approved Infrastructure Project costs that were expended by the Ohio Department of Transportation ("ODOT").

◊ In 2021, the Commission made capital improvements totaling approximately $161.1 million.

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

	12/31/22	Restated 12/31/21	12/31/20
Assets and Deferred Outflows of Resources			
Cash and Investments	$ 590,188	$ 675,294	$ 646,983
Other Noncapital Assets	94,575	91,333	28,562
Capital Assets, Net	1,772,634	1,685,159	1,609,227
Total Assets	**2,457,397**	**2,451,786**	**2,284,772**
Deferred Outflows of Resources	53,344	51,123	62,327
Total Assets and Deferred Outflows of Resources	**$ 2,510,741**	**$ 2,502,909**	**$ 2,347,099**
Liabilities, Deferred Inflows of Resources, and Net Position			
Liabilities			
Current Liabilities	$ 148,503	$ 145,490	$ 124,165
Long-Term Liabilities	2,259,686	2,308,478	2,221,869
Total Liabilities	**2,408,189**	**2,453,968**	**2,346,034**
Deferred Inflows of Resources	95,643	95,539	26,579
Total Liabilities and Deferred Inflows of Resources	**2,503,832**	**2,549,507**	**2,372,613**
Net Position			
Net Investment in Capital Assets	1,219,318	1,175,622	1,151,209
Restricted	216,996	216,577	204,888
Unrestricted	(1,429,405)	(1,438,797)	(1,381,611)
Total Net Position	6,909	(46,598)	(25,514)
Total Liabilities, Deferred Inflows of Resources, and Net Position	**$ 2,510,741**	**$ 2,502,909**	**$ 2,347,099**

Assets

The condensed statements of net position information above show that cash and investments decreased by $85.1 million in 2022. This decrease was primarily due to $51.1 million in payments to ODOT for reimbursement of funds spent on Infrastructure Projects and a $35.7 million net decrease in the Commission's various capital project funds. See Note 9 of the financial statements for more detailed information on Infrastructure Project payments. The $3.2 million increase in other noncapital assets was due to a $1.1 million increase in accounts receivable, a $4.2 million increase in net other postemployment benefit (OPEB) asset, a $0.3 million increase in net pension asset, offset by a $1.7 decrease in lease receivable, and a $0.7 million decrease in inventories.

Cash and investments increased by $28.3 million in 2021. This increase was primarily due to the receipt of $177.8 million in bond proceeds partially offset by $136.9 million in payments to ODOT for reimbursement of funds spent on Infrastructure Projects. See Note 9 of the financial statements for more detailed information on Infrastructure Project payments. The $62.7 million increase in other noncapital assets was due to a $50.5 million increase in leases receivable, $5.3 million increase in accounts receivable, a $6.0 million increase in net other postemployment benefit (OPEB) asset, a $0.3 million increase in net pension asset, a $0.3 increase in prepaid expenses, and a $0.3 million increase in inventories. The increase in leases receivable is due to the effects of implementation of GASB Statement No. 87, *Leases*; see Note 11 for additional information.

Capital assets increased by $87.5 million in 2022 as the result of capital improvements of approximately $179.9 million, property disposals of $7.3 million and depreciation expense of $85.1 million. The 2022 capital improvements were primarily for the full depth replacement of just under twenty-eight (28) lane miles of original pavement, the resurfacing of almost seventy (70) lane miles of roadway, continuing the modernization of the toll collection system including the construction of two (2) new toll plazas, two (2) bridge replacements, bridge deck replacements on three (3) bridges, widening of four (4) bridges, and the removal of one (1) bridge.

Capital assets increased by $76.0 million in 2021 as the result of capital improvements of approximately $161.1 million, property disposals of $0.2 million and depreciation expense of $85.0 million. The 2021 capital improvements were primarily for the full depth replacement of just under thirty-seven (37) lane miles of original pavement, the completion of one (1) new toll plaza facility, the resurfacing of almost forty (40) lane miles of roadway, continuing the modernization of the toll collection system, upgrading of the

Commission's fiber network and ethernet network, bridge deck replacements on six (6) bridges, widening of two (2) bridges, and the removal of one (1) bridge.

Deferred outflows of resources increased by $2.2 million in 2022 as a result of a $0.1 million increase in unamortized refunding gains / losses, a $5.1 million increase in deferred OPEB outflows of resources, and a $3.0 million decrease in deferred pension outflows of resources. Deferred outflows of resources decreased by $11.2 million in 2021 as a result of a $2.7 million decrease in unamortized refunding gains / losses, a $4.7 million decrease in deferred OPEB outflows of resources, and a $3.8 million decrease in deferred pension outflows of resources.

Liabilities

Current liabilities increased by $3.0 million in 2022 primarily as a result of a $5.8 million increase in accounts payable, a $2.0 million increase in other liabilities, a $2.4 million increase in contractor retainage payable, a $1.5 million increase in accrued wages and benefits, and a $0.5 million increase in bond interest and principal payable. These increases were partially offset by a $8.9 million decrease in infrastructure funds payable to ODOT and a $0.3 million decrease in amounts payable to other toll agencies. Current liabilities increased by $22.0 million in 2021 primarily as a result of a $9.1 million increase in bond interest and principal payable, $7.7 million increase in accounts payable, a $3.3 million increase in other liabilities, a $2.5 million increase in amounts payable to other toll agencies, and a $1.2 million increase in contractor retainage payable. These increases were partially offset by a $1.3 million decrease in infrastructure funds payable to ODOT and a $0.5 million increase in accrued wages and benefits.

A decrease in long-term liabilities of $48.8 million in 2022 was primarily the result of a decrease in bond principal of $71.1 million, a $21.6 million decrease in net pension liability, a decrease in compensated absence liability of $1.0 million, and a decrease of $0.2 million in claims and judgment liabilities. These decreases were partially offset by an increase in unamortized bond premiums of $45.1 million. Bond principal decreased and unamortized bond premiums increased as a result of the 2022 bond refunding of certain of the Commission's 2013 bonds. See Note 6 Long-term Obligations, for further information on the bond refunding. An increase in long-term liabilities of $86.6 million in 2021 was primarily the result of a $118.0 million increase in bond principal, a $36.0 million increase in unamortized bond premiums as a result of the 2021 bond deal, a $1.0 million increase in claims and judgment liabilities, and an increase of $0.3 million in other non-current liabilities. See Note 6, Long-term Obligations, for more information on the bonds. These increases were offset by a $20.0 million decrease in net pension liability and a $48.7 million decrease in net OPEB liability.

Deferred inflows of resources decreased by $0.1 million in 2022 as a result of a $3.0 million increase in deferred lease inflows of resources offset by a combined $3.1 million decrease in deferred OPEB and pension inflows of resources. Deferred inflows of resources increased by $43.4 million in 2021 as a result of a $24.6 million increase in deferred lease inflows of resources and a combined $18.8 million increase in deferred OPEB and pension inflows of resources. The addition of $24.6 million in deferred lease inflows of resources is due to the effects of implementation of GASB Statement No. 87, *Leases*; see Note 11 for additional information.

As described in Note 7 of the financial statements, the Commission has commitments for capital projects and major repairs and replacements of $127.3 million as of December 31, 2022. It is anticipated that these commitments will be financed from the Commission's cash balances including the remaining proceeds from the issuance of 2021 senior lien bonds.

The Ohio Turnpike and Infrastructure Commission's credit rating is among the highest of all the toll roads in the world. The agency ratings as of December 31, 2022 are as follows:

Agency	Senior Lien Bond Rating	Junior Lien Bond Rating
Standard & Poor's	AA-	A+
Fitch Ratings	AA	A+
Moody's Investors Service	Aa2	Aa3

Net Position

Net investment in capital assets increased by $43.7 million during 2022 as a result of an increase $87.5 million in capital assets, an increase of $41.5 million of senior lien bond principal payments, and $2.9 million in net change to unamortized bond premiums and refunding losses offset by a decrease of $88.2 million of unspent senior lien bond proceeds which are required to be spent on Turnpike capital projects. The net position restricted for debt service of $216.9 million is restricted for debt service in accordance with provisions of the Commission's Master Trust Agreement. The $0.5 million increase in net position restricted for debt service during 2022 is the result of an increase in amounts required to be deposited into the debt service accounts for future debt service payments. Unrestricted net position decreased $9.4 million from 2021. The increase in unrestricted net position is due to a $53.5 million increase in net position as a result of 2022 revenues that exceeded expenses, combined with the transfer of unrestricted net position to net investment in capital assets and restricted net position.

Net investment in capital assets increased by $24.4 million during 2021 as a result of an increase $89.2 million increase in unspent senior lien bond proceeds which are required to be spent on Turnpike capital projects, an increase of $75.9 million in capital assets, $34.4 million of senior lien bond principal payments, and $2.7 million in net change to unamortized bond premiums and refunding losses offset by an increase in debt related to capital assets of $177.8 million. The net position restricted for debt service of $216.6 million is restricted for debt service in accordance with provisions of the Commission's Master Trust Agreement. The $11.7 million increase in net position restricted for debt service during 2021 is the result of an increase in amounts required to be deposited into the debt service accounts for future debt service payments. Unrestricted net position decreased $57.2 million from 2020. The decrease in unrestricted net position is due to a $21.2 million decrease in net position as a result of 2021 expenses that exceeded revenues, combined with the transfer of unrestricted net position to net investment in capital assets and restricted net position.

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

	Years Ended		
	12/31/22	**Restated 12/31/21**	**12/31/20**
Revenues:			
Operating Revenues:			
Tolls	$ 351,472	$ 341,534	$ 281,072
Special Toll Permits	3,273	3,266	3,447
Concessions	14,660	13,884	11,755
Other	9,177	7,896	7,267
Nonoperating Revenues:			
State Fuel Tax Allocation	3,315	3,378	2,690
Investment Earnings / (Losses)	628	(42)	7,430
Interest Revenue - Leases	2,230	2,319	-
Coronavirus Related Grant Revenue	-	1,200	3,239
Total Revenues	**384,755**	**373,435**	**316,900**
Expenses:			
Operating Expenses:			
Administration and Insurance	13,419	8,695	13,694
Maintenance of Roadway and Structures	31,987	22,608	43,106
Services and Toll Operations	42,096	31,022	52,627
Traffic Control, Safety, Patrol, and Communications	14,846	12,709	14,168
Depreciation	85,147	84,957	82,612
Nonoperating Expenses:			
Payments to the Ohio Department of Transportation	42,207	135,607	152,192
Interest Expense	94,846	99,064	96,397
Loss (Gain) on Disposals / Write-Offs of Capital Assets	6,700	(144)	355
Total Expenses	**331,248**	**394,518**	**455,151**
Change in Net Position	**53,507**	**(21,083)**	**(138,251)**
Net Position - Beginning of Year	**(46,598)**	**(25,515)**	**112,736**
Net Position - End of Year	**$ 6,909**	**$ (46,598)**	**$ (25,515)**

Toll revenues are the major source of funding for the Ohio Turnpike and Infrastructure Commission. Passenger car traffic volume increased by 0.6 percent and commercial traffic volume increased by 0.1 percent during 2022. Passenger car traffic volume increased by 22.0 percent and commercial traffic volume increased by 11.6 percent during 2021 showing steady improvement from the effects of the COVID-19 pandemic.

	2022	2021	2020
Traffic Volume (vehicles in thousands):			
Passenger Cars	$ 36,737	$ 36,533	$ 29,937
Commercial Vehicles	12,831	12,815	11,484
Total	**$ 49,568**	**$ 49,348**	**$ 41,421**

The number of miles traveled by passenger cars increased by 0.1 percent and the miles traveled by commercial vehicles increased by 1.5 percent in 2022. Toll rates were increased for all classes of vehicles by 2.7 percent on January 1, 2022. The toll rate increase combined with the increase in passenger car vehicle miles traveled resulted in an increase in toll revenue from passenger cars of approximately $1.6 million or 1.3 percent. Revenues from commercial vehicles increased $8.4 million or 3.9 percent in 2022 as a result of the toll rate increase and the increase in commercial vehicle traffic.

In 2021, the number of miles traveled by passenger cars increased by 30.3 percent and the miles traveled by commercial vehicles increased by 13.9 percent in 2021. Toll rates were increased for all classes of vehicles by 2.7 percent on January 1, 2021. The toll rate increase combined with the increase in passenger car vehicle miles traveled resulted in an increase in toll revenue from passenger cars of approximately $30.7 million or 32.9 percent. Revenues from commercial vehicles increased $29.7 million or 15.8 percent in 2021 as a result of the toll rate increase and the increase in commercial vehicle traffic.

	2022	2021	2020
Toll Revenues (dollars in thousands):			
Passenger Cars	$ 125,540	$ 123,988	$ 93,271
Commercial Vehicles	225,932	217,546	187,801
Total	**$ 351,472**	**$ 341,534**	**$ 281,072**

Total expenses decreased by $63.3 million or 16.0 percent in 2022 compared to the prior year. Fringe benefit expenses, which are allocated to each area based on wages, increased $22.1 million from 2021 due primarily to a $28.1 million increase in OPEB expense partially offset by a $5.6 million decrease in pension expense and a decrease in workers' compensation costs of $1.1 million. The 54.3 percent increase in Administration and Insurance expense was primarily due to the increase in wage and fringe costs. The 41.5 percent increase in Maintenance of Roadway and Structures expense was primarily due to the increase in wage and fringe benefit costs. The 35.7 percent increase in Services and Toll Operations expense is due primarily to the increase in wage and fringe benefit costs and higher credit card fees partially offset by lower toll collector wages. The 16.8 percent increase in Traffic Control, Safety and Patrol was also due to the increase in wage and fringe benefit costs. The Commission made $42.2 million in payments to ODOT in 2022 to pay for Infrastructure Projects, a decrease of $93.4 million from 2021. See Note 9, Payments for State Infrastructure Projects, for more information on these payments. Interest expense decreased $4.2 million in 2022 primarily due to the bond refunding transaction in November of 2022. See Note 6, Long-Term Obligations for more information on the outstanding debt.

Total expenses decreased by $60.6 million or 13.3 percent in 2021 compared to the prior year. Fringe benefit expenses, which are allocated to each area based on wages, decreased $51.7 million from 2020 due primarily to a $10.8 million decrease in pension expense and a $42.8 million decrease in OPEB expense partially offset by an increase in workers' compensation costs of $1.2 million. The 36.5 percent decrease in Administration and Insurance expense was primarily due to the decrease in wage and fringe costs. The 47.6 percent decrease in Maintenance of Roadway and Structures expense was primarily due to the decrease in wage and fringe benefit costs. The 41.1 percent decrease in Services and Toll Operations expense is due primarily to the decrease in wage and fringe benefit costs and lower toll collector wages partially offset by higher credit card fees. The 10.3 percent decrease in Traffic Control, Safety and Patrol was also due to the decrease in wage and fringe benefit costs. The Commission made $135.6 million in payments to ODOT in 2021 to pay for Infrastructure Projects, a decrease of $16.6 million from 2020. See Note 9, Payments for State Infrastructure Projects, for more information on these payments. Interest expense increased $2.7 million in 2021 primarily due to the issuance of the 2021 Series A bonds in February of 2021. See Note 6, Long-Term Obligations for more information on the outstanding debt.

Statements of Net Position (In Thousands)

	For the Years Ended 12/31/22	Restated 12/31/21
Assets and Deferred Outflows of Resources		
Current Assets:		
Unrestricted Current Assets:		
Cash and Cash Equivalents	$ 93,082	$ 41,404
Investments, at Fair Value	222,024	220,575
Accounts Receivable	27,000	25,729
Lease Receivable	1,742	1,735
Inventories	4,823	5,491
Other	1,844	1,546
Total Unrestricted Current Assets	350,515	296,480
Restricted Current Assets:		
Cash and Cash Equivalents	20,993	31,117
Investments, at Fair Value	62,007	70,884
Other	555	989
Total Restricted Current Assets	83,555	102,990
Total Current Assets	434,070	399,470
Noncurrent Assets:		
Restricted Investments, at Fair Value	192,082	311,314
Lease Receivable	47,038	48,780
Net Pension Asset	1,309	1,028
Net OPEB Asset	10,264	6,035
Capital Assets, Net	1,772,634	1,685,159
Total Noncurrent Assets	2,023,327	2,052,316
Total Assets	2,457,397	2,451,786
Deferred Outflows of Resources	53,344	51,123
Total Assets and Deferred Outflows of Resources	$ 2,510,741	$ 2,502,909
Liabilities, Deferred Inflows of Resources, and Net Position		
Current Liabilities:		
Current Liabilities Payable from Unrestricted Assets:		
Accounts Payable	$ 26,572	$ 20,818
Accrued Wages and Benefits	4,407	3,813
Compensated Absences	4,072	4,087
Claims and Judgments	2,493	1,574
Contamination Remediation Costs Payable	37	35
Other Liabilities	20,633	18,566
Toll Agency Payable	8,371	8,635
Total Current Liabilities Payable from Unrestricted Assets	66,585	57,528
Current Liabilities Payable from Restricted Assets:		
Contract Retainage Payable	8,954	6,548
Infrastructure Funds Payable to Ohio Department of Transportation	316	9,227
Interest Payable	22,853	28,538
Bonds Payable	49,795	43,650
Total Current Liabilities Payable from Restricted Assets	81,918	87,963
Total Current Liabilities	148,503	145,491
Noncurrent Liabilities:		
Net Pension Liability	28,652	50,286
Compensated Absences	5,657	6,610
Claims and Judgments	1,390	1,545
Contamination Remediation Costs Payable	100	105
Asset Retirement Obligations	552	552
Bonds Payable	2,223,335	2,249,379
Total Noncurrent Liabilities	2,259,686	2,308,477
Total Liabilities	2,408,189	2,453,968
Deferred Inflows of Resources	95,643	95,539
Total Liabilities and Deferred Inflows of Resources	2,503,832	2,549,507
Net Position:		
Net Investment in Capital Assets	1,219,318	1,175,622
Restricted For Debt Service	216,996	216,577
Unrestricted	(1,429,405)	(1,438,797)
Total Net Position	6,909	(46,598)
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 2,510,741	$ 2,502,909

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

Statements of Revenues, Expenses and Changes in Net Position *(In Thousands)*

	For the Years Ended	
	12/31/22	Restated 12/31/21
OPERATING REVENUES:		
Pledged as Security for Revenue Bonds:		
Tolls	$ 351,472	$ 341,534
Special Toll Permits	3,273	3,266
Concessions	14,067	13,318
Leases and Licenses	1,333	1,365
Other Revenues	7,519	6,531
Unpledged Revenues:		
Concessions	593	566
Other Revenues	325	-
Total Operating Revenues	378,582	366,580
OPERATING EXPENSES:		
Administration and Insurance	13,419	8,695
Maintenance of Roadway and Structures	31,987	22,608
Services and Toll Operations	42,096	31,022
Traffic Control, Safety, Patrol, and Communications	14,846	12,709
Depreciation	85,147	84,957
Total Operating Expenses	187,495	159,991
Operating Income	191,087	206,589
NONOPERATING REVENUES / (EXPENSES):		
State Fuel Tax Allocation	3,315	3,378
Investment Earnings (Losses) Pledged as Security for Revenue Bonds	1,503	(19)
Investment Losses - Unpledged	(875)	(23)
Interest Revenue - Leases	2,230	2,319
(Loss) / Gain on Disposals of Capital Assets	(6,700)	144
Coronavirus Related Grant Revenue	-	1,200
Ohio Department of Transportation Infrastructure Project Expense	(42,207)	(135,607)
Interest Expense	(94,846)	(99,064)
Total Nonoperating Revenues / (Expenses)	(137,580)	(227,672)
Increase / (Decrease) in Net Position	53,507	(21,083)
Net Position -- Beginning of Year	**(46,598)**	**(25,515)**
Net Position -- End of Year	$ 6,909	$ (46,598)

Statements of Cash Flows *(In Thousands)*

	For the Years Ended 12/31/22	Restated 12/31/21
Cash Flows from Operating Activities:		
Cash Received from Customers	$ 367,704	$ 352,860
Cash Received from Other Operating Revenues	10,760	13,304
Cash Payments for Employee Salaries, Wages and Fringe Benefits	(74,996)	(73,229)
Cash Payments for Goods and Services	(46,219)	(41,320)
Net Cash Provided by Operating Activities	257,249	251,615
Cash Flows from Noncapital Financing Activities:		
Payments to the Ohio Department of Transportation	(51,118)	(136,862)
Proceeds from Sale of Bonds - Par Amount	310,220	–
Proceeds from Sale of Bonds - Premium / (Discount)	58,764	–
Bond Refunding - Par Amount Paid	(356,326)	–
Bond Issuance Costs	(1,720)	–
State Fuel Tax Allocation	3,315	3,378
Interest Income - Leases	2,230	2,319
Coronavirus Relief Fund Revenue Received	–	1,200
Net Cash Used in Noncapital Financing Activities	(34,635)	(129,965)
Cash Flows from Capital and Related Financing Activities:		
Proceeds from Sale of Assets	580	313
Proceeds from Sale of Bonds - Par Amount	–	135,010
Proceeds from Sale of Bonds - Premium / (Discount)	–	42,790
Acquisition and Construction of Capital Assets	(177,494)	(159,835)
Bond Issuance Costs	–	(1,048)
Principal Paid on Bonds	(47,233)	(36,370)
Interest Paid on Bonds	(84,274)	(73,646)
Net Cash Used in Capital and Related Financing Activities	(308,421)	(92,786)
Cash Flows from Investing Activities:		
Interest Received on Investments	7,489	3,764
Proceeds from Sale and Maturity of Investments	361,427	520,654
Purchase of Investments	(241,555)	(536,771)
Net Cash Provided By (Used In) Investing Activities	127,361	(12,353)
Net Increase in Cash and Cash Equivalents	41,554	16,511
Cash and Cash Equivalents -- Beginning of Year	72,521	56,010
Cash and Cash Equivalents -- End of Year	$ 114,075	$ 72,521
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	$ 191,087	$ 206,588
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	85,147	84,957
Change in Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:		
Accounts Receivable	464	(2,343)
Inventories	668	(259)
Other Assets	58	(257)
Net Pension Asset	(281)	(326)
Net OPEB Asset	(4,229)	(6,035)
Deferred Pension, OPEB and Other Outflows of Resources	(2,080)	8,551
Accounts Payable	5,754	7,725
Accrued Wages and Benefits	594	(343)
Net Pension Liability	(21,634)	(19,989)
Net OPEB Liability	–	(48,726)
Compensated Absences	(968)	(350)
Claims and Judgments	764	1,335
Contamination Remediation Costs Payable	(3)	56
Other Liabilities	1,803	5,422
Deferred Pension and OPEB Inflows of Resources	3,055	18,766
Leases Deferred Inflows of Resources	(2,950)	(3,157)
Net Cash Provided by Operating Activities	$ 257,249	$ 251,615
Noncash Investing and Capital Activities:		
Decrease in Fair Value of Investments	$ (6,908)	$ (1,348)
Disposals / Write-Offs of Capital Assets	(7,276)	(170)
Increase in Capital Assets due to Change in Contracts Payable	(2,405)	(1,225)
Amortization of Bond Premiums and Refunding Losses Classified as Interest Expense	4,688	4,144
Accretion in Capital Appreciation Bonds	28,368	26,685

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

NOTES TO FINANCIAL STATEMENTS

For the Years ended December 31, 2022 and 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

In accordance with the provisions of Governmental Accounting Standards Board ("GASB") Statements, the accompanying financial statements include only the accounts and transactions of the Ohio Turnpike and Infrastructure Commission ("Commission", "Ohio Turnpike" or "Turnpike"). Under the criteria specified in these GASB Statements, the Commission is considered a component unit of the State of Ohio because the Governor appoints the voting members of the Commission and the State is financially accountable for the Commission since the State has the potential to receive a financial benefit from the Commission. The Commission has no component units.

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 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.

Adoption of New Accounting Pronouncements

In June 2017, GASB issued Statement No. 87, *Leases.* The Commission adopted this Statement during the current year, effective January 1, 2021. As a result, the Commission now includes receivables for the present value of payments expected to be received and deferred inflows of resources that will be recognized as revenue over the term of the lease. Lease activity is further described in Note 11. The effect of the new standard as of December 31, 2021 was as follows:

Statements of Net Position (In Thousands)	**Previously Reported 12/31/21**	**Change**	**Adjusted Balance 12/31/21**
Assets and Deferred Outflows of Resources			
Lease Receivable (Current)	$ -	$ 1,735	$ 1,735
Lease Receivable (Noncurrent)	-	48,780	48,780
Total Assets and Deferred Outflows of Resources	2,452,394	50,515	2,502,909
Liabilities, Deferred Inflows of Resources, and Net Position			
Other Liabilities	19,335	(769)	18,566
Total Liabilities	2,454,737	(769)	2,453,968
Deferred Inflows of Resources	45,345	50,194	95,539
Total Liabilities and Deferred Inflows of Resources	2,500,082	49,425	2,549,507
Net Position:			
Unrestricted	(1,439,887)	1,090	(1,438,797)
Total Net Position	(47,688)	1,090	(46,598)
Total Liabilities, Deferred Inflows of Resources, and Net Position	2,452,394	50,515	2,502,909

Statements of Revenues, Expenses and Changes in Net Position *(In Thousands)*			
OPERATING REVENUES:			
Concessions	$ 14,547	$ (1,229)	$ 13,318
Total Operating Revenues	367,809	(1,229)	366,580
NONOPERATING REVENUES / (EXPENSES):			
Interest Revenue - Leases		2,319	2,319
Total Nonoperating Revenues / (Expenses)	(229,991)	2,319	(227,672)
Increase / (Decrease) in Net Position	(22,173)	1,090	(21,083)
Net Position -- End of Year	(47,688)	1,090	(46,598)

Statements of Cash Flows (In Thousands)			
Cash Flows from Operating Activities:			
Cash Received from Customers	$ 355,179	$ (2,319)	$ 352,860
Net Cash Provided by Operating Activities	253,934	(2,319)	251,615
Cash Flows from Noncapital Financing Activities:			
Interest Income - Leases	-	2,319	2,319
Net Cash Used in Noncapital Financing Activities	(132,284)	2,319	(129,965)
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	207,818	(1,230)	206,588
Change in Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:			
Accounts Receivable	(4,868)	2,525	(2,343)
Other Liabilities	5,879	(457)	5,422
Leases Deferred Inflows of Resources	-	(3,157)	(3,157)
Net Cash Provided by Operating Activities	253,934	(2,319)	251,615

New Accounting Pronouncements

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements.* The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2022. The Commission has not determined the impact, if any, that this Statement will have on its financial statements or disclosures.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements.* The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2022. The Commission has not determined the impact, if any, that this Statement will have on its financial statements or disclosures.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022.* The requirements of this Statement have various effective dates. The Commission has not determined the impact, if any, that this Statement will have on its financial statements or disclosures.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections* - an amendment of GASB Statement No. 62. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2023. The Commission has not determined the impact, if any, that this Statement will have on its financial statements or disclosures.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2023. The Commission has not determined the impact, if any, that this Statement will have on its financial statements or disclosures.

Net Position Classifications

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

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

Cash Equivalents

Cash equivalents are defined as highly liquid investments, including overnight repurchase agreements, demand deposits, negotiated order of withdrawal accounts, money market funds and certificates of deposit maturing within 90 days of purchase. Commission investments in overnight repurchase agreements, demand deposits and money market mutual funds, which have remaining maturities of one year or less, are carried at amortized cost, which approximates fair value.

Investments

In the accompanying Statements of Net Position, investments are comprised of U.S. instrumentality securities and shares in the State Treasury Asset Reserve of Ohio ("STAR Ohio") investment pool. Commission investments in STAR Ohio are carried at amortized cost, which approximates fair value. All other Commission investments are recorded at fair value based on quoted market prices with all related investment income, including the change in the fair value of investments and realized gains and losses, reflected in the Commission's net income.

STAR Ohio is an investment pool created pursuant to Ohio statutes and is managed by the Treasurer of the State of Ohio. The Commission does not own identifiable securities of the pool; rather, it participates as a shareholder of the pool. STAR Ohio is not registered with the Securities and Exchange Commission as an investment company, but does operate in a manner consistent with the provisions of GASB Statement No. 79, *Certain Investment Pools and Pool Participants*. The fair value of the Commission's position in the pool is the same as the value of the pool shares. For the years ended December 31, 2022 and 2021, there were no limitations on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Accounts Receivable

Accounts receivable consist of various tolls, charges and amounts due from individuals, commercial companies and other agencies and concession revenues receivable from operators of food and fuel concessions at the Commission's service plazas. Reserves for uncollectible accounts receivable are established 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, net of accumulated depreciation. The costs of normal maintenance and repairs are charged to operations as incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Description	Years
Buildings, roadway and structures	40
Bridge painting and guardrail	20
Roadway resurfacing	8-12
Building improvements	10
Machinery, equipment and vehicles	3-10

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

Deferred Outflows of Resources

In addition to assets, the statements of net position report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Commission's deferred outflows of resources are related to the GASB Statement No. 68 net pension liability, GASB Statement No. 75 net OPEB liability, unamortized refunding gains/losses on debt and asset retirement costs. See Notes 5 and 8 for more information.

Bond Issuance Costs, Discounts / Premiums, and Advance Debt Refundings

Bond issuance costs are expensed as incurred. Unamortized bond discounts and premiums are netted against long-term debt. Bond discounts and premiums are amortized to interest expense over the lives of the applicable bonds. Unamortized advance debt refunding losses are classified as deferred outflows of resources and are amortized to interest expense over the shorter of the life of the new debt or the defeased debt.

Compensated Absences

Vacation leave accumulates for 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 for 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.

Pensions

Net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Ohio Public Employees Retirement System (OPERS) Pension Plan, and additions to/deductions from OPERS' fiduciary net position, have been determined on the same basis as they are reported by OPERS. OPERS uses the economic resources measurement focus and the full-accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as an expense when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefit Costs

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPERS pension plan and additions to/deductions from OPERS' fiduciary net position have been determined on the same basis as they are reported by OPERS. OPERS uses the economic resources measurement focus and the full accrual basis of accounting. For this purpose, OPERS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Inflows of Resources

In addition to liabilities, the statements of net position report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Commission reports deferred inflows of resources for certain GASB Statement No. 68 pension-related and GASB Statement No. 75 OPEB-related amounts, such as the difference between projected and actual earnings of the plan's investments. More detailed information can be found in Notes 5 and 8. In addition, the Commission reports deferred inflows of resources for GASB No. 87 leases.

Operating / Nonoperating Activities

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

Tolls, the principal source of Commission operating revenues, are recognized as vehicles use the Turnpike. Tolls are assessed based on the vehicle classification and the distance traveled. On October 1, 2009, the Commission implemented its current toll collection system that includes electronic toll collection in the form of *E-ZPass*®, which is interoperable among a network of 43 U.S. toll agencies. The current toll collection system uses a methodology that classifies vehicles based upon the number of axles and the height over the first two axles. As an incentive to utilize electronic tolling, toll rates are lower for customers who use *E-ZPass* than for those who pay at the toll booths.

In addition to tolls, the other major source of operating revenue is concessions from the operation of the Commission's service plazas. Concession revenues arise from contracts entered into for the operation of the restaurants and service stations on the Turnpike. The operators pay fees based in part on percentages of gross sales (as defined in the respective contracts). As provided by Ohio law, the Commission also receives nonoperating revenue of five cents in Ohio fuel taxes for each gallon of fuel sold at the Commission's service plazas. The Commission's revenues are recognized when the operators make the sales. All other revenues are recognized when earned.

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

Nonoperating revenue includes revenue from activities that have the characteristics of nonexchange transactions, such as the allocation of Ohio fuel tax revenues, investment earnings, payments to the Ohio Department of Transportation ("ODOT"), interest expense and gains/losses on disposals/write-offs of capital assets. The implication is that such activities are derived from more passive efforts related to the acquisition of the revenue, rather than the earning of it.

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.

Leases

In 2022, the Commission adopted GASB Statement No. 87, *Leases*. The following categories of Leases were considered: Service Plaza Concessionaire Contracts, Fiber Optic Cable Leases, Tower Leases, Electric Vehicle Charging Station Leases, and Ground Leases. In addition, a materiality threshold was set to exclude Lease categories in the aggregate which have less than $100,000 total annual revenue. The following categories were excluded from GASB 87 due to the materiality threshold: Electric Vehicle Charging Stations and Ground Leases.

The Commission is a lessor for concessionaires and other third parties. When the contract guarantees the Commission's minimum rental payment each year, the Commission recognizes a lease receivable and a deferred inflow of resources in the financial statements.

At the commencement of a lease, the Commission initially measures the lease receivable at the present value of payment expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements include how the Commission determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- The Commission uses its incremental borrowing rate at lease inception as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable are comprised of fixed payments from the lessee.

The Commission monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

(2) DEPOSITS AND INVESTMENTS

Deposits

The Commission had $361,000 and $362,000 in undeposited cash on hand at December 31, 2022 and December 31, 2021, respectively. The carrying amount of the Commission's deposits as of December 31, 2022 was $5,253,000 as compared to bank balances of $7,752,000. The carrying amount of the Commission's deposits as of December 31, 2021 was $(6,756,000) as compared to bank balances of $6,255,000. All of the bank balances were covered by federal depository insurance or collateralized in the Ohio Pooled Collateral System.

Investments

The Commission categorizes its fair value measurements at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

As of December 31, 2022, the Commission’s investments had the following recurring fair value measurements (in thousands):

Investment Type	2022	Level 1	Level 2
Federal Home Loan Bank	$ 114,996	–	$ 114,996
Federal Farm Credit Bureau	85,544	–	85,544
United State Treasury Notes	36,542	–	36,542
Federal National Mortgage Association	30,845	–	30,845
Farmer Mac	8,959	–	8,959
Federal Home Loan Mortgage Corporation	2,790	–	2,790
Total Investments	**$ 279,676**	$ –	**$ 279,676**

As of December 31, 2021, the Commission’s investments had the following recurring fair value measurements (in thousands):

Investment Type	2021	Level 1	Level 2
Federal Farm Credit Bureau	$ 117,853	–	$ 117,853
United State Treasury Notes	112,549	–	112,549
Farmer Mac	39,255	–	39,255
United State Treasury Bills	33,579	–	33,579
Federal National Mortgage Association	32,178	–	32,178
Federal Home Loan Bank	28,442	–	28,442
Total Investments	**$ 363,856**	$ –	**$ 363,856**

Investments in STAR Ohio of $196,436,000 in 2022 and $238,917,000 in 2021 are valued at amortized cost, which approximates fair value.

The U.S. Instrumentalities of $279,676,000 in 2022 and $363,856,000 in 2021 are valued using a matrix pricing model technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices.

Federal Home Loan Bank securities totaling $23,228,000 with maturities between one and five years are callable within one year from December 31, 2022. Federal Farm Credit Bureau securities totaling $44,913,000 and Federal Home Loan Bank securities totaling $24,808,000 with maturities between one and five years are callable within one year from December 31, 2021.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting exposure to fair value losses arising from rising interest rates, the Commission's Investment Policy provides that selection of investment maturities be consistent with projected cash requirements and the objective of avoiding the forced sale of securities prior to maturity. In addition, the Commission's Investment Policy and Ohio law prescribe that all Commission investments mature within five years of purchase, unless the investment is matched to a specific obligation or debt of the Commission.

As of December 31, 2022, the Commission's investment balances (in thousands) and maturities, excluding call provisions, were as follows:

Investment Type	Fair Value	Maturities (in Years) Less than 1	1-5
STAR Ohio*	$ 196,436	$ 196,436	$ –
Federal Home Loan Bank	114,996	91,767	23,228
Demand Deposit Accounts*	107,937	107,937	–
Federal Farm Credit Bureau	85,544	66,011	19,533
Treasury Note	36,542	16,457	20,085
Federal National Mortgage Association	30,845	15,376	15,469
Farmer Mac	8,959	–	8,959
Federal Home Loan Mortgage Corporation	2,790	–	2,790
Money Market Mutual Funds*	524	524	–
Total Investments	**$ 584,573**	**$ 494,508**	**$ 90,064**

* Valued at amortized cost

As of December 31, 2021, the Commission's investment balances (in thousands) and maturities, excluding call provisions, were as follows:

Investment Type	Fair Value	Maturities (in Years) Less than 1	1-5
STAR Ohio*	$ 238,916	$ 238,916	$ –
Federal Farm Credit Bureau	117,853	30,462	87,391
United States Treasury Notes	112,549	91,060	21,488
Demand Deposit Accounts*	78,914	78,914	–
Farmer Mac	39,255	29,860	9,395
United States Treasury Bills	33,579	33,579	–
Federal National Mortgage Association	32,178	–	32,178
Federal Home Loan Bank	28,442	3,634	24,808
Money Market Mutual Funds*	2	2	–
Federal Home Loan Mortgage Corporation	–	–	–
Total Investments	**$ 681,688**	**$ 506,427**	**$ 175,260**

* Valued at amortized cost

Credit Risk

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

Custodial Credit Risk

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

On December 31, 2022 and December 31, 2021, all Commission deposits and investments in demand deposit accounts were secured in the Ohio Pooled Collateral System. Excluding Debt Service Fund investments, all U.S. Instrumentality Obligations held by the Commission were held in safekeeping for the benefit of the Commission by the Trust Department at Key Bank, Cleveland, Ohio. As of December 31, 2022 and December 31, 2021 Debt Service Fund investments in U.S. instrumentality securities with fair values totaling $236,480,000 and $238,741,000, respectively, were held by The Huntington National Bank ("Trustee") for the payment of interest and principal on the Commission's outstanding bonds as required by the Commission's Master Trust Agreement as amended and supplemented, see Note 6. Assets held by the Trustee as a custodial agent are considered legally separate from the other assets of The Huntington National Bank.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The Commission's Investment Policy provides that 100 percent of its average monthly portfolio may be invested in U.S. Treasury Obligations, fixed-rate non-callable U.S. Agency or Instrumentality Obligations, or collateralized overnight repurchase agreements. The Investment Policy further provides that a maximum of 50 percent of its average monthly portfolio may be invested in callable U.S. Agency or Instrumentality Obligations, STAR Ohio or certificates of deposit. The Investment Policy also provides that a maximum of 25 percent of its average monthly portfolio may be invested in variable-rate U.S. Agency or Instrumentality Obligations, uncollateralized repurchase agreements, general obligations of the State of Ohio and money market mutual funds. As of December 31, 2022, more than five percent of the Commission's portfolio was invested in demand deposit accounts and STAR Ohio as well as each of the following U.S. instrumentalities: Federal Home Loan Bank, Federal Farm Credit Bureau, and Treasury Notes. As of December 31, 2021, more than five percent of the Commission's portfolio was invested in demand deposit accounts and STAR Ohio as well as each of the following U.S. instrumentalities: Farmer Mac, Federal Farm Credit Bureau, and Treasury Notes.

(3) ACCOUNTS RECEIVABLE

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

	2022	2021
Tolls	$ 22,252	$ 21,835
Concessions	1,767	1,783
Fuel Tax Receivable	501	555
Other	2,658	1,756
Less: Allowance for Doubtful Accounts	(178)	(200)
Total Accounts Receivable	**$ 27,000**	**$ 25,729**

4) CAPITAL ASSETS

Capital asset activity (in thousands) for the years ended December 31, 2022 and 2021 was as follows:

	Balance 12/31/21	Increases	Decreases	Balance 12/31/22
Capital Assets Not Being Depreciated:				
Land	$ 38,756	$ 300	$ –	$ 39,056
Construction In Progress	125,916	178,125	(171,217)	132,824
Total Capital Assets Not Being Depreciated	164,672	178,425	(171,217)	171,880
Other Capital Assets:				
Roadway and Structures	2,175,967	138,387	(19,162)	2,295,192
Buildings and Improvements	543,136	25,077	(163)	568,050
Machinery and Equipment	98,196	9,227	(6,769)	100,654
Total Other Capital Assets at Historical Cost	2,817,299	172,691	(26,094)	2,963,896
Less Accumulated Depreciation for:				
Roadway and Structures	(950,129)	(64,779)	12,300	(1,002,608)
Buildings and Improvements	(267,346)	(15,947)	121	(283,172)
Machinery and Equipment	(79,337)	(4,421)	6,396	(77,362)
Total Accumulated Depreciation	(1,296,812)	(85,147)	18,817	(1,363,142)
Other Capital Assets, Net	1,520,487	87,544	(7,277)	1,600,754
Total Capital Assets, Net	**$ 1,685,159**	**$ 265,969**	**$ (178,494)**	**$ 1,772,634**

	Balance 12/31/20	Increases	Decreases	Balance 12/31/21
Capital Assets Not Being Depreciated:				
Land	$ 38,515	$ 241	$ –	$ 38,756
Construction In Progress	52,395	155,923	(82,402)	125,916
Total Capital Assets Not Being Depreciated	90,910	156,164	(82,402)	164,672
Other Capital Assets:				
Roadway and Structures	2,116,215	65,809	(6,057)	2,175,967
Buildings and Improvements	527,197	16,303	(364)	543,136
Machinery and Equipment	97,775	5,187	(4,766)	98,196
Total Other Capital Assets at Historical Cost	2,741,187	87,299	(11,187)	2,817,299
Less Accumulated Depreciation for:				
Roadway and Structures	(890,649)	(65,475)	5,995	(950,129)
Buildings and Improvements	(252,440)	(15,207)	301	(267,346)
Machinery and Equipment	(79,781)	(4,275)	4,719	(79,337)
Total Accumulated Depreciation	(1,222,870)	(84,957)	11,015	(1,296,812)
Other Capital Assets, Net	1,518,317	2,342	(172)	1,520,487
Total Capital Assets, Net	**$ 1,609,227**	**$ 158,506**	**$ (82,574)**	**$ 1,685,159**

(5) DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

The composition of deferred outflows of resources (in thousands) as of December 31, is summarized as follows:

	2022	2021
Unamortized Refunding Gains/Losses	$ 40,714	$ 40,572
Deferred Pension Outflows of Resources	12,352	7,290
Deferred OPEB Outflows of Resources	-	2,967
Deferred Asset Retirement Costs	278	294
Total Deferred Outflows of Resources	**$ 53,344**	**$ 51,123**

The composition of deferred inflows of resources (in thousands) as of December 31, is summarized as follows:

	2022	2021
Deferred Pension Inflows of Resources	$ 37,149	$ 25,123
Deferred OPEB Inflows of Resources	11,250	20,222
Deferred Lease Inflows of Resources	47,244	50,194
Total Deferred Inflows of Resources	**$ 95,643**	**$ 95,539**

(6) LONG-TERM OBLIGATIONS

In accordance with Ohio law and the Commission's Amended and Restated Master Trust Agreement ("Senior Lien Trust Agreement"), dated April 8, 2013, as amended by the Nineteenth through Twenty-Third Supplemental Trust Agreements, and the Junior Lien Master Trust Agreement ("Junior Lien Trust Agreement"), dated August 1, 2013, as amended by the First through Fourth supplemental Junior Lien Trust Agreements (collectively, the "Trust Agreements") the Commission has issued revenue bonds payable solely from the Commission's System Pledged Revenues, as defined by the Trust Agreements. The bond proceeds have been used to either help fund the purchase or construction of capital assets, to refund other Turnpike revenue bonds or to fund infrastructure projects constructed by ODOT. Gross Pledged Revenues include tolls, special toll permits, certain realized investment earnings, appropriations from ODOT (if any), and revenue derived from leases, licenses, royalties, advertising, miscellaneous sales, fees, charges and certain concession 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 nor the State of Ohio is pledged for the payment of the bonds.

Under the terms of the Trust Agreements, 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) composite annual debt service on its outstanding bonds.

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

The Commission also covenants that prior to reducing any toll rates on other than a temporary basis, it will engage the services of an independent consultant to estimate the Commission's Gross Pledged Revenues for each year during which Commission bonds are scheduled to be outstanding and, based on these estimated revenues, the Commission covenants that its System Pledged Revenues will equal at least 150 percent of its net composite annual debt service for each year during which Commission bonds are scheduled to be outstanding. The Commission has reviewed its bond covenants and determined that it is in compliance for 2022 and 2021.

In addition, the Commission has, by resolution, declared its intention as a matter of policy to use its best efforts to maintain a ratio of System Pledged Revenues to net senior lien debt service of at least 200 percent. Other than in connection with the issuance of additional bonds or the implementation of a toll reduction on other than a temporary basis, the Commission has no obligation to meet such coverage levels or to maintain a policy of doing so, and the Commission may rescind that policy at any time.

The Senior Lien Trust Agreement requires the Commission to establish and maintain a Debt Service Reserve Account ("DSRA") equal to the maximum annual debt service on its outstanding senior lien bonds. The senior lien DSRA may be funded either with cash or one or more Reserve Account Credit Facilities obtained from an issuer that has been assigned one of the two highest ratings by at least two rating agencies. Due to the downgrade in the credit rating of the issuers of the Commission's Reserve Account Credit Facilities, the Commission has fully funded its DSRA with cash. Those funds were invested and are included in Investments, at Fair Value in restricted current assets.

The Junior Lien Trust Agreement requires the Commission to establish and maintain a DSRA equal to the average annual debt service on its outstanding junior lien bonds. The junior lien DSRA may be funded either with cash or one or more Reserve Account Credit Facilities obtained from an issuer that has been assigned one of the two highest ratings by at least two rating agencies. In connection with the issuance of its junior lien bonds, the Commission has deposited $113,072,000 of junior lien bond proceeds into its junior lien DSRA, which is restricted for debt service. Those funds were invested and are included in Investments, at Fair Value in restricted current assets.

On February 8, 2022, the Commission took advantage of favorable interest rates, and sold $310,220,000 par amount of State of Ohio Turnpike Junior Lien Revenue Refunding Bonds, 2022 Series A (Forward Delivery), pursuant to the Commission's Master Trust Agreement, as amended and supplemented, and the Fourth Supplemental Trust Agreement dated November 1, 2022. The issue date of the bonds was November 17, 2022. The bonds were issued for the purpose of refunding $359,908,000 State of Ohio Turnpike Junior Lien Revenue Bonds, 2013 Series A-1 and Series A-3 Bonds. The Commission decreased its total future debt service payments by $88,788,000 as a result of the refundings which is a net present value savings of $71,853,000.

On February 16, 2021, the Commission issued $135,010,000 par amount of State of Ohio Turnpike Revenue Bonds, 2021 Series A for the purpose of funding Turnpike capital projects.

None of the Commission's long-term obligations are direct borrowings or direct placements.

Changes in long-term obligations (in thousands) for 2022 and 2021 are as follows:

	Balance 12/31/21	Increases	Decreases	Balance 12/31/22	Amounts Due Within One Year
Revenue Bonds Payable:					
Principal Payable	$ 2,167,524	$ 339,331	$ (404,302)	$ 2,102,553	$ 49,795
Unamortized Premiums - Net	125,505	58,764	(13,692)	170,577	–
Total Revenue Bonds Payable	2,293,029	398,095	(417,994)	2,273,130	49,795
Net Pension Liability	50,286	21,634	(43,268)	28,652	–
Compensated Absences	10,697	3,834	(4,802)	9,729	4,072
Claims and Judgments	3,119	10,752	(9,988)	3,883	2,493
Contamination Remediation	140	34	(37)	137	37
Asset Retirement Obligation	552	–	–	552	–
Totals	**$ 2,357,823**	**$ 434,349**	**$ (476,089)**	**$ 2,316,083**	**$ 56,397**

	Balance 12/31/20	Increases	Decreases	Balance 12/31/21	Amounts Due Within One Year
Revenue Bonds Payable:					
Principal Payable	$ 2,042,198	$ 161,696	$ (36,370)	$ 2,167,524	$ 43,650
Unamortized Premiums - Net	89,512	42,790	(6,797)	125,505	–
Total Revenue Bonds Payable	2,131,710	204,486	(43,167)	2,293,029	43,650
Net Pension Liability	70,275	–	(19,989)	50,286	–
Net OPEB Liability	48,726	6,035	(54,761)	–	–
Compensated Absences	11,047	813	(1,163)	10,697	4,087
Claims and Judgments	1,784	5,581	(4,246)	3,119	1,574
Contamination Remediation	84	159	(103)	140	35
Asset Retirement Obligation	529	36	(13)	552	–
Totals	**$ 2,264,155**	**$ 217,110**	**$ (123,442)**	**$ 2,357,823**	**$ 49,346**

Revenue bonds, payable (in thousands) as of December 31, 2022, are summarized as follows:

	Original Amount	Average Yield	Bonds Payable
Senior Lien Debt			
1998 Series A:			
Serial Bonds maturing through 2021	$ 168,180		$ –
Term Bond due 2024	84,115		57,565
Term Bond due 2026	46,280		46,280
	298,575	4.77%	103,845
2010 Series A:			
Serial Bonds maturing 2027	93,920		–
Term Bonds due 2031	37,370		19,355
	131,290	4.08%	19,355
2017 Series A:			
Serial Bonds maturing through 2031	114,670	2.61%	88,165
2018 Series A:			
Serial Bonds maturing 2037 and 2038	17,970		17,970
Term Bond due 2043	55,910		55,910
	73,880	4.18%	73,880
2020 Series A:			
Serial Bonds maturing through 2036	11,880		11,880
Term Bonds due 2048	69,585		69,585
	81,465	3.15%	81,465
2021 Series A:			
Term Bonds due 2046	60,170		60,170
Term Bonds due 2051	74,840		74,840
	135,010	3.42%	135,010
Total Senior Lien Principal Issued/Outstanding	$ 1,145,110	3.50%	$ 501,720

	Original Amount	Average Yield	Bonds Payable
Junior Lien Debt			
2013 Series A:			
Serial Bonds maturing through 2033	$ 256,195		$ 4,035
Term Bonds due 2039	113,075		–
Term Bonds due 2048	340,000		–
Capital Appreciation Bonds maturing 2036 through 2043	136,382		241,399
Capital Appreciation Bonds maturing 2037 through 2043	4,161		–
Convertible Capital Appreciation Bonds maturing 2034 through 2036	145,000		246,459
	994,813	6.03%	491,893
2018 Series A:			
Serial Bonds maturing through 2038	346,050		346,050
Term Bond due 2040	19,310		19,310
4% Term Bond due 2046	45,000		45,000
5% Term Bond due 2046	15,605		15,605
	425,965	3.79%	425,965
2020 Series A:			
Serial Bonds maturing through 2031	24,945		20,850
Term Bonds due 2040	12,155		12,155
Term Bonds due 2048	339,750		339,750
	376,850	3.20%	372,755
2022 Series A:			
Serial Bonds maturing through 2039	310,220	2.76%	310,220
Total Junior Lien Principal Issued/Outstanding	1,797,628	4.32%	1,600,833
Total Principal Issued/Outstanding	$ 2,942,738	4.16%	$ 2,102,553
Add:			
Unamortized bond premiums - net			170,577
Total Revenue Bonds Payable			**$ 2,273,130**

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

Year	Principal	Interest	Total
2023	$ 49,795	$ 73,252	$ 123,047
2024	53,010	81,692	134,702
2025	50,740	79,036	129,776
2026	54,195	76,365	130,560
2027	50,480	73,730	124,210
2028 - 2032	376,860	320,873	697,733
2033 - 2037	470,121	208,967	679,088
2038 - 2042	362,310	133,660	495,970
2043 - 2047	489,152	74,917	564,069
2048 - 2051	145,890	10,662	156,552
Totals	**$ 2,102,553**	**$ 1,133,154**	**$ 3,235,707**

Pollution Remediation Obligation

The Commission has recorded a liability for pollution (including contamination) remediation obligations, which are obligations to address current or potential detrimental effects of existing pollution by participating in remediation activities such as site assessments and cleanups. The liability includes estimated contamination remediation costs to collect and dispose of slag leachate as required by the Ohio Environmental Protection Agency estimated at $136,500 and $139,500 as of December 31, 2022 and 2021, respectively. The liability was estimated using the expected cash flow technique. The pollution remediation obligation is an estimate and is subject to changes resulting from price increases or decreases, technology, or changes in applicable laws or regulations.

(7) COMMITMENTS AND CONTINGENCIES

Commitments

The Commission has commitments as of December 31, 2022 and 2021 of approximately $127,305,000 and $182,868,000, respectively for capital projects as well as major repairs and replacements. It is anticipated these commitments will be financed from the Commission’s cash balances, including the remaining proceeds from the $170 million senior lien bond issuance in 2021. 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 $16,154,000 and $15,894,000 as of December 31, 2022 and 2021, respectively.

Litigation

The nature of the Commission's operations sometimes subjects the Commission to litigation, typically from daily operations of vehicles, equipment and from customer incidents. 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 fuel leaks or spills. The Commission, however, participates in the Petroleum Underground Storage Tank Release Compensation Board, which limits the Commission’s financial liability to $55,000 per incident, up to a maximum reimbursement of $1,000,000 per incident or $1,000,000 per calendar year. The Commission is unaware of any incidents that will exceed these limits.

Collective Bargaining

Approximately 349 full-time, nonsupervisory, field employees in the Commission’s Toll Operations and Maintenance Departments, approximately 150 part-time, nonsupervisory, field employees in the Toll Operations Department and approximately 10 full-time radio operators are represented by the Teamsters Local Union No. 436, affiliated with the International Brotherhood of Teamsters.

In 2021, the Commission ratified a three-year collective bargaining agreement with the full-time employees that is effective for the period January 1, 2021 through December 31, 2023. The agreement includes annual wage increases of 0 percent effective

January 1, 2021, and 4 percent effective both January 9, 2022 and January 8, 2023 for full-time employees. The Commission also reached an agreement with the part-time employees for the same time period of January 1, 2021 through December 31, 2023 which includes annual wage increases of 0 percent effective January 10, 2021, 2 percent effective January 9, 2022 and 2.5 percent effective January 8, 2023. The Commission also has reached an agreement with the radio operator employees for the same time period of January 1, 2021 through December 31, 2023 which includes annual wage increases of 0 percent effective January 1, 2021, and 4 percent effective both January 9, 2022 and January 8, 2023.

(8) PENSION PLAN AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS

Plan Description

The Commission participates in the Ohio Public Employees Retirement System (OPERS), statewide, cost-sharing, multiple-employer defined benefit public employee retirement system governed by the Ohio Revised Code (ORC) that covers substantially all employees of the Commission. The system provides retirement, survivor, and disability benefits to plan members and their beneficiaries. The system also provides post-employment health care benefits (including Medicare B premiums) to retirees and beneficiaries who elect to receive those benefits.

OPERS administers three separate pension plans as follows:

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

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

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

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

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

Pension Benefits

Plan benefits are established under Chapter 145 of the ORC, as amended by Substitute Senate Bill 343 in 2012. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. Members eligible to retire under the law in effect prior to Senate Bill 343 or who will be eligible to retire no later than five years after January 7, 2013, comprise Transition Group A. Members with 20 years of service credit prior to January 7, 2013, or who will be eligible to retire no later than 10 years after January 7, 2013, are included in Transition Group B. Those members who are not in Group A or B or were hired after January 7, 2013, are in Transition Group C. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by Senate Bill 343.

A plan member who becomes disabled before age 60 or at any age, depending on when the member entered the plan, and has completed 60 contributing months is eligible for a disability benefit.

A death benefit of $500 to $2,500 is determined by the number of years of service credit of the retiree. Benefits may transfer to a beneficiary upon death with 1.5 years of service credits with the plan obtained within the last 2.5 years, except for law enforcement and public safety personnel who are eligible immediately upon employment.

Group A	Group B	Group C
Age and Service Requirements:		
Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula:		
2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Benefit terms provide for annual cost of living adjustments to each employee's retirement allowance after the employee's retirement date. Retirement benefits for the defined benefit portion of the plan increase three percent annually of the original base amount regardless of changes in the Consumer Price Index, for those who retired prior to January 7, 2013. For those retiring after January 7, 2013, beginning in calendar year 2019, the increase will be based on the average increase in the Consumer Price Index.

OPEB Benefits

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health plan, which includes medical, prescription drug program, and Medicare Part B premium reimbursement, for qualifying members of both the traditional pension and the combined plans. Members of the member directed plan do not qualify for ancillary benefits, including postemployment healthcare coverage.

To qualify for postemployment health care coverage, age-and-service retirees under the Traditional and Combined plans must have 20 years of qualifying Ohio service credit with a minimum age of 60, or 30 or more years of qualifying service at any age. Healthcare coverage for disability recipients and qualified survivor benefit recipients is available. The healthcare coverage provided by OPERS meets the definition of an OPEB as described in GASB Statement No. 75.

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

Contributions

State retirement law requires contributions by covered employees and their employers, and Chapter 3307 of the ORC limits the maximum rate of contributions. The retirement boards of the systems individually set contributions rates within the allowable limits. The adequacy of employer contribution rates is determined annually by actuarial valuation using the entry age normal cost method. Under these provisions, each employer's contribution is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance a portion of the unfunded accrued liability.

Member contributions are 10 percent of gross wages for all plans, set at the maximums authorized by the ORC. The plans' 2022 and 2021 employer contribution rates on covered payroll are as follows:

	Pension	Post-retirement Health Care	Total
2022	14.00%	– %	14.00%
2021	14.00%	– %	14.00%

The Commission's contributions to the OPERS for the traditional and combined plans for the years ended December 31, 2022 and 2021 were $7,056,000 and $6,854,000, respectively, equal to 100 percent of the required contributions for each year. Contributions to the member-directed plan for 2022 were $247,000 made by the Commission and $177,000 made by plan members. The Commission's contributions to OPERS for the OPEB plan for the years ended December 31, 2022 and 2021 were $0, equal to 100 percent of the required contributions for each year. At December 31, 2022, there was $615,000 in amounts due to OPERS for employee and employer contributions included in Accrued Wages and Benefits on the Statement of Net Position.

Net Pension Asset/Liability and Pension Expense

The net pension asset/liability was measured as of December 31, 2021. The total pension asset/liability used to calculate the net pension asset/liability was determined by an actuarial valuation as of December 31, 2021. The Commission's proportion of the net asset/liability is based on the Commission's share of contributions to the plan as compared to the total contributions of employers and all non-employer contributing entities. Total pension expense for the years ended December 31, 2022 and 2021 were $(8,078,000) and $(2,467,000), respectively.

At December 31, 2022, the Commission reported the following information related to the proportionate share of the net pension liability and pension expense:

	Traditional Plan	Combined Plan
Proportionate Share of the Net Pension Liability	0.329322%	0.318717%
Change in Proportionate Share from Prior Year	0.010271%	0.017411%
Proportion of the Net Liability (Asset)	$28,652,000	($1,309,000)
Pension Expense	($8,031,000)	($47,000)

At December 31, 2021, the Commission reported the following information related to the proportionate share of the net pension liability and pension expense:

	Traditional Plan	Combined Plan
Proportionate Share of the Net Pension Liability	0.339593%	0.336129%
Change in Proportionate Share from Prior Year	0.015948%	(0.004896%)
Proportion of the Net Liability (Asset)	$50,286,000	($1,028,000)
Pension Expense	($2,450,000)	($17,000)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022, the Commission reports deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources	**Traditional Plan**	**Combined Plan**	**Total**
Difference between Expected and Actual Experience	$ 1,460,000	$ 61,000	$ 1,521,000
Change in Assumptions	3,583,000	65,000	3,648,000
Change in Employer's Proportionate Share	-	57,000	57,000
Contributions subsequent to the Measurement Date	6,653,000	473,000	7,126,000
Total	**$ 11,696,000**	**$ 656,000**	**$ 12,352,000**

Deferred Inflows of Resources	**Traditional Plan**	**Combined Plan**	**Total**
Difference between Expected and Actual Experience	$ 628,000	$ 141,000	$ 769,000
Net Difference between Projected and Actual			
Earnings on Pension Plan Investments	34,081,000	281,000	34,362,000
Change in Employer's Proportionate Share	2,010,000	8,000	2,018,000
	$ 36,719,000	**$ 430,000**	**$ 37,149,000**

At December 31, 2021, the Commission reports deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources	Traditional Plan	Combined Plan	Total
Difference between Expected and Actual Experience	$ -	$ 40,000	$ 40,000
Change in Assumptions	61,000	2,000	63,000
Change in Employer's Proportionate Share	-	21,000	21,000
Contributions subsequent to the Measurement Date	6,691,000	475,000	7,166,000
Total	**$ 6,752,000**	**$ 538,000**	**$ 7,290,000**

Deferred Inflows of Resources	Traditional Plan	Combined Plan	Total
Difference between Expected and Actual Experience	$ 2,104,000	$ 183,000	$ 2,287,000
Net Difference between Projected and Actual Earnings on Pension Plan Investments	19,600,000	151,000	19,751,000
Change in Employer's Proportionate Share	3,074,000	11,000	3,085,000
	$ 24,778,000	**$ 345,000**	**$ 25,123,000**

Deferred Outflows of Resources of $7,126,000 related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	Traditional Plan	Combined Plan
2023	$ (6,153,000)	$ (70,000)
2024	(12,087,000)	(103,000)
2025	(8,014,000)	(63,000)
2026	(5,421,000)	(43,000)
2027	–	5,000
Thereafter	–	26,000
	$ (31,675,000)	$ (248,000)

Net OPEB Asset, Deferrals, and OPEB Expense

The net OPEB asset was measured as of December 31, 2021. The total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2020. The Commission's proportion of the net OPEB asset was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined.

At December 31, the Commission reported the following information related to the proportionate share of the net OPEB asset:

	2022	2021
Proportionate Share of the Net OPEB Asset	0.327688%	0.338729%
Change in Proportionate Share from Prior Year	(0.011041%)	(0.014035%)
Net OPEB Asset	$10,264,000	$6,035,000

For the year ended December 31, 2022, the Commission credited OPEB expense for $(10,235,000). At December 31, 2022, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ –	$ 1,557,000
Change in Assumptions	–	4,155,000
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	–	4,893,000
Changes in Employer's Proportionate Share	–	645,000
Total	**$ –**	**$ 11,250,000**

For the year ended December 31, 2021, the Commission credited OPEB expense for $(38,409,000). At December 31, 2021, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ –	$ 5,446,000
Change in Assumptions	2,967,000	9,779,000
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	–	3,214,000
Changes in Employer's Proportionate Share	–	1,783,000
Total	**$ 2,967,000**	**$ 20,222,000**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	Amount
2023	$ (7,140,000)
2024	(2,338,000)
2025	(1,069,000)
2026	(703,000)
2027	–
Thereafter	–
	$ (11,250,000)

Actuarial Assumptions

The total pension liability and OPEB liability is based on the results of an actuarial valuation determined using the following actuarial assumptions for 2021, applied to all periods included in the measurement on December 31, 2022:

	Traditional Plan	Combined Plan
Wage Inflation	2.75%	2.75%
Salary Increases (includes Wage Inflation)	2.75% - 10.75%	3.25% - 8.25%
Investment Rate of Return-Pension	6.90%	6.90%
Investment Rate of Return-OPEB	6.00%	6.00%
COLA	Pre-1/7/2013 Retirees: 3.00% Simple Post-1/7/2013 Retirees: 3.00% Simple through 2022, then 2.05% Simple	Pre-1/7/2013 Retirees: 3.00% Simple Post-1/7/2013 Retirees: 3.00% Simple through 2022, then 2.05% Simple
Health Care Cost Trend Rates	5.50% initial, 3.50% ultimate in 2034	5.50% initial, 3.50% ultimate in 2034
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Valuation Date-Pension	December 31, 2021	December 31, 2021
Valuation Date-OPEB	December 31, 2020	December 31, 2020

The following are the actuarial assumptions for 2020, applied to all periods included in the measurement on December 31, 2021:

	Traditional Plan	Combined Plan
Wage Inflation	3.25%	3.25%
Salary Increases (includes Wage Inflation)	3.25% - 10.75%	3.25% - 8.25%
Investment Rate of Return-Pension	7.20%	7.20%
Investment Rate of Return-OPEB	6.00%	6.00%
COLA	Pre-1/7/2013 Retirees: 3.00% Simple Post-1/7/2013 Retirees: 0.5% Simple through 2021, then 2.15% Simple	Pre-1/7/2013 Retirees: 3.00% Simple Post-1/7/2013 Retirees: 0.5% Simple through 2021, then 2.15% Simple
Health Care Cost Trend Rates	8.50% initial, 3.50% ultimate in 2035	8.50% initial, 3.50% ultimate in 2035
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Valuation Date-Pension	December 31, 2020	December 31, 2020
Valuation Date-OPEB	December 31, 2019	December 31, 2019

The mortality rates used in the December 31, 2021 valuation were based on the Pub-2020 General Employee Mortality tables. For disabled retirees, mortality rates are based on the PubNS-2010 Disabled Retiree Mortality table. The tables were adjusted for mortality improvements back to the observation period base year of 2010. The mortality rates used in the December 31, 2020 valuation were based on the RP-2014 Healthy Annuitant mortality table. For disabled retirees, mortality rates are based on the RP-2014 Disabled mortality table. The Healthy Annuitant Mortality tables were adjusted for mortality improvements back to the observation period base year of 2006, and then established the base year as 2010 for females, and 2015 for males.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study conducted in 2021, for the five-year period 2016 through 2020. The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study conducted in 2016, for the five-year period 2011 through 2015.

Discount Rate

The discount rates used to measure the total pension liability for OPERS were 6.90 percent and 7.20 percent for the plan years ended December 31, 2021 and 2020, respectively. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at contractually required rates for all plans. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments for current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rates used to measure the total OPEB liability were 6.00 percent for the plan years ended December 31, 2021 and 2020. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at contractually required rates for all plans. At December 31, 2021 and 2020, the plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB assets.

Projected Cash Flows

The long term expected rate of return on pension plan and OPEB plan investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized for the year ended December 31, 2022 in the following table:

	Defined Benefit Portfolio		Health Care Portfolio	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	24.00%	1.03%	34.00%	0.91%
Domestic Equity	21.00%	3.78%	25.00%	3.78%
Real Estate	11.00%	3.66%	0.00%	0.00%
Private Equity	12.00%	7.43%	0.00%	0.00%
International Equities	23.00%	4.88%	25.00%	4.88%
Risk Parity	5.00%	2.92%	2.00%	2.92%
REIT's	0.00%	0.00%	7.00%	3.71%
Other Investments	4.00%	2.85%	7.00%	1.93%
Total	**100.00%**		**100.00%**	

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized for the year ended December 31, 2021 in the following table:

	Defined Benefit Portfolio		Health Care Portfolio	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	25.00%	1.32%	34.00%	1.07%
Domestic Equity	21.00%	5.64%	25.00%	5.64%
Real Estate	10.00%	5.39%	0.00%	0.00%
Private Equity	12.00%	10.42%	0.00%	0.00%
International Equities	23.00%	7.36%	25.00%	7.36%
REIT's	0.00%	0.00%	7.00%	6.48%
Other Investments	9.00%	4.75%	9.00%	4.02%
Total	**100.00%**		**100.00%**	

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Commission, calculated using the discount rate listed below, as well as what the Commission's net pension liability would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate:

2022	1 Percentage-Point Decrease (5.9%)	Current Discount Rate (6.9%)	1 Percentage-Point Increase (7.9%)
Net Pension Liability Traditional	$75,543,000	$28,652,000	($10,367,000)
Net Pension (Asset) Combined	($984,000)	($1,309,000)	($1,563,000)

2021	1 Percentage-Point Decrease (6.2%)	Current Discount Rate (7.2%)	1 Percentage-Point Increase (8.2%)
Net Pension Liability Traditional	$95,922,000	$50,286,000	$12,341,000
Net Pension (Asset) Combined	($727,000)	($1,028,000)	($1,254,000)

Sensitivity of the Net OPEB Asset to Changes in the Discount Rate

The following presents the net OPEB asset of the Commission, calculated using the discount rate listed below, as well as what the Commission's net OPEB asset would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate:

2022	1 Percentage-Point Decrease (5.00%)	Current Discount Rate (6.00%)	1 Percentage-Point Increase (7.00%)
Net OPEB Asset	$6,036,000	$10,264,000	$13,773,000

2021	1 Percentage-Point Decrease (5.00%)	Current Discount Rate (6.00%)	1 Percentage-Point Increase (7.00%)
Net OPEB Asset	$1,501,000	$6,035,000	$9,762,000

Sensitivity of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate

The following presents the net OPEB asset of the Commission, calculated using the healthcare cost trend rate listed below, as well as what the Commission's net OPEB asset would be if it were calculated using a health care cost trend rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate:

2022	1 Percentage-Point Decrease	Current Trend Rate	1 Percentage-Point Increase
Net OPEB Asset	$10,375,000	$10,264,000	$10,132,000

2021	1 Percentage-Point Decrease	Current Trend Rate	1 Percentage-Point Increase
Net OPEB Asset	$6,182,000	$6,035,000	$5,870,000

Pension Plan and OPEB Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in the separately issued OPERS financial report. You may obtain a copy of their report by visiting the OPERS Web site at https://www.opers.org/financial/reports.shtml.

Assumption Changes

During the measurement period ended December 31, 2021, there were changes to several assumptions for OPERS. The OPERS pension discount rate was reduced from 7.20 percent to 6.90 percent, which impacted the annual actuarial valuation for the pension liability as of December 31, 2021. The health care cost trend rates decreased from 8.50 percent initial and 3.50 percent ultimate in 2035 to 5.50 percent initial and 3.50 percent ultimate in 2034.

Benefit Changes

Effective in 2022, OPERS replaced the self-insured group plan with a marketplace concept for pre-Medicare retirees.

(9) PAYMENTS FOR STATE INFRASTRUCTURE PROJECTS

On April 1, 2013, Ohio Governor John Kasich signed Am. Sub. H.B. 51 (H.B. 51) into law, creating a “public-public” partnership between the Commission and the Ohio Department of Transportation (“ODOT”). Effective July 1, 2013, H.B. 51 authorized the Commission to issue Turnpike Revenue Bonds as a means of funding certain transportation infrastructure projects (“Infrastructure Projects”) as defined under Chapter 5537 of the Ohio Revised Code. H.B. 51 was enacted by the Ohio General Assembly to implement the Ohio Jobs and Transportation Plan proposed by Governor Kasich to address a significant funding shortfall announced by ODOT in January 2012 that would have required postponement of significant Ohio transportation projects. The plan contemplates the issuance of a total of $1.5 billion of Turnpike revenue bonds for transportation projects between 2013 and 2018. Under H.B. 51, the Director of ODOT can apply to the Commission for funding for Infrastructure Projects provided those projects: 1) have been approved by the Transportation Review Advisory Council (“TRAC”) that oversees a project selection process for major new transportation projects and; 2) have a “nexus” to the Turnpike System.

On July 15, 2013, the Commission’s Board approved the issuance of the 2013 Junior Lien Bonds in order to fund $930 million in Infrastructure Projects. In August 2013, the Director of ODOT submitted funding requests for Infrastructure Projects to the Commission for consideration and, on September 16, 2013, the Commission’s Board approved the funding of a list of ten Infrastructure Projects totaling $930 million. The Commission began reimbursing ODOT for these projects in 2014 and made the final reimbursement to ODOT for these projects in 2020.

In late 2017, ODOT submitted funding requests for two additional projects on I-75 in Lucas and Wood Counties, which, on December 18, 2017, the Commission determined have the proper nexus for funding with Infrastructure funds. On February 15, 2018, the Commission issued 2018 Junior Lien Bonds that generated proceeds of $450 million in order to fund these two projects along with the Opportunity Corridor project in Cuyahoga County. The status of the funding (in thousands) of each of these infrastructure projects as of December 31, 2022 is as follows:

County	Project	Approved Amount	Expended by ODOT	Funds Paid to ODOT
Wood/Lucas	I-75 Reconstruction	$ 143,000	$ 143,000	$ 143,000
Lucas	I-75 Reconstruction	160,000	149,608	149,308
Cuyahoga	Opportunity Corridor	147,000	145,868	145,852
		$ 450,000	**$ 438,476**	**$ 438,160**

10) RISK MANAGEMENT

The Commission is self-insured for workers' compensation and vehicle damage claims. The Commission is also self-insured for employee health claims, up to a maximum of $250,000 per covered person per contract year. Employee health benefits are not subject to any lifetime maximum benefit payments.

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

Claims and Judgments as of December 31 of each year in the accompanying Statements of Net Position are comprised of the estimated liability for workers' compensation claims, the estimated liability for employee health claims, and the estimated liability for miscellaneous claims and judgments. The Commission is unaware of any unaccrued vehicle damage or unasserted workers' compensation claims as of December 31, 2021.

Claims and Judgments (in thousands) for the years ended December 31, are as follows:

	2022	2021
Workers' compensation claims	$ 1,548	$ 1,677
Employee health claims	1,216	896
Miscellaneous claims and judgments	1119	546
Total	**$ 3,883**	**$ 3,119**

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

	Claims Payable - Beginning of Year	Current Claims	Claims Payments	Claims Payable - End of Year
2022	$ 3,119	$ 10,752	$ 9,988	$ 3,883
2021	$ 1,784	$ 14,175	$ 12,840	$ 3,119
2020	$ 2,131	$ 11,490	$ 11,837	$ 1,784

The Commission purchases commercial insurance policies in varying amounts for general liability, vehicle liability, bridges, use and occupancy, damage to capital assets other than vehicles, and public officials and employee liability coverage. Paid claims have not exceeded the limits of the Commission's commercial insurance policies for each of the last three fiscal years. The Commission also pays unemployment claims to the State of Ohio as incurred.

11) LEASES

For the years ended December 31, 2022 and 2021, the Commission's financial statements include the adoption of GASB Statement No. 87, *Leases* (GASB 87). The primary objective of GASB 87 is to enhance the relevance and consistency of information about the Commission's leasing activities. GASB 87 establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The Commission, as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources is measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

The Commission leases certain assets to various third parties. The assets include land and service plaza space for concessions. Payments for the leases are received monthly, quarterly and annually based on the contract. A majority of the leases are a fixed monthly fee and often contain annual or periodic escalation clauses. For sales-based leases, there are often minimum annual guarantees contained in the lease that provide a certain amount of revenue regardless of the operation's success. The term of the lease will include possible extension periods that are deemed to be reasonably certain given all available information, regarding the likelihood of renewal. The term of the lease will exclude possible termination periods that are not deemed to be reasonably certain, given all available information. For the year ended December 31, 2022, all leases with associated receivables are based on fixed payments and do not have variable payment components included in the receivable.

Lease Revenue is presented within Concessions and Leases and Licenses Revenues on the Statement of Revenues, Expenses, and Changes in Net Position. The Commission recognized the following inflows related to its lessor agreements (in thousands) for the years ending December 31, were as follows:

	2022	2021
Lease Revenue	$ 3,113	$ 3,613
Interest Revenue - Leases	2,230	2,319
	$ 5,343	**$ 5,932**

Future principal and interest payment requirements related to the Commission's lease receivable at December 31, 2022 are as follows:

Year	Principal	Interest	Total
2023	$ 1,742,132	$ 2,154,286	$ 3,896,418
2024	1,846,860	2,074,685	3,921,545
2025	1,920,533	1,991,183	3,911,716
2026	2,071,906	1,902,767	3,974,673
2027	1,843,726	1,815,859	3,659,585
2028 - 2032	11,738,308	7,650,995	19,389,303
2033 - 2037	14,372,197	4,573,755	18,945,952
2038 - 2042	8,903,232	2,122,472	11,025,704
2043 - 2047	4,154,587	339,397	4,493,984
2048 - 2050	186,278	8,973	195,251
Totals	**$ 48,779,759**	**$ 24,634,372**	**$ 73,414,131**

Required Supplementary Information

Schedule of Net Pension Liability *Last Eight Fiscal Years* *

Ohio Public Employees Retirement System As of the Current Measurement Date (Dollars in Thousands)

	2021	2020	2019	2018	2017	2016	2015	2014
Employer's Proportion of the Collective Net Pension Asset / Liability								
Traditional Plan	0.329322%	0.339593%	0.355541%	0.374194%	0.380459%	0.403586%	0.392329%	0.398393%
Combined Plan	0.318717%	0.336129%	0.331232%	0.338199%	0.334825%	0.364018%	0.365870%	0.373154%
Employer's Proportionate Share of the Collective Net Pension Asset / (Liability)								
Traditional Plan	$ (28,652)	$ (50,286)	$ (70,275)	$ (102,484)	$ (59,687)	$ (91,648)	$ (67,956)	$ (48,051)
Combined Plan	$ 1,309	$ 1,028	$ 702	$ 386	$ 468	$ 204	$ 178	$ 143
Employer's Covered Payroll								
Traditional Plan	$ 47,514	$ 47,836	$ 50,023	$ 50,541	$ 50,288	$ 52,172	$ 48,829	$ 48,843
Combined Plan	$ 1,446	$ 1,481	$ 1,475	$ 1,446	$ 1,371	$ 1,417	$ 1,332	$ 1,242
Employer's Proportionate Share of the Collective Net Pension Asset / (Liability) as a percentage of the Employer's Covered Payroll								
Traditional Plan	(60.30%)	(105.12%)	(140.49%)	(202.77%)	(118.69%)	(175.67%)	(139.17%)	(98.38%)
Combined Plan	90.53%	69.41%	47.59%	26.69%	34.14%	14.40%	13.36%	11.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability								
Traditional Plan	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%
Combined Plan	169.88%	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%

* *The amounts presented for the current calendar year were determined as of the previous calendar year-end. Information prior to 2014 is not available.*

Schedule of Net OPEB Asset / (Liability) *Last Five Fiscal Years* *

Ohio Public Employees Retirement System (Dollars in thousands)

	2021	2020	2019	2018	2017
Employer's Proportion of the Collective Net OPEB Asset / (Liability)	0.327688%	0.338729%	0.352764%	0.371987%	0.378091%
Employer's Proportionate Share of the Collective Net OPEB Asset / (Liability)	$ 10,264	$ 6,035	$ (48,726)	$ (48,498)	$ (41,058)
Employer's Covered Payroll	$ 48,960	$ 49,317	$ 51,498	$ 51,987	$ 51,659
Employer's Proportionate Share of the Collective Net OPEB Asset / (Liability) as a percentage of the Employer's Covered Payroll	20.96%	12.24%	(94.62%)	(93.29%)	(79.48%)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Asset / (Liability)	128.23%	115.57%	47.80%	46.33%	54.14%

* *The amounts presented for the current calendar year were determined as of the previous calendar year-end. Information prior to 2017 is not available.*

Schedule of Employer Pension Contributions *Last Eight Fiscal Years* *

Ohio Public Employees Retirement System *(Dollars in Thousands)*

Traditional Plan	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Statutory Required Employer Contribution	$ 6,851	$ 6,652	$ 6,697	$ 7,003	$ 7,076	$ 6,538	$ 6,261	$ 5,859
Actual Employer Contributions Received	6,851	6,652	6,697	7,003	7,076	6,538	6,261	5,859
Difference	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's Covered Payroll	$ 48,937	$ 47,514	$ 47,836	$ 50,023	$ 50,541	$ 50,288	$ 52,172	$ 48,829
Actual Employer Contributions Received as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%

Combined Plan	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Statutory Required Employer Contribution	$ 205	$ 202	$ 207	$ 207	$ 202	$ 178	$ 170	$ 160
Actual Employer Contributions Received	205	202	207	207	202	178	170	160
Difference	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's Covered Payroll	$ 1,465	$ 1,445	$ 1,481	$ 1,475	$ 1,446	$ 1,371	$ 1,417	$ 1,332
Actual Employer Contributions Received as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%

* *Information prior to 2015 is not available.*

Schedule of Employer OPEB Contributions *Last Five Fiscal Years**

Ohio Public Employees Retirement System *(Dollars in Thousands)*

	2022	**2021**	**2020**	**2019**	**2018**
Statutory Required Employer Contribution	$ -	$ -	$ -	$ -	$ -
Actual Employer Contributions Received	-	-	-	-	-
Difference	$ -	$ -	$ -	$ -	$ -
Employer's Covered Payroll	$ 50,402	$ 48,960	$ 49,317	$ 51,498	$ 51,987
Actual Employer Contributions Received as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%

* *Information prior to 2018 is not available.*

Notes to required supplementary information:

Pension

Changes of benefit terms

There w ere no changes in benefit terms affecting the plan.

Changes of assumptions

During the plan year ended December 31, 2021, there w ere changes to several assumptions for OPERS. The discount rate w as reduced from 7.50 percent to 6.90 percent. The w age inflation dropped from 3.25 percent to 2.75 percent. The projected salary increase range changed from 3.25-10.75 percent to 2.75-10.75 percent. The experience study changed from the 5 year period ended December 31, 2015 to the 5 year period ended December 31, 2020. The mortality tables used changed from RP-2014 to PUB-2010.

During the plan year ended December 31, 2020, the cost-of-living ranges changed from 1.40-3.00 percent to 0.5-3.00 percent.

During the plan year ended December 31, 2019, the w age inflation rate increased from 2.50 percent to 3.25 percent. The cost-of-living ranges changed from 2.15-3.00 percent to 1.40-3.00 percent.

During the plan year ended December 31, 2018, the discount rate w as reduced from 7.50 percent to 7.20 percent.

During the plan year ended December 31, 2016, there w ere changes to several assumptions. The w age inflation dropped from 3.75 percent to 3.25 percent. The projected salary increase range changed from 4.25-10.05 percent to 3.25-10.75 percent. The mortality tables used changed from RP-2000 to RP-2014.

OPEB

Changes of benefit terms

There w ere no changes in benefit terms affecting the plan.

Changes of assumptions

During the year ended December 31, 2021, there w ere changes to several assumptions for OPERS. The experience study changed from the 5-year period ended December 31, 2015 to the 5-year period ended December 31, 2020. The municipal bond rate decreased from 2.00 percent to 1.84 percent. Wage inflation decreased from 3.25 percent to 2.75 percent. The projected salary increase range changed from 3.25-10.75 percent to 2.75-10.75 percent. Health care cost trend rate decreased from 8.50 percent initial, 3.50 percent ultimate in 2035 to 5.50 percent initial, 3.50 percent ultimate in 2034.

During the plan year ended December 31, 2020, there w ere changes to several assumptions. The health care cost trend rates decreased from 10.50 percent initial and 3.50 percent ultimate to 8.50 percent initial and 3.50 percent ultimate. The discount rate w as increased from 3.16 percent to 6.00 percent.

During the plan year ended December 31, 2019, there w ere changes to several assumptions. The health care cost trend rates decreased from 10.00 percent initial and 3.25 percent ultimate to 10.50 percent initial and 3.50 percent ultimate. The discount rate w as reduced from 3.96 percent to 3.16 percent.

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Ohio Turnpike and Infrastructure Commission

2022 Annual Comprehensive Financial Report

STATISTICAL SECTION

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

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

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

	12/31/22	Restated 12/31/21	12/31/20
Assets and Deferred Outflows of Resources			
Current Assets:			
Unrestricted Current Assets:			
Cash and Investments, at Fair Value	$ 315,106	$ 261,979	$ 206,481
Other	35,409	34,501	27,359
Total Unrestricted Current Assets	**350,515**	**296,480**	**233,840**
Restricted Current Assets:			
Cash and Investments, at Fair Value	83,000	102,001	79,696
Other	555	989	501
Total Restricted Current Assets	**83,555**	**102,990**	**80,197**
Total Current Assets	**434,070**	**399,470**	**314,037**
Noncurrent Assets:			
Restricted Cash and Investments, at Fair Value	192,082	311,314	360,806
Other	58,611	55,843	702
Capital Assets, Net	1,772,634	1,685,159	1,609,227
Total Noncurrent Assets	**2,023,327**	**2,052,316**	**1,970,735**
Total Assets	**2,457,397**	**2,451,786**	**2,284,772**
Deferred Outflows of Resources	**53,344**	**51,123**	**62,327**
Total Assets and Deferred Outflows of Resources	**$ 2,510,741**	**$ 2,502,909**	**$ 2,347,099**
Liabilities and Net Position			
Current Liabilities:			
Current Liabilities Payable from Unrestricted Assets:			
Accounts, Wages and Benefits Payable	$ 30,979	$ 24,631	$ 17,249
Other	35,606	32,897	28,030
Total Current Liabilities Payable from Unrestricted Assets	**66,585**	**57,528**	**45,279**
Current Liabilities Payable from Restricted Assets:			
Wages and Benefits Payable and Retained Amounts	8,954	6,548	5,323
Infrastructure Funds Payable to Ohio Department of Transportation	316	9,227	10,482
Interest Payable	22,853	28,538	26,711
Bonds Payable	49,795	43,650	36,370
Total Current Liabilities Payable from Restricted Assets	**81,918**	**87,963**	**78,886**
Total Current Liabilities	**148,503**	**145,491**	**124,165**
Noncurrent Liabilities:			
Bonds Payable	2,223,335	2,249,379	2,095,340
Other	36,351	59,098	126,529
Total Noncurrent Liabilities	**2,259,686**	**2,308,477**	**2,221,869**
Total Liabilities	**2,408,189**	**2,453,968**	**2,346,034**
Deferred Inflows of Resources	**95,643**	**95,539**	**26,579**
Total Liabilities and Deferred Inflows of Resources	**2,503,832**	**2,549,507**	**2,372,613**
Net Position:			
Net Investment in Capital Assets	1,219,318	1,175,622	1,151,209
Restricted for Debt Service	216,996	216,577	204,888
Unrestricted	(1,429,405)	(1,438,797)	(1,381,611)
Total Net Position	**6,909**	**(46,598)**	**(25,514)**
Total Liabilities and Net Position	**$ 2,510,741**	**$ 2,502,909**	**$ 2,347,099**

12/31/19	12/31/18	12/31/17	12/31/16	12/31/15	12/31/14	12/31/13
$ 230,972	$ 258,048	$ 192,939	$ 168,882	$ 173,290	$ 174,408	$ 167,225
26,071	25,698	24,603	24,995	24,986	23,002	20,292
257,043	**283,746**	**217,542**	**193,877**	**198,276**	**197,410**	**187,517**
82,101	111,454	69,299	83,820	85,380	75,205	57,594
1,892	1,955	453	551	2,366	1,349	1,310
83,993	**113,409**	**69,752**	**84,371**	**87,746**	**76,554**	**58,904**
341,036	**397,155**	**287,294**	**278,248**	**286,022**	**273,964**	**246,421**
515,041	607,592	177,255	284,135	564,336	870,981	1,072,531
386	468	204	178	143	-	-
1,580,165	1,511,324	1,479,446	1,461,604	1,407,745	1,371,393	1,343,471
2,095,592	**2,119,384**	**1,656,905**	**1,745,917**	**1,972,224**	**2,242,374**	**2,416,002**
2,436,628	**2,516,539**	**1,944,199**	**2,024,165**	**2,258,246**	**2,516,338**	**2,662,423**
45,475	**33,560**	**53,540**	**42,584**	**26,467**	**19,582**	**21,349**
$ 2,482,103	**$ 2,550,099**	**$ 1,997,739**	**$ 2,066,749**	**$ 2,284,713**	**$ 2,535,920**	**$ 2,683,772**
$ 24,446	$ 19,336	$ 18,630	$ 17,410	$ 13,299	$ 14,187	$ 13,205
27,563	28,189	24,588	22,439	18,551	16,657	15,126
52,009	**47,525**	**43,218**	**39,849**	**31,850**	**30,844**	**28,331**
5,294	4,122	3,021	4,377	3,305	1,603	4,526
12,961	8,721	8,354	22,195	25,934	18,239	-
29,710	30,974	22,201	23,821	24,389	24,971	25,460
32,045	65,700	34,775	32,520	30,995	29,445	28,145
80,010	**109,517**	**68,351**	**82,913**	**84,623**	**74,258**	**58,131**
132,019	**157,042**	**111,569**	**122,762**	**116,473**	**105,102**	**86,462**
2,075,200	2,092,120	1,574,659	1,588,489	1,603,914	1,618,950	1,633,508
158,169	107,080	98,430	74,632	54,113	6,776	6,467
2,233,369	**2,199,200**	**1,673,089**	**1,663,121**	**1,658,027**	**1,625,726**	**1,639,975**
2,365,388	**2,356,242**	**1,784,658**	**1,785,883**	**1,774,500**	**1,730,828**	**1,726,437**
3,979	**19,720**	**896**	**1,885**	**888**	**-**	**-**
2,369,367	**2,375,962**	**1,785,554**	**1,787,768**	**1,775,388**	**1,730,828**	**1,726,437**
1,093,955	974,534	981,297	930,174	844,818	778,519	730,675
198,554	210,083	172,358	170,287	169,117	167,668	166,196
(1,179,773)	(1,010,480)	(941,470)	(821,480)	(504,610)	(141,095)	60,464
112,736	**174,137**	**212,185**	**278,981**	**509,325**	**805,092**	**957,335**
$ 2,482,103	**$ 2,550,099**	**$ 1,997,739**	**$ 2,066,749**	**$ 2,284,713**	**$ 2,535,920**	**$ 2,683,772**

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

	2022	Restated 2021	2020
Operating Revenues:			
Tolls	$ 351,472 (1)	$ 341,534 (1)	$ 281,072 (1)
Concessions	14,660	13,884	11,755
Special Toll Permits	3,273	3,266	3,447
Leases and Licenses	1,333	1,365	1,341
Other Revenues	7,844	8,850	5,926
Total Operating Revenues	**378,582**	**368,899**	**303,541**
Operating Expenses:			
Administration and Insurance	13,419	8,695	13,694
Maintenance of Roadway and Structures	31,987	22,608	43,106
Services and Toll Operations	42,096	31,022	52,627
Traffic Control, Safety, Patrol and Communications	14,846	12,709	14,168
Depreciation	85,147	84,957	82,612
Total Operating Expenses	**187,495**	**159,991**	**206,207**
Operating Income	**191,087**	**208,908**	**97,334**
Nonoperating Revenues / (Expenses):			
State Fuel Tax Allocation	3,315	3,378	2,690
Investment Income / (Losses)	628	(42)	7,430
Interest Revenue - Leases	2,230		–
(Loss) / Gain on Disposals / Write-Offs of Capital Assets	(6,700)	144	(355)
Coronavirus Relief Fund Revenue	-	1,200	3,239
Ohio Department of Transportation Infrastructure Project Expense	(42,207)	(135,607)	(152,192)
Interest Expense	(94,846)	(99,064)	(96,397)
Total Nonoperating Revenues / (Expenses)	**(137,580)**	**(229,991)**	**(235,585)**
Change in Net Position	**53,507**	**(21,083)**	**(138,251)**
Net Position -- Beginning of Year	**(46,598)**	**(25,515)**	**112,736**
Cumulative effect of change in accounting principle	–	–	–
Net Position -- Beginning of year, as Restated	**(46,598)**	**(25,515)**	**112,736**
Net Position -- End of Year	**$ 6,909**	**$ (46,598)**	**$ (25,515)**

Notes: (1) Toll rate increase of 2.7% annually effective January 1, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, and 2022.

2019	2018	2017	2016	2015	2014	2013
$ 307,608 [1]	$ 306,040 [1]	$ 295,799 [1]	$ 288,439 [1]	$ 280,187 [1]	$ 264,621 [1]	$ 254,638
17,140	17,314	17,104	16,325	16,120	15,078	14,088
3,529	3,529	3,423	3,427	3,413	3,460	3,518
1,226	1,282	1,169	1,154	1,031	1,085	1,091
5,436	4,884	4,412	3,822	3,217	3,029	2,292
334,939	**333,049**	**321,907**	**313,167**	**303,968**	**287,273**	**275,627**
14,764	12,462	12,596	11,484	10,178	9,762	9,293
46,830	42,791	43,872	39,596	35,562	36,702	35,015
61,953	58,451	61,433	55,383	51,513	50,646	50,369
14,863	13,634	13,718	14,487	13,885	13,657	14,040
83,422	80,650	76,095	71,663	69,364	65,826	62,707
221,832	**207,988**	**207,714**	**192,613**	**180,502**	**176,593**	**171,424**
113,107	**125,061**	**114,193**	**120,554**	**123,466**	**110,680**	**104,203**
3,451	3,459	3,023	2,834	2,751	2,487	2,292
22,027	16,709	4,657	4,617	5,456	6,269	2,521
–	–	–	–	–	–	–
(1,038)	123	(3,413)	127	312	261	(2)
–	–	–	–	–	–	–
(99,570)	(48,074)	(106,408)	(279,368)	(306,265)	(190,810)	(7,975)
(99,162)	(97,675)	(78,848)	(79,108)	(80,579)	(81,130)	(51,455)
(174,292)	**(125,458)**	**(180,989)**	**(350,898)**	**(378,325)**	**(262,923)**	**(54,619)**
(61,185)	**(397)**	**(66,796)**	**(230,344)**	**(254,859)**	**(152,243)**	**49,584**
174,137	**212,185**	**278,981**	**509,325**	**805,092**	**957,335**	**907,751**
(216)	(37,651)	–	–	(40,908)	–	–
173,921	**174,534**	**278,981**	**509,325**	**764,184**	**957,335**	**907,751**
$ 112,736	**$ 174,137**	**$ 212,185**	**$ 278,981**	**$ 509,325**	**$ 805,092**	**$ 957,335**

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

Class		**2022**	**2021**	**2020**
Vehicle Classification by Axles and Height:				
1	Low 2-axle vehicles and all motorcycles	36,737	36,533	29,937
2	Low 3-axle vehicles and high 2-axle vehicles	1,482	1,577	1,337
3	Low 4-axle vehicles and high 3-axle vehicles	894	899	735
4	Low 5-axle vehicles and high 4-axle vehicles	582	581	482
5	Low 6-axle vehicles and high 5-axle vehicles	9,401	9,234	8,409
6	High 6-axle vehicles	310	347	338
7	All vehicles with 7 or more axles	162	177	183
Subtotal		49,568	49,348	41,421
Add Non-Revenue (1)		469	458	375
Total Vehicles		**50,037**	**49,806**	**41,796**

Percentage of Vehicles Using *E-ZPass®*:	**2022**	**2021**	**2020**
Passenger cars (Class 1)	63.6%	60.9%	60.3%
Commercial vehicles (Class 2-7)	89.2%	88.1%	88.6%
Total	70.2%	68.0%	68.1%

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

Notes : (1) Non-revenue vehicles represent traffic of officials, employees, agencies and representatives of the Commission while in the discharge of their official duties, police officers of the United States, of the State of Ohio and of its political subdivisions, and vehicles of contractors used in the maintenance of the Turnpike and its buildings.

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

Class		**2022**	**2021**	**2020**
Vehicle Classification by Axles and Height:				
1	Low 2-axle vehicles and all motorcycles	1,841,860	1,839,445	1,411,161
2	Low 3-axle vehicles and high 2-axle vehicles	93,010	97,661	76,788
3	Low 4-axle vehicles and high 3-axle vehicles	66,844	66,744	50,781
4	Low 5-axle vehicles and high 4-axle vehicles	45,353	43,703	33,587
5	Low 6-axle vehicles and high 5-axle vehicles	964,560	939,103	839,212
6	High 6-axle vehicles	28,711	31,316	30,843
7	All vehicles with 7 or more axles	23,456	24,855	25,076
Total Vehicle Miles Traveled		**3,063,794**	**3,042,827**	**2,467,448**

Percentage of Vehicle Miles Traveled using *E-ZPass®*:	**2022**	**2021**	**2020**
Passenger cars (Class 1)	63.2%	60.9%	59.9%
Commercial vehicles (Class 2-7)	89.3%	88.0%	88.5%
Total	73.6%	71.6%	72.2%

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

2019	2018	2017	2016	2015	2014	2013
40,684	42,322	43,598	43,472	42,110	40,345	39,742
1,427	1,458	1,417	1,379	1,328	1,251	1,198
781	796	769	734	713	663	633
522	534	512	499	473	451	422
8,545	8,722	8,442	8,358	8,335	8,120	7,885
312	294	291	273	257	258	245
179	183	184	182	178	180	187
52,450	54,309	55,213	54,897	53,394	51,268	50,312
484	419	416	443	386	367	404
52,934	**54,728**	**55,629**	**55,340**	**53,780**	**51,635**	**50,716**

2019	2018	2017	2016	2015	2014	2013
57.9%	55.5%	52.8%	50.2%	47.6%	45.5%	42.2%
87.8%	85.9%	84.7%	83.6%	82.1%	80.0%	78.4%
64.6%	62.2%	59.5%	57.1%	54.9%	52.9%	49.8%

2019	2018	2017	2016	2015	2014	2013
1,925,672	1,969,692	2,017,044	2,029,904	1,998,170	1,906,619	1,891,723
80,110	81,805	78,806	77,199	75,235	70,619	68,152
54,373	55,285	52,818	50,505	49,407	45,371	43,552
36,144	36,566	34,087	32,942	31,642	29,928	28,129
833,422	840,275	805,356	799,120	801,225	777,125	750,133
27,231	25,667	25,122	23,534	21,627	21,551	21,253
24,920	25,193	24,686	24,442	23,981	23,946	24,754
2,981,872	**3,034,483**	**3,037,919**	**3,037,646**	**3,001,287**	**2,875,159**	**2,827,696**

2019	2018	2017	2016	2015	2014	2013
57.7%	55.5%	53.0%	50.4%	48.1%	46.2%	42.8%
87.9%	85.9%	84.6%	83.4%	81.8%	79.6%	77.7%
68.4%	66.2%	63.6%	61.4%	59.4%	57.4%	54.4%

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

Class		**2022**	**2021**	**2020**
Vehicle Classification by Axles and Height:				
1	Low 2-axle vehicles and all motorcycles	$ 125,540	$ 123,988	$ 93,272
2	Low 3-axle vehicles and high 2-axle vehicles	11,103	11,421	8,719
3	Low 4-axle vehicles and high 3-axle vehicles	9,451	9,284	6,887
4	Low 5-axle vehicles and high 4-axle vehicles	7,583	7,157	5,356
5	Low 6-axle vehicles and high 5-axle vehicles	181,240	172,379	150,049
6	High 6-axle vehicles	7,654	8,114	7,759
7	All vehicles with 7 or more axles	8,901	9,191	9,030
Total Toll Revenue		**$ 351,472**	**$ 341,534**	**$ 281,072**

Percentage of Toll Revenue from *E-ZPass®*:	**2022**	**2021**	**2020**
Passenger cars (Class 1)	53.1%	50.9%	50.2%
Commercial vehicles (Class 2-7)	88.2%	87.0%	87.5%
Total	75.7%	73.9%	75.1%

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

Toll Rates Per Mile *Last Ten Fiscal Years*

Class		**2022**	**2021**	**2020**
Vehicle Classification by Axles and Height (Non *E-ZPass®*):				
1	Low 2-axle vehicles and all motorcycles	$ 0.09	$ 0.08	$ 0.08
2	Low 3-axle vehicles and high 2-axle vehicles	0.15	0.14	0.14
3	Low 4-axle vehicles and high 3-axle vehicles	0.17	0.17	0.16
4	Low 5-axle vehicles and high 4-axle vehicles	0.21	0.20	0.19
5	Low 6-axle vehicles and high 5-axle vehicles	0.23	0.23	0.22
6	High 6-axle vehicles	0.32	0.31	0.31
7	All vehicles with 7 or more axles	0.44	0.43	0.41
Vehicle Classification by Axles and Height (*E-ZPass®*):				
1	Low 2-axle vehicles and all motorcycles	$ 0.06	$ 0.06	$ 0.06
2	Low 3-axle vehicles and high 2-axle vehicles	0.11	0.10	0.10
3	Low 4-axle vehicles and high 3-axle vehicles	0.13	0.12	0.12
4	Low 5-axle vehicles and high 4-axle vehicles	0.16	0.15	0.15
5	Low 6-axle vehicles and high 5-axle vehicles	0.18	0.18	0.18
6	High 6-axle vehicles	0.26	0.26	0.25
7	All vehicles with 7 or more axles	0.38	0.37	0.36

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

2019	2018	2017	2016	2015	2014	2013
$ 125,422	$ 126,365	$ 127,537	$ 126,063	$ 122,183	$ 114,871	$ 112,820
8,825	8,848	8,367	8,029	7,682	7,065	6,723
7,178	7,190	6,724	6,312	6,025	5,432	5,128
5,654	5,612	5,126	4,865	4,561	4,213	3,895
145,088	143,277	133,982	129,926	127,382	121,024	114,194
6,706	6,146	5,859	5,333	4,795	4,661	4,479
8,735	8,602	8,204	7,911	7,559	7,355	7,399
$ 307,608	**$ 306,040**	**$ 295,799**	**$ 288,439**	**$ 280,187**	**$ 264,621**	**$ 254,638**

2019	2018	2017	2016	2015	2014	2013
47.8%	45.8%	43.2%	40.8%	38.7%	36.9%	34.0%
86.7%	84.4%	83.0%	81.7%	79.8%	77.3%	75.4%
70.9%	68.5%	65.9%	63.8%	61.9%	59.8%	57.1%

2019	2018	2017	2016	2015	2014	2013
$ 0.08	$ 0.08	$ 0.08	$ 0.07	$ 0.07	$ 0.07	$ 0.07
0.14	0.13	0.13	0.13	0.12	0.12	0.12
0.16	0.16	0.15	0.15	0.14	0.14	0.14
0.19	0.18	0.18	0.18	0.17	0.17	0.16
0.21	0.21	0.20	0.20	0.19	0.19	0.18
0.30	0.29	0.28	0.27	0.27	0.26	0.25
0.41	0.39	0.39	0.37	0.36	0.36	0.34
$ 0.05	$ 0.05	$ 0.05	$ 0.05	$ 0.05	$ 0.05	$ 0.05
0.10	0.09	0.09	0.09	0.09	0.09	0.08
0.12	0.11	0.11	0.11	0.11	0.10	0.10
0.15	0.14	0.14	0.13	0.13	0.13	0.12
0.17	0.17	0.16	0.16	0.15	0.15	0.15
0.24	0.24	0.23	0.22	0.21	0.21	0.21
0.35	0.34	0.33	0.32	0.31	0.31	0.30

Comparative Traffic Statistics *Last Ten Fiscal Years*

	2022	2021	2020
Number of Vehicles *(In Thousands):*			
Passenger Cars	36,737	36,533	29,937
Commercial Vehicles	12,831	12,815	11,484
Total	**49,568**	**49,348**	**41,421**
Percentage of Vehicles:			
Passenger Cars	74.1%	74.0%	72.3%
Commercial Vehicles	25.9%	26.0%	27.7%
Number of Miles *(In Thousands):*			
Passenger Cars	1,841,860	1,839,445	1,411,161
Commercial Vehicles	1,221,934	1,203,382	1,056,287
Total	**3,063,794**	**3,042,827**	**2,467,448**
Percentage of Miles:			
Passenger Cars	60.1%	60.5%	57.2%
Commercial Vehicles	39.9%	39.5%	42.8%
Toll Revenue *(In Thousands):*			
Passenger Cars	$ 125,540	$ 123,988	$ 93,271
Commercial Vehicles	225,932	217,546	187,801
Total	**$ 351,472**	**$ 341,534**	**$ 281,072**
Percentage of Toll Revenue:			
Passenger Cars	35.7%	36.3%	33.2%
Commercial Vehicles	64.3%	63.7%	66.8%
Average Miles per Trip:			
Passenger Cars	50.1	50.4	47.1
Commercial Vehicles	95.2	93.9	92.0
Average Toll Revenue per Trip:			
Passenger Cars	$ 3.42	$ 3.39	$ 3.12
Commercial Vehicles	17.61	16.98	16.35
Average Toll Revenue per Mile:			
Passenger Cars	$ 0.07	$ 0.07	$ 0.07
Commercial Vehicles	0.18	0.18	0.18

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

2019	2018	2017	2016	2015	2014	2013
40,684	42,322	43,598	43,472	42,110	40,344	39,742
11,766	11,987	11,615	11,425	11,284	10,923	10,570
52,450	**54,309**	**55,213**	**54,897**	**53,394**	**51,267**	**50,312**
77.6%	77.9%	79.0%	79.2%	78.9%	78.7%	79.0%
22.4%	22.1%	21.0%	20.8%	21.1%	21.3%	21.0%
1,925,672	1,969,692	2,017,044	2,029,904	1,998,170	1,906,619	1,891,723
1,056,200	1,064,791	1,020,875	1,007,742	1,003,117	968,540	935,973
2,981,872	**3,034,483**	**3,037,919**	**3,037,646**	**3,001,287**	**2,875,159**	**2,827,696**
64.6%	64.9%	66.4%	66.8%	66.6%	66.3%	66.9%
35.4%	35.1%	33.6%	33.2%	33.4%	33.7%	33.1%
$ 125,422	$ 126,365	$ 127,537	$ 126,063	$ 122,183	$ 114,871	$ 112,820
182,186	179,675	168,262	162,376	158,004	149,750	141,818
$ 307,608	**$ 306,040**	**$ 295,799**	**$ 288,439**	**$ 280,187**	**$ 264,621**	**$ 254,638**
40.8%	41.3%	43.1%	43.7%	43.6%	43.4%	44.3%
59.2%	58.7%	56.9%	56.3%	56.4%	56.6%	55.7%
47.3	46.5	46.3	46.7	47.5	47.3	47.6
89.8	88.8	87.9	88.2	88.9	88.7	88.5
$ 3.08	$ 2.99	$ 2.93	$ 2.90	$ 2.90	$ 2.85	$ 2.84
15.48	14.99	14.49	14.21	14.00	13.71	13.42
$ 0.07	$ 0.06	$ 0.06	$ 0.06	$ 0.06	$ 0.06	$ 0.06
0.17	0.17	0.16	0.16	0.16	0.15	0.15

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

Milepost / Name		2022	2021	2020
2	Westgate	8,196	7,999	6,760
13	Bryan-Montpelier	588	699	534
25	Archbold-Fayette	340	365	299
34	Wauseon	623	629	551
39	Delta-Lyons	672	747	596
52	Toledo Airport-Swanton	1,182	1,201	1,071
59	Maumee-Toledo	3,016	3,174	2,675
64	Perrysburg-Toledo	5,307	5,299	4,365
71	Stony Ridge-Toledo	6,548	6,544	5,303
81	Elmore-Woodville-Gibsonburg	511	545	487
91	Fremont-Port Clinton	1,430	1,501	1,254
110	Sandusky-Bellevue	1,463	1,548	1,133
118	Sandusky-Norwalk	1,368	1,351	999
135	Vermilion	921	922	744
140	Amherst-Oberlin	1,582	1,521	1,291
142	Lorain County West	2,636	2,795	2,340
145	Lorain-Elyria	5,879	5,843	5,065
151	North Ridgeville-Cleveland	6,085	5,829	4,746
152	North Olmsted-Cleveland	2,668	2,665	2,282
161	Strongsville-Cleveland	6,290	6,112	5,177
173	Cleveland	5,580	5,790	4,902
180	Akron	5,520	5,069	4,237
187	Streetsboro	6,069	6,032	5,307
193	Ravenna	1,701	1,681	1,482
209	Warren	1,780	1,835	1,572
215	Lordstown West	574	558	427
216	Lordstown East	459	415	268
218	Niles-Youngstown	8,040	8,068	6,837
232	Youngstown	1,844	1,811	1,633
234	Youngstown-Poland	1,258	1,286	1,161
239	Eastgate	9,006	8,863	7,345

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

Notes: (1) "Activity by Interchange" represents the number of vehicles entering and exiting at each toll interchange.

2019	2018	2017	2016	2015	2014	2013
7,570	7,801	7,707	7,772	7,769	7,473	7,397
635	695	713	717	697	616	604
408	404	415	400	375	356	353
669	738	761	752	732	684	691
651	648	631	651	590	525	546
1,346	1,385	1,375	1,403	1,342	1,235	1,262
3,400	3,416	3,517	3,892	3,643	3,386	3,379
5,929	6,134	5,945	5,703	5,574	5,185	5,101
6,067	6,588	6,498	6,706	6,582	6,376	6,374
639	624	626	606	578	531	525
1,608	1,724	1,694	1,745	1,773	1,744	1,772
1,638	1,666	1,637	1,618	1,638	1,581	1,562
1,411	1,428	1,495	1,675	1,601	1,575	1,564
883	870	748	936	888	705	653
1,652	1,657	1,623	1,712	1,585	1,344	1,254
3,128	3,072	3,000	3,165	2,969	2,769	2,674
6,158	6,315	6,402	5,758	5,727	6,187	6,125
6,037	5,986	5,981	5,746	5,778	5,743	5,657
2,399	2,876	3,065	2,977	2,956	2,747	2,656
7,188	7,580	7,645	7,434	7,107	6,877	6,733
6,649	6,530	7,548	7,515	7,347	7,002	6,732
6,445	7,269	7,495	7,184	6,802	6,198	5,685
6,794	6,958	7,146	7,245	7,053	6,760	6,681
1,899	1,926	2,167	2,020	1,793	1,644	1,627
1,924	1,993	2,079	2,012	2,017	1,863	1,851
475	539	580	584	613	581	539
289	392	420	322	284	450	426
8,227	8,414	8,654	8,682	8,460	8,201	8,035
2,042	2,120	2,031	2,047	1,960	1,946	1,951
1,399	1,441	1,460	1,499	1,415	1,379	1,422
9,343	9,427	9,368	9,317	9,140	8,873	8,794

Debt Ratios and Revenue Bond Coverage *Last Ten Fiscal Years*
(Dollars in Thousands Except Per Capita Amounts)

	2022	Restated 2021	2020
Debt Ratios:			
Revenue Bonds Payable	**$ 2,273,130**	**$ 2,293,029**	**$ 2,131,710**
Revenue Bonds Payable as a % of Personal Income	**0.33%**	**0.34%**	**0.34%**
Revenue Bonds Payable Per Capita	**$ 193**	**$ 195**	**$ 182**
Revenue Bond Coverage:			
Pledged Revenues	**$ 384,735** (1)	**$ 368,553** (1)	**$ 304,356** (1)
Expenses Paid from Pledged Revenues: (3)			
Administration and Insurance	16,742	14,486	13,044
Maintenance of Roadway and Structures	42,471	42,227	40,510
Services and Toll Operations	52,865	52,114	50,146
Traffic Control, Safety, Patrol and Communications	15,456	13,959	14,028
Total Expenses Paid from Pledged Revenues	**127,534**	**122,786**	**117,728**
Deposit to Reserve Account	**337**	**(45)**	**335**
Net Revenues Available for Debt Service	**$ 256,864**	**$ 245,812**	**$ 186,293**
Sr Lien Debt Service Requirements:			
Principal	$ 41,545	$ 40,351	$ 35,070
Interest	24,896	25,014	21,387
Less Interest Earned	(1,083)	(402)	(910)
Total Sr Lien Debt Service Requirements	**$ 65,358**	**$ 64,963**	**$ 55,547**
Sr Lien Debt Coverage (see Note 6 to the financial statements)	**393%**	**378%**	**335%**
Jr Lien Debt Service Requirements:			
Principal	$ 2,105	$ 2,086	$ 2,492
Interest	50,232	50,256	51,255
Less Interest Earned	(916)	(458)	(1,801)
Less Interest on Infrastructure Funds	(148)	(652)	(6,156)
Total Jr Lien Debt Service Requirements	**$ 51,273**	**$ 51,232**	**$ 45,790**
Composite Debt Service Requirements	**$ 116,631**	**$ 116,195**	**$ 101,337**
Composite Debt Coverage (see Note 6 to the financial statements)	**220%**	**212%**	**184%**

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

Notes:
(1) Gross Revenues per the Amended and Restated Master Trust Agreement dated April 8, 2013, as amended in 2013 - consisting of tolls, special toll permits, certain realized investment earnings, appropriations from the Ohio Department of Transportation, leases, licenses, royalties, advertising, miscellaneous sales, fees, charges and certain concession revenues.

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

(3) Operating expenses exclude non-cash GASB 68 pension expense and GASB 75 OPEB expense.

2019	2018	2017	2016	2015	2014	2013
$ 2,107,245	$ 2,157,820	$ 1,609,434	$1,621,009	$1,634,909	$1,648,395	$1,661,653
0.36%	0.38%	0.29%	0.31%	0.32%	0.33%	0.35%
$ 180	$ 185	$ 138	$ 140	$ 141	$ 142	$ 144
$ 338,991 [1]	$ 336,537 [1]	$ 322,727 [1]	$ 313,305 [1]	$ 303,834 [1]	$ 287,065 [1]	$ 275,272 [2]
12,689	11,638	11,240	11,177	10,269	9,762	9,293
39,455	39,770	37,936	38,319	35,810	36,702	35,015
53,313	54,503	56,200	54,072	51,911	50,646	50,369
14,391	13,429	13,386	14,399	13,912	13,657	14,040
119,848	119,340	118,762	117,967	111,902	110,767	108,717
127	151	354	374	376	(238)	(539)
$ 219,016	$ 217,046	$ 203,611	$ 194,964	$ 191,556	$ 176,536	$ 167,094
$ 47,480	$ 36,693	$ 34,277	$ 32,266	$ 30,737	$ 29,228	$ 27,863
24,005	26,120	25,093	27,628	29,149	30,660	29,530
(1,409)	(1,264)	(933)	(877)	(685)	(513)	(425)
$ 70,076	$ 61,549	$ 58,437	$ 59,017	$ 59,201	$ 59,375	$ 56,968
313%	353%	348%	330%	324%	297%	293%
$ 5,512	$ 6,725	$ -	$ -	$ -	$ -	
55,783	52,790	36,146	36,146	36,146	36,146	
(2,661)	(1,972)	(991)	(931)	(725)	(830)	
(9,986)	(4,931)	(1,427)	(2,725)	(3,729)	(3,936)	
$ 48,648	$ 52,612	$ 33,728	$ 32,490	$ 31,692	$ 31,380	
$ 118,724	$ 114,161	$ 92,165	$ 91,507	$ 90,893	$ 90,755	
184%	190%	221%	213%	211%	195%	

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

	2022		
Customers	**Tolls Paid**	**Rank**	**% of Total Tolls Paid**
Van Buren Costo	$ 194,062	1	0.06%
R-K-Campf Transport	170,847	2	0.05%
Enviroserve Inc.	138,161	3	0.04%
PBC	131,187	4	0.04%
Secor Logistics, LLC	115,337	5	0.03%
HOC Transport	87,793	6	0.02%
Yevtukh Brothers, Inc.	85,662	7	0.02%
Whitacre Logistics	81,661	8	0.02%
SFS of Ohio Inc.	80,450	9	0.02%
Predator Trucking Co.	78,943	10	0.02%
Totals	**$ 1,164,101**		**0.33%**

	2013		
Customers	**Tolls Paid**	**Rank**	**% of Total Tolls Paid**
Van Buren Costo	$ –	–	–
R-K-Campf Transport	–	–	–
Enviroserve Inc.	–	–	–
PBC	–	–	–
Secor Logistics, LLC	–	–	–
HOC Transport	–	–	–
Yevtukh Brothers, Inc.	–	–	–
Whitacre Logistics	–	–	–
SFS of Ohio Inc.	–	–	–
Predator Trucking Co.	–	–	–
Comtrack Logistics, Inc.	117,616	1	0.05%
Talon Logistics, Inc.	107,697	2	0.04%
UA Transport, LLC.	94,474	3	0.04%
Berner Trucking, Inc.	88,942	4	0.03%
J.W. Hunt OTC., Inc.	78,921	5	0.03%
Red Cap Transportation, Inc.	73,561	6	0.03%
VDS Farms, LLC.	67,791	7	0.03%
Wolverine Packing Co.	62,439	8	0.02%
Thomas Flatbed, Inc.	58,290	9	0.02%
Grand Rapids Transport, Inc.	57,082	10	0.02%
Totals (1)	**$ 806,813**		**0.32%**

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

Principal Ohio Employers *Current Year and Nine Years Ago*

	2022		
Employer	**Employees**	**Rank**	**% of Total Ohio Employees**
State of Ohio	157,800	1	2.25%
United States Government	80,100	2	1.14%
Cleveland Clinic Health Systems	56,986	3	0.81%
Wal-Mart Stores	55,262	4	0.79%
Amazon.com, Inc.	45,000	5	0.64%
Kroger Company	44,077	6	0.63%
Ohio State University	35,656	7	0.51%
Wright-Patterson Air Force Base	33,807	8	0.48%
University Hospitals Health Sys.	30,891	9	0.44%
Mercy Health	30,510	10	0.44%
Totals	**570,089**		**8.13%**

	2013		
Employer	**Employees**	**Rank**	**% of Total Ohio Employees**
State of Ohio	128,390	1	1.92%
United States Government	78,255	2	1.17%
Cleveland Clinic Health Systems	41,200	4	0.62%
Wal-Mart Stores	48,630	3	0.73%
Amazon.com, Inc.	–	–	–
Kroger Company	39,000	5	0.58%
Ohio State University	–	–	–
Wright-Patterson Air Force Base	–	–	–
University Hospitals Health Sys.	19,375	9	0.29%
Mercy Health	28,850	6	0.43%
Ohio Health	17,000	10	0.25%
JP Morgan Chase (Bank One)	23,200	7	0.35%
Giant Eagle, Inc.	19,500	8	0.29%
	443,400		**6.63%**

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

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

	2022	2021	2020
Ohio Turnpike and Infrastructure Commission Employees:			
Full-Time:			
Toll Collectors	128	135	149
Maintenance Workers	217	216	224
Toll and Service Plaza Supervisors	82	87	86
Professional and Clerical Staff	112	108	107
Maintenance Supervisors	43	42	38
Executive and Managerial Staff	19	21	21
Administrative Supervisors	17	13	13
Total Full-Time	**618**	**622**	**638**
Part-Time:			
Toll Collectors	150	140	147
Other	35	27	29
Total Part-Time	**185**	**167**	**176**
Total Ohio Turnpike and Infrastructure Commission Employees	**803**	**789**	**814**
State of Ohio Statistics:			
Population (In Thousands)	11,756	11,764	11,798
Personal Income (In Millions)	$ 680,435	$ 670,036	$ 631,331
Per Capita Personal Income	$ 57,880	$ 56,955	$ 53,514
Unemployment Rate	4.2%	4.5%	5.5%

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

2019	2018	2017	2016	2015	2014	2013
174	185	203	207	205	202	213
242	240	240	250	243	229	242
90	93	103	109	108	107	108
104	99	100	103	102	96	98
42	43	45	45	44	45	44
22	21	20	20	20	20	19
14	14	14	14	14	15	14
688	**695**	**725**	**748**	**736**	**714**	**738**
183	193	191	195	192	191	203
32	30	30	28	27	24	24
215	**223**	**221**	**223**	**219**	**215**	**227**
903	**918**	**946**	**971**	**955**	**929**	**965**
11,789	11,763	11,738	11,702	11,674	11,648	11,612
$ 589,831	$ 568,458	$ 547,517	$ 529,070	$ 518,828	$ 498,895	$ 479,089
$ 50,035	$ 48,327	$ 46,646	$ 45,212	$ 44,442	$ 42,829	$ 41,259
4.2%	4.6%	4.7%	4.9%	4.8%	5.1%	7.2%

Traffic Accident Statistics *Last Ten Fiscal Years*

	2022	2021	2020
All Accidents:			
Number	2,459	2,390	1,912
Rate	82.1	77.9	77.5
Property Damage (Over $150) Accidents:			
Number	1,986	1,916	1,585
Rate	66.3	62.5	64.2
Non-Fatal Personal Injury Accidents:			
Number	462	465	317
Rate	15.4	15.2	12.8
Number Injured	749	632	444
Injury Rate	24.4	20.8	18.0
Fatal Accidents:			
Number	11	9	10
Rate	.4	.3	.4
Fatalities	15	11	12
Fatality Rate	.5	.4	.5

Source: Ohio State Highway Patrol.
Note: All rates are per 100,000,000 vehicle miles traveled.

2019	2018	2017	2016	2015	2014	2013
2,235	2,393	2,238	2,367	2,459	2,642	2,380
75.0	78.9	73.7	77.9	81.9	88.0	84.2
1,835	1,932	1,824	1,918	2,043	2,166	1,944
61.5	63.7	60.0	63.1	68.1	72.2	68.7
390	452	409	438	405	467	429
13.1	14.9	13.5	14.4	13.5	15.6	15.2
558	636	592	704	595	687	594
18.7	21.0	19.5	23.2	19.8	22.9	21.0
10	9	5	11	11	9	7
.3	.3	.2	.4	.4	.3	.2
14	10	6	12	11	9	8
.5	.3	.2	.4	.4	.3	.3

Capital Asset Statistics *Last Ten Fiscal Years*

	2022	2021	2020
Land and Roadway:			
Land Area (Acres)	10,188	10,186	10,170
Length of Roadway (Miles)	241	241	241
Number of Lane Miles	1,395	1,395	1,395
Interchanges:			
Toll	29	29	29
Barrier	2	2	2
Total Interchanges	31	31	31
Service Plazas	14	14	14
Other Buildings:			
Maintenance	8	8	8
Administration	1	1	1
Telecommunications	1	1	1
Highway Patrol	1	1	1
Structures over or under the Turnpike:			
Roadways and Interchange Ramps	329	328	328
Railroads	36	39	39
Rivers and Streams	63	62	62

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

2019	2018	2017	2016	2015	2014	2013
10,060	10,057	10,057	10,057	10,057	10,057	10,057
241	241	241	241	241	241	241
1,395	1,395	1,395	1,395	1,395	1,395	1,386
29	29	29	29	29	29	29
2	2	2	2	2	2	2
31	31	31	31	31	31	31
14	14	14	14	14	14	14
8	8	8	8	8	8	8
1	1	1	1	1	1	1
1	1	1	1	1	1	1
1	1	1	1	1	1	1
329	331	331	331	331	336	336
42	43	43	43	43	45	45
62	66	66	66	66	66	66

NOTES:

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To Management and the Commission Members
Ohio Turnpike and Infrastructure Commission

We have audited, 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, the financial statements of the Ohio Turnpike and Infrastructure Commission (the "Commission"), a component unit of the State of Ohio, as of and for the year ended December 31, 2022 and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated May 23, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Plante & Moran, PLLC

May 23, 2023

OHIO AUDITOR OF STATE
KEITH FABER

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

CUYAHOGA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.

Certified for Release 7/6/2023

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