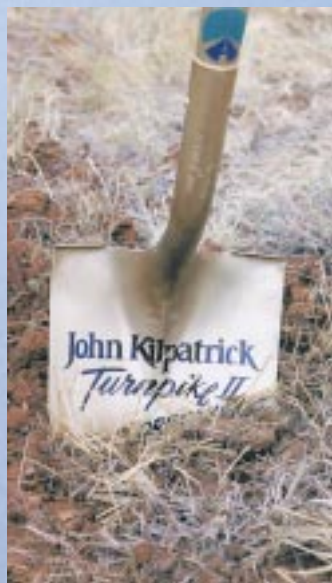


Oklahoma Turnpike Authority

**Our Future...
An Extension of Our Past**



Comprehensive Annual Financial Report

**For the Year Ended
December 31, 1998**

**A Component Unit
of the State
of Oklahoma**



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
For the Year Ended December 31, 1998**

Oklahoma Turnpike Authority
A Component Unit of the State of Oklahoma
Oklahoma City, Oklahoma

Prepared by the Controller Division

About the OKLAHOMA TURNPIKE AUTHORITY

The Oklahoma Turnpike Authority (OTA) is an instrumentality of the State of Oklahoma created by the state legislature by statute in 1947 for the purpose of constructing, operating and maintaining the Turner Turnpike.

In 1953, the original purpose was statutorily redefined to allow the construction of additional turnpikes, and changes were made in the Authority's membership to include a representative from each of Oklahoma's congressional districts. These changes were ratified by a statewide referendum in January 1954.

The Oklahoma State Legislature has the exclusive right to authorize turnpike routes. Subsequently, the Oklahoma Turnpike Authority has the responsibility to complete engineering and economic feasibility analyses of the authorized routes before any turnpike can be constructed.

Turnpike bond sales must be approved by the Executive and Legislative Bond Oversight Commissions and must comply with all rules and regulations of the United States Treasury Department and the United States Securities and Exchange Commission.

All OTA debt is issued in accordance with the Trust Agreement dated February 1, 1989, as amended. Since inception, the OTA has provided essential, convenient, cost effective and safe roadways to its patrons.

TABLE OF CONTENTS

INTRODUCTORY SECTION

Transmittal Letter	3
Organizational Chart	4
Authority Members and Senior Management	5
Description of the Oklahoma Turnpike System	6
1998 Highlights	7
Economic Trends and Outlook	13
Financial Information	15
Special Awards	19
Acknowledgments	20

FINANCIAL SECTION

<i>Annual Financial Statements</i>	21-40
Independent Auditors' Report	21
Balance Sheets	22
Statements of Revenues, Expenses, and Changes in Retained Earnings	23
Statements of Cash Flows	24
Notes to Financial Statements	25-40
Notes are an integral part of the Annual Financial Statements	

Supplemental Financial

<i>Schedules</i>	41-54
Required Supplementary Information – Unaudited	41
Schedule of Actual Operating Expense Compared to Budget	42-43
Schedule of Cash, Cash Equivalents and Investments	44-47
Schedule of Cash, Cash Equivalents and Investments by Account	48
Schedule of Insurance in Force	49
Schedule of Annual Debt Service Requirements	50-54
Other Independent Auditors' Report	55

STATISTICAL SECTION

Turnpike Profiles	57-77
Toll Revenue by Vehicle Class	78-79
Revenue Bond Coverage	80
Traffic Accident Statistics and Enforcement and Motorist Assistance Statistics	81
Oklahoma and U.S. Demographic Statistics	82
Miscellaneous Statistics	83



OKLAHOMA TURNPIKE AUTHORITY

3500 Martin Luther King Avenue • P.O. Box 11357 • Oklahoma City, Oklahoma 73136-0357 • (405) 425-3600

Fax (405) 427-8246

April 30, 1999

The Honorable Frank Keating,
Citizens of the State of Oklahoma and
Oklahoma Turnpike Bondholders

System-wide net toll revenues during 1998 were \$124,570,726, exceeding 1997 net toll revenues by a strong 6.3%. During 1998, the Oklahoma Turnpike Authority (OTA) issued revenue bonds totaling \$687,010,000 by competitive sale in two bond issues. These revenue bonds were issued for turnpike extension projects including: the completion of the Kilpatrick Turnpike from Hefner Parkway to I-40, the extension of the Creek Turnpike from the Turner Turnpike to US-75 and from the Mingo Expressway (US-169) to the Will Rogers Turnpike, the extension of the H.E. Bailey Turnpike from Mustang Road east and south to the junction of SH-9 and US-62 south of Newcastle, and the purchase of right-of-way on the Muskogee Turnpike. Additionally, OTA has continued its commitment to System rehabilitation and maintenance, customer service and safety with innovative programs resulting in greater safety to our patrons, increased access and smoother ride surfaces.

On behalf of the Authority, we are pleased to transmit this comprehensive annual financial report (CAFR) for calendar year 1998. This CAFR was prepared by the Controller Division in accordance with generally accepted accounting principles. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests solely with the OTA. We believe that the data, as presented, is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of the OTA's operations. This CAFR complies with Section 711 of our Trust Agreement which requires that an audit of the financial statements shall be performed in accordance with generally accepted auditing standards each year.

The CAFR is presented in three parts:

1. The Introductory Section provides general information about the OTA and an overview of our operations during the year;
2. The Financial Section includes the independent auditors' reports, the annual financial statements, notes to the financial statements and other supplemental financial data; and,
3. The Statistical Section contains selected key information about our turnpike system and comparative, multi-year comprehensive annual financial information.

The OTA continues to strive for the highest level of customer service, convenience and safety, and to manage our operations in an effective and cost efficient manner. It is our sincere hope that this CAFR will help everyone understand the OTA's financial and operational activities more fully.

Respectfully submitted,

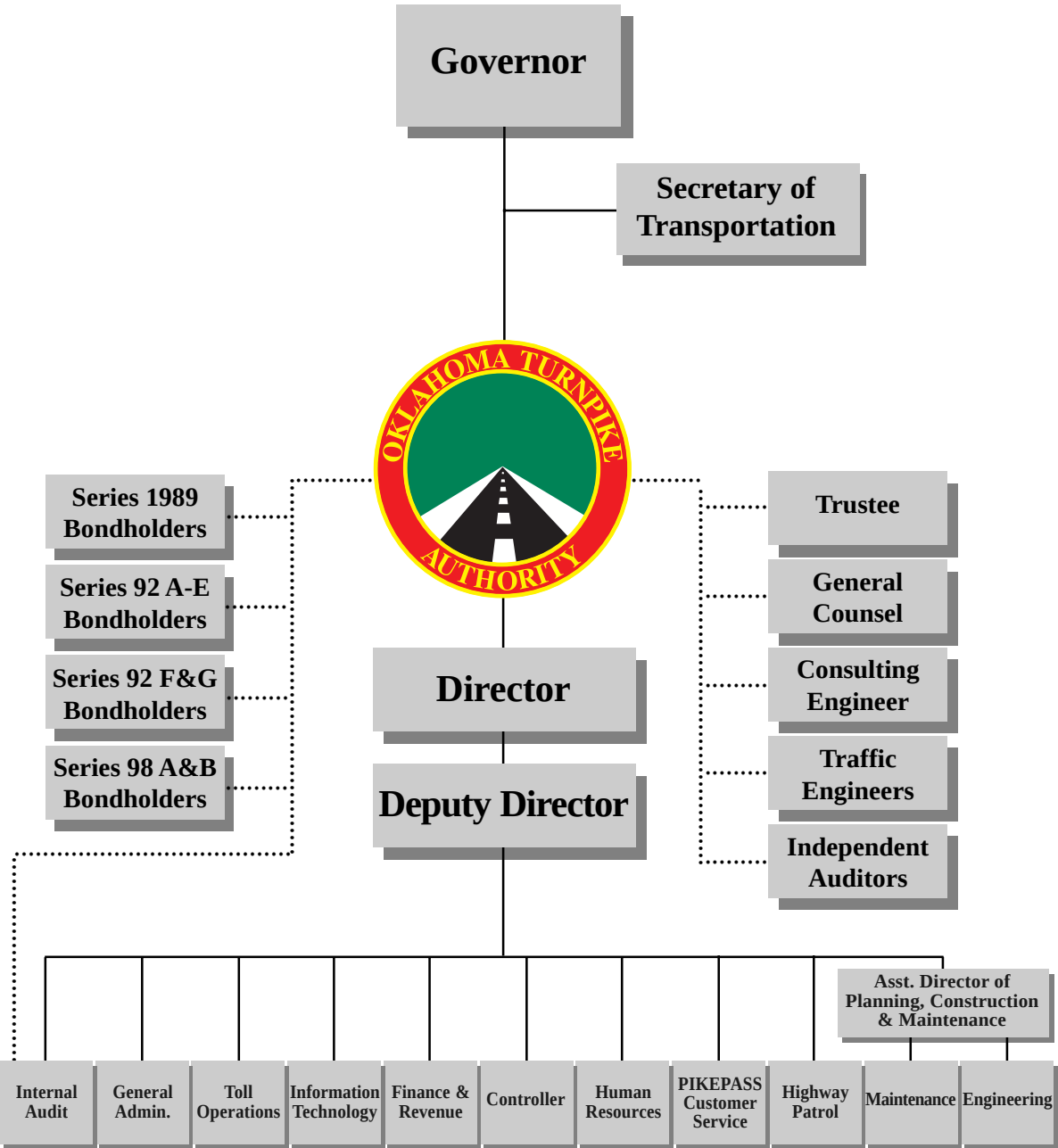
THE OKLAHOMA TURNPIKE AUTHORITY


Fred J. Hall
Chairman


Neal A. McCaleb, P.E.
Director


Lori Scott, C.P.A.
Controller

Organizational Chart



Oklahoma Turnpike Authority

Members



**Governor
Frank Keating**
Ex-Officio



**Neal A.
McCaleb**
Secretary of
Transportation
and Director



Fred J. Hall,
Chairman
District 1



**Robert M.
(Bob) Kane**
District 2



**Albert C.
(Kell) Kelly, Jr.**
Vice-Chairman
District 3



**Dewey F.
Bartlett, Jr.**
District 4



Steve LaForge
Secretary &
Treasurer
District 5



Judy Curtis
District 6

The Oklahoma Turnpike Authority's (OTA) governing body (the Authority) consists of the Governor (ex-officio) and six members. The members are appointed by the Governor and approved by the State Senate. They serve eight-year, uncompensated terms and may be reappointed.

The Authority appoints the Director of the OTA. Neal A. McCaleb has served as Director of the OTA, as well as Oklahoma's Secretary of Transportation and the Director of the Oklahoma Department of Transportation since March 1995. The Director, with his management staff, supervises the daily operations of the organization. Authority Members provide oversight and policy direction. They appoint various consulting entities with national reputations for excellence, including the General Counsel, Bond Counsel, Consulting Engineers, Consulting Traffic Engineers, Financial Advisor, Bond Underwriter(s) and Independent Auditor(s).

All action taken by Authority Members and staff must be in strict compliance with the provisions of the OTA's Trust Agreement.



Senior Management

Seated left to right: **Alan Freeman** – Director of Human Resources; **Holly Lowe** – Deputy Director; **Neal A. McCaleb** – Secretary of Transportation and Director; **Stacey Trumbo** – Assistant Director of Planning, Construction and Maintenance; **James L. Beach** – Director of Patron Services and Public Relations;

Standing left to right: **David Machamer** – Director of Toll Operations; **Lori Scott** – Controller; **Mike Ashcraft** – PIKEPASS Operations Manager; **Captain Ken Reed** – Oklahoma Highway Patrol; **Gary Brown** – Director of Information Technology; **Lillie Buckner** – Executive Secretary; **Tim Stewart** – Director of Maintenance; **Don Hawk** – Director of Engineering (not pictured)

Description Of The Oklahoma Turnpike System

Turner Turnpike

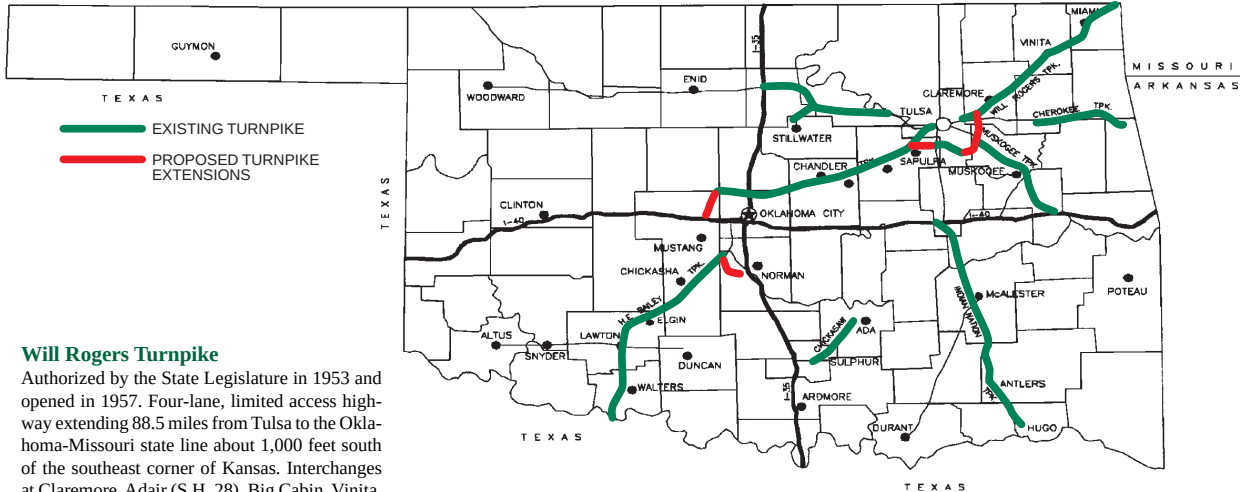
Authorized by the State Legislature in 1947 and opened in 1953. Four-lane, limited access highway extending 86.0 miles from Tulsa to Oklahoma City. Interchanges at Sapulpa, Kellyville, Bristow, Stroud, Chandler and Wellston. Service station and/or restaurant with free restrooms at Heyburn, Bristow, Stroud, Chandler, and Wellston.

Cimarron Turnpike

Authorized by the State Legislature in 1965 and opened in 1975. Four-lane, limited access highway extending 59.2 miles on main route from I-35/U.S. 64 east of Enid to Tulsa, and 8.5 miles on a spur connecting the main route with Stillwater and Oklahoma State University. Interchanges at U.S. 77, U.S. 177, Stillwater, Morrison, S.H.18, Hallett and S.H. 48. Service station and restaurant with free restrooms at Lone Chimney.

John Kilpatrick Turnpike Extension

Authorized by the State Legislature in 1987 and currently under construction. Four-lane, limited access, urban highway to extend 15.8 miles within Oklahoma and Canadian Counties from the current terminus of the John Kilpatrick Turnpike at Portland Avenue/ Lake Hefner Parkway to I-40 between Mustang and Sara Road. The route is generally along Memorial Road on the north, turning



Will Rogers Turnpike

Authorized by the State Legislature in 1953 and opened in 1957. Four-lane, limited access highway extending 88.5 miles from Tulsa to the Oklahoma-Missouri state line about 1,000 feet south of the southeast corner of Kansas. Interchanges at Claremore, Adair (S.H. 28), Big Cabin, Vinita, Afton and Miami. Service station and/or restaurant with free restrooms at Vinita and Miami.

H.E. Bailey Turnpike

Authorized by the State Legislature in 1953 and opened in 1964. Four-lane, limited access, highway extending 86.4 miles in two sections: north section (61.4 miles) from Oklahoma City to U.S. 277 north of Lawton; south section (25.0 miles) from U.S. 277 south of Lawton to U.S. 70, 5.2 miles north of the Texas state line. Interchanges at Chickasha, Cyril, Elgin near Walters. Service station and/or restaurant with free restrooms at Chickasha and Walters.

Indian Nation Turnpike

Authorized by the State Legislature in 1955, north section opened in 1966 and south section opened in 1970. Four-lane, limited access highway extending 105.2 miles in two continuous sections; north section (41.1 miles) from U.S. 75/I-40 near Henryetta to U.S. 69 near McAlester; south section (64.1 miles) from end of north section to U.S. 70 near Hugo. Interchanges at Eufaula, Ulan, McAlester, Daisy and Antlers. Service station and/or restaurant with free restrooms at Eufaula and Antlers.

Muskogee Turnpike

Authorized by the State legislature in 1965 and opened in 1969. Four-lane, limited access highway extending 53.1 miles from Tulsa to I-40 near Webber Falls. Interchanges at Coweta, Muskogee and U.S. 64 near Webber Falls. Service station and restaurant with free restrooms at Muskogee.

John Kilpatrick Turnpike

Authorized by the State Legislature in 1987 and opened in 1991. Four-lane, limited access, urban highway extending 9.5 miles from the Oklahoma City interchange of the Turner Turnpike and I-35 to Portland Avenue/Lake Hefner Parkway. Interchanges at Eastern Avenue, U.S. 77/Broadway Extension, Western Avenue, Pennsylvania Avenue, May Avenue and Portland Avenue/Lake Hefner Parkway.

Cherokee Turnpike

Authorized by the State Legislature in 1987 and opened in 1991. Four-lane, limited access highway extending 32.8 miles from U.S. 412 at Locust Grove to U.S. 412 west of West Siloam Springs. Interchanges at Locust Grove, U.S. 412 and S.H. 10. Restaurant and service station with free restrooms at Leach.

Chickasaw Turnpike

Authorized by the State Legislature in 1987 and opened in 1991. Two-lane, limited access highway extending 27.1 miles from S.H. 7 west of Sulphur to S.H. 1 near Ada. Only 17.7 miles tolled, with interchanges at S.H. 7, U.S. 177 and Roff.

Creek Turnpike

Authorized by the State Legislature in 1987 and opened in 1992. Four-lane, limited access, urban highway extending 7.6 miles from U.S. 75 across the Arkansas River to U.S. 64 near 96th Street. It links with an extension of the U.S. 69/Mingo Valley Expressway. Interchanges at U.S. 75, Peoria Avenue, Delaware Avenue, Yale Avenue and U.S. 64/Memorial Drive.

south parallel to Sara Road just west of County Line Road and passing by Lake Overholser on its west side parallel to Morgan Road. The John Kilpatrick Turnpike's terminus is at I-40 with an interchange giving access to traffic traveling east and west on the interstate system.

Creek West Turnpike Extension

Authorized by the State Legislature in 1987 and currently under construction. Four-lane, limited access, urban highway to extend 4.8 miles within Tulsa County from the Turner Turnpike at S.H. 66 to U.S. 75. The route generally runs east and west, with the interchange at the U.S. 75 terminus giving access to traffic traveling north into Tulsa and south to Okmulgee.

Creek East & Broken Arrow Turnpike Extensions

Authorized by the State Legislature in 1987 and currently under construction. Four-lane, limited access, urban highway to extend 21.2 miles within Tulsa County from U.S. 169 to the I-44 interchange of the Will Rogers Turnpike. The route generally runs east and west through the City of Broken Arrow.

H.E. Bailey Turnpike Norman Spur

Authorized by the State Legislature in 1987 and currently under construction. Four-lane, limited access, urban highway to extend 8.2 miles within Grady County from an interchange of the existing H.E. Bailey Turnpike to S.H. 9. The route generally runs east and west through a rural east of Norman.

1998 HIGHLIGHTS

The Oklahoma Turnpike Authority is poised to complete the urban toll roads in the Tulsa and Oklahoma City areas which were started with the proceeds from the 1989 bond issuance. The two primary projects extend the Creek Turnpike in Tulsa and the John Kilpatrick Turnpike in Oklahoma City to make them interstate highway connectors rather than interurban connectors.

During the last four years, a new leadership team composed of the Governor, the Secretary of Transportation/Director and the Board Members of the Oklahoma Turnpike Authority have been preparing for this event by improving our financial position, investing in the system's structural integrity, and focusing operations on customer service. This leadership has empowered the career staff of the Oklahoma Turnpike Authority to reduce operating expenses, expand and improve customer service through our PIKEPASS system, implement a major rehabilitative Capital Improvement Program, and steadily improve the Authority's debt coverage ratios since 1994. We have made deliberate and carefully measured preparations for this expansion by developing engineering plans, securing environmental clearances, and gaining legislative endorsement.

On January 6, 1998, Oklahoma Governor, Frank Keating, and Secretary of Transportation, Neal McCaleb, along with the Oklahoma Turnpike Authority announced their intention to submit an application to the Executive and Legislative Bond Oversight Commissions asking for both provisional and final approval for the issuance of Tax Exempt Second Senior Lien Revenue Bonds. On January 9, 1998, the Oklahoma Turnpike Authority convened a special meeting passing a resolution authorizing the Director to submit the application to the State Bond Oversight Commissions for approval of the financing of certain turnpike improvement projects totaling \$602,852,000 plus other related bond issuance costs. On January 29, 1998, the Oklahoma Turnpike Authority received final approval by a unanimous vote of both the Executive and Legislative Bond Oversight Commissions for issuance of revenue bonds for the financing of certain turnpike improvement projects. These projects include: the completion of the John Kilpatrick Turnpike from Hefner Parkway to I-40, the extension of the Creek Turnpike from the Turner Turnpike to US-75 and from the Mingo Expressway (US-169) to the Will Rogers Turnpike, the construction of the H.E. Bailey Turnpike Spur from Mustang Road east and south to the junction of SH-9 and US-62 south of Newcastle, and the purchase of right-of-way on the Muskogee Turnpike.

Second Senior Lien Revenue Bonds totaling \$687,010,000 were issued by competitive sale in two bond issues, the Series 1998A Revenue Bonds in the amount of \$350,000,000 on May 12, 1998, and the Series 1998B Revenue Bonds in the amount of \$337,010,000 on July 14, 1998. Because of extensive marketing

On January 29, 1998, the Oklahoma Turnpike Authority received final approval for issuance of revenue bonds for the financing of certain turnpike improvement projects.



presentations and good ratings by Moody's and Standard and Poor's, the Series 1998A Revenue Bonds sold at very competitive interest rates ranging from 4.13% to 6%, or a true interest cost of 5.16%. The Series 1998B Revenue Bonds sold at even more competitive rates ranging from 5% to 5.50%, or a true interest cost of 5.08%.

Right-of-way is being acquired steadily with appraisals having been completed on 82% of the parcels and settlements having been made on 41% of the parcels. Utility companies are currently working in cooperation with OTA staff on relocation plans for the expansion of the system. The contracts on all turnpike segments are composed of 20 grading and drainage projects, 24 bridge projects, 4 interchange projects and 16 surfacing projects. Currently, the design of the projects is well underway with all functional plans complete and final design plans well on their way to completion. In July 1998, the first construction contract relating to the new extensions was awarded. A groundbreaking ceremony was held on

August 5, 1998, to mark the beginning of 15.8 miles of construction on the John Kilpatrick Turnpike Extension in Oklahoma City. A total of 11 contracts for construction on the new extensions have been let as of December 31, 1998.

The John Kilpatrick Turnpike Extension, the Broken Arrow South Loop, and the West Creek Turnpike Extension are anticipated to be open to traffic no later than January 1, 2001. The H.E. Bailey Turnpike Spur and the East Creek Turnpike Extension are scheduled to be open to traffic no later than January 1, 2002. However, segments of each of the five projects could be opened to traffic earlier, as they are completed.

We have received letters of support from many communities that would benefit from the future projects. These communities have been very supportive throughout the process, realizing that these new infrastructures will bring growing economic development to their areas. Along with community support, we also have the support of the Association of Central Governments and the Indian Nation Council of Governments. Another form of support has come from our "partnership" with the Oklahoma Department of Transportation (ODOT). The ODOT recently implemented its \$1 Billion Capital Improvement Program, which will interconnect and improve state roads, thereby enhancing turnpike usage and development. These communities and organizations believe, as do we, that the Authority's road package, along with the ODOT's



A groundbreaking ceremony was held on August 5, 1998, to mark the beginning of 15.8 miles of construction on the John Kilpatrick Turnpike Extension.



road program that was passed during the 1998 Legislative Session, will bolster the economic impact of the entire state, and once completed, will make Oklahoma a leader in transportation. The future of Oklahoma transportation is very promising as a result of this community support and the cooperative spirit between the ODOT and the OTA. The OTA enhances this transportation partnership by providing stability through the tenure of its existing Authority, which has been in place since 1995, and through its historically strong financial position.

1998 has proven to be a highly successful year with net toll revenues reported 3%, or \$3.6 million, higher than budgeted projections. System-wide net toll revenues during 1998 were \$124,570,726, exceeding 1997 net toll revenues by a strong 6.3%. This year marks the first time in OTA history when monthly net toll revenues have exceeded the \$11 million mark. Transactions for 1998 exceeded those for 1997 by 6.9%.

The six base turnpikes report revenue growth of 6.2%, while the four newer turnpikes had a 7.2% growth in revenues over the previous year. The John Kilpatrick Turnpike continues to report exceptional growth, with revenues for 1998 out-producing revenues for 1997 by 12.2%.

1998 annual operating expenses for the Revenue Fund fell well below the budgeted amount of \$35,855,000. This is due to the combined efforts of all divisions working together under the direction and leadership of OTA's Director and Deputy Director.

Beginning in 1994, the OTA developed a Five Year Capital Plan which identified the maintenance, rehabilitation and improvement needs of its existing System for the next 20 to 30 years and instituted a five-year program designed to keep existing turnpikes in good condition, thereby maintaining traffic flows and extending the useful life of the turnpikes.

A major part of the OTA's Five Year Capital Plan is the pavement rehabilitation of the existing System. In 1998, the OTA completed a major asphalt resurfacing project on the Turner Turnpike between mile 200 and mile 210. This completes the rehabilitation of 73% of the length of the Turner Turnpike. Rehabilitation on the two remaining sections of the Turner Turnpike is scheduled for completion in 1999 and 2000.

During 1998, median barrier walls were completed along sections of the H.E. Bailey and Muskogee Turnpikes that were started during 1997. Additional mileage of median barrier installation was also started on the H.E. Bailey Turnpike in 1998. These median barrier walls protect the public from potentially fatal head-on collisions that might occur when vehicles cross the center median. Studies conducted on the Turner and Will Rogers Turnpikes, where median barrier walls have been installed, have shown the elimination of crossover head-on collisions. The 1999 portion of the Five Year Capital Plan allows for the completion of the additional median barrier installations along the H.E. Bailey Turnpike.



*A major part of the
OTA's Five Year
Capital Plan is the
pavement
rehabilitation of the
existing System.*



This year, a continued emphasis has been placed on slope instability rehabilitation. Slide areas are caused by multiple factors, including excessive ground water and slope instability of embankment and cut areas. The OTA has utilized the process of value engineering to develop new ideas and alternative solutions in the rehabilitation of slide areas resulting in significant savings to the OTA. Reconstruction of the slide area at the Muskogee/ I-40 interchange on the Muskogee Turnpike began in July 1998 and was substantially complete by December 1998. It is anticipated that the completion of this project will occur in early 1999.

Bridge rehabilitation continues to remain a priority. Since 1978, OTA has rehabilitated 64% of the bridges carrying turnpike traffic. OTA Maintenance Division personnel performed routine rehabilitation work, consisting of substructure and, as needed, superstructure repairs. These efforts extend the life of the system and postpone the necessity of major rehabilitation projects. Throughout 1998, maintenance crews sealed over 2,000,000 linear feet of joints and cracks. Maintenance Division staff flexibility allows for pooling of personnel when major maintenance is required on an individual turnpike.

During 1998, OTA's asphalt crew put down 32,000 tons of asphalt on roadways, in rest areas, and in concession areas. An extensive roadway repair project was completed on the Chickasaw Turnpike which required the asphalt crew to lay 7,500 tons of asphalt and to complete base repairs. Also, OTA maintenance crews have completed a large amount of pavement grinding on the Cimarron and Indian Nation Turnpikes. A total of 293,396 square yards of milling was completed throughout 1998.

System-wide growth has also created a need for maintenance and administrative facilities improvement and expansion. In September 1998, an open house was held for the new Will Rogers Turnpike Maintenance Facility, located at the Vinita exit. The 20,900 square foot facility provides new, state-of-the-art equipment support, administrative office space and work space for certain Will Rogers Turnpike employees. This new facility has been specifically designed to be environmentally friendly, including such amenities as an inside wash bay with a water recycling system and service bays with floor drains that empty into a sand/ oil separator for additional recycling.



In September, the Authority approved a remodel to the OTA's headquarters building in order to house the consultants and increased staff necessary to oversee the new turnpike extension construction and to maintain the increased workload related to these new extensions. This remodeling project provided additional office space and conference rooms within the headquarters building and a new parking lot adjacent to the headquarters building.



In an effort to provide additional amenities to the traveling public, two new restroom facilities were constructed on the Turner Turnpike.

The OTA recognizes the importance of its patrons to the success of its System. In an effort to provide additional amenities to the traveling public, two new restroom facilities were constructed on the Turner Turnpike. Each area has an independent facility for men and women and is wheelchair and handicap accessible. The westbound facility is located at mile 205, and the eastbound facility is located at mile 153. These facilities will serve as prototypes for future facilities to be constructed on other turnpikes. This is one example of the OTA's willingness to listen to its patrons and to address specific concerns and needs of those patrons.

Another significant achievement in customer service this year was the opening of the new Wellston interchange on the Turner Turnpike. On November 23, 1998, the Authority celebrated the opening of two new ramps at this new interchange. A ribbon cutting ceremony was conducted to announce the opening of the Wellston eastbound entrance and westbound exit. Several Wellston residents and officials gathered to help the Authority formally open these new ramps and to celebrate the accomplishment of a goal the town has had for many years. Prior to this interchange opening, Wellston area residents could only enter the turnpike to drive west and could only exit the turnpike at Wellston driving east. The completion of this interchange provides Wellston residents and other turnpike patrons with the ability to enter or exit the turnpike from both directions.



OTA's commitment to continued, exceptional customer service and convenience has been reaffirmed in 1998 by the growth of the OTA-PIKEPASS Tag Agency Program. Sixty-six tag agencies participated in the program during 1998, issuing 25,794 PIKEPASS tags, which represents a 130% increase over the number of PIKEPASS tags issued by tag agents in 1997. In addition, this represents 23% of the total PIKEPASS tags issued to new and existing accounts and for tag refurbishment during 1998. Currently, 19 tag agencies are also participating in the PIKEPASS tag refurbishment process.



OTA's commitment to continued, exceptional customer service and convenience has been reaffirmed in 1998 by the growth of the OTA-PIKEPASS Tag Agency Program.

The installation of fiber optic cable along turnpike right-of-way by Indian Nations Fiberoptic, Inc. (INF) and MBO Video, Inc. (MBO) continued during 1998. The related agreements reached between the OTA, MBO, INF, the ODOT and the Oklahoma State Board of Regents represent innovative programs resulting in increased customer service and

internal operating efficiencies. The OTA has reached agreements by which they and other state agencies are granted free use of fiber optic lines. The OTA is in the process of operating its wide area network via fiber optic cable. This results in superior data transmission at exceptional savings to the OTA and the state, eliminating phone charges related to maintenance and toll facilities along the System. The maintenance facilities will be communicating with the OTA headquarters at a rate 27 times faster than previous communication methods. Upon completion of this installation, the Creek, Vinita, Stroud, Chickasha, Morrison and Muskogee maintenance facilities will have enhanced communication capacity.

As the OTA moves into the 21st Century, it is the Authority's goal to reach the new millennium with no Year 2000 (Y2K) mission critical system failures causing distress to the OTA's operations. Throughout 1998, the Information Technology Division, along with the other OTA divisions, has performed remediation efforts on all hardware and software utilized by the OTA. These efforts were substantially complete as of December 31, 1998. In addition, the OTA has performed significant analysis in the second segment of the Y2K compliance project, which encompasses analyzing the readiness of those external vendors that supply goods or services considered to be highly or moderately critical to the success of the OTA. Contingency plans have been prepared for all vendors who were rated either highly critical or moderately critical and were not Y2K compliant as of December 31, 1998. Throughout 1999, the OTA will be testing and modifying these contingency plans as necessary to ensure that the Authority will be able to meet its commitments and patrons' needs on January 1, 2000.

ECONOMIC TRENDS AND OUTLOOK

Oklahoma's growth, like that of the nation, has been robust in 1998, currently exceeding national growth. The Oklahoma economy continues to move from being counter-cyclical to the U.S. economy during the energy boom years to pro-cyclical in the 1990s. This is according to the "1999 Oklahoma Economic Outlook" published by the College of Business Administration of Oklahoma State University. These similarities to U.S. economic trends point somewhat to Oklahoma's decreasing dependence on the energy sector for the State's economic vitality. A news release from the State of Oklahoma's Office of State Finance states that the first half of fiscal year 98/99 is "on target" for General Revenue Fund collections. According to the Deputy Director of the Office of State Finance, "Fortunately, Oklahoma's economy is large and diversified and that is reflected in our General Revenue Fund."

Based on data through the third quarter of 1998, employment for Oklahoma is estimated to grow by 2.7%, continuing the trend of 1996 and 1997. This Oklahoma employment growth of 2.7% compares quite favorably to the national employment growth of 2.5%. According to the Oklahoma State University's report, this suggests that Oklahoma is competitive in net job creation compared to the nation. The transportation, communications, and public utilities sectors are estimated to have the strongest 1998 employment growth at 4.3%, with the construction sector following closely at 4.2%. The OTA's and ODOT's road packages have had a prominent impact on the growth in the transportation and construction sectors' employment growth in 1998. The road packages seem to drive the expansion in the manufacturing field in terms of employment as well. According to the Oklahoma Department of Commerce, 1998 was a good year for company expansion in both the manufacturing and service sectors. Data collected by this agency finds that investments announced by





With the continuation of the OTA's expansion program, along with the ODOT \$1 Billion road program, the State of Oklahoma should see an economic boost in many areas.

new and expanding manufacturers and processors in 1998 totaled over \$518 million. This translates into over 6,493 new jobs in the next three years. The largest employment announcement over the next three years, which will result in 2,038 new jobs, was announced in the transportation equipment sector.

The real U.S. economy is showing signs of slowing, according to Standard and Poor's (S & P's) DRI Division of the McGraw-Hill Companies, but the risk of recession is thought to be slim. No matter what the growth rate is, S & P's DRI Division sees continued growth as remarkable, saying, "Current expansion is on course to become longer than that of the 1960s and remarkable in recent economic history for

its ability to control inflation and reduce unemployment."

It is anticipated for 1999 that, as growth slows nationally, so will growth in Oklahoma. Still, Oklahoma's employment growth rate should exceed that of the nation's. Oklahoma State University's publication states that it expects to see a net gain of over 26,000 jobs in the next year, which translates to 1.8% employment growth. This compares favorably to the national forecast of only 1.4% growth. With the large increase in 1998 building permits and the continuation of the state road building program, strong growth should continue in the construction sector. With the continuation of the OTA's expansion program, along with the ODOT's \$1 Billion road program, the State of Oklahoma should see an economic boost in many areas. In addition, these infrastructures will provide easier access for industries that are contemplating locating in various parts of our State. With State government continuing to support these economic developments, the State of Oklahoma looks to have a bright future.

Internal Controls

It is necessary to establish and maintain internal controls designed to provide reasonable assurance that assets are safeguarded against loss, theft or misuse and for ensuring that reliable and adequate accounting records are maintained. In fulfilling this responsibility, estimates and judgments are required to assess the expected benefits and related costs of internal control structure policies and procedures. We believe that the organization's internal control structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

Fiduciary Operations

The OTA's Trustee, Bank of Oklahoma, works closely with financial management and staff to ensure that the OTA is in compliance with the terms and covenants of its Trust Agreement and that all financial and operational decisions are made in the best interest of the OTA's bondholders.

Debt Administration

As of December 31, 1998, our outstanding debt, net of unamortized discount and net deferred debit on refundings, was approximately \$1,295,000,000. The current portion of this debt totals \$13,295,000. Final maturity on this debt is scheduled for the year 2028.

Cash Management

All deposits were either insured by federal depository insurance or collateralized. Throughout the year, available cash was invested in U.S. Government obligations, repurchase agreements and guaranteed investment contracts. All investments, other than the guaranteed investment contracts, were classified in the category of highest quality rating of credit risk, as defined by the Governmental Accounting Standards Board (GASB). The guaranteed investment contracts were either rated within the two highest quality ratings of credit risk by Moody's Investors Service and Standard and Poor's Corporation or collateralized by U. S. Government securities in an amount equal to 105% of the outstanding principal. At the direction of the Authority, all investments were made by the Trustee in strict compliance with the provisions of the Trust Agreement.

FINANCIAL INFORMATION



Risk Management

We maintain an aggressive safety and loss prevention program which is staffed by a full-time safety officer. Insurance policies are purchased for normal business risk at favorable rates through the Oklahoma State Office of Risk Management. All major areas of operations are covered, including loss of income, buildings and contents, bridges, workers' compensation, and general, personal injury and auto liability. We maintain surety bonds covering Authority Members, and a directors' and officers' insurance policy that provides a broad range of coverage against liability to the OTA, its Authority Members, management and staff.

Flow of Funds

Section 507 of the Trust Agreement dated February 1, 1989, establishes the flow of funds with which the OTA must comply. The Oklahoma Turnpike Authority must deposit toll and other

revenues from its operations into the Revenue Fund on a daily basis. All monies in the Revenue Fund at the end of the month (less a reserve for current operating expense not to exceed 20% of the amount of current operating expenses shown in the OTA's latest budget) are transferred and deposited as follows: 1) bond service accounts in accordance with their respective lien hierarchy for the purpose of paying bond principal and interest; 2) bond reserves in accordance with their respective lien hierarchy for the purpose of ensuring sufficient monies are available to make bond principal and interest payments in the event that current revenues are insufficient; 3) the Reserve Maintenance Fund for the purpose of paying special maintenance expenses to keep the Turnpike System in good repair; and 4) the balance to the General Fund for the purpose of pledging such monies to the payment of junior obligation debt or any other lawful purpose.

Under the OTA's Enabling Act, and amendments thereto, a portion of the motor fuel excise taxes collected on fuels consumed on the turnpikes is made available to the OTA from the Oklahoma Tax Commission. Since July 1, 1992, the motor fuel tax monies have been apportioned to the OTA on the first day of each calendar month. All motor fuel taxes apportioned to the OTA are available to fund debt service, to the extent monies are



not otherwise available. If such motor fuel excise taxes apportioned to the OTA are not necessary in such month, the fuel tax monies shall be paid over immediately to the Oklahoma Department of Transportation (ODOT). During 1998, the OTA received, and immediately remitted to ODOT, all of the \$32,171,619 of motor fuel excise taxes apportioned to the OTA during the year.

Basis of Accounting

The operations of the Authority are accounted for as an enterprise fund on an accrual basis in order to recognize the flow of economic resources. Under this basis, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, depreciation of assets is recognized, and all assets and liabilities associated with the operation of the Authority are included in the Balance Sheet. The Trust Agreement and supplements thereto (the Trust Agreement) related to the Series 1989 Bonds require that the Authority adopt generally accepted accounting principles (GAAP) for government entities; but, it also requires that certain funds and accounts be established and maintained. The Authority consolidates these funds and accounts for the purpose of enterprise fund presentation in its external financial statements.

The 1998 net toll revenues of \$124,570,726 were approximately 6.3% higher than 1997 net toll revenues due to a 6.9% increase in toll transactions.

Financial Results From Operations

The 1998 net toll revenues of \$124,570,726 were approximately 6.3% higher than 1997 net toll revenues due to a 6.9% increase in toll transactions. Concession revenues also increased significantly between 1998 and 1997 with an increase of 7.1% between years.

Actual, as well as budgeted, operating expenses increased between 1998 and 1997. All divisions were affected by legislated mandates to increase health benefits for each employee and to provide for mandated matching in the State's Deferred Compensation Program. In addition, the most significant increase occurred within the Toll Operations Divisions. Toll Operations expenses increased approximately \$1,100,000 between years primarily due to increased temporary staff hired for the *PIKEPASS* refurbishment program and the document-imaging program, increased postage and printing expense



resulting from a higher volume of *PIKEPASS* accounts in 1998, certified correspondence with Turnpike System violators in relation to the passage of Senate Bill 210, the increased cost of the new, improved automatic coin machine maintenance contract, and an increase in *PIKEPASS* tag agency fees. Tag agents receive a fee of \$5 per tag for issuing new and refurbished *PIKEPASS* tags. As the number of tag agents participating in this program increases, so do the corresponding fees. Turnpike Maintenance expenses increased approximately \$800,000 between years. These increases are primarily the result of increases in equipment rental related to seasonal System repairs. It should also be noted that in 1997, the majority of turnpike maintenance projects were related to bridge repairs, while in 1998, more emphasis was placed on completing extensive asphalt roadway repairs throughout



In 1998, more emphasis was placed on completing extensive asphalt roadway repairs throughout the System.

the System. This also created an increase in the amount of asphalt and concrete supplies that were purchased in 1998 over 1997. Highway patrol expenses increased by approximately \$520,000 as a result of special emphasis projects related to speed control and toll enforcement. These special projects are staffed by overtime hours worked by OTA troopers.

Budgetary Control

The OTA prepares an annual budget of current operating expenses and monthly deposits to the Reserve Maintenance Fund in compliance with the Trust Agreement and adopts a capital improvement plan each year. The budget is adopted on a modified accrual (non-GAAP) basis wherein expenditures are recognized on a cash basis and depreciation is not budgeted as an expenditure. Budgets are controlled at the division level, and the object of the budgetary controls is to ensure compliance with the provisions of the Trust Agreement. The Director may approve changes within the budget at any level, but an increase in the total budget must be approved by the Authority. Monthly reports of actual expenses versus budgeted expenses are provided to the Authority and management. Unexpended budget balances lapse at fiscal year end. Project-length financial plans are maintained for capital projects.

During November 1998, the Authority adopted the 1999 budget. This budget included an 11.1% increase over the 1998 Annual

Budget for operating and maintenance of the Turnpike System which is primarily due to a mandated legislative increases for the Oklahoma Highway Patrol compensation package and the compensation and benefits packages for all other OTA employees. The Authority is making a concentrated effort to ensure that the OTA is adequately prepared for the new millennium. All in-house and external software has been tested to ensure it is Year 2000 compliant or remediation efforts are in place. Additional employees have been added to the Information Technology Division to specifically address these efforts. Also included is a reduction in the total number of employees from 530 to 518, a decrease of 12 positions. The 1999 budget also includes funding for the continuation of the Five Year Capital Plan that was adopted in 1994.

Independent Audit

The Trust Agreement requires an annual audit of the financial statements by an independent accounting firm. The required audit has been performed for the year ended December 31, 1998 by our independent auditors, KPMG LLP.

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the Oklahoma Turnpike Authority for its annual budget for the year beginning January 1, 1998.

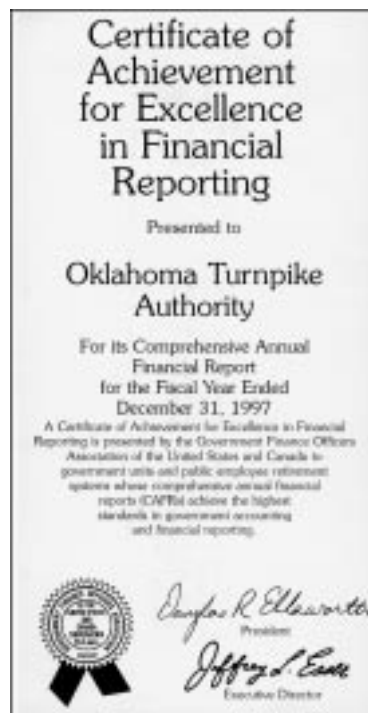
In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. This is the seventh consecutive year that the Oklahoma Turnpike Authority has earned this award. The OTA is the only state agency in Oklahoma to receive this award.

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the Oklahoma Turnpike Authority for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 1997. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR that conforms to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The OTA has received a Certificate of Achievement for the

SPECIAL AWARDS



last eight consecutive years (years ended December 31, 1990-1997). The OTA's award is among 18 awarded throughout the state and is one of only six received by state agencies in Oklahoma. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

ACKNOWLEDGMENTS

Grateful appreciation is extended to the entire management staff of the OTA for their professional contributions to this report. Thanks also to the Controller Division staff who prepared the report, the Finance and Revenue Division staff who assisted in the preparation of the report, and to our independent auditors for their participation in the review and preparation of this report.

Special appreciation is extended to Governor Frank Keating, the Authority Members, Director Neal A. McCaleb and Deputy Director Holly Lowe. To all of you, your support of our efforts to excel in the operational and financial management of the OTA is sincerely appreciated.





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Independent Auditors' Report

Members of the Oklahoma Turnpike Authority:

We have audited the balance sheets of the Oklahoma Turnpike Authority (Authority), as of December 31, 1998 and 1997, and the related statements of revenues, expenses and changes in retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of December 31, 1998 and 1997, and the results of its operations and the cash flows for the years then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 1999 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws and regulations.

The Year 2000 supplementary information on page 41 is not a required part of the financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and do not express an opinion of such information. Further, we were unable to apply to the information certain procedures prescribed by professional standards because of the nature of the subject matter under underlying the disclosure requirements and because sufficiently specific criteria regarding the matters to be disclosed have not been established. In addition, we do not provide assurance that the Authority is or will be year 2000 compliant, that the Authority's Year 2000 remediation efforts will be successful in whole or in part, or that parties that which the Authority does business are or will become Year 2000 compliant.

Our audits were made for the purpose of forming an opinion on the basic financial statements of the Authority, taken as a whole. The supplementary information included on pages 42 through 54 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

KPMG LLP

March 19, 1999



KPMG LLP, KPMG LLP, a U.S. limited liability partnership, is a member of KPMG International, a Swiss association.

Oklahoma Turnpike Authority
Balance Sheets
December 31, 1998 and 1997

	1998	1997
Assets		
Current assets:		
Cash and cash equivalents (note 3)	\$ 15,015,051	\$ 13,773,371
Investments (note 3)	86,263,348	66,008,577
Accounts receivable	1,426,367	1,056,936
Accrued interest receivable	1,033,311	589,842
Prepaid expenses	126,063	100,414
Materials inventory	1,864,577	2,003,318
Total current assets	105,728,717	83,532,458
Restricted assets (notes 3,7 and 10):		
Cash and cash equivalents (note 3)	57,499,452	36,370,693
Investments (note 3)	752,826,889	107,595,726
Certificates of deposit held in lieu of retainages	-	95,000
Accrued interest receivable	17,401,221	1,340,410
Total restricted assets	827,727,562	145,401,829
Property and equipment (note 4):	1,189,111,902	1,116,470,614
Less accumulated depreciation and amortization	(596,534,786)	(563,936,999)
Net property and equipment	592,577,116	552,533,615
Revenue bond issuance costs (net of accumulated amortization of \$2,485,628 and \$2,030,847 in 1998 and 1997, respectively)	12,877,959	8,696,914
Total assets	\$ 1,538,911,354	\$ 790,164,816
Liabilities and retained earnings		
Current liabilities:		
Accounts payable	\$ 12,796,326	\$ 2,562,883
Liabilities payable from restricted assets:		
Accounts payable	5,783,934	1,499,943
Accrued interest payable	39,630,170	19,509,192
Deferred revenue	9,790,535	8,509,470
Arbitrage rebate payable to U.S. Treasury	4,003,758	1,768,344
Current portion of revenue bonds payable (note 7)	13,295,000	12,630,000
Total liabilities payable from restricted assets	72,503,397	43,916,949
Long-term debt:		
Revenue bonds, net of unamortized discount of \$19,578,967 and \$18,815,545 in 1998 and 1997, respectively, and of unamortized net deferred debit on refundings of \$13,735,927 and \$15,845,429 in 1998 and 1997, respectively (note 7)	1,281,715,491	606,339,803
Payable to Department of Transportation (note 10)	44,565,083	42,926,917
Total long-term debt	1,326,280,574	649,266,720
Total liabilities	1,411,580,297	695,746,552
Retained earnings (note 7)	127,331,057	94,418,264
Commitments and contingencies (note 11)	-	-
See accompanying notes to financial statements		

Oklahoma Turnpike Authority

Statements of Revenues, Expenses and Changes in Retained Earnings

Years Ended December 31, 1998 and 1997

	1998	1997
Operating revenues:		
Tolls	\$ 124,570,726	\$ 117,167,783
Concessions	1,239,223	1,157,441
Total operating revenues	125,809,949	118,325,224
Operating expenses:		
Toll Operations	13,006,107	11,904,245
Turnpike Maintenance	10,097,941	9,298,041
Engineering	1,940,473	1,175,141
Highway Patrol	6,149,176	5,630,062
General Administration	1,392,699	1,075,638
Information Technology	1,505,126	1,468,149
Controller	1,128,787	1,024,859
Finance and Revenue	852,804	674,434
Human Resources	465,017	455,367
Authority	6,472	7,392
Total operating expenses before depreciation and amortization	36,544,602	32,713,328
Operating income before depreciation and amortization	89,265,347	85,611,896
Depreciation and amortization (note 4)	(34,142,220)	(31,044,080)
Operating income	55,123,127	54,567,816
Non-operating revenues (expenses):		
Interest earned on investments	28,717,822	10,341,948
Net increase(decrease) in fair value of investments	6,793,941	1,821,756
Interest expense on revenue bonds outstanding	(58,059,838)	(41,425,362)
Other	337,741	790,433
Net non-operating expenses	(22,210,334)	(28,471,225)
Net income	32,912,793	26,096,591
Retained earnings, beginning of the year	94,418,264	68,321,673
Retained earnings, end of the year	\$ 127,331,057	\$ 94,418,264

See accompanying notes to financial statements

Oklahoma Turnpike Authority
Statements of Cash Flows
Years Ended December 31, 1998 and 1997

			1998	1997
Cash flows from operating activities:				
Operating income		\$	55,123,127	\$ 54,567,816
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization			34,142,220	31,044,080
Other non-operating revenue (expense)			337,741	790,433
Changes in assets and liabilities:				
Increase in accounts receivable			(369,431)	(299,797)
Increase in prepaid expense			(25,649)	(21,048)
Decrease (increase) in materials inventory			138,741	(383,347)
Decrease in receivable from escrow trustee			-	1,982,866
Increase in accounts payable			14,517,434	992,778
Increase in deferred revenue			1,281,065	1,019,492
Interest earned and recorded as payable to Department of Transportation			1,638,166	1,471,085
Increase in arbitrage funds payable to U.S. Treasury			2,235,414	112,314
Net cash flows provided by operating activities			109,018,828	91,276,672
Cash flows from investing activities:				
Purchase of investments			(857,189,469)	(104,634,856)
Redemption of certificates of deposit in lieu of retainages			95,000	119,225
Proceeds from sales and maturities of investments			198,497,476	94,132,566
Interest received			12,213,542	10,236,732
Net cash flows used in investing activities			(646,383,451)	(146,333)
Cash flows from capital and related financing activities:				
Issuance of revenue bonds			687,010,000	-
Discount on issuance of revenue bonds			(1,585,161)	-
Payment of bond issuance costs			(4,635,826)	-
Acquisition and construction of capital assets			(69,737,590)	(35,497,369)
Principal payment to retire revenue bonds			(12,630,000)	(12,025,000)
Proceeds from motor fuel tax apportionment transfers			32,171,619	30,273,631
Payments to the Department of Transportation			(32,171,619)	(30,273,631)
Interest paid on revenue bonds outstanding			(38,686,361)	(39,322,809)
Net cash flows provided by (used in) capital and related financing activities			559,735,062	(86,845,178)
Net increase in cash and cash equivalents			22,370,439	4,285,161
Cash and cash equivalents, beginning of the year			50,144,064	45,858,903
Cash and cash equivalents, end of the year		\$	72,514,503	\$ 50,144,064
Noncash items:				
Unrealized gain/ loss on investments		\$	6,793,941	\$ 1,821,756
Accrued capitalized interest			3,171,611	-
See accompanying notes to financial statements				

Oklahoma Turnpike Authority
Notes to Financial Statements
December 31, 1998 and 1997

INDEX OF NOTES

1. Nature of the Organization and Summary of Significant Accounting Policies	
A. Reporting Entity	26
B. Basis of Accounting.....	26
C. Changes in Accounting Principles	27
D. Budget	27
E. Cash, Cash Equivalents and Investments	27
F. Materials Inventory	27
G. Restricted Assets	27
H. Compensated Absences	29
I. Property and Equipment	29
J. Bond Discounts and Bond Issuance Costs	29
K. Arbitrage Rebate Payable	29
L. Income Taxes	30
M. Estimates	30
2. Legal Compliance-Budgets	30
3. Deposits and Investments	30
4. Property and Equipment	33
5. Risk Management	33
6. Operating Leases	34
7. Revenue Bonds	35
8. Deferred Compensation Plan	38
9. Employee Retirement Plan	38
10. Advances From the Motor Fuel Tax Trust Fund	39
11. Commitments and Contingent Liabilities	40

Oklahoma Turnpike Authority

Notes to Financial Statements

December 31, 1998 and 1997

Note 1. Nature of the Organization and Summary of Significant Accounting Policies

The financial statements of the Oklahoma Turnpike Authority (the Authority) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority applies Financial Accounting Standards Board pronouncements and Accounting Principles Board opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails, and all of the GASB pronouncements issued subsequently. The more significant of the Authority's accounting policies are described below:

A. Reporting Entity

The Oklahoma Turnpike Authority is an instrumentality of the State of Oklahoma (the State) and a body corporate and politic created by statute in 1947. The Authority is authorized to construct, maintain, repair, and operate turnpike projects at locations authorized by the Legislature of the State of Oklahoma and approved by the State Department of Transportation. The Authority receives its revenues from turnpike tolls and a percentage of the turnpike concession sales. The Authority may issue Turnpike Revenue Bonds for the purpose of paying the costs of turnpike projects and Turnpike Revenue Refunding Bonds for the purpose of refunding any bonds of the Authority then outstanding. Turnpike Revenue Bonds are payable solely from the tolls and other revenues of the Authority and do not constitute indebtedness of the State.

The Authority is a component unit of the State, and is combined with other similar funds to comprise the Enterprise Funds of the State. The Authority consists of the Governor (ex-officio) and six members who are appointed by the Governor, by and with the consent of the State Senate. The Governor may remove any member of the Authority, at any time, with or without cause. The members are appointed to represent defined geographical districts and to serve without pay for terms of eight years. The Authority has full control over all operations, but must comply with certain bond indentures and Trust Agreements. The Authority employs a Director and Deputy Director to manage the day-to-day operations.

In evaluating how to define the Authority, for financial reporting purposes, management has determined that there are no entities over which the Authority exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the Authority. Since the Authority does not exercise significant influence or accountability over other entities, it has no component units.

B. Basis of Accounting

The operations of the Authority are accounted for as an enterprise fund on an accrual basis in order to recognize the flow of economic resources. Under this basis, revenues are recognized in the period in

which they are earned, expenses are recognized in the period in which they are incurred, depreciation of assets is recognized, and all assets and liabilities associated with the operation of the Authority are included in the Balance Sheet. The Trust Agreement and supplements thereto (the Trust Agreement) related to the Series 1989 Bonds require that the Authority adopt generally accepted accounting principles for government entities; but, it also requires that certain funds and accounts be established and maintained. The Authority consolidates these funds and accounts for the purpose of enterprise fund presentation in its external financial statements.

C. Changes in Accounting Principles

The Authority adopted the provisions of Governmental Accounting Standards Board Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans" (Statement 32) in 1998, effective January 1, 1998. Statement 32 establishes accounting and financial reporting standards for Internal Revenue Code Section 457 deferred compensation plans of state and local governmental employers and had no financial statement impact.

D. Budget

Operating budgets are adopted on a modified accrual (non-GAAP) basis for Revenue Fund expenses, Reserve Maintenance Fund deposits and General Fund Project expenses. Project-length financial plans are established for all Reserve Maintenance and General Fund projects and for all new construction projects. All non-project related, unexpended budget amounts lapse at calendar year end. Expenses are recognized in the period in which they are paid rather than the period in which they are incurred for budgetary control purposes. Depreciation is not recognized as an expense, but capital outlays are recognized as expenses for budgetary control purposes. These expenses are reclassified for the purpose of preparing financial reports in accordance with GAAP.

E. Cash, Cash Equivalents and Investments

Cash includes amounts in demand deposits. Cash equivalents include all highly liquid investments with an original maturity of three months or less when purchased. The carrying amount of the cash equivalents and investments is fair value. The cash equivalents are fully collateralized or covered by federal deposit insurance. The net change in fair value of investments is recorded on the Statements of Revenues, Expenses and Changes in Retained Earnings and includes the unrealized and realized gains and losses on investments.

F. Materials Inventory

Inventories of turnpike maintenance materials and supplies are valued at the lower of cost or market using the average cost method.

G. Restricted Assets

Certain proceeds of the Turnpike Revenue Bonds are restricted by applicable bond covenants for construction or set aside as reserves to ensure repayment of the bonds. Certain assets advanced to the Authority monthly from motor fuel excise taxes are restricted in accordance with the Trust Agreement for the purpose of paying debt interest and principal if other available sources are not sufficient (see note 10). Also, certain other assets are accumulated and restricted on a monthly basis in accordance

with the Trust Agreement for the purpose of paying debt interest and principal payments that are due on a semi-annual and annual basis, respectively, and for the purpose of maintaining the reserve funds at the required levels. The funds and accounts are established as follows:

- The “Senior Bond Interest and Sinking Accounts” are established as sinking funds for the payment of interest and principal of the senior lien revenue bonds.
- The “Subordinate Bond Interest and Sinking Accounts” are established as sinking funds for the payment of interest and principal of the subordinate lien revenue bonds.
- The “Senior Bond Reserve Accounts” are established for the purpose of paying interest and maturing principal in the event that monies held in the “Senior Bond Interest and Sinking Accounts” and “Turnpike Trust Fund,” and monies available in the “General Fund” and “Reserve Maintenance Fund” are insufficient for such purpose.
- The “Subordinate Bond Reserve Account” is established for the purpose of paying interest and maturing principal in the event that monies held in the “Subordinate Bond Interest and Sinking Accounts” and “Turnpike Trust Fund,” and monies available in the “General Fund” and “Reserve Maintenance Fund” are insufficient for such purpose.
- The “Turnpike Trust Fund” is established for the purpose of depositing and segregating the apportionments of motor fuel excise taxes by the Oklahoma Tax Commission derived from the sale of fuels on all Authority turnpikes and can be used only to compensate for any deficiency in the monies otherwise available for the payment of bond interest and principal (note 10).
- The “Reserve Maintenance Fund” is established for the purpose of applying and holding monies in reserve to pay the cost of resurfacing, extraordinary maintenance or repairs, engineering expenses, insurance premiums or self-insurance reserves and interest and maturing principal if monies in the “Senior Bond Interest and Sinking Accounts” and “Subordinate Bond Interest and Sinking Accounts” are insufficient for such purposes.
- The “Construction Funds” are established for the purpose of holding bond proceeds and other financing sources to be used to pay the costs of turnpike improvements.

The Authority has also set up the following additional funds by policy for the purpose of restricting monies for which the Authority is liable to others.

- The “Arbitrage Rebate and Interest Fund” is established for the purpose of holding and paying arbitrage investment earnings to the U.S. Treasury as a result of investing tax exempt bond proceeds at rates of return exceeding the maximum amount that is permitted under the applicable tax code.
- The “PIKEPASS Prepayment Fund” is established for the purpose of receiving and holding prepayments received from turnpike patrons using the electronic vehicle identification method of paying tolls.

H. Compensated Absences

Vested or accumulated vacation leave is recorded as an expense and a liability as the benefits accrue to employees. There are no accumulating sick leave benefits that vest for which any liability must be recognized.

I. Property and Equipment

All property and equipment are stated at cost. Depreciation is computed on the straight-line method over the estimated useful life of the asset ranging from three to thirty years. Prior to 1997 a full year's depreciation was taken in the year an asset was placed in service. Beginning January 1, 1997, a full month's depreciation is taken in the month an asset is placed in service. When property and equipment are disposed, depreciation is removed from the respective accounts and the resulting gain or loss, if any, is recorded in operations.

Interest costs incurred on revenue bonds used to finance the construction or acquisition of assets are capitalized. The amount of interest capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. Eligible interest costs incurred in 1998 on the Series 1998A and 1998B Second Senior Revenue Bonds were approximately \$20,450,000, of which approximately \$3,170,000 were capitalized for the year ended December 31, 1998. The amount of eligible interest income earned on the proceeds of the Series 1998A and 1998B Second Senior Revenue Bonds in 1998 was approximately \$17,280,000. There was no interest capitalized in 1997. Amortization of capitalized interest is included in depreciation expense.

J. Bond Discounts and Bond Issuance Costs

Bond discounts are presented as a reduction of the face amount of the bonds payable. Bond issuance costs are presented as a deferred asset on the Balance Sheet. The discounts and issuance costs are amortized over the life of the bonds on a method that approximates the effective interest method. Amortization expense related to bond discounts and bond issuance costs at December 31, 1998 and 1997 was \$1,276,520 and \$1,148,330, respectively.

K. Arbitrage Rebate Payable

The Tax Reform Act of 1986 imposed additional restrictive regulations, reporting requirements and arbitrage rebate liability on issuers of tax-exempt debt. This Act requires the remittance to the IRS of 90% of the cumulative rebatable arbitrage within 60 days of the end of each five-year reporting period following the issuance of governmental bonds. The Authority's policy is annually to record as a liability the estimated amount owed. The five-year installment period ended on the Series 1992 A-E Bonds and the Series 1992 F&G Bonds June 10, 1997, and September 30, 1997, respectively. At December 31, 1997, both Series of 1992 bonds had negative arbitrage. Thus, no payment was made to the IRS, and no liability existed related to the Series 1992 Bonds at December 31, 1997. The Authority's cumulative arbitrage rebate liabilities for the years ended December 31, 1998 and 1997 are approximately \$4,004,000 and \$1,768,000, respectively. The increase in this obligation has been recorded in operations as a reduction of current year interest income.

L. Income Taxes

The Authority is an instrumentality of the State of Oklahoma. As such, income earned in the exercise of its essential government functions is exempt from state or federal income taxes.

M. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Legal Compliance-Budgets

The Authority is required to prepare a preliminary budget of current expenses, monthly deposits to the Reserve Maintenance Fund, and the purposes for which the monies held in the Reserve Maintenance Fund will be expended for the ensuing year on or before October 10 of each year. Copies of the preliminary budget must be filed with the bond trustee and each depository, and mailed to the consulting engineers, traffic engineers and all bondholders who have filed their names and addresses with the Secretary and Treasurer of the Authority. If the Trustee or the owners of 5% in aggregate principal amount of outstanding bonds request the Authority in writing on or before November 1 in such a year, the Authority shall hold a public hearing on or before November 20. The Authority is required by the Trust Agreement to adopt a final budget on or before December 1 of each year. The budget is prepared by division at the object detail level, and includes information regarding the preceding year. Project-length financial plans are established for all new construction projects.

The Authority may not expend any amount or incur any obligations for maintenance, repairs and operations in excess of the total amount of the budgeted expenses in the Revenue Fund unless the funding source is other than revenues received from the turnpike system. The Authority may expend additional monies from the Reserve Maintenance Fund in excess of the budget of monthly deposits. The Director is authorized to approve all line item and inter-division budget transfers. Budget amendments must be approved by the Authority in a manner similar to the adoption of the annual budget. There were no occurrences of budget noncompliance in 1998.

Note 3. Deposits and Investments

Deposits. At December 31, 1998 and 1997, the carrying amounts of the Authority's cash deposits were \$403,346 and \$647,393, respectively. The bank balances were \$734,385 and \$1,295,796, respectively. At December 31, 1997, the Authority had certificates of deposit held in lieu of retainages with a carrying amount and bank balance of \$95,000. At December 31, 1998 and 1997, the carrying amount and bank balances of the Authority's cash equivalents were \$72,111,157 and \$49,496,671, respectively. All bank balances were covered by federal depository insurance or collateralized with securities held by the Authority's agent in the Authority's name.

Investments. Under the terms of the Trust Agreement, the Authority can invest in (a) government obligations, federally issued or guaranteed bonds, debentures or notes; (b) defeased municipal obligations;

(c) repurchase agreements meeting certain conditions defined in the Authority's Trust Agreement; (d) certificates of deposit and time deposits in, or interests in money market portfolios meeting certain conditions defined in the Authority's Trust Agreement; (e) commercial paper; (f) obligations and full faith and credit obligations of state or local government issuers; (g) shares of stock in a corporation that is a regulated investment company and invests all of its assets in government obligations; and/or (h) any unsecured or secured agreement with the Federal National Mortgage Association or any bank, trust company or national banking association or a corporation meeting certain conditions defined in the Authority's Trust Agreement. The Authority has complied with the terms of the Trust Agreement in 1998 and 1997.

The Authority has significant investments in four Guaranteed Investment Contracts (GIC's), the terms of which are summarized as follows:

(1) GIC with Credit Agricole Indosuez Bank – This GIC bears a yield equal to the rate of 6.5% on the bond reserve portion and is collateralized by U.S. Government securities in an amount equal to 105% of the outstanding principal. If the rating of the senior unsecured debt of the Credit Agricole Indosuez Bank falls below A3 by Moody's or A- by S&P, then the GIC can be terminated. Certain Credit Agricole Indosuez Bank debt is rated Aa1 by Moody's and AA by S&P. Withdrawals on the GIC require 2 days written notice and may be made for paying project costs from bond proceeds, paying and redeeming bonds, curing deficiencies in the bond reserve accounts, reducing the bond reserve account requirements, refunding, satisfying an event of default which results in the acceleration or mandatory redemption of all of the bonds, or restricting the bond investment yield should bond counsel deem it necessary. The bond reserve portion matures on November 1, 2001.

(2) GIC with AIG Matched Funding Corporation, a subsidiary of American International Group (AIG) – This GIC bears a yield equal to the rate of 8.51%. If the rating of unsecured obligations or uncollateralized long-term debt obligations of AIG falls below Aa2 by Moody's or AA by S&P, then the GIC can be collateralized by U.S. Government securities in an amount equal to 107% of the outstanding principal. Certain AIG debt is rated Aaa by Moody's and AAA by S&P. Withdrawals on the GIC require 2 days written notice and may be made for paying project costs from bond proceeds, paying and redeeming bonds, curing deficiencies in the bond reserve accounts, reducing the bond reserve account requirements, refunding, satisfying an event of default which results in the acceleration or mandatory redemption of all of the bonds, or restricting the bond investment yield should bond counsel deem it necessary. The GIC matures on January 1, 2022.

(3) GIC with AIG Matched Funding Corporation, a subsidiary of American International Group (AIG) – This GIC bears a yield equal to the rate of 5.776%. If the rating of unsecured obligations or uncollateralized long-term debt obligations of AIG falls below Aa3 by Moody's or AA- by S&P, then the GIC can be collateralized by U.S. Government securities in an amount equal to 105% of the outstanding principal. Certain AIG debt is rated Aaa by Moody's and AAA by S&P. Withdrawals on the GIC require 3 days written notice and may be made for paying project costs from bond proceeds, paying and redeeming bonds, curing deficiencies in the bond reserve accounts, reducing the bond reserve account requirements, refunding, satisfying an event of default which results in the acceleration or mandatory redemption of all of the bonds, or restricting the bond investment yield should bond counsel deem it necessary. The GIC matures on June 4, 2001.

(4) GIC with Bayerische Landesbank – This GIC bears a yield equal to the rate of 5.705%. If the rating of unsecured obligations or uncollateralized long-term debt obligations of Bayerische Landesbank falls below

Aa3 by Moody's or AA- by S&P, then the GIC can be collateralized by U.S. Government securities in an amount equal to 105% of the outstanding principal. Certain Bayerische Landesbank debt is rated Aaa by Moody's and AAA by S&P. Withdrawals on the GIC require 5 days written notice and may be made for paying project costs from bond proceeds, paying and redeeming bonds, curing deficiencies in the bond reserve accounts, reducing the bond reserve account requirements, refunding, satisfying an event of default which results in the acceleration or mandatory redemption of all of the bonds, or restricting the bond investment yield should bond counsel deem it necessary. The GIC matures on August 1, 2001.

The Authority's investments are categorized to give an indication of the level of custodial credit risk assumed by the Authority at December 31, 1998 and 1997. The categories are described as follows: Category 1 – insured or registered, or securities held by the Authority or its agent in the Authority's name; Category 2 – uninsured and unregistered, with securities held by the counterparty's trust departments or agent in the Authority's name; or Category 3 – uninsured and unregistered with securities held by the counterparty or by its trust department or by its agent not in the Authority's name. The GICs are not classified in categories of credit risk, because they are direct contractual investments and are not securities.

December 31, 1998	Category			Fair Value
	1	2	3	
Unrestricted:				
U.S. Government securities	\$ 86,263,348	-	-	86,263,348
Restricted:				
U.S. Government securities	164,166,327	-	-	164,166,327
Guaranteed investment contracts held by Trustee	-	-	-	588,660,562
Total investments	<u>\$250,429,675</u>	<u>-</u>	<u>-</u>	<u>839,090,237</u>

December 31, 1997	Category			Fair Value
	1	2	3	
Unrestricted:				
U.S. Government securities	\$ 66,008,577	-	-	66,008,577
Restricted:				
U.S. Government securities	61,250,253	-	-	61,250,253
Guaranteed investment contracts held by Trustee	-	-	-	46,345,473
Total investments	<u>\$127,258,830</u>	<u>-</u>	<u>-</u>	<u>173,604,303</u>

Note 4. Property and Equipment

The following schedules summarize the property and equipment of the Authority as of December 31, 1998 and 1997:

<u>1998</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Roads	\$ 607,993,570	343,508,830	264,484,740
Construction work in progress	37,127,140	-	37,127,140
Improvements	298,246,808	161,041,496	137,205,312
Land	101,846,868	-	101,846,868
Buildings	28,628,081	18,932,468	9,695,613
Equipment	57,406,636	40,897,415	16,509,221
Capitalized interest	<u>57,862,799</u>	<u>32,154,577</u>	<u>25,708,222</u>
Total	<u>\$1,189,111,902</u>	<u>596,534,786</u>	<u>592,577,116</u>

<u>1997</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Roads	\$ 607,892,570	328,181,850	279,710,720
Construction work in progress	34,333,969	-	34,333,969
Improvements	262,391,440	148,795,723	113,595,717
Land	76,903,320	-	76,903,320
Buildings	28,301,470	18,134,380	10,167,090
Equipment	51,956,657	37,907,667	14,048,990
Capitalized interest	<u>54,691,188</u>	<u>30,917,379</u>	<u>23,773,809</u>
Total	<u>\$1,116,470,614</u>	<u>563,936,999</u>	<u>552,533,615</u>

At December 31, 1998 and 1997, depreciation and amortization expense related to property and equipment was \$32,865,700 and \$29,895,750, respectively. The estimated useful lives of property and equipment by classification of assets is provided as follows:

Roads	30 years
Improvements	5-20 years
Buildings	20-30 years
Equipment	3-7 years
Capitalized interest	30 years

Note 5. Risk Management

In conjunction with its normal operations, the Authority is exposed to various risks related to the damage or destruction of its assets from both natural and man-made occurrences, tort/liability claims, errors and omissions claims and professional liability claims. As a result of these exposures, the Authority has developed

a comprehensive risk management program that participates with the State of Oklahoma's Risk Management Division in a pooled operation for the majority of this coverage.

As a member of the State of Oklahoma Risk Management pool, the Authority assumes the responsibility for maintaining and reporting to the pool all real and personal property for which it requires insurance coverage. The Authority is also responsible for providing relevant financial and operational data to the pool in all instances of potential loss. The pool, on the other hand, serves as the primary insurer to the Authority with additional layers of coverage provided by commercial insurers for coverage in excess of the self retained levels of risk assumed by the pool and the governmental immunity provided by state statutes.

The Authority also carries insurance with private insurers for a few high-risk assets under an "all risks" policy. Additional details of this coverage and the corresponding levels of self retained risk and limits of coverage are noted separately within the financial section of this report as shown on the "Schedule of Insurance in Force."

While self-retention levels for property and casualty coverage for non-bridge property were increased from \$5,000 to \$10,000 per incident for the fiscal year beginning July 1, 1997, the overall limit of coverage for bridges and non-bridge property is approximately \$370,000,000. This was done in order to restructure the property and casualty coverage to provide increased levels of coverage in the event of catastrophic loss and assume more of the risk of predictable operational exposures.

All other categories of insurance coverage in place were either maintained at current levels or increased as to overall limits of coverage and reduction of self-retained risk so as to reduce the overall exposure of risk to the Authority. There were no settlements in excess of insurance coverage in 1998, 1997 and 1996.

Note 6. Operating Leases

The Authority has entered into various noncancelable contracts with concessionaires to provide patron services on the Oklahoma Turnpike System. The contracts are generally for five year terms, with two five-year renewal options. These contracts provide for the Authority to receive concession revenue, including minimum rentals plus contingent rentals based on sales volume. The Authority also leases antenna space under noncancelable contracts with a 20 year term. Total future minimum rental payments to be received as of December 31, 1998, are approximately:

<u>Year</u>	<u>Minimum Lease Payments</u>
1999	\$ 198,480
2000	198,480
2001	198,480
2002	190,480
2003	179,400
Thereafter	<u>1,424,100</u>
Total	<u>\$2,389,420</u>

Note 7. Revenue Bonds

The Authority issues revenue bonds from time to time for the purpose of financing capital improvements and new projects. On February 1, 1989, the Authority issued \$385,400,000 of 1989 Series First Senior Revenue Bonds and \$173,000,000 of Series 1989 Subordinate Revenue Bonds. The purpose of the Series 1989 Revenue Bonds was: (1) to finance the cost of constructing the Kilpatrick, Creek, Cherokee and Chickasaw Turnpikes, (2) to finance the cost of making certain improvements to the existing turnpikes, and (3) to advance refund all of the outstanding Authority bonds from the 1966 and 1971 issues. The Series 1989 bonds' interest rates ranged from 6.0% to 7.875%.

The Series 1989 Revenue Bonds defeased all Authority revenue bonds from the 1966 and 1971 issues through the escrow deposit of approximately \$131,300,000 with two trustee banks. Consequently, the liability for the 1966 Series A, 1966 Series B, and the 1971 Series C Revenue Bonds has been removed from the Balance Sheet. This advance refunding was undertaken primarily to restructure the Authority's debt in order to enable the debt financing of the new projects in the most economically efficient manner. The Bank of New York serves as the Escrow Trustee on the 1966 Series A and B Bonds. Bank One Trust Company serves as the Escrow Trustee on the 1971 Series C bonds. At December 31, 1998 and 1997, the defeased bonds outstanding were \$80,740,000 and \$90,385,000, respectively.

The Series 1989 Revenue Bonds were issued pursuant to provisions of a Trust Agreement dated February 1, 1989 with Liberty National Bank and Trust Company of Oklahoma City as Trustee. Interest is payable semiannually on January 1 and July 1 of each year, commencing July 1, 1989. The payment of interest and principal on the 1989 Series First Senior Revenue Bonds in the principal amount of \$40,000,000 maturing on January 1, 2013 is guaranteed by an insurance policy issued by the AMBAC Indemnity Corporation. The payment of interest and principal on the 1989 Series Subordinate Revenue Bonds in the amount of \$173,000,000 is guaranteed by an insurance policy issued by the Bond Investors Guaranty Insurance Company.

On October 1, 1991, the Authority issued \$22,000,000 of 6.60% 1991 Series First Senior Revenue Bonds and \$28,000,000 of 1991 Series Second Senior Revenue Bonds, \$13,000,000 which were at rates ranging from 4.50% to 6.30% and \$15,000,000 which were variable rate bonds. The Series 1991 bonds were issued to provide funds sufficient, together with other available funds of the Authority, for the completion of the Portland Interchange on the Kilpatrick Turnpike and certain other improvements to the Oklahoma Turnpike System.

In May 1992, the Authority issued \$392,265,000 of Series 1992 First Senior Revenue Bonds, \$20,655,000 of Series 1992 Second Senior Revenue Bonds and \$195,400,000 of Series 1992 Subordinated Revenue Bonds, with interest rates ranging from 4.35% to 6.30%, 4.25% to 6.25% and 4.25% to 6.25%, respectively. These Series 1992 A-E Bonds were issued for the purpose of (a) refunding approximately 94% of the Authority's Oklahoma Turnpike System Series 1989 Revenue Bonds, (b) funding capital costs of certain turnpike projects, and (c) paying certain costs of issuance, including underwriters' discount of approximately \$4.7 million, and capitalized interest. The principal amount of the bonds advance refunded and considered defeased was \$526,440,000, and the liability for these bonds was removed from the Balance Sheet. Approximately 94% of the Series 1989 bonds were defeased through an escrow deposit with a trustee. Bank One Trust Company serves as the Escrow Trustee on the 1989 bonds. Defeased 1989 bonds outstanding at December 31, 1998 and 1997, were \$499,015,000 and \$506,590,000 respectively.

The Series 1992 A-E Bonds were issued pursuant to provisions of the Trust Agreement dated February 1, 1989, including supplements thereto, with Bank of Oklahoma, N.A. as Trustee. Interest is payable semi-annually on January 1 and July 1 of each year, commencing on January 1, 1993.

On October 1, 1992, the Authority issued \$22,786,862 of Series 1992 First Senior Revenue Bonds and \$28,017,387 of 1992 Series Second Senior Revenue Bonds, both with interest rates ranging from 3.15% to 5.30%. These Series 1992 F and G Bonds were issued to (a) provide funds, combined with other available funds of the Authority, to refund the Authority's Oklahoma Turnpike System Series 1991 First and Second Senior Revenue Bonds, (b) pay costs of issuance, and (c) make a deposit to the Second Senior Bond Reserve Account established under the Trust Agreement. The principal amount of the bonds advance refunded and paid in full in October 1992 was \$49,350,000, and the liability was removed from the Balance Sheet.

The Series 1992 F and G Bonds were issued pursuant to provisions of the Trust Agreement dated February 1, 1989, including supplements thereto, with Bank of Oklahoma, N.A. as Trustee. The bonds are dated October 1, 1992 with interest payable on January 1 and July 1 of each year, commencing on January 1, 1993. The Series F and G Bonds maturing on January 1 in each of the years 2004-2008, inclusive, are Capital Appreciation Bonds. They were issued in the initial amounts and accrete at interest rates set forth in the Official Statement dated October 1, 1992 to arrive at the Compound Accreted Value at maturity of \$8,465,000. The accumulated accretion to date of \$1,706,133 is reflected in the balance of long-term debt outstanding on the Authority's Balance Sheet as an increase to the principal payable on these bonds in the years 2004-2008. The accretion in 1998 and 1997 is \$314,608 and \$297,476, respectively.

On May 12, 1998, the Authority issued \$350,000,000 of 1998A Second Senior Revenue Bonds. The Series 1998A Bonds were issued to provide funds which, when combined with other available funds of the Authority, will be used for the purpose of (1) funding a portion of the capital costs of Improvements to extend the H.E. Bailey Turnpike, the Creek Turnpike, and the John Kilpatrick Turnpike and for right-of-way acquisition for the Muskogee Turnpike; (2) funding the capitalized interest account for the Series 1998A Bonds and; (3) paying the costs of issuance. The interest rates on the Series 1998A Bonds range from 4.125% to 6%.

On July 14, 1998, the Authority issued \$337,010,000 of 1998B Second Senior Revenue Bonds. The Series 1998B Bonds were issued to provide funds which, when combined with other available funds of the Authority, will be used for the purpose of (1) funding a portion of the capital costs of Improvements to extend the H.E. Bailey Turnpike, the Creek Turnpike, and the John Kilpatrick Turnpike and for right-of-way acquisition for the Muskogee Turnpike; (2) funding the capitalized interest account for the Series 1998B Bonds and; (3) paying the costs of issuance. The interest rates on the Series 1998B Bonds range from 5% to 5.5%.

The Series 1998A and 1998B Second Senior Revenue Bonds were issued pursuant to provisions of the Trust Agreement dated February 1, 1989, including supplements thereto, with Bank of Oklahoma, N.A. as Trustee.

The revenue bond amortization requirements below are prepared as of December 31, 1998:

Year Ended January 1	Total Revenue Bonds	
	Principal	Interest
1999	\$ 13,295,000	\$ 58,807,331
2000	14,015,000	72,593,980
2001	14,790,000	71,819,816
2002	15,620,000	70,988,053
2003	20,040,000	70,092,252
Thereafter	<u>1,250,565,385</u>	<u>960,076,582</u>
	<u>\$1,328,325,385</u>	<u>\$1,304,378,014</u>

The Interest and Sinking and Reserve Accounts required by the Trust Agreement have been established with the Trustee. The balances as of December 31, 1998 and 1997 were:

	1998	1997
First Senior Bond Reserve Account	\$34,008,545	\$34,004,805
Subordinate Bond Reserve Account	15,275,346	15,275,471
Second Senior Bond Reserve Account	4,621,805	4,616,069

The Series 1998A and 1998B Second Senior Revenue Bond Reserve accounts requirements are satisfied by surety bonds from Financial Guaranty Insurance Company in the amount of approximately \$26,000,000 and \$25,000,000, respectively.

As required by section 501(d) of the Trust Agreement, net revenue, as defined below (which is greater than net income in accordance with GAAP), of approximately \$103,823,000 and \$95,439,000 for 1998 and 1997, respectively (1) together with the motor fuel excise taxes apportioned to the Authority of approximately \$32,172,000 and \$30,274,000 for 1998 and 1997, respectively (see note 10), exceeded 120% of the amount of the debt service requirements on all senior indebtedness outstanding for the year, and (2) exceeded the sum of 105% of the debt service requirements on all bonds and parity indebtedness then outstanding and 100% of amounts required to be deposited into the Reserve Maintenance Fund and to make up deficiencies in the various bond reserve accounts. Net revenue is defined by the Trust Agreement as the excess of tolls and other revenues of the Oklahoma Turnpike System deposited to the credit of the Revenue Fund over the current expenses of the Revenue Fund for the year. Said revenue shall not include payments or transfers from the Reserve Maintenance Fund or General Fund nor any payments received pursuant to the issuance of any subsequent parity indebtedness. Depreciation is not considered in current expenses for purposes of calculating net revenue. The Trust Agreement contains certain other bond covenants which the Authority is aware of and monitors for compliance throughout the year. The Authority has complied with all bond covenants throughout 1998 and 1997.

Retained earnings includes amounts reserved for debt service to be paid January 1, 1999, of approximately \$42,700,000, for reserve maintenance of approximately \$24,000,000 and for estimated arbitrage rebate liability of approximately \$4,000,000.

As of December 31, 1998 and 1997, the Balance Sheet reflects a net deferred debit of approximately \$13,736,000 and \$15,845,000, respectively, as a component of debt resulting from accounting losses or gains from the defeasance of debt. The Statement of Revenues, Expenses and Changes in Retained Earnings reflects the amortization of this deferral as a component of interest expense of approximately \$2,110,000 in both years.

Note 8. Deferred Compensation Plan

The State offers to its own employees, state agency employees and other duly constituted authority or instrumentality employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and Chapter 45 of Title 74, Oklahoma Statutes. The Oklahoma State Employees Deferred Compensation Plan, also known as SoonerSave, is a voluntary plan that allows participants to defer a portion of their salary into the Plan. Participation allows a person to shelter the portion of their salary that they defer from current federal and state income tax. Taxes on the interest or investment gains on this money, while in the Plan, are also deferred. The deferred compensation is not available to employees until termination, retirement, death or approved unforeseeable emergency.

Under SoonerSave, the untaxed deferred amounts are invested as directed by the participant among various Plan investment options. Effective January 1, 1998, a Trust and Trust Fund covering the Plan assets was established pursuant to federal legislation enacted in 1996, requiring public employers to establish such trusts for plans meeting the requirements of Section 457 of the Internal Revenue Code no later than January 1, 1999. Under terms of the Trust, the corpus or income of the Trust Fund may be used only for the exclusive benefit of the Plan participants and their beneficiaries. Prior to the establishment of the Trust, Plan assets were held by the State in its "Deferred Compensation" agency fund and were subject to the claims of general creditors of the State. Plan assets were presented at fair value with corresponding liabilities. As of June 30, 1997, total assets were approximately \$185,759,000; the amount attributable to contributions by the Authority's employees was not available. Further information may be obtained from the Oklahoma State Employees Deferred Compensation Plan audited financial statements for the year ended June 30, 1998. The Authority believes that it has no liabilities in respect to the State's plan.

Note 9. Employee Retirement Plan

Plan Description

The Authority contributes to the Oklahoma Public Employees Retirement Plan (the Plan), a cost sharing multiple-employer public employee retirement system administered by the Oklahoma Public Employees Retirement System (the System). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The benefit provisions are established and may be amended by the legislature of the State of Oklahoma. Title 74 of the Oklahoma Statutes, Sections 901-943, as amended, assigns the authority for management and operation of the Plan to the Board of Trustees of the System. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the Plan. That annual report may be obtained by writing to the system, 6601 N. Broadway Extension, Suite 129, Oklahoma City, Oklahoma 73116 or by calling 1-800-733-9008.

Funding Policy

Plan members and the Authority are required to contribute at a rate set by statute. The contribution requirements of plan members and the Authority are established and may be amended by the legislature of the State of Oklahoma. The contribution rate for the Authority and plan members is as follows:

Fiscal Year Ended <u>June 30</u>	<u>State Employees</u>		<u>State Agencies</u>	
	First \$25,000	Above \$25,000 To Cap	To Salary Cap	Salary Cap
1996	2.0%	3.5%	11.5%	60,000
1997	2.5%	3.5%	12.0%	70,000
1998	3.0%	3.5%	12.5%	80,000
Thereafter	3.0%	3.5%	12.5%	No Cap

The Authority's contributions to the Plan for the years ended December 31, 1998, 1997 and 1996 were approximately \$1,366,000, \$1,350,000 and \$1,261,000, respectively, and equal to their required contributions for each year.

Note 10. Advances From the Motor Fuel Tax Trust Fund

By virtue of the "Enabling Act" of 1971 and amendments thereto, a portion of the motor fuel excise taxes collected on fuels consumed on the turnpikes is made available to the Authority from the Oklahoma Tax Commission. Prior to July 1, 1992, this amount was not to exceed \$3,000,000 during a fiscal year of the State. In 1992, Title 69, §1730 was amended to remove the cap and allow the Authority to receive the full amount collected in accordance with the original formula. This amendment stated the motor fuel taxes due to the Authority would be apportioned to the Authority on the first day of each calendar month. Beginning July 1, 1992, the amount of cash and investments on deposit was frozen as security for the 1989 series bonds. All motor fuel taxes apportioned to the Authority shall be available to fund debt service and reserves to the extent monies are not otherwise available to the Authority for such purpose. If such motor fuel excise taxes apportioned to the Authority are not necessary in such month, the motor fuel excise taxes shall be paid over to the Oklahoma Department of Transportation (ODOT). During 1998 and 1997, the Authority received, and subsequently remitted to ODOT \$32,171,619 and \$30,273,631, respectively, of motor fuel excise taxes.

The amounts frozen at July 1, 1992 (fair value of \$ 27,561,267 and \$25,525,857 at December 31, 1998 and 1997, respectively) are invested in interest-bearing obligations and with the interest received thereon (\$1,684,232 and \$1,541,770 during the years ended December 31, 1998 and 1997, respectively) are used to eliminate deficiencies, if any, in available monies to meet revenue bond interest and principal requirements. No deficiencies existed in 1998 or 1997.

Prior to the issuance of the Series 1989 bonds, the Authority had not received apportionments from the

Oklahoma Tax Commission since 1979 because the maximum amount that could be retained by the Authority in accordance with the Enabling Act was deposited with the prior Trustee.

When all Senior and Subordinate Revenue Bonds, together with interest thereon, have been paid, the Authority will be required to pay all amounts that have been received from the Oklahoma Tax Commission and any interest earned on amounts invested to ODOT. The accumulated liability to ODOT as of December 31, 1998 and 1997 is \$44,565,083 and \$42,926,917, respectively.

Note 11. Commitments and Contingent Liabilities

At December 31, 1998 and 1997, the Authority had commitments outstanding relating to equipment orders and supplies of approximately \$2,528,000 and \$1,202,000, respectively. The Authority is committed through the year 2001 to constructing additions and improvements to the existing turnpikes in an amount approximating \$602,852,000. At December 31, 1998 and 1997, the Authority had commitments outstanding relating to construction and maintenance contracts of approximately \$79,839,000 and \$1,319,000, respectively.

In 1993, the Authority adopted a resolution providing that certain funds on deposit in the General Fund shall be restricted, to the extent that funds are available as determined by the Authority by April 30 of each year. These restricted funds shall be used for the purpose of rehabilitating, reconstructing, replacing, renovating, improving or enhancing the Oklahoma Turnpike System. During 1997, the Authority determined that \$161,691 should be unrestricted to cover the cost of the qualifying expenses. No funds were unrestricted for this purpose in 1998. As of December 31, 1998, the cumulative restricted balance is \$14,373.

The Authority is a defendant in various litigation. Although the outcome of these matters are not presently determinable, in the opinion of the Authority's management, the resolution of these matters will not have a material adverse effect on the financial condition of the Authority.

Oklahoma Turnpike Authority

Required Supplementary Information – Unaudited

December 31, 1998

The Year 2000 (Y2K) issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the Oklahoma Turnpike Authority's operations as early as fiscal year 1999.

The Authority has completed an inventory of its software and hardware computer systems that may be affected by the Y2K issue and that are necessary to conducting Authority operations. Based on this inventory, the Authority has completed substantially all of its testing and validation for all systems that have been identified as mission-critical and have been remediated, as necessary. The Authority remains in the remediation stage for the security system of the Authority headquarters building. A new system, which has been previously tested and validated, is scheduled for installation by the end of the second quarter of 1999.

The Authority has also completed an analysis of all external vendors that supply goods or services to the Authority. Each vendor has been assessed as to their level of significance to the Authority and has been given a mission-critical rating of high, moderate, or low. The vendors with a high or moderate mission-critical rating have been tracked from remediation through implementation of necessary Y2K modifications. Vendors who have not been tested and validated or cannot issue a statement of compliance to the Authority remain in the remediation stage. The Authority has included in the remediation phase the vendor responsible for the Authority's electronic toll collection system. This vendor has indicated to the Authority that these systems have been remediated and that testing and validation of these systems is occurring. As of December 31, 1998, the Authority has no outstanding commitments related to the Y2K issue.

The Authority has prepared contingency plans for all external vendors who were rated either highly mission-critical or moderately mission-critical and did not issue a statement of Y2K compliance as of December 31, 1998. Throughout 1999, the Authority, will be testing and modifying these contingency plans as necessary to ensure that the Authority will be able to meet its commitments and patrons' needs on January 1, 2000.

Because of the unprecedented nature of the Y2K issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the Authority is or will be Year 2000 ready, that the Authority's remediation efforts will be successful in whole or in part, or that parties with whom the Authority does business will be Year 2000 ready.

Schedule of Actual Operating Expense Compared to Budget

(Prepared on a Non-GAAP Budgetary Basis)

Year Ended December 31, 1998

<u>Expense Description</u>	<u>Actual Expenses</u>	<u>Budgeted Expenses</u>	<u>Variance (Over)/Under</u>
Authority:			
Contractual Services	\$ 6,247	\$ 20,000	\$ 13,753
Capital outlay and contingencies	-	513	513
Total	<u>6,247</u>	<u>20,513</u>	<u>14,266</u>
Controller:			
Personnel services	658,480	673,590	15,110
Contractual services	414,134	476,258	62,124
Commodities	10,587	7,350	(3,237)
Capital outlay and contingencies	950	29,672	28,722
Total	<u>1,084,151</u>	<u>1,186,870</u>	<u>102,719</u>
Turnpike Maintenance:			
Personnel services	5,466,642	6,508,658	1,042,016
Contractual services	1,926,789	1,468,550	(458,239)
Commodities	2,354,120	2,336,708	(17,412)
Capital outlay and contingencies	263,760	264,459	699
Total	<u>10,011,311</u>	<u>10,578,375</u>	<u>567,064</u>
Toll Operations:			
Personnel services	7,596,926	8,300,435	703,509
Contractual services	4,230,935	4,171,927	(59,008)
Commodities	246,419	192,702	(53,717)
Capital outlay and contingencies	103,076	347,310	244,234
Total	<u>12,177,356</u>	<u>13,012,374</u>	<u>835,018</u>
Highway Patrol:			
Contractual services	5,665,710	5,281,159	(384,551)
Commodities	304,374	265,921	(38,453)
Capital outlay and contingencies	625,850	827,717	201,867
Total	<u>6,595,934</u>	<u>6,374,797</u>	<u>(221,137)</u>
General Administration:			
Personnel services	340,307	356,432	16,125
Contractual services	419,525	491,549	72,024
Commodities	41,920	49,450	7,530
Capital outlay and contingencies	28,968	92,241	63,273
Total	<u>830,720</u>	<u>989,672</u>	<u>158,952</u>
Finance & Revenue:			
Personnel services	433,567	461,977	28,410
Contractual services	346,586	335,370	(11,216)
Commodities	1,972	3,550	1,578
Capital outlay and contingencies	25,864	20,536	(5,328)
Total	<u>807,989</u>	<u>821,433</u>	<u>13,444</u>

(Continued)

Schedule of Actual Operating Expense Compared to Budget (Prepared on a Non-GAAP Budgetary Basis) Year Ended December 31, 1998

<u>Expense Description</u>	<u>Actual Expenses</u>	<u>Budgeted Expenses</u>	<u>Variance (Over)/Under</u>
Information Technology:			
Personnel services	\$ 724,948	\$ 698,926	\$ (26,022)
Contractual services	559,287	725,346	166,059
Commodities	38,498	34,030	(4,468)
Capital outlay and contingencies	128,786	148,059	19,273
Total	<u>1,451,519</u>	<u>1,606,361</u>	<u>154,842</u>
Human Resources:			
Personnel services	370,373	378,174	7,801
Contractual services	71,445	92,785	21,340
Commodities	22,247	21,225	(1,022)
Capital outlay and contingencies	20,367	34,159	13,792
Total	<u>484,432</u>	<u>526,343</u>	<u>41,911</u>
Engineering:			
Personnel services	473,878	590,677	116,799
Contractual services	116,762	116,517	(245)
Commodities	20,015	12,612	(7,403)
Capital outlay and contingencies	83,271	18,456	(64,815)
Total	<u>693,926</u>	<u>738,262</u>	<u>44,336</u>
Total Expenses	\$ <u>34,143,585</u>	\$ <u>35,855,000</u>	\$ <u>1,711,415</u>

Adjustments necessary to convert expenses from a budgetary (non-GAAP) basis to GAAP basis at year end:

	<u>1998</u>	<u>1997</u>
GAAP basis	\$ 36,544,602	\$ 32,713,328
Increase (decrease) due to:		
Current expenses reclassified as property and equipment	1,280,892	1,465,176
Non-Revenue Fund operating expenses	(3,291,229)	(1,386,740)
Other GAAP adjustments	(390,680)	437,477
Budgetary basis	\$ <u>34,143,585</u>	\$ <u>33,229,241</u>

Oklahoma Turnpike Authority

Schedule of Cash, Cash Equivalents and Investments

as of December 31, 1998

	<u>Applicable Interest Rate</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Original Cost</u>	<u>Fair Value</u>
Unrestricted:					
General Fund:					
American Performance Treasury Fund	- %	12/31/98	Demand \$	290,186 \$	290,186
Merrill Lynch Repurchase Agreement	5.250	12/31/98	01/04/99	3,578,547	3,578,547
AMBAC Indemnity Corporation Policy #3452BE	-	06/07/94	Demand	1	1
Bond Investors Guaranty Municipal Bond Insurance Policy #N-2255	-	06/07/94	Demand	1	1
U. S. Treasury Notes	6.500	Various	04/30/99	1,201,843	1,192,780
U. S. Treasury Notes	6.750	11/08/94	05/31/99	5,791,875	6,052,500
U. S. Treasury Notes	6.375	05/10/96	07/15/99	1,000,156	1,009,690
U. S. Treasury Notes	6.875	05/17/96	08/31/99	152,391	152,204
U. S. Treasury Notes	5.875	05/22/97	11/15/99	544,586	555,844
U. S. Treasury Notes	5.875	02/28/97	02/15/00	1,487,109	1,520,160
U. S. Treasury Notes	7.125	10/18/96	02/29/00	1,029,844	1,027,500
U. S. Treasury Notes	6.250	Various	05/31/00	5,728,032	5,824,687
U. S. Treasury Notes	5.125	12/20/98	08/31/00	7,055,235	7,059,080
U. S. Treasury Notes	6.125	Various	09/30/00	3,053,602	3,151,875
U. S. Treasury Notes	5.625	Various	02/28/01	4,028,750	4,082,500
U. S. Treasury Notes	6.375	Various	03/31/01	3,521,016	3,630,165
U. S. Treasury Notes	6.250	Various	04/30/01	15,549,200	16,087,781
U. S. Treasury Notes	6.500	10/03/96	05/31/01	1,510,430	1,563,750
U. S. Treasury Notes	5.875	07/28/98	11/30/01	3,031,641	3,102,195
U. S. Treasury Notes	6.125	Various	12/31/01	3,236,906	3,330,000
U. S. Treasury Notes	6.250	10/23/98	02/28/02	4,748,906	4,706,730
U. S. Treasury Notes	6.000	04/30/98	07/31/02	1,007,656	1,043,280
U. S. Treasury Notes	5.750	Various	10/31/02	10,280,469	10,368,750
U. S. Treasury Notes	5.500	Various	03/31/03	7,483,125	7,725,000
U. S. Treasury Notes	5.250	12/10/98	08/15/03	3,098,203	3,076,875
				<u>88,409,710</u>	<u>90,132,081</u>
Revenue Fund:					
American Performance Treasury Fund	-	12/31/98	Demand	153,980	153,980
Merrill Lynch Repurchase Agreement	5.250	12/31/98	01/04/99	10,451,825	10,451,825
				<u>10,605,805</u>	<u>10,605,805</u>
Total unrestricted cash equivalents and investments				\$ 99,015,515	\$ 100,737,886

(Continued)

Oklahoma Turnpike Authority

Schedule of Cash, Cash Equivalents and Investments

as of December 31, 1998

	<u>Applicable Interest Rate</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Original Cost</u>	<u>Fair Value</u>
Restricted:					
Reserve Maintenance Fund:					
American Performance Treasury Fund	- %	12/31/98	Demand	\$ 214,533	\$ 214,533
U. S. Treasury Notes	5.500	03/10/98	02/28/99	1,000,000	1,001,565
U. S. Treasury Notes	6.000	07/10/97	06/30/99	1,202,438	1,209,000
U. S. Treasury Notes	6.375	05/10/96	07/15/99	739,473	757,267
U. S. Treasury Notes	6.875	11/20/96	07/31/99	513,438	506,407
U. S. Treasury Notes	5.875	Various	11/15/99	2,594,219	2,627,625
U. S. Treasury Notes	5.625	01/09/98	12/31/99	1,384,453	1,389,183
U. S. Treasury Notes	5.875	02/28/97	02/15/00	495,703	506,720
U. S. Treasury Notes	5.500	Various	02/29/00	1,299,781	1,313,000
U. S. Treasury Notes	6.000	Various	08/15/00	2,004,219	2,042,500
U. S. Treasury Notes	6.125	Various	09/30/00	3,253,625	3,280,000
U. S. Treasury Notes	5.625	Various	11/30/00	1,979,309	1,985,344
U. S. Treasury Notes	5.625	Various	02/28/01	4,060,313	4,082,500
U. S. Treasury Notes	5.625	Various	05/15/01	1,722,961	1,741,438
U. S. Treasury Notes	5.875	10/23/98	11/30/01	1,563,047	1,551,098
				<u>24,027,512</u>	<u>24,208,180</u>
General Fund - Depreciation Reserve:					
American Performance Treasury Fund	-	12/31/98	Demand	<u>14,373</u>	<u>14,373</u>
1989 Series Bond Service and Reserve Accounts:					
American Performance Treasury Fund	-	12/31/98	Demand	1,378,231	1,378,231
Guaranteed Investment Contract (AIGMFC)	8.510	Various	01/01/22	43,456,373	43,456,373
U. S. Treasury Notes	6.500	08/14/95	04/30/99	505,234	503,283
U. S. Treasury Notes	6.875	06/07/96	08/31/99	304,406	304,406
U. S. Treasury Notes	6.375	Various	01/15/00	935,392	921,123
U. S. Treasury Notes	7.125	10/18/96	02/29/00	272,909	272,287
U. S. Treasury Notes	6.125	10/31/97	09/30/00	25,289	25,625
U. S. Treasury Notes	5.500	Various	12/31/00	600,180	610,314
U. S. Treasury Notes	5.625	08/20/98	05/15/01	857,438	870,719
				<u>48,335,452</u>	<u>48,342,361</u>
Series 1992A-E Bond Service & Reserve Accounts:					
American Performance Treasury Fund	-	12/31/98	Demand	28,905,592	28,905,592
U. S. Treasury Notes	6.875	06/07/96	08/31/99	1,014,688	1,014,690
U. S. Treasury Notes	5.875	02/28/97	02/15/00	29,948	30,404
U. S. Treasury Notes	7.125	10/18/96	02/29/00	174,869	174,675
U. S. Treasury Notes	6.125	10/31/97	09/30/00	480,492	486,875
				<u>30,605,589</u>	<u>30,612,236</u>
Series 1992 F and G Bond Service Accounts:					
American Performance Treasury Fund	-	12/31/98	Demand	2,737,320	2,737,320
FGIC Municipal Bond Insurance- Policy #9201056	-	11/16/92	Demand	<u>2</u>	<u>2</u>
				<u>2,737,322</u>	<u>2,737,322</u>

(Continued)

Oklahoma Turnpike Authority

Schedule of Cash, Cash Equivalents and Investments

as of December 31, 1998

	<u>Applicable Interest Rate</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Original Cost</u>	<u>Fair Value</u>
1998 A and B Capitalized Interest:					
American Performance Treasury Fund	- %	12/31/98	Demand	\$ 20,623,247	\$ 20,623,247
FGIC Municipal Bond Insurance Policies	-	07/22/98	Demand	1	1
U. S. Treasury Strip	-	Various	05/15/99	16,671,886	17,195,950
U. S. Treasury Strip	-	Various	11/15/99	16,223,456	16,819,081
U. S. Treasury Strip	-	Various	05/15/00	15,793,445	16,431,200
U. S. Treasury Strip	-	Various	11/15/00	15,360,775	16,065,256
U. S. Treasury Strip	-	Various	05/15/01	14,935,713	15,699,225
U. S. Treasury Strip	-	07/29/98	11/15/01	7,147,104	7,504,361
U. S. Treasury Strip	-	07/29/98	05/15/02	6,956,070	7,325,219
				<u>113,711,697</u>	<u>117,663,540</u>
Revenue Reserve Accounts:					
American Performance Treasury Fund	-	12/31/98	Demand	5,187	5,187
Guaranteed Investment Contract (Banque Indosuez)	6.500	11/08/91	11/01/01	3,500,000	3,500,000
U. S. Treasury Notes	6.375	10/02/92	07/15/99	1,290,234	1,262,112
U. S. Treasury Notes	6.375	Various	01/15/00	52,048	50,891
U. S. Treasury Notes	7.125	10/18/96	02/29/00	77,238	77,062
U. S. Treasury Notes	6.125	10/21/96	07/31/00	250,000	255,625
U. S. Treasury Notes	5.500	05/29/98	12/31/00	39,938	40,688
				<u>5,214,645</u>	<u>5,191,565</u>
Arbitrage Rebate Fund:					
American Performance Treasury Fund	-	12/31/98	Demand	16,416	16,416
U.S. Treasury Notes	5.875	02/28/97	02/15/00	148,711	152,016
U.S. Treasury Notes	6.250	10/03/96	05/31/00	150,042	153,282
U.S. Treasury Notes	6.000	08/15/97	08/15/00	1,264,604	1,291,881
U.S. Treasury Notes	5.750	Various	10/31/00	180,361	183,544
U.S. Treasury Notes	5.500	05/29/98	12/31/00	140,306	142,407
				<u>1,900,440</u>	<u>1,939,546</u>
1989 Construction Funds:					
American Performance Treasury Fund	-	12/31/98	Demand	<u>220,180</u>	<u>220,180</u>
1992 Construction Account:					
American Performance Treasury Fund	-	12/31/98	Demand	<u>2,734</u>	<u>2,734</u>
1998 A and B Construction Accounts:					
American Performance Treasury Fund	-	12/31/98	Demand	83,700	83,700
Guaranteed Investment Contract (AIG)	5.776	Various	06/04/01	276,657,378	276,657,378
Guaranteed Investment Contract (Bayerische Landesbank)	5.705	Various	08/01/01	265,046,811	265,046,811
				<u>541,787,889</u>	<u>541,787,889</u>

(Continued)

Oklahoma Turnpike Authority

Schedule of Cash, Cash Equivalents and Investments

as of December 31, 1998

	<u>Applicable Interest Rate</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Original Cost</u>	<u>Fair Value</u>
Turnpike Trust Fund:					
American Performance Treasury Fund	- %	12/31/98	Demand	\$ 789,808	\$ 789,808
U. S. Treasury Notes	5.875	03/22/96	03/31/99	750,937	752,813
U. S. Treasury Notes	6.500	08/14/95	04/30/99	1,010,469	1,006,565
U. S. Treasury Notes	6.375	05/15/96	07/15/99	426,992	429,118
U. S. Treasury Notes	6.875	10/03/96	07/31/99	509,375	506,407
U. S. Treasury Notes	6.875	06/07/96	08/31/99	1,014,687	1,014,690
U. S. Treasury Notes	5.875	05/22/97	11/15/99	495,078	505,312
U. S. Treasury Notes	6.375	09/05/95	01/15/00	1,014,375	1,017,815
U. S. Treasury Notes	6.125	Various	07/31/00	1,812,476	1,840,500
U. S. Treasury Notes	6.250	04/30/97	08/31/00	992,344	1,025,625
U. S. Treasury Notes	6.125	Various	09/30/00	981,227	999,375
U. S. Treasury Notes	5.750	Various	10/31/00	545,000	560,829
U. S. Treasury Notes	5.500	05/29/98	12/31/00	179,719	183,094
U. S. Treasury Notes	6.375	Various	03/31/01	8,720,884	8,961,322
U. S. Treasury Notes	6.250	08/26/97	04/30/01	2,505,859	2,590,625
U. S. Treasury Notes	5.625	08/19/98	05/15/01	2,018,750	2,048,750
U. S. Treasury Notes	6.500	10/03/96	05/31/01	755,215	781,875
U. S. Treasury Notes	5.875	04/13/98	11/30/01	429,711	439,478
U. S. Treasury Notes	6.125	12/17/97	12/31/01	2,060,094	2,107,266
				<u>27,013,000</u>	<u>27,561,267</u>
Prepaid PIKEPASS Fund:					
American Performance Treasury Fund	-	12/31/98	Demand	1,643,733	1,643,733
U. S. Treasury Notes	6.875	Various	07/31/99	640,391	633,009
U. S. Treasury Notes	5.875	02/28/97	02/15/00	470,918	481,384
U. S. Treasury Notes	6.250	10/03/96	05/31/00	150,047	153,281
U. S. Treasury Notes	6.125	10/31/97	09/30/00	126,445	128,125
U. S. Treasury Notes	5.750	07/03/97	10/31/00	98,656	101,969
U. S. Treasury Notes	5.750	Various	11/15/00	1,110,328	1,122,347
U. S. Treasury Notes	5.500	05/29/98	12/31/00	59,906	61,031
U. S. Treasury Notes	6.375	Various	03/31/01	1,126,863	1,166,839
U. S. Treasury Notes	5.875	04/13/98	11/30/01	2,225,719	2,223,240
U. S. Treasury Notes	6.000	07/31/97	07/31/02	2,398,686	2,467,357
				<u>10,051,692</u>	<u>10,182,315</u>
Total restricted cash equivalents and investments				<u>805,622,525</u>	<u>810,463,508</u>
Cash balance (unrestricted and restricted)				<u>-</u>	<u>403,346</u>
Total cash, cash equivalents and investments				<u>\$ 904,638,040</u>	<u>\$ 911,604,740</u>

Oklahoma Turnpike Authority
Schedule of Cash, Cash Equivalents and Investments by Account
as of December 31, 1998

	Total cash, cash equivalents and investments
Unrestricted:	
Revenue Fund	\$ 11,231,550
General Fund	90,046,849
Total unrestricted	<u>101,278,399</u>
Restricted:	
Reserve Maintenance Fund	24,071,142
General Fund Depreciation Reserve	14,373
1989 Senior Bond Interest Account	874,561
1989 Senior Bond Reserve Account	31,808,545
1989 Senior Bond Principal Account	184,124
1989 Subordinate Bond Interest Account	197,183
1989 Subordinate Bond Reserve Account	15,191,085
1989 Subordinate Bond Principal Account	86,863
Revenue Bond Reserve Accounts	5,191,565
1992 Series A Interest Account	10,516,605
1992 Series B Interest Account	588,376
1992 Series C Interest Account	5,362,100
1992 Series D Interest Account	450,051
1992 Series E Interest Account	233,110
1992 Series F Interest Account	511,506
1992 Series G Interest Account	634,034
Series 1992 B Reserve Account	1,630,240
Series 1992 C-E Reserve Account	84,261
Series 1992 A-E Principal Accounts	11,747,493
Series 1992 F and G Principal Accounts	1,591,782
1998 Series A and B Cost of Issuance Account	407,556
1998 Series A and B Capitalized Interest Accounts	117,663,540
Turnpike Trust Fund	27,561,267
Arbitrage Rebate Fund	1,939,546
1989 Bond Construction Accounts	220,180
1992 Bond Construction Account	2,734
1998 Bond Construction Accounts	541,148,683
Prepaid PIKEPASS Fund	10,413,836
Total restricted	<u>810,326,341</u>
Total cash, cash equivalents and investments	<u><u>\$ 911,604,740</u></u>

Oklahoma Turnpike Authority

Schedule of Insurance in Force

as of December 31 1998

Coverage	Policy Term	Policy	Coverage		Deductible	Annual or Last Premium
Fire & extended coverage for buildings and contents, bridges, and computers	07-01-98/99	State of Oklahoma Certificate #978	\$29,536,040	Buildings & contents	\$10,000	\$103,624
			\$340,904,683	Bridges (100%)	\$100,000	
Auto liability	10-01-98/99	State of Oklahoma Certificate #978	\$100,000	Bodily injury	\$250	\$65,400
			\$25,000	Property damage	(all claims)	
			\$1,000,000	Per occurrence		
Comprehensive general liability, and personal injury liability	07-01-98/99	State of Oklahoma Certificate #978	\$100,000	Bodily injury	\$500	\$19,035
			\$25,000	Property damage	(all claims)	
			\$1,000,000	Per occurrence		
Director's & Officer's insurance	07-01-98/99	State of Oklahoma Certificate #978	\$35,000,000	Aggregate		\$3,271
			\$5,000,000	Per occurrence	\$25,000 (Profs.) \$1,000 (Others)	
Special machinery	12-07-98/99	Hartford Ins. Group Policy # 38 MS GR4686	\$810,000	Bridge machine	\$50,000	\$4,583
			\$195,000	Paint striping machine	\$50,000	
Aircraft hull & liability	10-01-98/99	State of Oklahoma	\$208,500	Property damage	\$100 /NIM	\$3,796
			\$1,000,000	Liability	\$500 /IM	
			\$100,000	Passenger		
Workers compensation	01-01-99/00	State Ins. Fund #00338640	\$100,000	Employee injuries	\$500	\$245,274
Health benefits	07-01-98/99	State of Oklahoma #0001	Various	Life, hospital surgical, major medical, and dental	Various	\$1,559,477
Surety bond	02-16-98/99	Granite RE, Inc. #GR0118	\$25,000	Fred J. Hall	n/a	\$100
Surety bond	03-30-98/99	The Hartford #606761409	\$25,000	Robert M. Kane	n/a	\$100
Surety bond	07-01-98/00	United States Fidelity #56-0170-36788-95-2	\$25,000	Albert C. Kelly, Jr.	n/a	\$162
Surety bond	02-16-98/99	Fidelity & Deposit Co. of Maryland #30678206	\$100,000	Steve LaForge	n/a	\$750
Surety bond	02-16-98/99	Fidelity & Deposit Co. of Maryland #30678200	\$25,000	Judy Curtis	n/a	\$88
Surety bond	01-01-99/00	Fidelity & Deposit Co. of Maryland #8133417	\$25,000	Dewey F. Bartlett, Jr.	n/a	\$100

Oklahoma Turnpike Authority

Schedule of Annual Debt Service Requirements

Year Ended Jan. 1	1989 Series First Senior Bonds			1989 Series Subordinate Bonds			Total 1989 Bonds
	Principal	Interest	Total	Principal	Interest	Total	
1999	\$ 180,000	\$ 1,732,066	\$ 1,912,066	\$ 85,000	\$ 390,615	\$ 475,615	\$ 2,387,681
2000	195,000	1,718,836	1,913,836	90,000	384,495	474,495	2,388,331
2001	210,000	1,704,406	1,914,406	95,000	377,925	472,925	2,387,331
2002	225,000	1,688,761	1,913,761	100,000	370,943	470,943	2,384,704
2003	240,000	1,671,886	1,911,886	110,000	363,543	473,543	2,385,429
2004	255,000	1,653,886	1,908,886	115,000	355,348	470,348	2,379,234
2005	275,000	1,634,506	1,909,506	125,000	346,723	471,723	2,381,229
2006	300,000	1,613,194	1,913,194	135,000	337,192	472,192	2,385,386
2007	320,000	1,589,944	1,909,944	145,000	326,898	471,898	2,381,842
2008	345,000	1,565,144	1,910,144	155,000	315,841	470,841	2,380,985
2009	370,000	1,538,406	1,908,406	170,000	304,023	474,023	2,382,429
2010	405,000	1,509,732	1,914,732	180,000	291,060	471,060	2,385,792
2011	435,000	1,478,888	1,913,888	195,000	277,200	472,200	2,386,088
2012	465,000	1,445,756	1,910,756	210,000	262,185	472,185	2,382,941
2013	500,000	1,410,338	1,910,338	225,000	246,015	471,015	2,381,353
2014	1,855,000	1,372,256	3,227,256	240,000	228,690	468,690	3,695,946
2015	1,980,000	1,251,676	3,231,676	260,000	210,210	470,210	3,701,886
2016	2,110,000	1,122,844	3,232,844	280,000	190,190	470,190	3,703,034
2017	2,250,000	985,463	3,235,463	300,000	168,630	468,630	3,704,093
2018	2,390,000	838,838	3,228,838	325,000	145,530	470,530	3,699,368
2019	2,550,000	682,876	3,232,876	350,000	120,505	470,505	3,703,381
2020	2,720,000	516,376	3,236,376	375,000	93,555	468,555	3,704,931
2021	2,890,000	338,550	3,228,550	405,000	64,680	469,680	3,698,230
2022	2,490,000	149,400	2,639,400	435,000	33,495	468,495	3,107,895
Totals	\$ 25,955,000	\$ 31,214,028	\$ 57,169,028	\$ 5,105,000	\$ 6,205,491	\$ 11,310,491	\$ 68,479,519

(Continued)

Oklahoma Turnpike Authority

Schedule of Annual Debt Service Requirements

Year Ended Jan. 1	1992 Series First Senior Bonds			1992 Series Second Senior Bonds		
	Principal	Interest	Total	Principal	Interest	Total
1999	\$ 7,875,000	\$ 22,730,273	\$ 30,605,273	\$ 1,460,000	\$ 2,420,977	\$ 3,880,977
2000	8,310,000	22,300,823	30,610,823	1,530,000	2,349,060	3,879,060
2001	8,765,000	21,839,069	30,604,069	1,610,000	2,271,600	3,881,600
2002	9,260,000	21,343,234	30,603,234	1,695,000	2,188,461	3,883,461
2003	9,795,000	20,809,553	30,604,553	1,785,000	2,097,995	3,882,995
2004	10,225,307	20,384,913	30,610,220	1,551,850	2,324,089	3,875,940
2005	10,772,297	19,828,223	30,600,520	1,510,616	2,349,940	3,860,556
2006	11,957,110	19,508,889	31,465,999	575,000	1,937,856	2,512,856
2007	12,574,380	18,893,028	31,467,408	610,000	1,902,780	2,512,780
2008	13,253,825	18,221,208	31,475,033	650,000	1,864,960	2,514,960
2009	14,615,000	16,868,134	31,483,134	690,000	1,825,960	2,515,960
2010	15,495,000	15,994,983	31,489,983	730,000	1,784,560	2,514,560
2011	16,440,000	15,069,246	31,509,246	775,000	1,740,760	2,515,760
2012	17,410,000	14,087,034	31,497,034	820,000	1,694,260	2,514,260
2013	18,440,000	13,046,871	31,486,871	870,000	1,645,060	2,515,060
2014	18,715,000	11,928,593	30,643,593	880,000	1,591,990	2,471,990
2015	19,845,000	10,793,926	30,638,926	935,000	1,538,310	2,473,310
2016	21,065,000	9,590,714	30,655,714	990,000	1,481,276	2,471,276
2017	20,540,000	8,308,807	28,848,807	3,890,000	1,419,400	5,309,400
2018	21,240,000	7,052,738	28,292,738	4,445,000	1,184,376	5,629,376
2019	22,550,000	5,751,787	28,301,787	4,495,000	913,888	5,408,888
2020	23,940,000	4,370,600	28,310,600	4,625,000	641,226	5,266,226
2021	25,470,000	2,904,275	28,374,275	4,470,000	360,588	4,830,588
2022	27,335,000	1,503,425	28,838,425	1,425,000	89,062	1,514,062
Totals	\$ <u>385,887,919</u>	\$ <u>343,130,346</u>	\$ <u>729,018,265</u>	\$ <u>43,017,466</u>	\$ <u>39,618,434</u>	\$ <u>82,635,901</u>

(Continued)

Oklahoma Turnpike Authority

Schedule of Annual Debt Service Requirements

Year Ended Jan. 1	1992 Series Subordinate Bonds			Total 1992 Series Bonds		
	Principal	Interest	Total	Principal	Interest	Total
1999	\$ 3,695,000	\$ 11,080,392	\$ 14,775,392	\$ 13,030,000	\$ 36,231,642	\$ 49,261,642
2000	3,890,000	10,884,403	14,774,403	13,730,000	35,534,286	49,264,286
2001	4,110,000	10,670,453	14,780,453	14,485,000	34,781,122	49,266,122
2002	4,340,000	10,440,292	14,780,292	15,295,000	33,971,987	49,266,987
2003	4,590,000	10,192,913	14,782,913	16,170,000	33,100,461	49,270,461
2004	4,865,000	9,926,693	14,791,693	16,642,157	32,635,696	49,277,853
2005	5,155,000	9,639,658	14,794,658	17,437,913	31,817,821	49,255,733
2006	5,470,000	9,330,359	14,800,359	18,002,110	30,777,104	48,779,214
2007	5,800,000	8,996,688	14,796,688	18,984,380	29,792,496	48,776,876
2008	6,155,000	8,637,089	14,792,089	20,058,825	28,723,257	48,782,082
2009	6,530,000	8,255,478	14,785,478	21,835,000	26,949,572	48,784,572
2010	6,925,000	7,850,618	14,775,618	23,150,000	25,630,161	48,780,161
2011	7,325,000	7,428,193	14,753,193	24,540,000	24,238,199	48,778,199
2012	7,790,000	6,981,368	14,771,368	26,020,000	22,762,662	48,782,662
2013	8,265,000	6,506,177	14,771,177	27,575,000	21,198,108	48,773,108
2014	8,345,000	6,002,012	14,347,012	27,940,000	19,522,595	47,462,595
2015	8,855,000	5,492,968	14,347,968	29,635,000	17,825,204	47,460,204
2016	9,385,000	4,952,833	14,337,833	31,440,000	16,024,823	47,464,823
2017	9,965,000	4,366,251	14,331,251	34,395,000	14,094,458	48,489,458
2018	10,580,000	3,743,438	14,323,438	36,265,000	11,980,552	48,245,552
2019	11,235,000	3,082,188	14,317,188	38,280,000	9,747,863	48,027,863
2020	11,925,000	2,380,001	14,305,001	40,490,000	7,391,827	47,881,827
2021	12,615,000	1,634,687	14,249,687	42,555,000	4,899,550	47,454,550
2022	13,540,000	846,295	14,386,295	42,300,000	2,438,782	44,738,782
Totals	\$ <u>181,350,000</u>	\$ <u>169,321,447</u>	\$ <u>350,671,447</u>	\$ <u>610,255,385</u>	\$ <u>552,070,227</u>	\$ <u>1,162,325,612</u>

(Continued)

Oklahoma Turnpike Authority

Schedule of Annual Debt Service Requirements

1998 Series Second Senior Bonds			
Year Ended Jan. 1	Principal	Interest	Total
1999	\$ -	\$ 20,453,008	\$ 20,453,008
2000	-	34,956,363	34,956,363
2001	-	34,956,363	34,956,363
2002	-	34,956,362	34,956,362
2003	3,520,000	34,956,362	38,476,362
2004	6,550,000	34,811,162	41,361,162
2005	6,850,000	34,511,150	41,361,150
2006	7,165,000	34,192,525	41,357,525
2007	16,825,000	33,814,350	50,639,350
2008	17,705,000	32,930,700	50,635,700
2009	18,725,000	31,912,200	50,637,200
2010	19,755,000	30,882,325	50,637,325
2011	20,795,000	29,845,187	50,640,187
2012	21,885,000	28,753,450	50,638,450
2013	23,035,000	27,604,487	50,639,487
2014	24,240,000	26,395,150	50,635,150
2015	25,485,000	25,153,238	50,638,238
2016	26,790,000	23,847,500	50,637,500
2017	28,130,000	22,508,000	50,638,000
2018	29,535,000	21,101,500	50,636,500
2019	31,010,000	19,624,750	50,634,750
2020	32,565,000	18,074,250	50,639,250
2021	34,190,000	16,446,000	50,636,000
2022	35,900,000	14,736,500	50,636,500
2023	37,695,000	12,941,500	50,636,500
2024	39,580,000	11,056,750	50,636,750
2025	41,510,000	9,127,737	50,637,737
2026	43,585,000	7,052,237	50,637,237
2027	45,820,000	4,818,012	50,638,012
2028	48,165,000	2,469,150	50,634,150
Totals	\$ <u>687,010,000</u>	\$ <u>714,888,268</u>	\$ <u>1,401,898,268</u>

(Continued)

Oklahoma Turnpike Authority

Schedule of Annual Debt Service Requirements

Year Ended Jan. 1	Total All Bonds			Outstanding Principal
	Principal	Interest	Total	
1999	\$ 13,295,000	\$ 58,807,331	\$ 72,102,331	\$ 1,315,030,385
2000	14,015,000	72,593,980	86,608,980	1,301,015,385
2001	14,790,000	71,819,816	86,609,816	1,286,225,385
2002	15,620,000	70,988,053	86,608,053	1,270,605,385
2003	20,040,000	70,092,252	90,132,252	1,250,565,385
2004	23,562,157	69,456,092	93,018,249	1,227,003,228
2005	24,687,913	68,310,200	92,998,112	1,202,315,315
2006	25,602,110	66,920,015	92,522,125	1,176,713,205
2007	36,274,380	65,523,688	101,798,068	1,140,438,825
2008	38,263,825	63,534,942	101,798,767	1,102,175,000
2009	41,100,000	60,704,201	101,804,201	1,061,075,000
2010	43,490,000	58,313,278	101,803,278	1,017,585,000
2011	45,965,000	55,839,474	101,804,474	971,620,000
2012	48,580,000	53,224,053	101,804,053	923,040,000
2013	51,335,000	50,458,948	101,793,948	871,705,000
2014	54,275,000	47,518,691	101,793,691	817,430,000
2015	57,360,000	44,440,328	101,800,328	760,070,000
2016	60,620,000	41,185,357	101,805,357	699,450,000
2017	65,075,000	37,756,551	102,831,551	634,375,000
2018	68,515,000	34,066,420	102,581,420	565,860,000
2019	72,190,000	30,175,994	102,365,994	493,670,000
2020	76,150,000	26,076,008	102,226,008	417,520,000
2021	80,040,000	21,748,780	101,788,780	337,480,000
2022	81,125,000	17,358,177	98,483,177	256,355,000
2023	37,695,000	12,941,500	50,636,500	218,660,000
2024	39,580,000	11,056,750	50,636,750	179,080,000
2025	41,510,000	9,127,737	50,637,737	137,570,000
2026	43,585,000	7,052,237	50,637,237	93,985,000
2027	45,820,000	4,818,012	50,638,012	48,165,000
2028	48,165,000	2,469,150	50,634,150	-
Totals	\$ <u>1,328,325,385</u>	\$ <u>1,304,378,014</u>	\$ <u>2,632,703,399</u>	



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Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Members of the Oklahoma Turnpike Authority:

We have audited the financial statements of the Oklahoma Turnpike Authority (Authority), as of and for the year then ended December 31, 1998, and have issued our report thereon dated March 19, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance, which we have reported to management of the Authority in a separate letter dated March 19, 1999.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the Authority in a separate letter dated March 19, 1999.

This report is intended solely for the information and use of management and Authority members and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

March 19, 1999



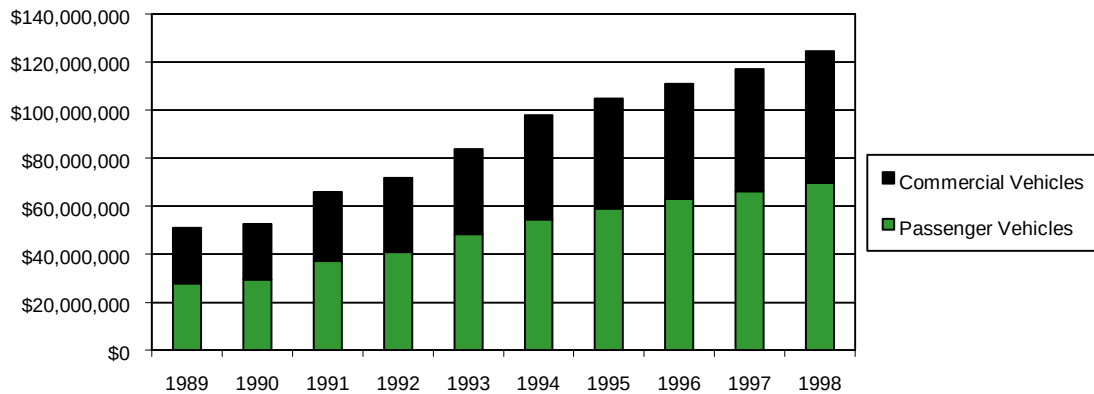
KPMG LLP, KPMG LLP, a U.S. limited liability partnership, is a member of KPMG International, a Swiss association.

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All Oklahoma Turnpikes

Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1989	\$27,910,940	\$23,013,861	\$50,924,801	\$1,065,552	\$51,990,353	1,517,884,833	38,387,864
1990	29,401,448	23,137,592	52,539,040	1,067,123	53,606,163	1,560,078,370	39,654,329
1991	37,073,844	28,836,412	65,910,256	1,051,074	66,961,330	1,580,149,666	40,937,458
1992	40,875,157	31,067,561	71,942,718	1,082,511	73,025,229	1,682,087,526	50,298,914
1993	48,401,508	35,417,088	83,818,596	1,083,352	84,901,948	1,888,866,582	58,182,235
1994	54,610,742	43,256,521	97,867,263	1,168,767	99,036,030	2,001,127,843	62,993,224
1995	59,068,949	45,791,018	104,859,967	1,169,788	106,029,755	1,965,465,275	65,095,358
1996	62,944,902	47,957,505	110,902,407	1,147,377	112,049,784	2,075,255,828	69,936,648
1997	66,089,007	51,078,776	117,167,783	1,157,441	118,325,224	2,192,810,075	74,748,285
1998	69,751,444	54,819,282	124,570,726	1,239,223	125,809,949	2,297,320,338	79,932,083

Toll Receipts



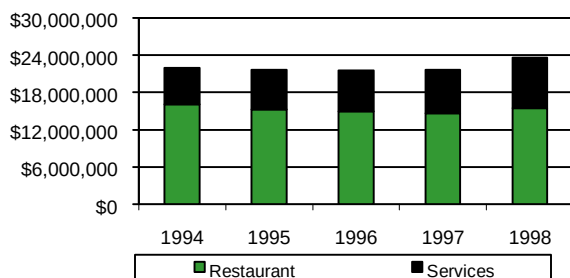
Restaurant and Service Station Sales

Year	Turner	Will Rogers	H.E. Bailey	Indian Nation	Muskogee	Cimarron	Cherokee	Total
1994	\$6,828,653	\$3,750,006	\$3,205,687	\$2,905,742	\$2,100,788	\$2,113,594	\$1,031,285	\$21,935,755
1995	6,500,626	3,701,694	3,154,375	2,934,171	2,022,540	2,109,420	1,232,038	21,654,864
1996	6,175,565	3,632,905	3,180,003	2,959,773	2,101,228	2,119,208	1,328,676	21,497,358
1997	6,158,778	3,723,182	3,202,688	3,013,870	2,097,122	2,161,931	1,326,741	21,684,312
1998	6,780,474	4,019,530	3,412,446	3,329,243	2,287,765	2,312,740	1,458,952	23,601,150

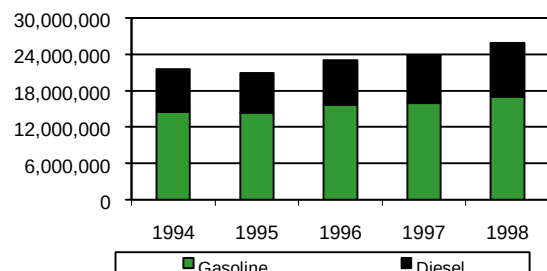
Motor Fuel Gallonage Sold

Year	Turner	Will Rogers	H.E. Bailey	Indian Nation	Muskogee	Cimarron	Cherokee	Total
1994	6,358,844	4,371,366	3,052,224	2,852,245	1,672,051	2,226,607	1,004,964	21,538,301
1995	6,171,099	4,035,412	2,978,912	2,862,468	1,548,840	2,221,057	1,071,837	20,889,625
1996	6,812,853	4,530,280	3,372,005	2,900,769	1,629,570	2,491,999	1,256,617	22,994,093
1997	6,575,973	4,813,019	3,623,606	3,140,425	1,848,364	2,494,016	1,359,380	23,854,783
1998	7,689,529	4,959,307	3,873,960	3,243,156	2,079,161	2,611,440	1,427,570	25,884,123

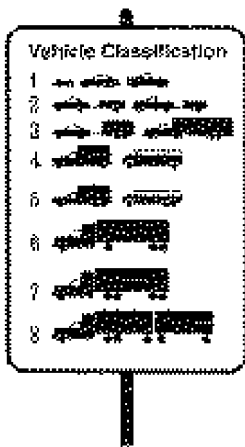
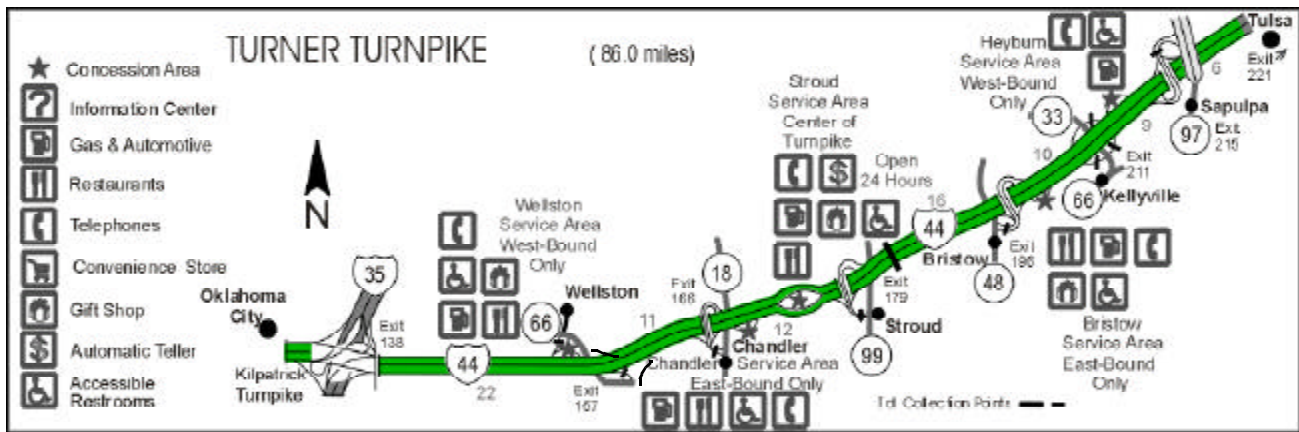
Restaurant and Service Station Sales



Motor Fuel Gallonage Sold



Turner Turnpike

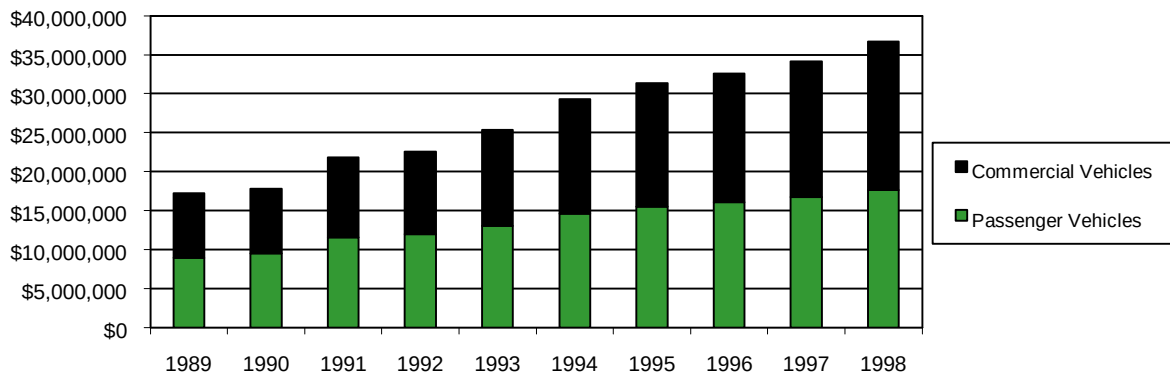


Vehicle Classification	1	2	3	4	5	6	7	8								
	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH
Oklahoma City-																
Tulsa	2.70	3.00	4.30	4.75	5.40	6.00	3.60	4.00	5.20	5.75	7.65	8.50	9.90	11.00	11.95	13.25
Sapulpa	2.50	2.75	4.05	4.50	4.95	5.50	3.40	3.75	4.75	5.25	7.20	8.00	9.00	10.00	11.05	12.25
Kellyville	2.25	2.50	3.60	4.00	4.50	5.00	2.95	3.25	4.30	4.75	6.30	7.00	8.10	9.00	9.90	11.00
Bristow	1.80	2.00	2.95	3.25	3.60	4.00	2.50	2.75	3.85	4.25	5.40	6.00	7.00	7.75	8.35	9.25
Stroud	1.35	1.50	2.05	2.25	2.70	3.00	1.80	2.00	2.70	3.00	4.05	4.50	5.20	5.75	6.30	7.00
Chandler	0.90	1.00	1.60	1.75	2.05	2.25	1.35	1.50	1.80	2.00	2.95	3.25	3.85	4.25	4.75	5.25
Wellston	0.70	0.75	1.15	1.25	1.35	1.50	0.90	1.00	1.35	1.50	1.80	2.00	2.50	2.75	2.95	3.25
Wellston-Tulsa	2.00	3.00	3.15	4.75	4.05	6.00	2.70	4.00	3.85	5.75	5.85	8.50	7.40	11.00	9.00	13.25
Sapulpa	1.80	2.75	2.90	4.50	3.60	5.50	2.50	3.75	3.40	5.25	5.40	8.00	6.50	10.00	8.10	12.25
Kellyville	1.55	2.50	2.45	4.00	3.15	5.00	2.05	3.25	2.95	4.75	4.50	7.00	5.60	9.00	6.95	11.00
Bristow	1.10	2.00	1.80	3.25	2.25	4.00	1.60	2.75	2.50	4.25	3.60	6.00	4.50	7.75	5.40	9.25
Stroud	0.65	1.50	0.90	2.25	1.35	3.00	0.90	2.00	1.35	3.00	2.25	4.50	2.70	5.75	3.35	7.00
Chandler	0.20	1.00	0.45	1.75	0.70	2.25	0.45	1.50	0.45	2.00	1.15	3.25	1.35	4.25	1.80	5.25
Oklahoma City	0.70	0.75	1.15	1.25	1.35	1.50	0.90	1.00	1.35	1.50	1.80	2.00	2.50	2.75	2.95	3.25
Chandler-Tulsa	1.60	1.75	2.50	2.75	3.15	3.50	2.05	2.25	3.40	3.75	4.75	5.25	6.10	6.75	7.20	8.00
Sapulpa	1.35	1.50	2.25	2.50	2.95	3.25	1.80	2.00	2.70	3.00	4.30	4.75	5.40	6.00	6.55	7.25
Kellyville	1.15	1.25	1.80	2.00	2.25	2.50	1.60	1.75	2.25	2.50	3.60	4.00	4.50	5.00	5.40	6.00
Bristow	0.90	1.00	1.35	1.50	1.60	1.75	1.15	1.25	1.60	1.75	2.50	2.75	3.40	3.75	4.05	4.50
Stroud	0.45	0.50	0.70	0.75	0.90	1.00	0.70	0.75	0.90	1.00	1.15	1.25	1.60	1.75	1.80	2.00
Stroud-Tulsa	1.15	1.25	2.05	2.25	2.50	2.75	1.60	1.75	2.25	2.50	3.85	4.25	4.75	5.25	5.65	6.25
Sapulpa	1.15	1.25	1.60	1.75	2.05	2.25	1.35	1.50	2.05	2.25	2.95	3.25	4.05	4.50	4.95	5.50
Kellyville	0.90	1.00	1.35	1.50	1.60	1.75	1.15	1.25	1.60	1.75	2.25	2.50	2.95	3.25	3.60	4.00
Bristow	0.70	0.75	0.90	1.00	1.15	1.25	0.70	0.75	1.15	1.25	1.35	1.50	1.80	2.00	2.05	2.25
Oklahoma City	1.35	1.50	2.05	2.25	2.70	3.00	1.80	2.00	2.70	3.00	4.05	4.50	5.20	5.75	6.30	7.00
Kellyville-Sapulpa	0.45	0.50	0.45	0.50	0.70	0.75	0.45	0.50	0.45	0.50	0.70	0.75	0.90	1.00	1.15	1.25
Tulsa	0.45	0.50	0.70	0.75	0.90	1.00	0.70	0.75	0.90	1.00	1.35	1.50	1.60	1.75	2.05	2.25
Bristow	0.45	0.50	0.70	0.75	0.90	1.00	0.45	0.50	0.70	0.75	1.15	1.25	1.35	1.50	1.60	1.75
Sapulpa-Tulsa	0.25	0.25	0.25	0.25	0.45	0.50	0.25	0.25	0.45	0.50	0.45	0.50	0.70	0.75	0.90	1.00
Bristow	0.70	0.75	0.90	1.00	1.15	1.25	0.70	0.75	1.15	1.25	1.60	1.75	2.05	2.25	2.50	2.75
Tulsa-Bristow	0.70	0.75	1.15	1.25	1.60	1.75	0.90	1.00	1.35	1.50	2.25	2.50	2.70	3.00	3.60	4.00

Turner Turnpike

Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1989	\$8,914,633	\$8,324,027	\$17,238,660	\$342,408	\$17,581,068	498,879,465	8,083,739
1990	9,474,405	8,307,893	17,782,298	356,646	18,138,944	510,572,957	8,282,697
1991	11,592,868	10,212,013	21,804,881	362,410	22,167,291	520,283,278	8,121,411
1992	11,996,235	10,523,723	22,519,958	372,082	22,892,040	546,802,179	9,076,209
1993	13,051,510	12,313,133	25,364,643	374,807	25,739,450	613,265,373	9,571,222
1994	14,548,525	14,761,247	29,309,772	378,439	29,688,211	636,990,810	10,037,806
1995	15,489,307	15,884,505	31,373,812	363,709	31,737,521	613,775,550	10,260,467
1996	16,067,658	16,535,359	32,603,017	342,597	32,945,614	636,093,432	10,681,191
1997	16,754,726	17,435,072	34,189,798	338,455	34,528,253	665,855,649	11,140,459
1998	17,676,376	19,057,581	36,733,957	364,148	37,098,105	707,880,697	11,958,196

Toll Receipts



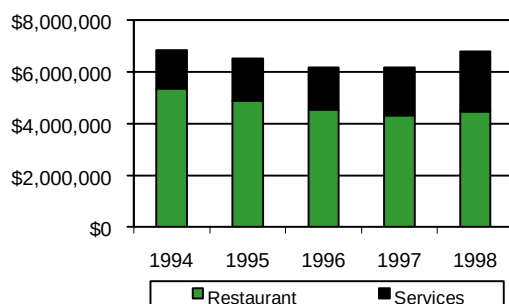
Restaurant and Service Station Sales

Year	Wellston	Chandler	Stroud	Bristow	Heyburn	Total
1994	\$976,766	\$401,697	\$4,184,680	\$921,220	\$344,290	\$6,828,653
1995	951,064	433,632	3,920,373	822,735	372,822	6,500,626
1996	896,492	434,375	3,717,587	754,238	372,873	6,175,565
1997	866,677	468,324	3,683,620	723,023	417,134	6,158,778
1998	830,048	433,367	4,351,912	745,039	420,108	6,780,474

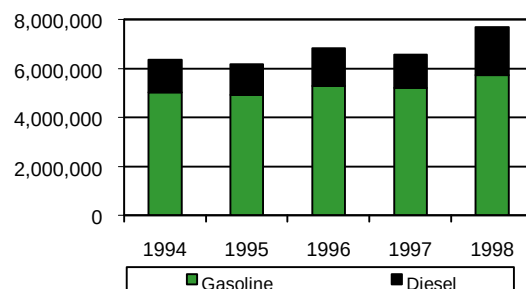
Motor Fuel Gallonage Sold

Year	Wellston	Chandler	Stroud	Bristow	Heyburn	Total
1994	611,296	1,297,070	2,830,590	560,208	1,059,680	6,358,844
1995	618,473	1,275,290	2,728,466	504,733	1,044,137	6,171,099
1996	760,808	1,344,054	3,102,476	475,907	1,129,608	6,812,853
1997	796,810	1,501,621	2,452,429	516,351	1,308,762	6,575,973
1998	634,297	1,300,571	4,074,220	431,839	1,248,602	7,689,529

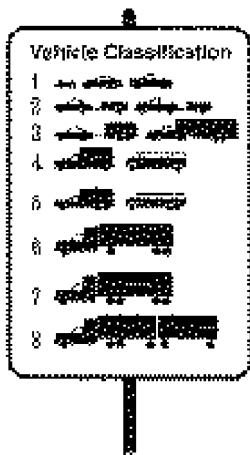
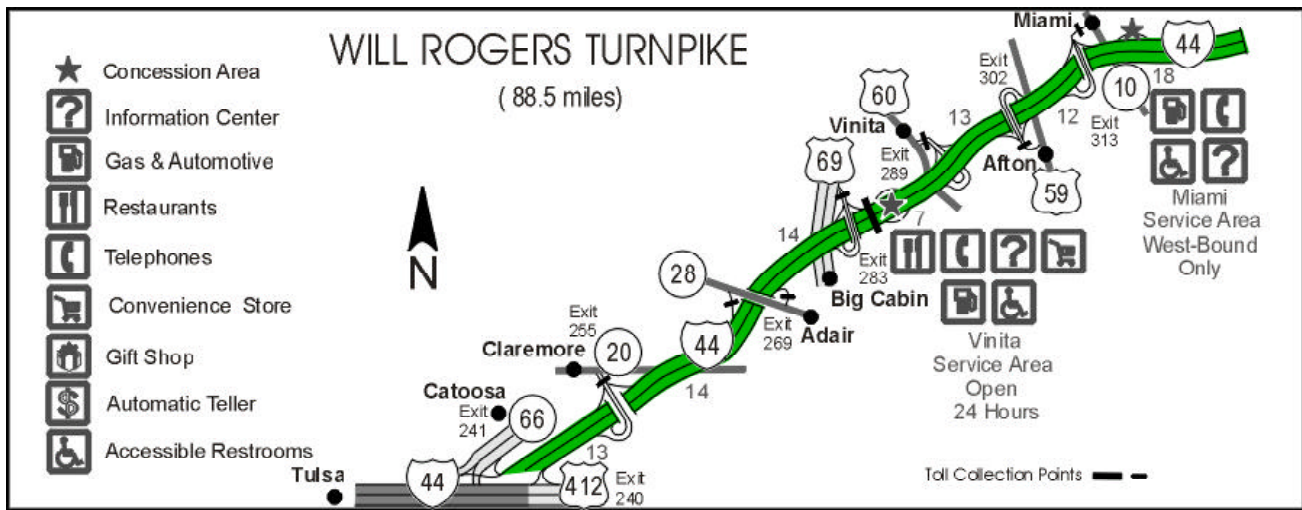
Restaurant and Service Station Sales



Motor Fuel Gallonage Sold



Will Rogers Turnpike

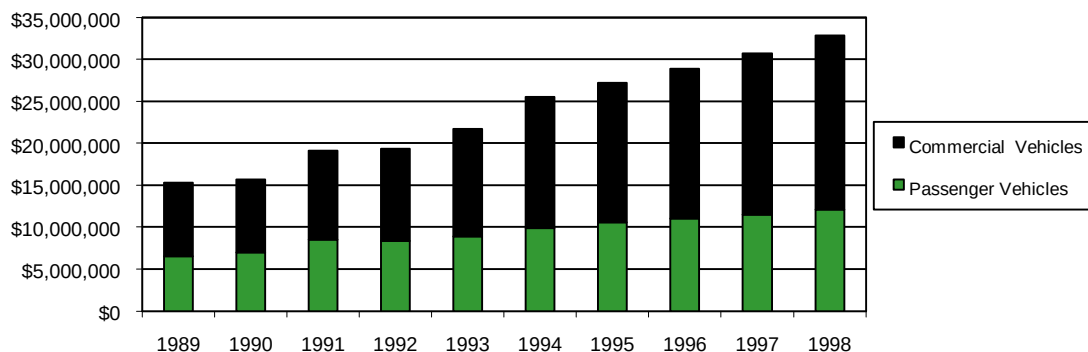


Vehicle Classification	1		2		3		4		5		6		7		8	
	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH
Tulsa-State Line	2.70	3.00	4.30	4.75	5.40	6.00	3.60	4.00	5.20	5.75	7.65	8.50	9.90	11.00	11.95	13.25
Miami	2.25	2.50	3.60	4.00	4.50	5.00	2.95	3.25	4.30	4.75	6.30	7.00	7.90	8.75	9.90	11.00
Afton	1.80	2.00	2.70	3.00	3.60	4.00	2.25	2.50	3.60	4.00	5.40	6.00	6.75	7.50	8.10	9.00
Vinita	1.35	1.50	2.25	2.50	2.95	3.25	1.80	2.00	2.70	3.00	4.30	4.75	5.40	6.00	6.55	7.25
Big Cabin	1.15	1.25	1.80	2.00	2.50	2.75	1.60	1.75	2.25	2.50	3.60	4.00	4.75	5.25	5.65	6.25
State Hwy 28	0.90	1.00	1.35	1.50	1.80	2.00	1.15	1.25	1.60	1.75	2.50	2.75	3.40	3.75	4.05	4.50
Claremore	0.45	0.50	0.70	0.75	0.90	1.00	0.70	0.75	0.90	1.00	1.15	1.25	1.60	1.75	1.80	2.00
Claremore-																
State Line	2.25	2.50	3.60	4.00	4.50	5.00	3.15	3.50	4.50	5.00	6.55	7.25	8.35	9.25	10.15	11.25
Miami	1.60	1.75	2.70	3.00	3.40	3.75	2.25	2.50	3.60	4.00	5.20	5.75	6.55	7.25	7.90	8.75
Afton	1.35	1.50	2.25	2.50	2.70	3.00	1.80	2.00	2.70	3.00	4.30	4.75	5.40	6.00	6.30	7.00
Vinita	0.90	1.00	1.60	1.75	2.05	2.25	1.35	1.50	2.05	2.25	2.95	3.25	4.05	4.50	4.75	5.25
Big Cabin	0.90	1.00	1.35	1.50	1.60	1.75	1.15	1.25	1.60	1.75	2.25	2.50	2.95	3.25	3.85	4.25
State Hwy 28	0.45	0.50	0.70	0.75	0.90	1.00	0.70	0.75	0.90	1.00	1.35	1.50	1.60	1.75	2.05	2.25
Big Cabin-																
State Line	1.35	1.50	2.25	2.50	2.70	3.00	1.80	2.00	2.70	3.00	4.30	4.75	5.20	5.75	6.30	7.00
Miami	0.90	1.00	1.35	1.50	1.80	2.00	1.15	1.25	1.80	2.00	2.70	3.00	3.60	4.00	4.30	4.75
Afton	0.70	0.75	0.90	1.00	1.15	1.25	0.70	0.75	1.15	1.25	1.60	1.75	2.05	2.25	2.50	2.75
Vinita	0.25	0.25	0.45	0.50	0.45	0.50	0.45	0.50	0.45	0.50	0.70	0.75	0.90	1.00	1.15	1.25
Vinita-State Line	1.15	1.25	1.80	2.00	2.25	2.50	1.60	1.75	2.25	2.50	3.60	4.00	4.50	5.00	5.40	6.00
Miami	0.70	0.75	1.15	1.25	1.35	1.50	0.90	1.00	1.35	1.50	2.05	2.25	2.50	2.75	3.40	3.75
Afton	0.45	0.50	0.70	0.75	0.70	0.75	0.45	0.50	0.70	0.75	1.15	1.25	1.35	1.50	1.60	1.75
Afton-State Line	0.90	1.00	1.35	1.50	1.60	1.75	1.15	1.25	1.60	1.75	2.25	2.50	2.95	3.25	3.85	4.25
Miami	0.45	0.50	0.45	0.50	0.70	0.75	0.45	0.50	0.70	0.75	0.90	1.00	1.15	1.25	1.60	1.75
Miami-State Line	0.45	0.50	0.70	0.75	0.90	1.00	0.70	0.75	0.90	1.00	1.35	1.50	1.80	2.00	2.05	2.25

Will Rogers Turnpike

Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1989	\$6,514,131	\$8,804,032	\$15,318,163	\$192,706	\$15,510,869	406,357,524	7,186,260
1990	7,007,194	8,703,150	15,710,344	168,179	15,878,523	409,790,796	7,207,853
1991	8,504,818	10,645,699	19,150,517	152,991	19,303,508	400,503,359	7,226,371
1992	8,360,257	10,978,779	19,339,036	148,373	19,487,409	405,175,395	7,394,051
1993	8,917,234	12,827,553	21,744,787	147,598	21,892,385	466,516,192	7,680,440
1994	9,884,254	15,688,840	25,573,094	155,937	25,729,031	513,410,112	8,257,321
1995	10,531,513	16,688,180	27,219,693	151,754	27,371,447	499,196,236	8,465,945
1996	11,016,606	17,884,726	28,901,332	150,518	29,051,850	527,905,258	9,027,008
1997	11,493,541	19,199,089	30,692,630	156,890	30,849,520	552,904,229	9,475,744
1998	12,106,504	20,744,430	32,850,934	172,765	33,023,699	586,173,738	10,179,696

Toll Receipts



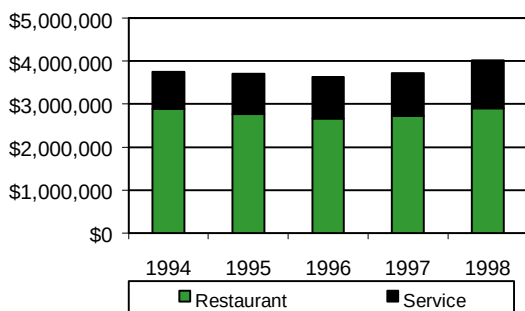
Restaurant and Service Station Sales

Year	Vinita	Miami	Total
1994	\$3,521,412	\$228,594	\$3,750,006
1995	3,450,736	250,958	3,701,694
1996	3,382,427	250,478	3,632,905
1997	3,474,433	248,749	3,723,182
1998	3,743,536	275,994	4,019,530

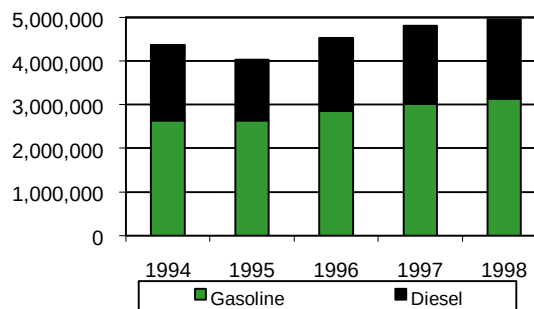
Motor Fuel Gallonage Sold

Year	Vinita	Miami	Total
1994	3,458,227	913,139	4,371,366
1995	3,205,442	829,970	4,035,412
1996	3,594,181	936,099	4,530,280
1997	3,811,608	1,001,411	4,813,019
1998	3,924,090	1,035,217	4,959,307

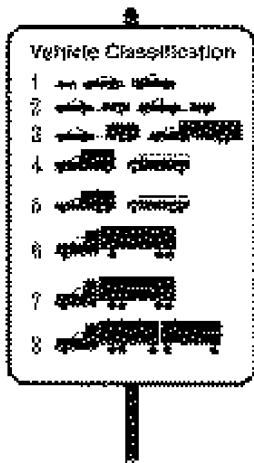
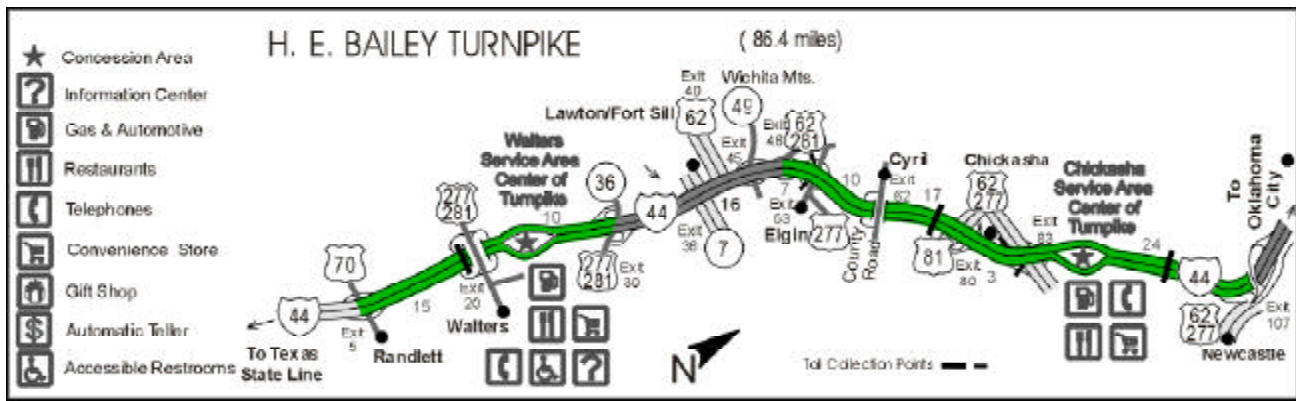
Restaurant and Service Station Sales



Motor Fuel Gallonage Sold



H.E. Bailey Turnpike

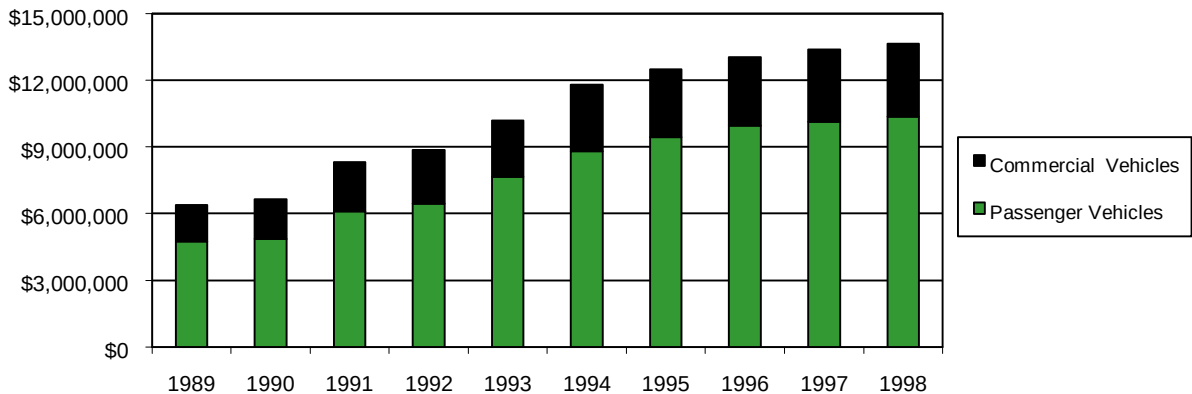


Vehicle Classification	1		2		3		4		5		6		7		8	
	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH
Oklahoma City- Wichita Falls	3.20	3.50	4.55	5.00	5.90	6.50	3.45	3.75	5.00	5.50	7.00	7.75	9.05	10.00	10.80	12.00
Chickasha	1.15	1.25	1.35	1.50	2.05	2.25	1.15	1.25	1.80	2.00	2.25	2.50	2.95	3.25	3.60	4.00
Chickasha- State Hwy 62	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.45	0.50
Lawton	1.15	1.25	1.60	1.75	2.05	2.25	1.15	1.25	1.60	1.75	2.50	2.75	3.15	3.50	3.60	4.00
Elgin-Lawton	0.25	0.25	0.45	0.50	0.45	0.50	0.25	0.25	0.45	0.50	0.45	0.50	0.70	0.75	0.70	0.75
Lawton- Wichita Falls	0.90	1.00	1.60	1.75	1.80	2.00	1.15	1.25	1.60	1.75	2.25	2.50	2.95	3.25	3.60	4.00
Walters	0.45	0.50	0.45	0.50	0.70	0.75	0.45	0.50	0.70	0.75	0.90	1.00	1.15	1.25	1.35	1.50
Walters- Wichita Falls	0.45	0.50	0.45	0.50	0.70	0.75	0.45	0.50	0.70	0.75	0.90	1.00	1.15	1.25	1.35	1.50

H.E. Bailey Turnpike

Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1989	\$4,749,588	\$1,653,900	\$6,403,488	\$175,638	\$6,579,126	217,786,751	8,410,043
1990	4,868,005	1,763,084	6,631,089	171,842	6,802,931	231,947,018	8,968,763
1991	6,101,321	2,223,767	8,325,088	162,743	8,487,831	236,012,999	9,165,685
1992	6,437,884	2,439,111	8,876,995	171,788	9,048,783	242,625,867	10,057,270
1993	7,655,060	2,519,167	10,174,227	169,246	10,343,473	241,925,939	10,072,855
1994	8,805,616	3,001,026	11,806,642	171,185	11,977,827	254,636,237	10,592,790
1995	9,431,704	3,071,198	12,502,902	187,525	12,690,427	262,008,294	10,801,551
1996	9,964,575	3,074,802	13,039,377	184,881	13,224,258	273,647,373	11,222,476
1997	10,134,572	3,252,368	13,386,940	186,775	13,573,715	282,514,426	11,516,692
1998	10,352,078	3,303,951	13,656,029	197,659	13,853,688	287,002,025	11,808,248

Toll Receipts



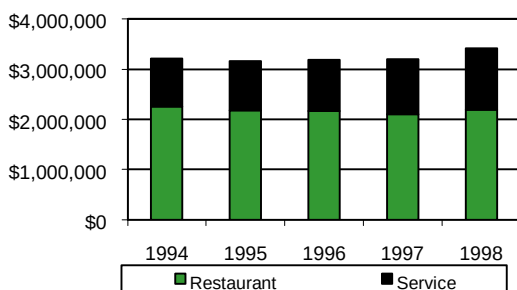
Restaurant and Service Station Sales

Year	Chickasha	Walters	Total
1994	\$2,100,511	\$1,105,176	\$3,205,687
1995	2,078,071	1,076,304	3,154,375
1996	2,069,429	1,110,574	3,180,003
1997	2,120,375	1,082,313	3,202,688
1998	2,209,427	1,203,019	3,412,446

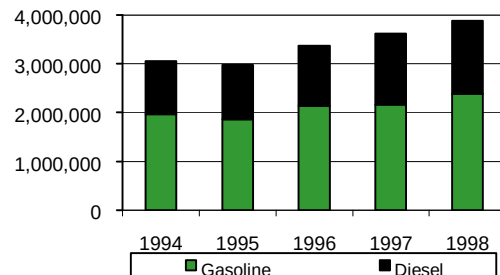
Motor Fuel Gallonage Sold

Year	Chickasha	Walters	Total
1994	1,778,790	1,273,434	3,052,224
1995	1,795,119	1,183,793	2,978,912
1996	1,982,408	1,389,597	3,372,005
1997	2,027,729	1,595,877	3,623,606
1998	2,132,249	1,741,711	3,873,960

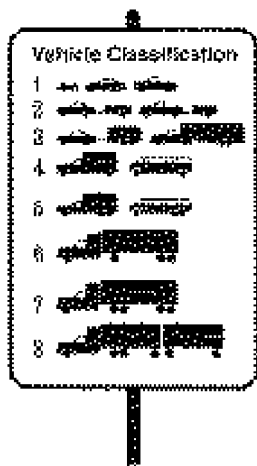
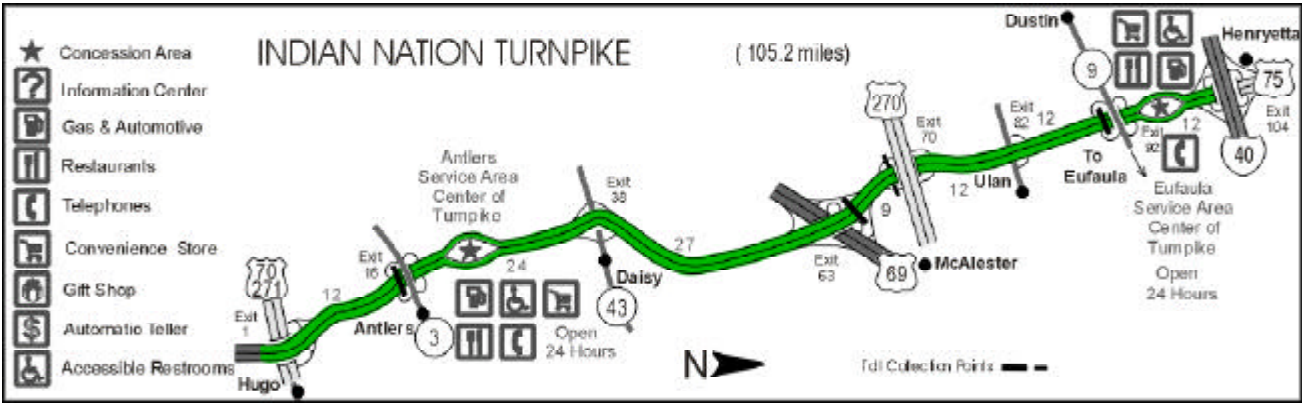
Restaurant and Service Station Sales



Motor Fuel Gallonage Sold



Indian Nation Turnpike

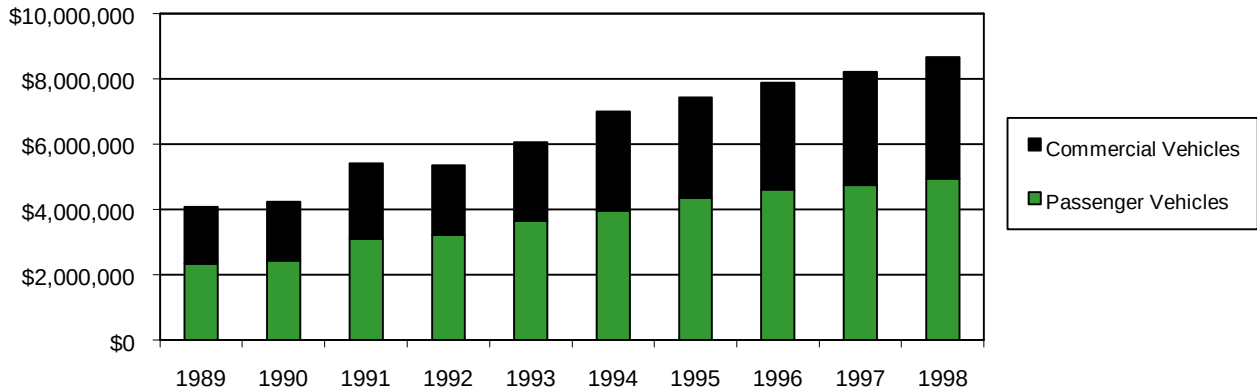


Vehicle Classification	1		2		3		4		5		6		7		8	
	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH
Henryetta-Hugo	3.65	4.00	4.75	5.25	6.35	7.00	3.65	4.00	5.40	6.00	8.60	9.50	11.05	12.25	13.55	15.00
State Hwy 9	0.45	0.50	0.45	0.50	0.70	0.75	0.45	0.50	0.70	0.75	0.90	1.00	1.15	1.25	1.35	1.50
McAlester	1.35	1.50	1.80	2.00	2.25	2.50	1.35	1.50	1.80	2.00	2.95	3.25	3.85	4.25	4.75	5.25
State Hwy 9-McAlester	0.70	0.75	1.15	1.25	1.35	1.50	0.90	1.00	1.15	1.25	1.60	1.75	2.05	2.25	2.50	2.75
US-270-McAlester	0.25	0.25	0.45	0.50	0.45	0.50	0.45	0.50	0.45	0.50	0.70	0.75	0.90	1.00	1.15	1.25
McAlester-Daisy	1.15	1.25	1.35	1.50	2.05	2.25	1.15	1.25	1.80	2.00	2.95	3.25	3.60	4.00	4.30	4.75
Daisy-Antlers	0.70	0.75	0.90	1.00	1.15	1.25	0.70	0.75	1.15	1.25	1.35	1.50	1.80	2.00	2.05	2.25
Hugo	1.15	1.25	1.60	1.75	2.05	2.25	1.15	1.25	1.80	2.00	2.70	3.00	3.60	4.00	4.50	5.00
Antlers-Hugo	0.45	0.50	0.70	0.75	0.90	1.00	0.70	0.75	0.90	1.00	1.15	1.25	1.60	1.75	1.80	2.00

Indian Nation Turnpike

Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1989	\$2,345,156	\$1,734,691	\$4,079,847	\$140,961	\$4,220,808	131,999,623	3,952,960
1990	2,429,236	1,809,932	4,239,168	147,436	4,386,604	137,133,591	4,131,706
1991	3,103,905	2,305,882	5,409,787	145,214	5,555,001	142,481,132	4,154,209
1992	3,216,108	2,130,541	5,346,649	151,490	5,498,139	139,658,525	4,205,346
1993	3,652,300	2,392,301	6,044,601	151,902	6,196,503	141,385,637	4,311,419
1994	3,964,122	3,029,852	6,993,974	159,741	7,153,715	147,730,873	4,575,973
1995	4,345,056	3,071,395	7,416,451	163,315	7,579,766	151,564,034	4,683,401
1996	4,596,612	3,277,037	7,873,649	162,626	8,036,275	159,833,553	4,927,738
1997	4,739,420	3,472,483	8,211,903	166,201	8,378,104	170,959,074	5,116,962
1998	4,931,365	3,721,196	8,652,561	176,690	8,829,251	174,576,602	5,348,536

Toll Receipts



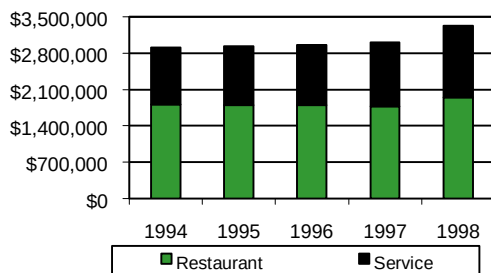
Restaurant and Service Station Sales

Year	Eufaula	Antlers	Total
1994	\$1,689,642	\$1,216,100	\$2,905,742
1995	1,694,155	1,240,016	2,934,171
1996	1,739,237	1,220,536	2,959,773
1997	1,764,210	1,249,660	3,013,870
1998	1,908,262	1,420,981	3,329,243

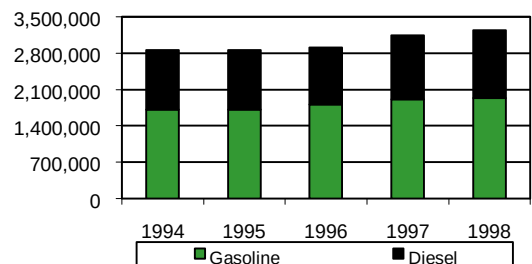
Motor Fuel Gallonage Sold

Year	Eufaula	Antlers	Total
1994	1,596,102	1,256,143	2,852,245
1995	1,608,672	1,253,796	2,862,468
1996	1,699,855	1,200,914	2,900,769
1997	1,892,693	1,247,732	3,140,425
1998	1,996,653	1,246,503	3,243,156

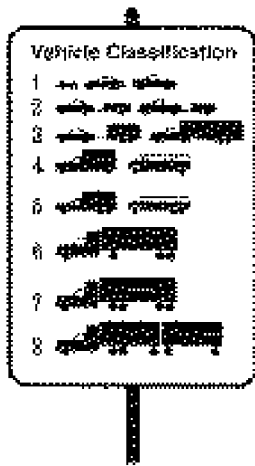
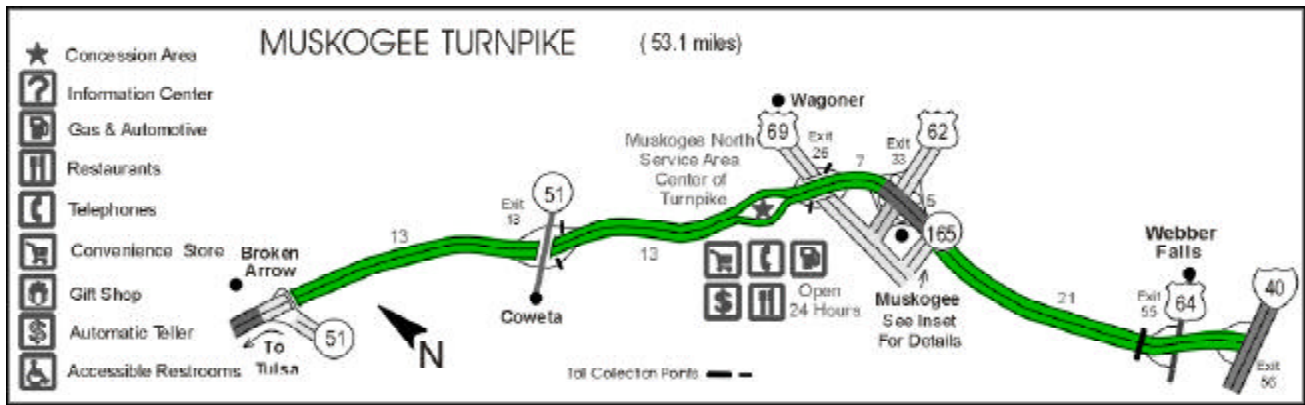
Restaurant and Service Station Sales



Motor Fuel Gallonage Sold



Muskogee Turnpike

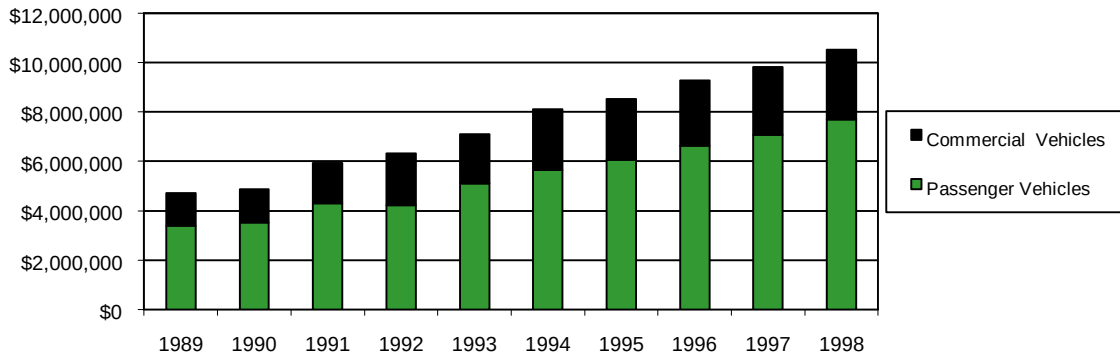


Vehicle Classification	1		2		3		4		5		6		7		8	
	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH
Tulsa-																
Webber Falls	2.05	2.25	2.95	3.25	3.60	4.00	2.25	2.50	3.20	3.50	4.55	5.00	5.65	6.25	6.30	7.00
Coweta	0.70	0.75	1.15	1.25	1.35	1.50	1.15	1.25	1.35	1.50	1.35	1.50	1.60	1.75	1.80	2.00
Muskogee	1.15	1.25	1.80	2.00	2.25	2.50	1.35	1.50	2.05	2.25	2.50	2.75	3.15	3.50	3.60	4.00
Coweta-Muskogee	0.45	0.50	0.70	0.75	0.90	1.00	0.70	0.75	0.90	1.00	1.15	1.25	1.60	1.75	1.80	2.00
US 69-Muskogee	0.45	0.50	0.45	0.50	0.70	0.75	0.45	0.50	0.45	0.50	0.70	0.75	0.90	1.00	1.15	1.25
Muskogee-																
Webber Falls	0.90	1.00	1.15	1.25	1.35	1.50	0.90	1.00	1.15	1.25	2.05	2.25	2.50	2.75	2.70	3.00

Muskogee Turnpike

Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1989	\$3,398,200	\$1,306,652	\$4,704,852	\$114,717	\$4,819,569	157,428,252	6,342,233
1990	3,535,341	1,348,085	4,883,426	117,152	5,000,578	162,282,087	6,520,038
1991	4,298,251	1,637,151	5,935,402	117,469	6,052,871	158,284,930	6,392,689
1992	4,228,385	2,084,221	6,312,606	124,596	6,437,202	172,867,277	6,864,447
1993	5,100,961	2,005,391	7,106,352	123,240	7,229,592	172,973,977	6,787,623
1994	5,654,759	2,452,112	8,106,871	123,879	8,230,750	170,920,108	6,971,042
1995	6,055,078	2,482,182	8,537,260	119,061	8,656,321	167,628,467	7,012,772
1996	6,647,487	2,616,879	9,264,366	124,783	9,389,149	183,565,727	7,636,060
1997	7,078,919	2,740,045	9,818,964	125,117	9,944,081	199,274,836	8,151,158
1998	7,695,254	2,840,232	10,535,486	135,746	10,671,232	208,126,780	8,780,392

Toll Receipts



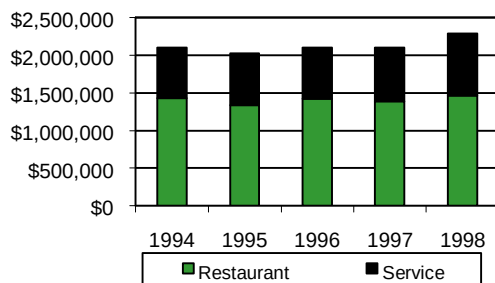
Restaurant and Service Station Sales

Year	Muskogee	Total
1994	\$2,100,788	\$2,100,788
1995	2,022,540	2,022,540
1996	2,101,228	2,101,228
1997	2,097,122	2,097,122
1998	2,287,765	2,287,765

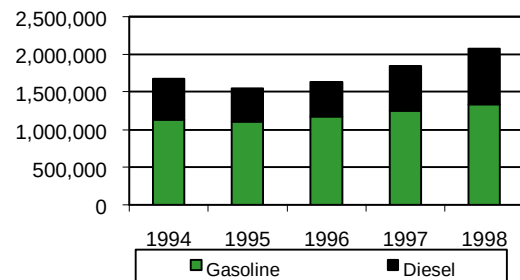
Motor Fuel Gallonage Sold

Year	Muskogee	Total
1994	1,672,051	1,672,051
1995	1,548,840	1,548,840
1996	1,629,570	1,629,570
1997	1,848,364	1,848,364
1998	2,079,161	2,079,161

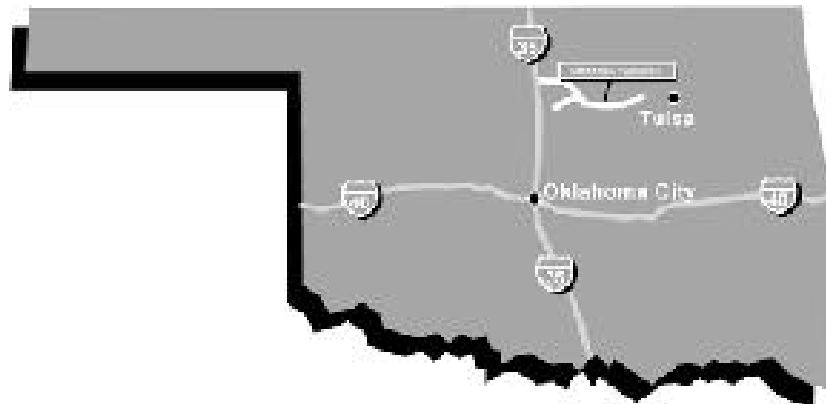
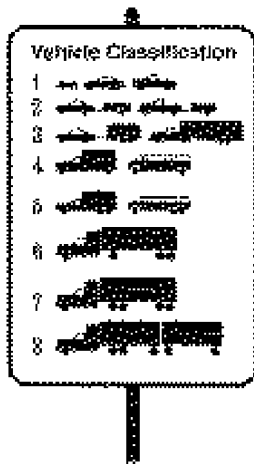
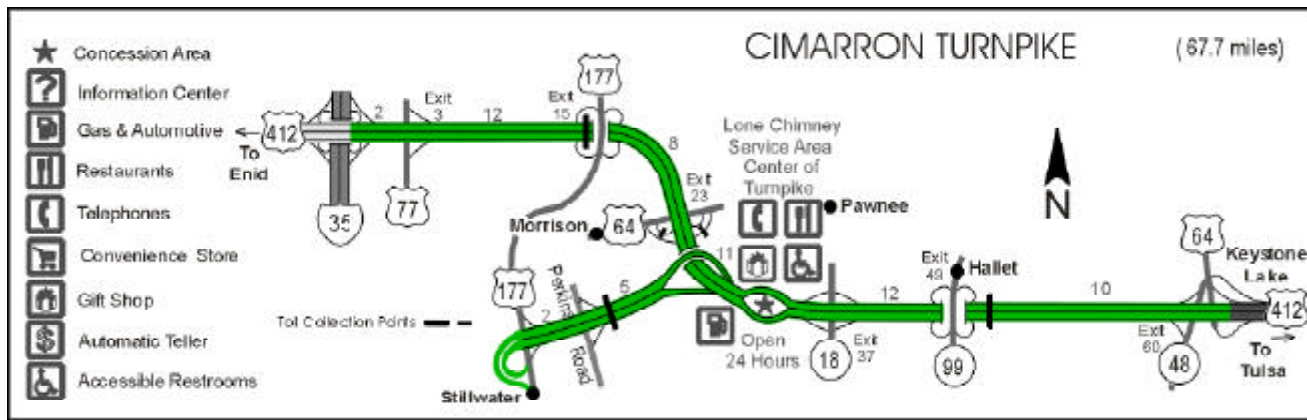
Restaurant and Service Station Sales



Motor Fuel Gallonage Sold



Cimarron Turnpike

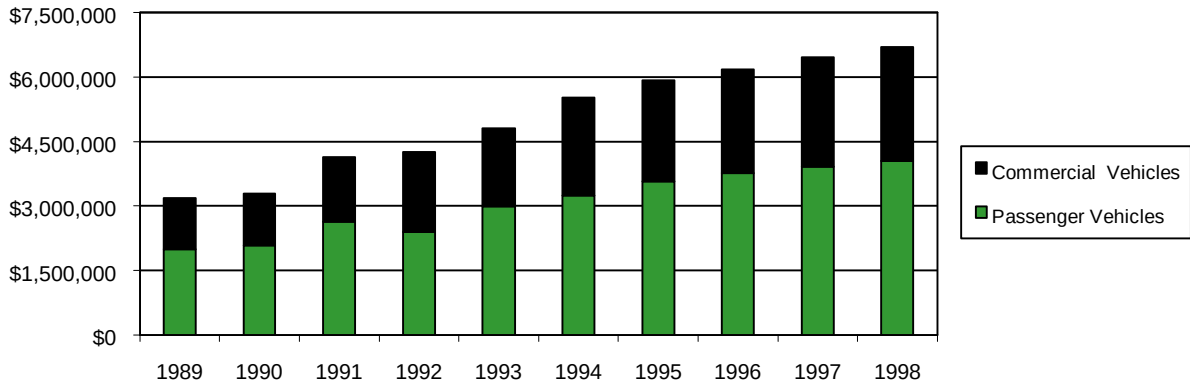


Vehicle Classification	1		2		3		4		5		6		7		8	
	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH
Tulsa-I-35	2.05	2.25	2.95	3.25	3.65	4.00	2.30	2.50	3.20	3.50	5.45	6.00	7.00	7.75	8.35	9.25
US 177	1.35	1.50	2.05	2.25	2.50	2.75	1.60	1.75	2.25	2.50	4.05	4.50	5.20	5.75	6.10	6.75
Morrison	1.15	1.25	1.60	1.75	2.05	2.25	1.35	1.50	1.60	1.75	3.15	3.50	4.05	4.50	4.95	5.50
Stillwater	1.15	1.25	1.60	1.75	2.05	2.25	1.60	1.75	2.05	2.25	3.60	4.00	4.75	5.25	5.65	6.25
State Hwy 18	0.70	0.75	1.15	1.25	1.35	1.50	0.90	1.00	1.15	1.25	2.50	2.75	3.15	3.50	3.85	4.25
Hallett	0.45	0.50	0.45	0.50	0.70	0.75	0.45	0.50	0.70	0.75	0.90	1.00	1.15	1.25	1.35	1.50
Hallett-																
State Hwy 18	0.45	0.50	0.45	0.50	0.70	0.75	0.45	0.50	0.70	0.75	0.90	1.00	1.15	1.25	1.35	1.50
State Hwy 18-I-35	1.35	1.50	1.80	2.00	2.25	2.50	1.35	1.50	2.05	2.25	2.95	3.25	3.85	4.25	4.50	5.00
US 177	0.70	0.75	0.90	1.00	1.15	1.25	0.70	0.75	1.15	1.25	1.60	1.75	2.05	2.25	2.25	2.50
Morrison	0.45	0.50	0.45	0.50	0.70	0.75	0.45	0.50	0.45	0.50	0.70	0.75	0.90	1.00	1.15	1.25
Stillwater	0.45	0.50	0.45	0.50	0.70	0.75	0.70	0.75	0.90	1.00	1.15	1.25	1.60	1.75	1.80	2.00
US 177-I-35	0.70	0.75	0.90	1.00	1.15	1.25	0.70	0.75	0.90	1.00	1.35	1.50	1.80	2.00	2.25	2.50

Cimarron Turnpike

Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1989	\$1,989,232	\$1,190,559	\$3,179,791	\$99,122	\$3,278,913	105,433,218	4,412,629
1990	2,087,267	1,205,448	3,292,715	105,868	3,398,583	108,351,921	4,543,272
1991	2,626,878	1,514,784	4,141,662	110,247	4,251,909	109,156,746	4,611,609
1992	2,398,351	1,851,917	4,250,268	114,182	4,364,450	114,492,291	4,745,868
1993	2,982,065	1,816,081	4,798,146	116,559	4,914,705	111,347,864	4,880,018
1994	3,243,305	2,273,043	5,516,348	119,586	5,635,934	117,182,210	5,083,765
1995	3,561,386	2,354,469	5,915,855	124,424	6,040,279	113,058,917	5,165,592
1996	3,770,451	2,398,910	6,169,361	121,972	6,291,333	119,029,429	5,459,669
1997	3,916,625	2,546,205	6,462,830	124,003	6,586,833	130,261,109	5,678,916
1998	4,041,796	2,661,470	6,703,266	132,215	6,835,481	128,542,816	5,822,451

Toll Receipts



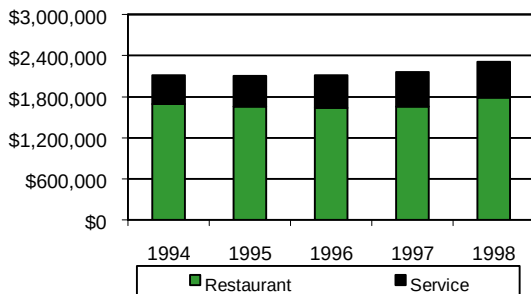
Restaurant and Service Station Sales

Year	Lone Chimney	Total
1994	\$2,113,594	\$2,113,594
1995	2,109,420	2,109,420
1996	2,119,208	2,119,208
1997	2,161,931	2,161,931
1998	2,312,740	2,312,740

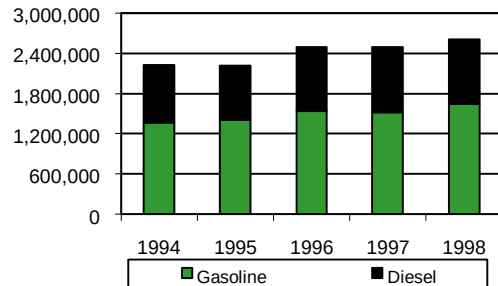
Motor Fuel Gallonage Sold

Year	Lone Chimney	Total
1994	2,226,607	2,226,607
1995	2,221,057	2,221,057
1996	2,491,999	2,491,999
1997	2,494,016	2,494,016
1998	2,611,440	2,611,440

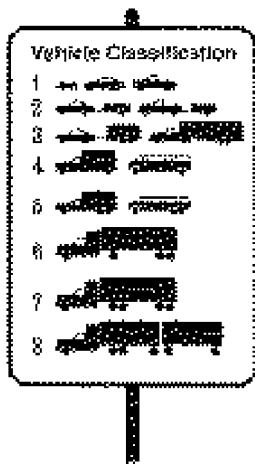
Restaurant and Service Station Sales



Motor Fuel Gallonage Sold



John Kilpatrick Turnpike

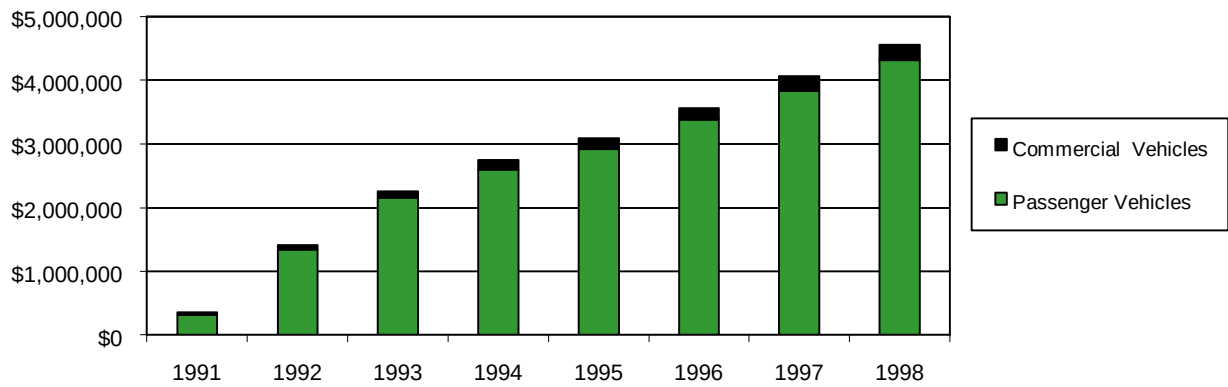


Vehicle Classification	1		2		3		4		5		6		7		8	
	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH
I-35-Eastern	0.25	0.25	0.35	0.50	0.45	0.50	0.30	0.50	0.40	0.50	0.55	0.75	0.75	1.00	0.90	1.25
US 77	0.35	0.50	0.45	0.50	0.65	0.75	0.45	0.50	0.55	0.75	0.80	1.00	1.00	1.25	1.25	1.50
Western	0.45	0.80	0.60	1.05	0.90	1.55	0.60	1.05	0.75	1.30	1.05	1.80	1.35	2.35	1.65	2.85
Pennsylvania	0.55	0.80	0.70	1.05	1.05	1.55	0.70	1.05	0.85	1.30	1.20	1.80	1.55	2.35	1.90	2.85
May	0.65	0.80	0.85	1.05	1.25	1.55	0.85	1.05	1.05	1.30	1.45	1.80	1.90	2.35	2.30	2.85
Portland	0.70	0.80	0.95	1.05	1.40	1.55	0.95	1.05	1.20	1.30	1.60	1.80	2.10	2.35	2.55	2.85
Eastern-US 77	0.25	0.50	0.35	0.50	0.45	0.75	0.30	0.50	0.40	0.75	0.55	1.00	0.75	1.25	0.90	1.50
Western	0.25	0.80	0.35	1.05	0.45	1.55	0.30	1.05	0.40	1.30	0.55	1.80	0.75	2.35	0.90	2.85
Pennsylvania	0.30	0.80	0.40	1.05	0.60	1.55	0.40	1.05	0.50	1.30	0.70	1.80	0.90	2.35	1.10	2.85
May	0.40	0.80	0.55	1.05	0.80	1.55	0.55	1.05	0.70	1.30	0.95	1.80	1.25	2.35	1.50	2.85
Portland	0.50	0.80	0.65	1.05	0.95	1.55	0.65	1.05	0.80	1.30	1.10	1.80	1.45	2.35	1.75	2.85
US 77-Western	0.25	0.80	0.35	1.05	0.45	1.55	0.30	1.05	0.40	1.30	0.55	1.80	0.75	2.35	0.90	2.85
Pennsylvania	0.25	0.80	0.35	1.05	0.45	1.55	0.30	1.05	0.40	1.30	0.55	1.80	0.75	2.35	0.90	2.85
May	0.30	0.80	0.40	1.05	0.60	1.55	0.40	1.05	0.50	1.30	0.70	1.80	0.90	2.35	1.10	2.85
Portland	0.40	0.80	0.50	1.05	0.75	1.55	0.50	1.05	0.60	1.30	0.85	1.80	1.15	2.35	1.35	2.85
Western-																
Pennsylvania	0.25	0.25	0.35	0.50	0.45	0.50	0.30	0.50	0.40	0.50	0.55	0.75	0.75	1.00	0.90	1.25
May	0.25	0.25	0.35	0.50	0.45	0.50	0.30	0.50	0.40	0.50	0.55	0.75	0.75	1.00	0.90	1.25
Portland	0.25	0.25	0.35	0.50	0.50	0.50	0.35	0.50	0.45	0.50	0.60	0.75	0.80	1.00	0.95	1.25
Pennsylvania-																
May	0.25	0.25	0.35	0.50	0.45	0.50	0.30	0.50	0.40	0.50	0.55	0.75	0.75	1.00	0.90	1.25
Portland	0.25	0.25	0.35	0.50	0.45	0.50	0.30	0.50	0.40	0.50	0.55	0.75	0.75	1.00	0.90	1.25

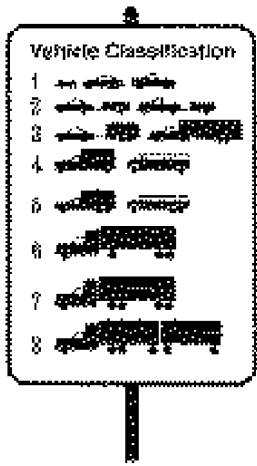
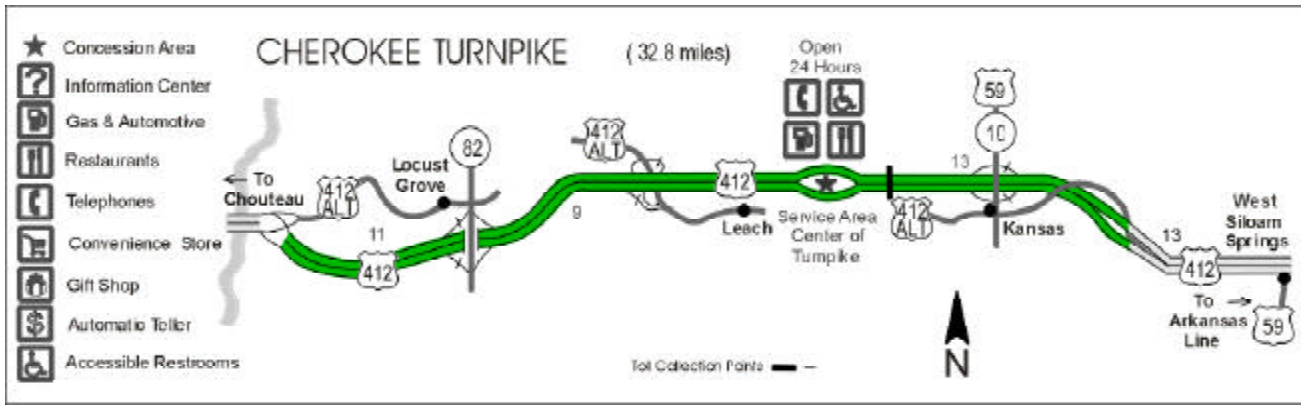
John Kilpatrick Turnpike

Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1991	\$ 312,064	\$ 45,834	\$ 357,898	-N/A-	\$ 357,898	3,398,717	621,551
1992	1,338,582	69,091	1,407,673	-N/A-	1,407,673	18,005,469	3,022,778
1993	2,155,385	103,928	2,259,313	-N/A-	2,259,313	35,184,318	5,135,250
1994	2,594,488	155,250	2,749,738	-N/A-	2,749,738	38,527,223	6,002,816
1995	2,918,028	169,504	3,087,532	-N/A-	3,087,532	37,609,338	6,539,352
1996	3,381,621	181,436	3,563,057	-N/A-	3,563,057	43,448,877	7,594,691
1997	3,836,811	224,731	4,061,542	-N/A-	4,061,542	49,370,844	8,798,081
1998	4,313,608	244,112	4,557,720	-N/A-	4,557,720	55,489,727	10,014,417

Toll Receipts



Cherokee Turnpike

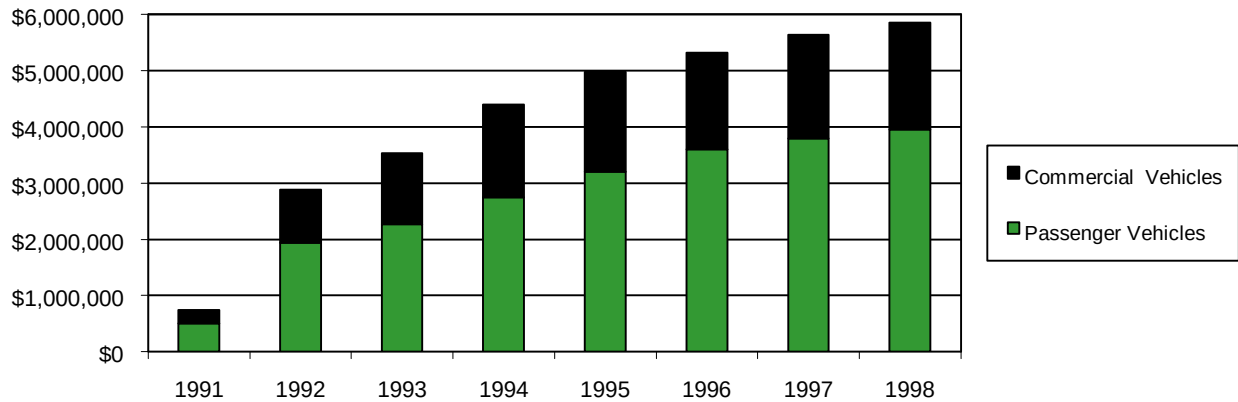


Vehicle Classification		1		2		3		4		5		6		7		8	
		PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH
Flint Creek-SH-10	US-412	0.25	0.25	0.40	0.50	0.50	0.50	0.30	0.50	0.45	0.50	0.60	1.00	0.80	1.25	0.95	1.50
	SH-82	.90	2.00	1.35	3.00	1.70	3.75	0.90	2.00	1.50	3.25	2.05	4.50	2.60	5.75	3.20	7.00
	US-69	1.50	2.00	2.30	3.00	2.85	3.75	1.55	2.00	2.50	3.25	3.45	4.50	4.40	5.75	5.35	7.00
	SH-10-US-412	1.80	2.00	2.75	3.00	3.40	3.75	1.80	2.00	2.95	3.25	4.05	4.50	5.25	5.75	6.30	7.00
SH-10-US-412	SH-82	0.65	2.00	0.95	3.00	1.20	3.75	0.65	2.00	1.05	3.25	1.45	4.50	1.85	5.75	2.25	7.00
	US-69	1.25	2.00	1.90	3.00	2.35	3.75	1.25	2.00	2.05	3.25	2.80	4.50	3.60	5.75	4.40	7.00
	US-69	1.55	2.00	2.35	3.00	2.90	3.75	1.55	2.00	2.50	3.25	3.50	4.50	4.45	5.75	5.45	7.00
US-412-SH-82	US-69	0.60	1.00	0.90	1.50	1.15	1.75	0.60	1.25	1.00	1.75	1.40	2.25	1.75	2.75	2.15	3.25
	SH-82-US-69	0.90	1.00	1.35	1.50	1.70	1.75	0.90	1.25	1.50	1.75	2.05	2.25	2.65	2.75	3.20	3.25
SH-82-US-69		0.25	0.25	0.45	0.50	0.50	0.50	0.30	0.50	0.50	0.50	0.70	1.00	0.85	1.00	1.05	1.25

Cherokee Turnpike

Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1991	\$ 504,421	\$ 233,409	\$ 737,830	\$ -N/A-	\$ 737,830	8,757,806	562,681
1992	1,933,392	955,202	2,888,594	-N/A-	2,888,594	31,223,069	2,275,751
1993	2,274,527	1,263,539	3,538,066	-N/A-	3,538,066	59,290,478	2,533,608
1994	2,744,815	1,653,290	4,398,105	60,000	4,458,105	74,479,708	2,880,707
1995	3,204,893	1,772,860	4,977,753	60,000	5,037,753	67,121,903	3,040,010
1996	3,604,502	1,716,396	5,320,898	60,000	5,380,898	73,338,694	3,333,905
1997	3,790,083	1,853,152	5,643,235	60,000	5,703,235	77,056,773	3,520,923
1998	3,952,059	1,903,769	5,855,828	60,000	5,915,828	80,207,685	3,710,257

Toll Receipts



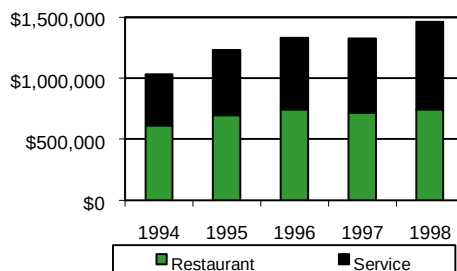
Restaurant and Service Station Sales

Year	Leach	Total
1994	\$1,031,285	\$1,031,285
1995	1,232,038	1,232,038
1996	1,328,676	1,328,676
1997	1,326,741	1,326,741
1998	1,458,952	1,458,952

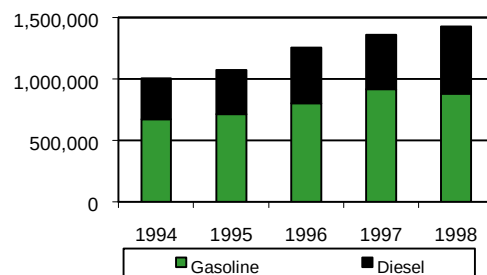
Motor Fuel Gallonage Sold

Year	Leach	Total
1994	1,004,964	1,004,964
1995	1,071,837	1,071,837
1996	1,256,617	1,256,617
1997	1,359,380	1,359,380
1998	1,427,570	1,427,570

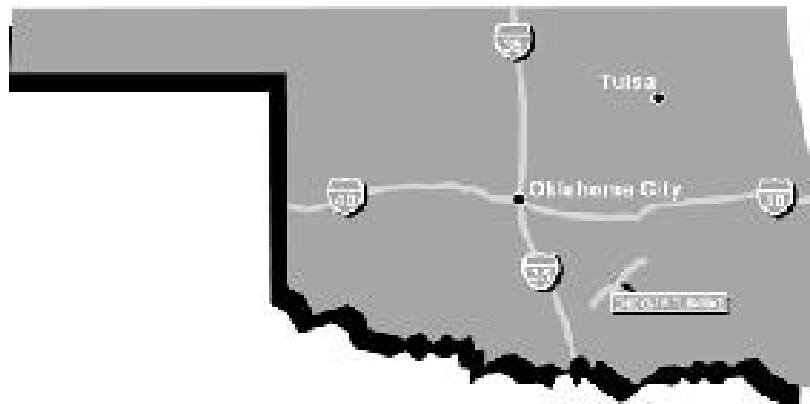
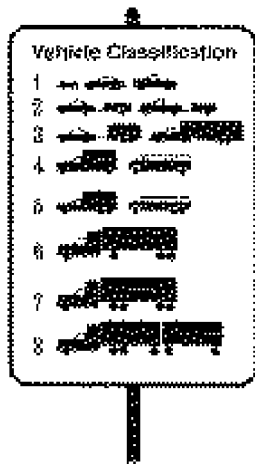
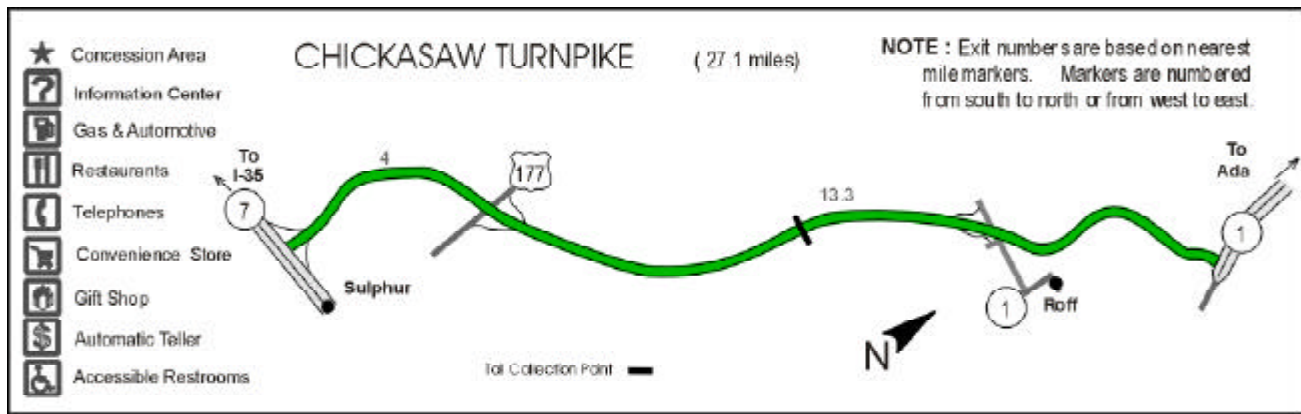
Restaurant and Service Station Sales



Motor Fuel Gallonage Sold



Chickasaw Turnpike

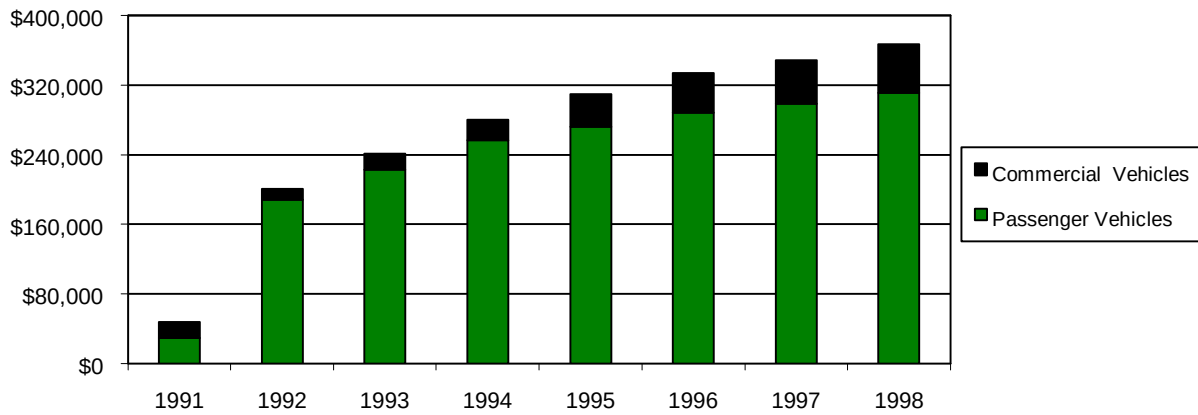


Vehicle Classification	1		2		3		4		5		6		7		8	
	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH
SH-1 Roff-US-177	0.40	0.50	0.65	0.75	0.80	1.00	0.40	0.50	0.65	0.75	1.00	1.25	1.40	1.75	1.40	1.75
SH-7	0.45	0.50	0.70	0.75	0.85	1.00	0.45	0.50	0.70	0.75	1.15	1.25	1.60	1.75	1.60	1.75

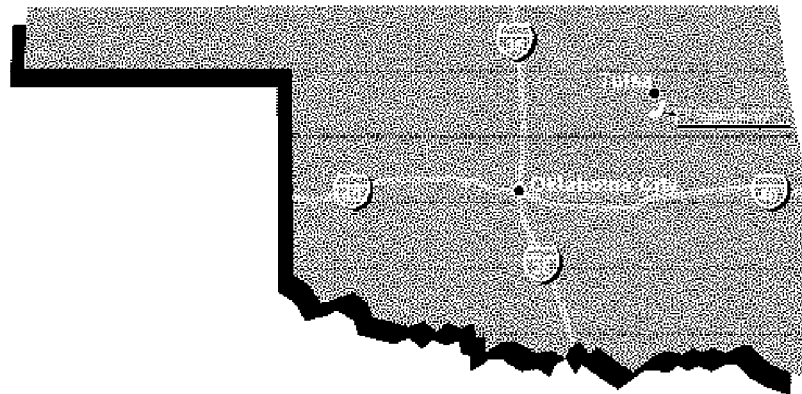
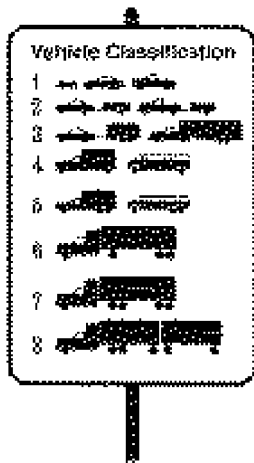
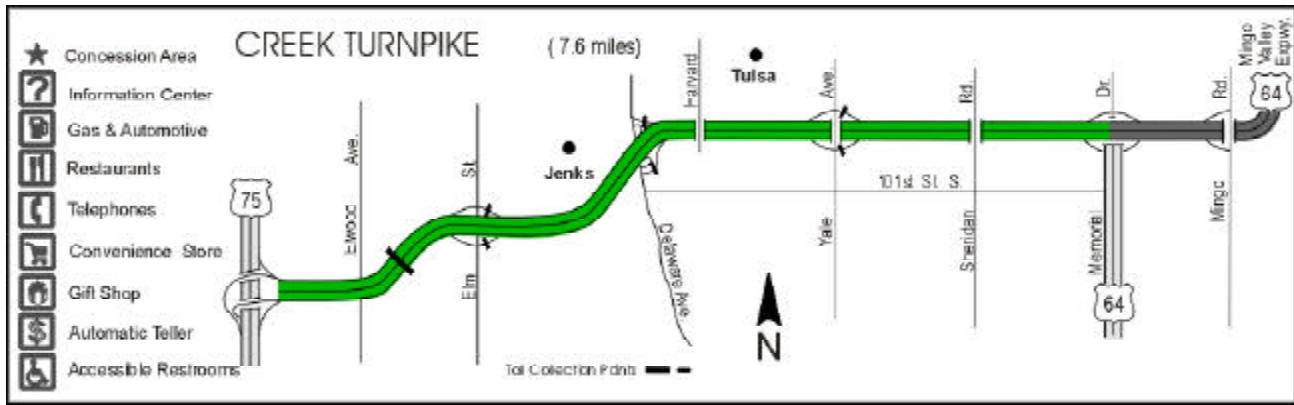
Chickasaw Turnpike

Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1991	\$ 29,318	\$17,873	\$ 47,191	-N/A-	\$ 47,191	1,270,699	81,252
1992	187,858	13,002	200,860	-N/A-	200,860	5,467,759	380,186
1993	223,061	18,290	241,351	-N/A-	241,351	7,544,909	474,659
1994	256,856	23,229	280,085	-N/A-	280,085	8,360,346	545,623
1995	272,064	37,237	309,301	-N/A-	309,301	8,254,862	587,544
1996	288,618	45,097	333,715	-N/A-	333,715	8,819,754	628,712
1997	298,743	49,900	348,643	-N/A-	348,643	9,042,648	644,270
1998	310,822	56,516	367,338	-N/A-	367,338	9,317,351	657,032

Toll Receipts



Creek Turnpike

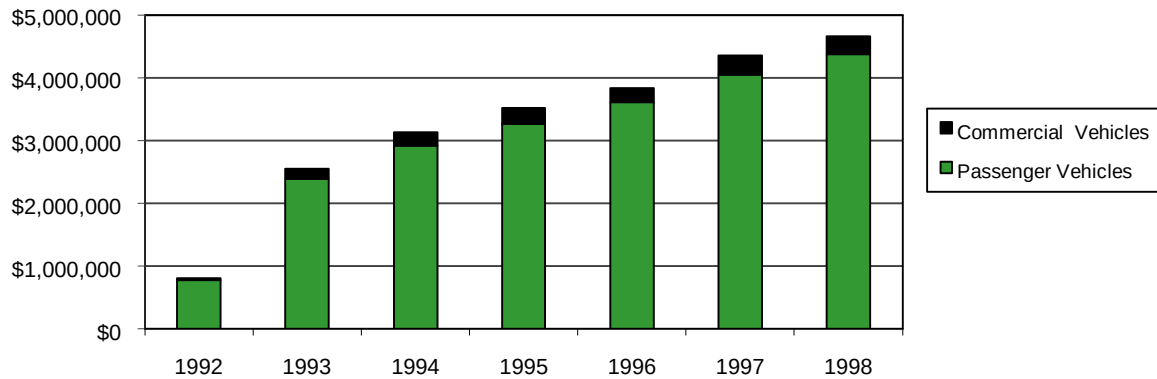


Vehicle Classification	1		2		3		4		5		6		7		8	
	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH	PIKE	CASH
US-64-Yale	0.25	0.25	0.35	0.50	0.45	0.50	0.30	0.50	0.40	0.50	0.55	0.75	0.75	1.00	0.90	1.25
Delaware	0.25	0.25	0.35	0.50	0.45	0.50	0.30	0.50	0.45	0.50	0.55	0.75	0.75	1.00	0.90	1.25
Peoria	0.35	0.50	0.50	0.75	0.65	1.00	0.35	0.50	0.65	1.00	0.80	1.25	0.95	1.50	1.10	1.75
US-75	0.50	0.55	0.75	0.80	0.95	1.05	0.50	0.55	0.95	1.05	1.15	1.30	1.40	1.55	1.60	1.80
Yale-Delaware	0.25	0.25	0.35	0.50	0.45	0.50	0.30	0.50	0.40	0.50	0.55	0.75	0.75	1.00	0.90	1.25
Peoria	0.25	0.50	0.35	0.75	0.45	1.00	0.30	0.50	0.40	1.00	0.55	1.25	0.75	1.50	0.90	1.75
US-75	0.35	0.55	0.45	0.80	0.70	1.05	0.35	0.55	0.70	1.05	0.85	1.30	1.05	1.55	1.20	1.80
Delaware-Peoria	0.25	0.50	0.35	0.75	0.45	1.00	0.30	0.50	0.40	1.00	0.55	1.25	0.75	1.50	0.90	1.75
US-75	0.25	0.55	0.35	0.80	0.45	1.05	0.30	0.55	0.45	1.05	0.55	1.30	0.75	1.55	0.90	1.80
Peoria-US-75	0.25	0.55	0.35	0.80	0.45	1.05	0.30	0.55	0.40	1.05	0.55	1.30	0.75	1.55	0.90	1.80

Creek Turnpike

Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1992	\$ 778,105	\$ 21,974	\$ 800,079	-N/A-	\$ 800,079	5,769,695	2,277,008
1993	2,389,405	157,705	2,547,110	-N/A-	2,547,110	39,431,895	6,735,141
1994	2,914,002	218,632	3,132,634	-N/A-	3,132,634	38,890,216	8,045,381
1995	3,259,920	259,488	3,519,408	-N/A-	3,519,408	45,247,674	8,538,724
1996	3,606,772	226,863	3,833,635	-N/A-	3,833,635	49,573,731	9,425,198
1997	4,045,567	305,731	4,351,298	-N/A-	4,351,298	55,570,487	10,705,080
1998	4,371,582	286,025	4,657,607	-N/A-	4,657,607	60,002,917	11,652,858

Toll Receipts



Oklahoma Turnpike Authority

Toll Revenue by Vehicle Class

Year Ended December 31, 1998

<u>Turner Turnpike</u>	<u>Toll Revenue</u>	<u>Transactions</u>	<u>Vehicle Miles</u>
Passenger Car	\$17,004,049	9,539,056	524,570,549
Passenger Car with one-axle Trailer	222,227	56,512	4,215,086
Passenger Car with two-axle Trailer	450,100	90,2820	6,775,647
Two-axle Truck or Bus	751,805	284,368	17,425,079
Three-axle Truck or Bus	295,671	76,572	4,723,583
Four-axle Truck	889,577	124,802	9,420,687
Five-axle Truck	16,821,420	1,760,257	138,678,792
Six-axle Truck	299,108	26,347	2,071,274
	<u>36,733,957</u>	<u>11,958,196</u>	<u>707,880,697</u>
<u>Will Rogers Turnpike</u>			
Passenger Car	11,403,356	7,191,848	373,491,309
Passenger Car with one-axle Trailer	240,884	72,532	5,018,421
Passenger Car with two-axle Trailer	462,264	112,052	7,683,563
Two-axle Truck or Bus	550,590	227,094	13,498,735
Three-axle Truck or Bus	224,973	63,188	3,825,282
Four-axle Truck	877,223	141,157	9,930,382
Five-axle Truck	18,846,779	2,347,081	170,897,826
Six-axle Truck	244,865	24,744	1,828,220
	<u>32,850,934</u>	<u>10,179,696</u>	<u>586,173,738</u>
<u>H.E. Bailey Turnpike</u>			
Passenger Car	10,077,030	10,338,2138	246,803,956
Passenger Car with one-axle Trailer	74,496	47,408	1,335,233
Passenger Car with two-axle Trailer	200,552	95,267	2,671,726
Two-axle Truck or Bus	286,318	258,669	6,874,147
Three-axle Truck or Bus	133,593	81,461	2,178,274
Four-axle Truck	208,425	86,983	2,417,531
Five-axle Truck	2,631,771	888,020	24,382,265
Six-axle Truck	43,844	12,227	338,893
	<u>13,656,029</u>	<u>11,808,248</u>	<u>287,002,025</u>
<u>Indian Nation Turnpike</u>			
Passenger Car	4,645,360	4,047,261	130,531,515
Passenger Car with one-axle Trailer	93,373	60,133	1,875,745
Passenger Car with two-axle Trailer	192,632	91,742	2,933,025
Two-axle Truck or Bus	184,913	159,552	5,030,978
Three-axle Truck or Bus	79,407	46,929	1,510,420
Four-axle Truck	249,716	87,082	2915,716
Five-axle Truck	3,144,131	842,258	29,284,036
Six-axle Truck	63,029	13,579	495,167
	<u>8,652,561</u>	<u>5,348,536</u>	<u>174,576,602</u>
<u>Muskogee Turnpike</u>			
Passenger Car	7,500,426	7,489,939	175,039,301
Passenger Car with one-axle Trailer	76,743	53,369	1,256,455
Passenger Car with two-axle Trailer	118,085	63,660	1,646,742
Two-axle Truck or Bus	250,486	210,794	5,332,354
Three-axle Truck or Bus	88,551	55,085	1,3874,032
Four-axle Truck	148,158	63,199	1,686,984
Five-axle Truck	2,323,017	834,673	21,543,221
Six-axle Truck	30,020	9,673	247,691
	<u>10,535,486</u>	<u>8,780,392</u>	<u>208,126,780</u>

(Continued)

Oklahoma Turnpike Authority

Toll Revenue by Vehicle Class

Year Ended December 31, 1998

<u>Cimarron Turnpike</u>	<u>Toll Revenue</u>	<u>Transactions</u>	<u>Vehicle Miles</u>
Passenger Car	\$3,883,969	4,807,215	103,642,831
Passenger Car with one-axle Trailer	61,026	44,266	1,011,801
Passenger Car with two-axle Trailer	96,801	56,101	1,334,985
Two-axle Truck or Bus	125,760	130,040	2,818,276
Three-axle Truck or Bus	45,399	33,588	731,358
Four-axle Truck	134,408	52,207	1,241,628
Five-axle Truck	2,314,097	687,906	17,498,534
Six-axle Truck	41,806	11,128	263,403
	<u>6,703,266</u>	<u>5,822,451</u>	<u>128,542,816</u>
<u>John Kilpatrick Turnpike</u>			
Passenger Car	4,302,587	9,771,349	54,025,286
Passenger Car with one-axle Trailer	5,277	6,514	51,796
Passenger Car with two-axle Trailer	5,744	5,506	42,176
Two-axle Truck or Bus	40,861	72,750	397,958
Three-axle Truck or Bus	18,892	24,488	147,486
Four-axle Truck	9,107	8,967	52,309
Five-axle Truck	167,483	119,765	744,017
Six-axle Truck	7,769	5,078	28,699
	<u>4,557,720</u>	<u>10,014,417</u>	<u>55,489,727</u>
<u>Cherokee Turnpike</u>			
Passenger Car	3,823,182	3,223,073	65,749,803
Passenger Car with one-axle Trailer	46,414	15,873	513,192
Passenger Car with two-axle Trailer	82,463	22,414	729,670
Two-axle Truck or Bus	111,014	73,615	1,930,842
Three-axle Truck or Bus	43,673	16,781	461,761
Four-axle Truck	99,917	24,148	756,839
Five-axle Truck	1,635,853	332,065	9,998,659
Six-axle Truck	13,312	2,288	66,919
	<u>5,855,828</u>	<u>3,710,257</u>	<u>80,207,685</u>
<u>Chickasaw Turnpike</u>			
Passenger Car	310,669	613,276	8,650,625
Passenger Car with one-axle Trailer	86	125	1,791
Passenger Car with two-axle Trailer	67	81	1,117
Two-axle Truck or Bus	3,002	7,012	111,918
Three-axle Truck or Bus	2,088	3,030	44,057
Four-axle Truck	1,036	934	14,187
Five-axle Truck	50,068	32,366	490,629
Six-axle Truck	322	208	3,027
	<u>367,338</u>	<u>657,032</u>	<u>9,317,351</u>
<u>Creek Turnpike</u>			
Passenger Car	4,365,769	11,278,536	57,964,123
Passenger Car with one-axle Trailer	2,959	5,373	29,705
Passenger Car with two-axle Trailer	2,854	3,688	22,190
Two-axle Truck or Bus	50,779	128,069	685,630
Three-axle Truck or Bus	37,950	55,920	276,878
Four-axle Truck	16,245	18,217	101,568
Five-axle Truck	175,746	158,744	900,277
Six-axle Truck	5,283	4,311	22,546
	<u>4,657,607</u>	<u>11,652,858</u>	<u>60,002,917</u>
Total All Turnpikes	<u>\$124,570,726</u>	<u>79,932,083</u>	<u>2,297,320,338</u>

Revenue Bond Coverage

Year	Gross Revenues(1)	Operating Expenses(2)	Net Revenues Available for Debt Service	Current Debt Principal	Current Debt Interest(3)	Current Total Debt Service(3)	Debt Service Coverage(4)
1989	\$57,574,741	\$20,836,158	\$36,738,583	\$ -	\$12,361,398	\$12,361,398	2.97
1990	61,834,490	19,827,733	42,006,757	-	15,393,288	15,393,288	2.73
1991	74,778,127	26,219,276	48,558,851	-	16,521,821	16,521,821	2.94
1992	83,214,469	29,191,959	54,022,510	650,000	17,249,292	17,899,292	3.02
1993	96,827,713	31,476,991	65,350,722	-	37,345,876	37,345,876	1.75
1994	109,690,841	33,117,162	76,573,679	4,400,000	40,109,804	44,509,804	1.72
1995	117,136,485	33,626,452	83,510,033	10,955,000	39,571,935	50,526,935	1.65
1996	122,500,788	33,159,667	89,341,121	11,465,000	39,364,759	50,829,759	1.76
1997	128,403,128	32,713,328	95,689,800	12,025,000	38,754,343	50,779,343	1.88
1998	137,105,327	36,544,602	100,560,725	12,630,000	38,088,085	50,718,085	1.98

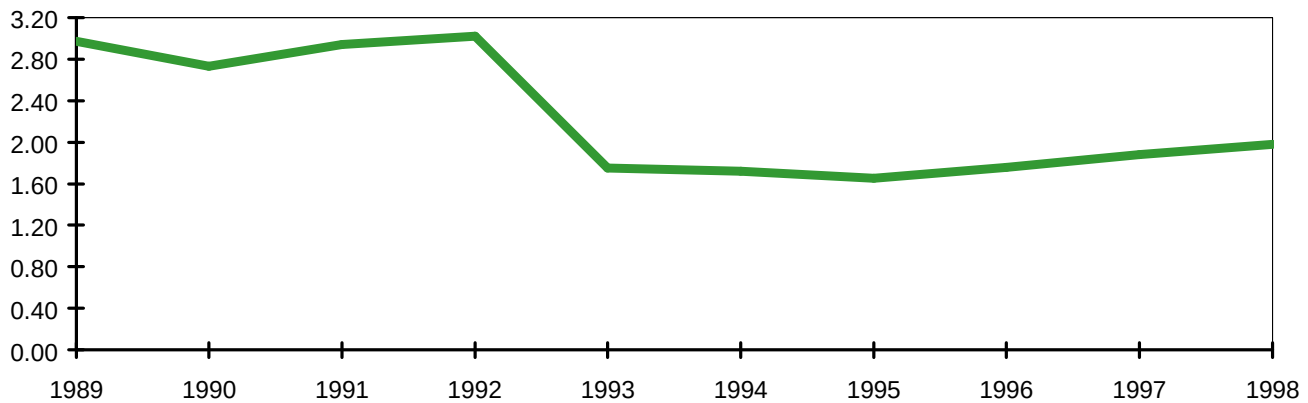
(1) Total revenues including interest earnings from investments of the Revenue Fund

(2) Total operating expenses excluding depreciation

(3) Net of amounts provided from Interest During Construction Account and from Turnpike Trust Fund

(4) Debt Service Coverage equals Net Revenue Available for Debt Service divided by Total Current Debt Service

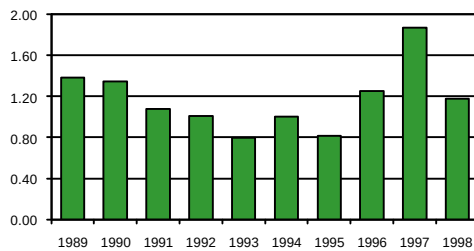
Debt Service Coverage



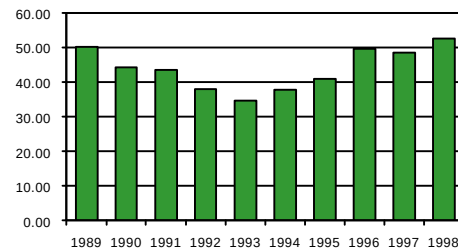
Traffic Accident Statistics

Year	Vehicle Miles Driven	Accidents	Accidents Per 100 Million Miles	Total Fatal Accidents	Fatal Accidents per 100 Million Miles	Total Fatalities	Fatalities per 100 Million Miles
1989	1,517,884,833	760	50.07	21	1.38	24	1.58
1990	1,560,078,370	689	44.16	21	1.35	24	1.54
1991	1,580,149,666	689	43.60	17	1.08	22	1.39
1992	1,682,087,526	637	37.87	17	1.01	22	1.31
1993	1,888,866,582	656	34.73	15	0.79	22	1.16
1994	2,001,127,843	755	37.73	20	1.00	26	1.30
1995	1,965,465,275	805	40.96	16	0.81	18	0.92
1996	2,075,255,828	1,029	49.58	26	1.25	30	1.45
1997	2,192,810,075	1,062	48.43	41	1.87	47	2.14
1998	2,297,320,338	1,209	52.63	27	1.18	32	1.39

Fatal Accidents per 100 Million Miles



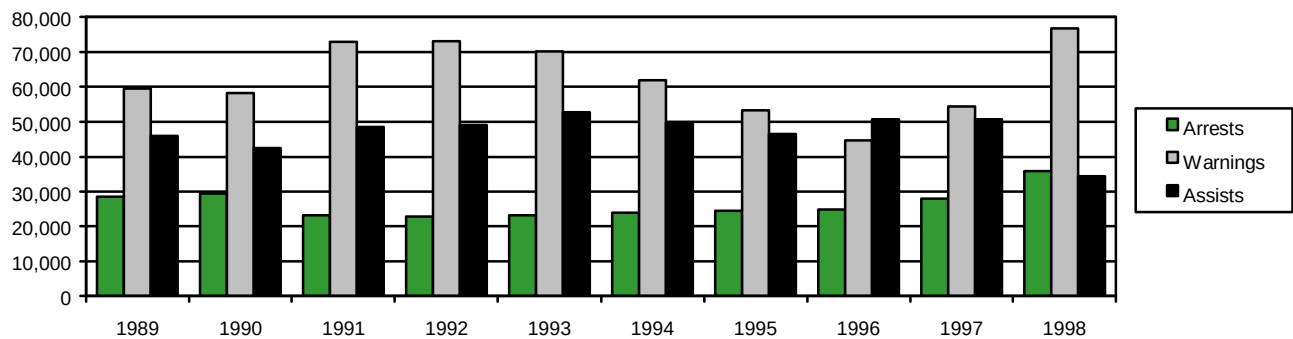
Accidents per 100 Million Miles



Enforcement and Motorist Assistance Statistics

Year	Total Arrests	Total Warnings	Total Assists
1989	28,509	59,581	45,990
1990	29,361	58,137	42,445
1991	23,106	73,024	48,490
1992	22,824	73,083	49,164
1993	23,119	70,032	52,808
1994	23,936	61,971	49,751
1995	24,564	53,234	46,434
1996	24,802	44,623	50,671
1997	28,046	54,361	50,757
1998	35,748	76,870	34,397

Enforcement and Motorist Assistance



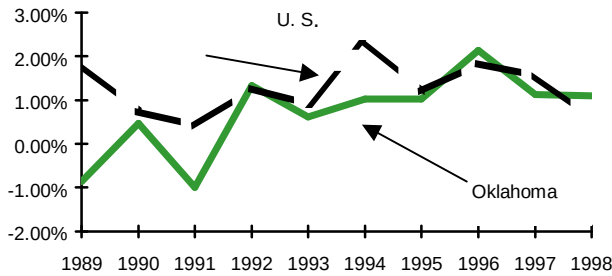
Oklahoma Demographic Statistics

Year	Population	Median Age	Per Capita Income	Consumer Price Index	Labor Force	Gross State Product (Millions)	% Rate of Unemployment
1989	3,150,000	33.7	\$14,187	124.0	1,504,000	\$53,390	5.6%
1990	3,146,000	33.2	15,584	130.7	1,511,010	56,958	5.6%
1991	3,167,600	33.4	16,064	136.2	1,496,000	57,983	6.7%
1992	3,206,700	33.6	16,837	140.3	1,516,010	60,188	6.0%
1993	3,232,300	33.8	17,360	144.5	1,525,440	66,884	6.0%
1994	3,256,900	34.3	17,880	148.4	1,541,000	66,775	5.8%
1995	3,277,700	34.6	18,580	152.4	1,556,900	70,455	4.7%
1996	3,300,900	35.0	19,544	156.9	1,590,100	72,884	4.0%
1997	3,317,091	36.6	20,231	161.3	1,608,000	75,220	4.3%
1998	3,346,713	N/A	20,232	N/A	1,625,700	78,679	4.2%

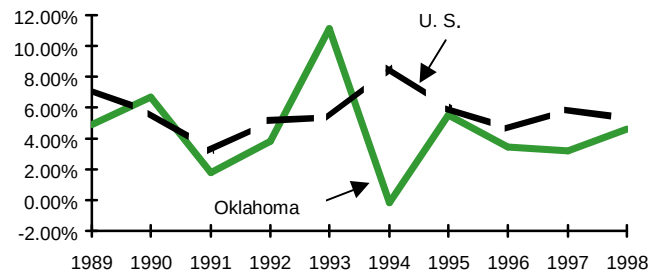
United States Demographic Statistics

Year	Population	Median Age	Per Capita Income	Consumer Price Index	Labor Force (Millions)	Gross State Product (Millions)	% Rate of Unemployment
1989	246,820,000	32.6	\$17,690	124.0	123,869	\$5,250,800	5.3%
1990	248,719,000	32.9	18,667	130.7	124,787	5,546,100	5.5%
1991	252,138,000	33.1	19,201	136.2	125,303	5,724,800	6.7%
1992	255,039,000	33.4	20,146	140.3	126,892	6,020,200	7.3%
1993	267,900,000	33.7	20,809	144.5	128,040	6,343,300	7.3%
1994	260,350,000	34.0	21,699	148.4	131,056	6,888,100	5.3%
1995	262,755,000	34.3	23,208	152.4	132,623	7,297,000	5.2%
1996	265,284,000	34.9	24,426	156.9	135,060	7,636,000	5.0%
1997	268,765,000	35.1	25,298	161.3	137,169	8,083,400	4.7%
1998	270,299,000	35.3	N/A	163.0	137,943	8,510,700	4.5%

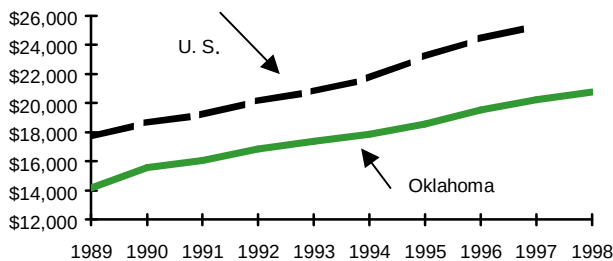
% Increase in Labor Force



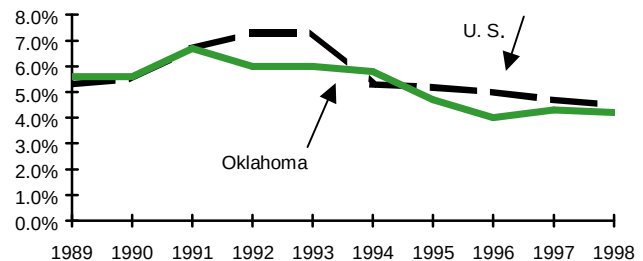
% Increase in Gross Product



Per Capita Income



Unemployment Rate



(Sources: Websites of U.S. Department of Commerce, U.S. Census Bureau, Oklahoma Department of Commerce, U.S. Department of Labor and Oklahoma State University)

Miscellaneous Statistics

Date of Creation	1947
Form of Government	Instrumentality of the State of Oklahoma
Number of Employees (Budgeted Full-time Equivalent Positions)	586
Administration	70
Toll Operations	266
Maintenance	145
Highway Patrol	105
Turnpikes Under Operation	563.9 miles
Turner (opened 1953)	86.0 miles
Will Rogers (opened 1957)	88.5 miles
H. E. Bailey (opened 1964)	86.4 miles
Indian Nation (Section A opened 1966 and Section B opened 1970)	105.2 miles
Muskogee (opened 1969)	53.1 miles
Cimarron (opened 1975)	67.7 miles
John Kilpatrick (opened 1991)	9.5 miles
Cherokee (opened 1991)	32.8 miles
Chickasaw (opened 1991)	27.1 miles
Creek (opened 1992)	7.6 miles
Total Number of Lane Miles	2,212.72 miles
Total Area of Right-of-Way	29,017.1 acres
Total Number of Facilities	199
Interchanges	59
Service Areas	14
Maintenance Buildings	123
Administration Building	1
PIKEPASS Customer Service Centers / Stores	2
Total Number of Crossings Over/Under Turnpikes	499
Other highways or interchange ramps	362
Railroads	26
Rivers and streams	111
Concession Sales	
Restaurant Sales	\$15,400,762
Service Station Sales	\$8,089,188
Gallons of Gasoline Sold	17,083,991
Gallons of Diesel Fuel Sold	8,671,401

By vehicle class:	Passenger		Commercial		Total
Number of revenue transactions	69,202,664	86.6%	10,729,419	13.4%	79,932,083
Number of miles traveled	1,779,619,364	77.5%	517,700,974	22.5%	2,297,320,338
Gross toll revenues	\$69,751,444	56.0%	\$54,819,282	44.0%	\$124,570,726
Average toll collected	\$1.01		\$5.11		\$1.56
Average trip length	25.7		48.3		28.7
Average toll/mile	3.9¢		10.6¢		5.4¢
By collection mode:	PIKEPASS		Cash		Total
Revenue transactions	35,558,754	44.5%	44,373,329	55.5%	79,932,083
Gross toll revenues	\$47,746,158	38.3%	\$76,824,568	61.7%	\$124,570,726
Average toll collected	\$1.34		\$1.73		\$1.56