

OKLAHOMA TRANSPORTATION AUTHORITY

Comprehensive Annual Financial Report

*For the Year Ended
December 31, 2004*

Extending Community

Enhancing Opportunity

Empowering Oklahoma

*A Component Unit
of the
State of Oklahoma*



*This report is dedicated
to the memory of
Duane Griffith, Director of
Maintenance and
Gary Broyles, Division Engineer.
These gentlemen brought great
integrity, loyalty and leadership
to the Authority and will be
greatly missed.*

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
For the Year Ended December 31, 2004**

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

Prepared by the Controller Division

About the OKLAHOMA TRANSPORTATION AUTHORITY

The Oklahoma Transportation 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 six Oklahoma districts specifically defined in the OTA’s bylaws and Oklahoma Statute. These changes were ratified by a statewide referendum in January 1954.

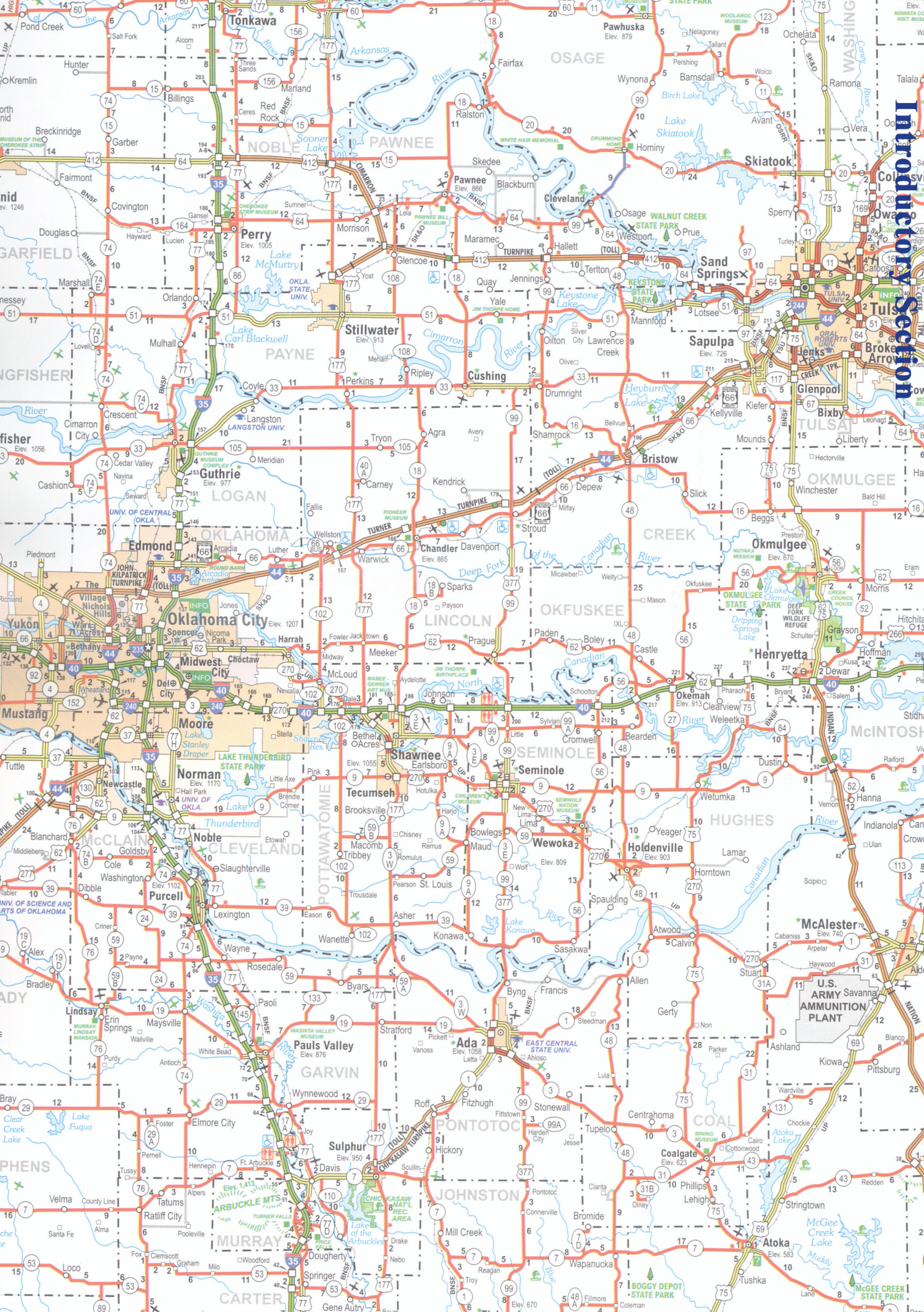
The Oklahoma State Legislature has the exclusive right to authorize turnpike routes. Subsequently, the OTA has the responsibility to complete engineering and economic feasibility analyses of the authorized routes before any turnpike can be constructed.

Turnpike bond sales must be approved by the Council of Bond Oversight 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.

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Introduction Section

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Brad Henry
Governor
Member Ex-Officio



Phil Tomlinson
Director
Secretary of Transportation

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April 30, 2005

The Honorable Brad Henry,
Citizens of the State of Oklahoma and
Oklahoma Turnpike Bondholders

On behalf of the Oklahoma Transportation Authority (OTA), we are pleased to transmit this comprehensive annual financial report (CAFR) for calendar year 2004. The Controller Division prepared this CAFR in accordance with accounting principles generally accepted in the United States of America. 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 that it presents 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 its operations during the year.
2. The Financial Section includes the independent auditors' reports, the Management's Discussion and Analysis (MD&A), the basic financial statements, notes to the financial statements, and other supplementary information; and,
3. The Statistical Section contains selected key information about the Turnpike System and comparative, multi-year comprehensive annual financial information.

Systemwide net toll revenues for the OTA during 2004 generated approximately \$185.9 million, exceeding 2003 net toll revenues by an impressive 3.7%. The OTA strives to manage its operations in an effective and cost efficient manner. Please refer to the MD&A portion of this report for a detailed discussion of the OTA's financial performance.

The OTA provides the State of Oklahoma with an alternative mechanism for funding highway construction and maintenance. To provide safe, high quality roadways for its customers, the OTA prepares and reviews annually a comprehensive System rehabilitation plan. In accordance with the OTA's efforts to preserve the quality of the System, the OTA has continued to focus on renovating many aging side gate toll facilities, expanding capacity through new, innovative plazas and improving several bridges along the System. These efforts contribute to the economic growth, expanded productivity and enhanced opportunities for the State. 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 TRANSPORTATION AUTHORITY

Douglas F. Riebel
Chairman

Phil Tomlinson
Director

Julie Porter
Controller

Douglas F Riebel
Chairman

Mike Leonard
Vice Chairman

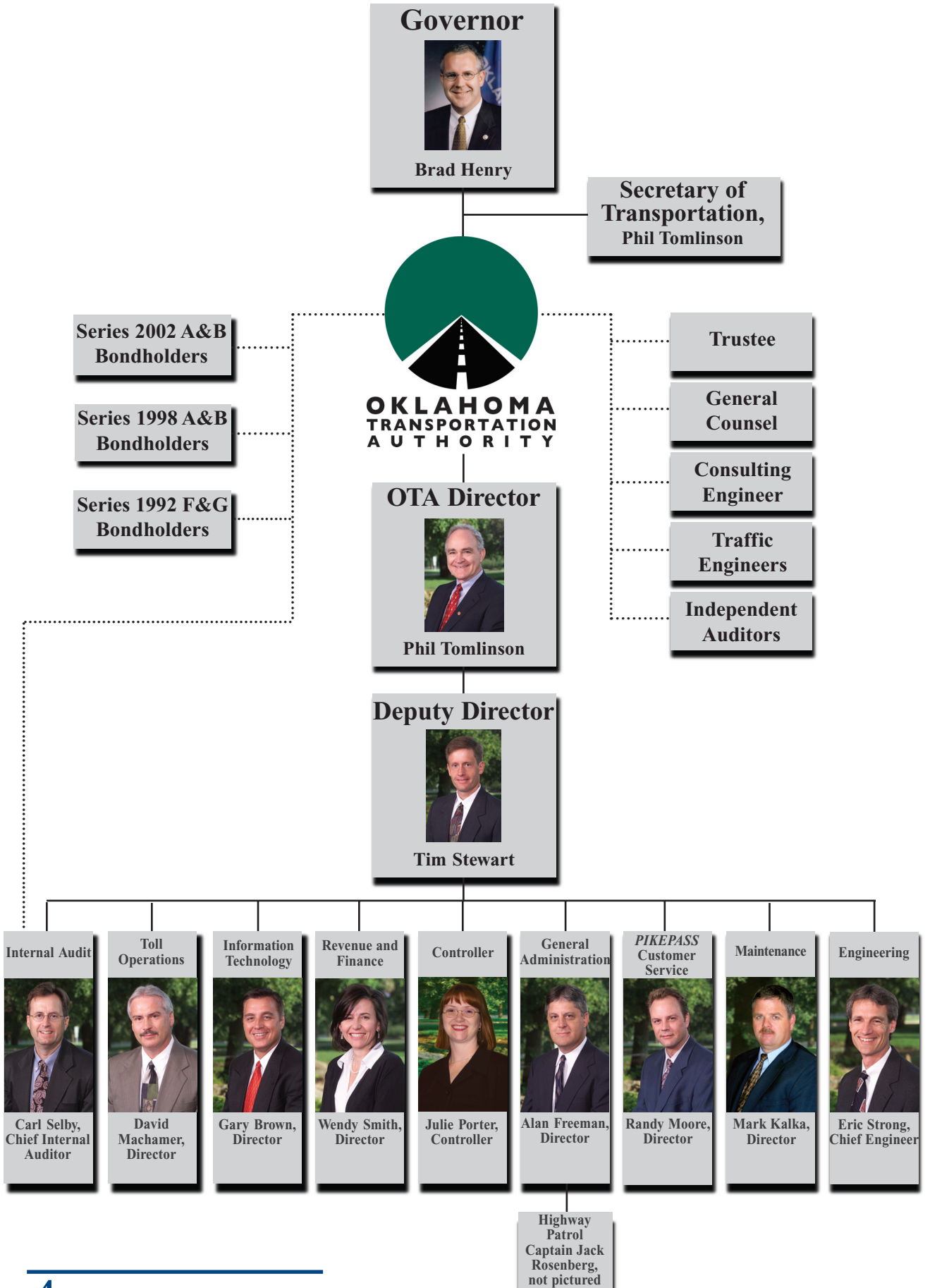
Greg Massey
Secretary & Treasurer

C. Kendric Ferguson
Member

Hal Ellis
Member

Clark Brewster
Member

Organizational Chart



Oklahoma Transportation Authority Members

Chairman



Douglas F. Riebel
District 1

Vice-Chairman



Mike Leonard
District 2

Secretary & Treasurer



Greg Massey
District 6

Member



Clark Brewster
District 4

Member



Hal Ellis
District 3

Member



C. Kendrick Fergeson
District 5

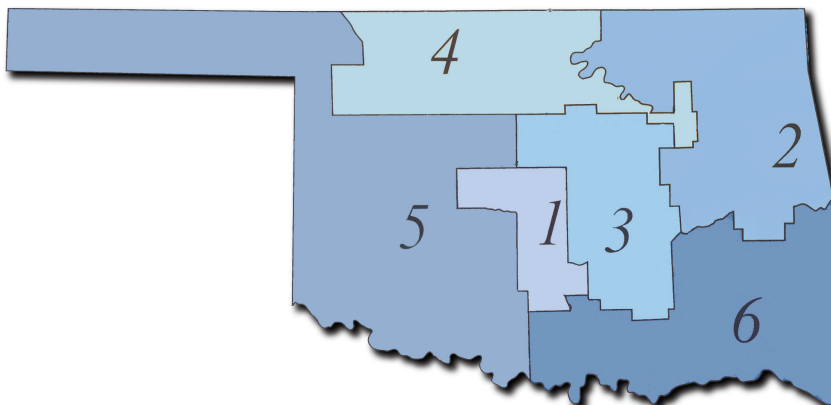
The Oklahoma Transportation Authority's (OTA) governing body (the Authority) consists of the Governor (ex-officio) and six members. The members are appointed by the Governor and approved by the State Senate. They serve eight-year, uncompensated terms and may be reappointed.

The Authority appoints the Director of the OTA. Mr. Phil Tomlinson is the Director of the OTA and has been appointed as Oklahoma's Secretary of Transportation.

The Director, with the 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.

District Map



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.

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 17.3 miles tolled, with interchanges at S.H. 7, U.S. 177 and Roff.

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.

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, the original 86.4 miles opened in 1964, and the 8.2 mile extension authorized in 1987 opened in 2001. The original four-lane, limited access, highway extending 86.4 miles opened 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 and Walters. Service station and/or restaurant with free restrooms at Chickasha and Walters. The four-lane, limited access extension runs 8.2 miles within Grady County from an interchange of the original H.E. Bailey Turnpike to S.H. 9. The route generally extends east and west through a rural area west of Norman.

Indian Nation Turnpike

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

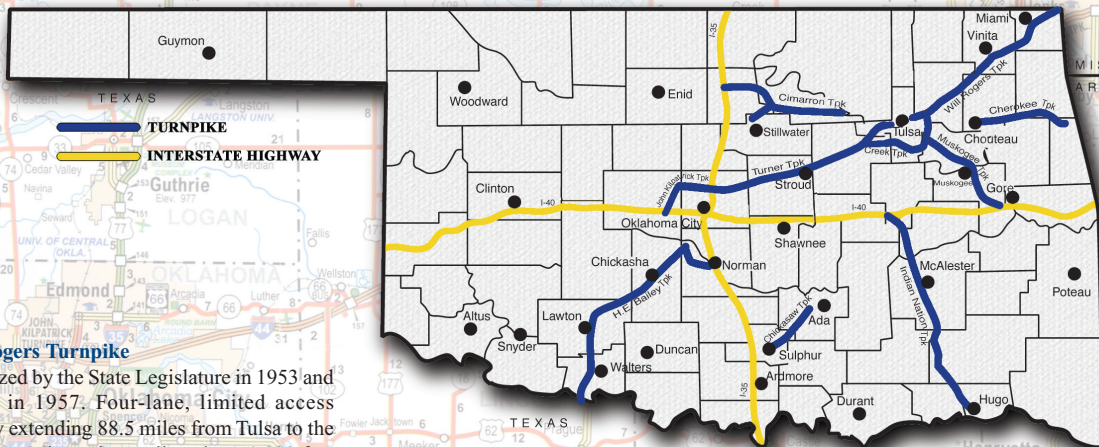
Authorized by the State Legislature in 1987, the original 9.5 miles opened in 1991, and the 15.8 mile extension opened in sections during 2000 and 2001. Four-lane, limited access, urban highway extending 25.3 miles from the Oklahoma City interchange of the Turner Turnpike and I-35 to I-40 between Mustang and Sara Road. The route is generally along Memorial Road on the north, turning south parallel to Sara Road just west of County Line Road, passing by Lake Overholser on its west side parallel to Morgan Road to an interchange at I-40, giving access to traffic traveling east and west on the interstate system. Interchanges at Eastern Ave., U.S. 77/Broadway Extension, Western Ave., Pennsylvania Ave., May Ave., Portland Ave./Lake Hefner Parkway, Meridian Ave., MacArthur Blvd., Rockwell Ave., NW Expressway, Wilshire Blvd., S.H. 66 and N.W. 10th.

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.

Creek Turnpike

Authorized by the State Legislature in 1987, the original 7.4 miles opened in 1992, the 4.9 mile Creek West Extension opened in 2000, the 13.1 mile Broken Arrow South Loop opened in sections during 2001 and 2002 and the 9.0 mile Creek East Extension opened in 2002. Four-lane, limited access, urban highway extending 34.4 miles from the Turner Turnpike at S.H. 66 to the I-44 interchange of the Will Rogers Turnpike, providing access to traffic traveling east into Tulsa and south to Okmulgee; continues generally through the city of Broken Arrow to the Muskogee Turnpike; then north to the Will Rogers Turnpike. Interchanges at South 49th West Avenue, U.S. 75, Peoria Avenue, Riverside Drive, Yale Avenue, U.S. 64/Memorial Drive, U.S. 169, South 129th East Avenue, South 161st East Avenue, South 193rd East Avenue, East 101st Street, S.H. 51, Muskogee Turnpike, 71st Street, 51st Street, 31st Street, 11th Street, Highway 412 and Pine Street.



Over the past 50 years, the Oklahoma Transportation Authority (OTA) has built a strong relationship with Oklahoma communities as a vital component of their transportation network. The OTA offers the people of Oklahoma and visitors from across this great Nation an efficient and convenient transportation infrastructure. The corridor surrounding this comprehensive roadway system enhances commerce and economic development opportunities empowering businesses and citizens to thrive. The OTA's unyielding commitment to the State includes environmental stewardship, financial accountability, customer convenience and enhancing public safety.

Always conscious of environmental concerns to the public, the OTA has constructed several wetland areas adjacent to the recently completed turnpike extensions. Man-made wetlands are necessary to mitigate environmental requirements triggered when new construction displaces existing naturally occurring wetlands. After constructing a new wetland, there is a requirement to monitor and maintain the area for a period of five years. The goal at the end of the five-year period is to have a wetland area that is thriving and no longer needs human involvement to survive.

The Haikey Creek Wetlands area in Tulsa constructed by the OTA in 2001 is of special note and serves as an example of how a constructed wetland should and will work. This thriving wetland has become a popular destination for many environmental groups. In a right-of-way agreement between the OTA and the City of Broken Arrow, and with the approval of the Corps of Engineers, the City built a bike and pedestrian trail through the wetland. This allows the public special front row access to observe ecological sights, sounds and natural activity that otherwise would not be available.

2004 HIGHLIGHTS



*The Haikey Creek
Wetlands constructed by
the OTA is thriving and no
longer needs human
involvement to survive.*





The OTA's net revenues exceeded projections by 3.0% during 2004.

sions contributed to significant revenue growth rates of 7.2% on the Creek Turnpike and 8.5% on the John Kilpatrick Turnpike when compared to 2003. Toll transactions approached 124.5 million in 2004, a substantial 5.3% increase over transactions in 2003.

Net revenues in 2004 exceeded projections by 3.0%. Through the continued effort by all divisions to monitor costs, revenue fund operating expenses for 2004 were a significant 8.5% below the annual operating budget. This effort also contributed to the senior and total debt service ratios continuing to attain budgeted results and exceed minimum covenant requirements.

The OTA is committed to providing its patrons with an electronic toll collection system that provides all of its customers with the highest level of service and convenience. As part of that commitment, the OTA has engaged software developers to enhance the current system. A significant milestone in the implementation of the OTA's new toll collection system was reached on November

8, 2004. The new host computer system, located in OTA's Neal A. McCaleb Transportation Building in Oklahoma City, is designed to accommodate the receipt and transmission of data between the ten turnpikes, the host computer and the *PIKEPASS* Customer Service Center. Its database contains records and history of lane transactions, collector actions in the



lane, including deposits, and the logic necessary to translate electronic toll collection transactions into customer account charges based upon established business rules for *PIKEPASS* usage. The system also tracks cash customers and displays reports containing traffic and revenue information.

A second component, the maintenance management system, provides authorized users access to an automated method of monitoring the toll collection equipment and reporting failures. The parts inventory contained within it can identify the location and installation dates to determine if an item is under warranty.

The software components that automate processing for the *PIKEPASS* Customer Service Center are also in the process of upgrading. This portion of the system is currently undergoing regression testing to validate resolved issues. This enhancement will integrate certain *PIKEPASS* Customer Service Center processes and report reconciliation functions.

The electronic *PIKEPASS* system allows customers to pass through the toll plazas without stopping. The system eases congestion around the plazas while increasing driver satisfaction with totally automated travel at discounted toll rates. Customers enjoy a 5% savings off the cash toll price for using their *PIKEPASS* tags and are eligible for an additional 5% reward for participating in the volume discount program with 20 or more qualifying toll transactions in a month. The discount is calculated for each tag independently, and the account must remain positive for discounts to apply. During 2004, the volume discount program exceeded \$2.4 million, a significant 7.5% increase over 2003.

The goals of the *PIKEPASS* tag replacement program were achieved on August 31, 2004, two years ahead of the originally scheduled target date. The primary objective of the program was to provide all patrons with the electronically enhanced *PIKEPASS*



The PIKEPASS volume discount program saved customers over \$2.4 million during 2004.





The recently enhanced violation processing system safeguards the OTA's assets for its bondholders.

tag currently available. All old-style tags not returned or replaced have been systematically inactivated and no longer operate on the System. As of December 31, 2004, active *PIKEPASS* tags totaled 650,529, and active *PIKEPASS* accounts totaled 367,240, an impressive increase of 3.2% over the number of active accounts at December 31, 2003.

Creating easy access and user-friendly services for *PIKEPASS* customers is achieved through the OTA's seventy-four customer service agents across the State of Oklahoma, two *PIKEPASS* stores and the newly redesigned layout of the www.pikepass.com website. The website offers a fresh, new layout more consistent with the customer account web pages under development in the new toll collection system. Customers can also stay up-to-date with the *PIKEPASS* email notice program where members receive up to six notices by email in addition to their existing statement. This new service provides participants with timely notification and reduces mailing costs.

PIKEPASS tag mounting instructions are also available on the website. It is important that guidelines to properly mount the *PIKEPASS* tags are followed. A special vehicle directory is also available detailing placement instructions for vehicles containing metal components in the windshield. The OTA maintains one of the most comprehensive special vehicle listings in the nation, which is also shared with other tolling authorities.

The OTA holds its fiduciary responsibility to its bondholders in the highest regard. The toll violation processing system is one component the OTA incorporates to safeguard the OTA's assets for its bondholders. On November 16, 2004,

the OTA implemented an innovative toll violation processing system known as VES3. This web-based software application represented a significant enhancement to the windows-based VES2 processing system that was put into production in 2001. The decision for web-based development was made to allow increased end-user functionality, increased processing and response performance and enable software maintenance to be performed more efficiently. In-house project design, development, testing and implementation were accomplished jointly by elements of the Enforcement Branch of the *PIKEPASS* Division and an Informational Technology Division development team. All aspects of violation license plate recognition, processing, account maintenance and reports were enhanced or modified for more efficient processing and performance.

Continued VES3 software support, including system upgrades and general application maintenance, are much more efficient and expedient, as these processes can now be performed without necessitating individual user upgrades and work flow interruptions. Processing, response and data retrieval times were enhanced accordingly, as constant database connectivity is no longer required for the web-based application. In addition, the VES3 application allows for future enhancements to be made with respect to online services and real time data transfers related to *PIKEPASS* patron databases and customer service applications that were previously not feasible.

The development and maintenance of an efficient transportation infrastructure is an essential element to providing quality service. The American Concrete Pavement Association (ACPA) recognizes achievements in excellent concrete construction. A team of ACPA transportation officials from across the country judges pavement projects on criteria such as quality, smoothness and timeliness of construction. During February 2004, the OTA was awarded Oklahoma Winner and National Finalist in the Divided Highways (Rural) category. This very prestigious award was in recognition of the outstanding design and construction of the Catoosa Interchange on the Creek East Turnpike Extension.



The ACPA recognized the OTA for its excellence in concrete construction during 2004.



During 2004, ten lane miles of the Chickasaw Turnpike were completely reconstructed.

The OTA embarked on its five-year Capital Plan in 1994, a central strategy emphasizing System preservation, enhancement, management and protection by identifying the System's long-term needs and prioritizing them into five-year goals. Annually, management reviews the Capital Plan to ensure the objectives are accomplished. Through this extensive asset management effort, the OTA annually invests in System rehabilitation at a rate that approximates the 30-year straight-line depreciation of its infrastructure.

The OTA remains active in ensuring smooth and safe driving surfaces are maintained. In late 2004, the OTA completely reconstructed 10 lane miles of the Chickasaw Turnpike to correct structural deterioration and restore this roadway to System standards. Due to the construction boundaries, turnpike traffic was detoured through the City of Sulphur. The remainder of the Chickasaw Turnpike is scheduled for pavement reconstruction within the next two years.

To reduce roughness on faulted portland concrete cement pavements and enhance traffic safety, the OTA performed unencumbered diamond grinding along the System at several locations. Significant pavement rehabilitation projects are planned to begin on the Indian Nation, Muskogee and Will Rogers Turnpikes in 2005.

In the area of bridge preservation, the OTA focuses on assessments made in the five-year Capital Plan in conjunction with the Consulting Engineers to determine the priority of rehabilitations. During 2004, bridges were improved at sites along the H.E. Bailey, Indian Nation, Muskogee, Will Rogers and Turner Turnpikes.

The OTA continues to place emphasis on the bridge maintenance and repair effort started in 2003. In addition to the minor substructure repair and preventive maintenance work performed previously, the Maintenance Division has begun using state-of-the-art non-destructive (half-cell)

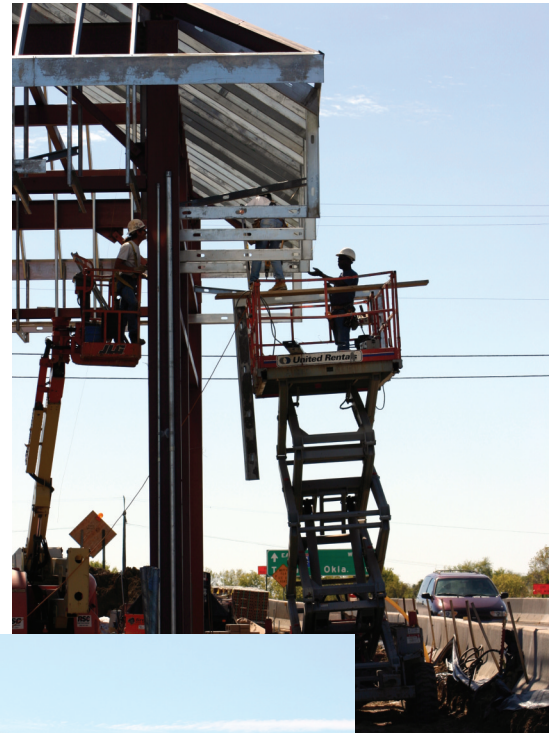


testing to identify potential trouble spots in bridge decks. When using half-cell tests, a bridge deck is inventoried thereby identifying areas of the bridge deck where deterioration is pending. Corrective action is then taken before the symptom becomes a problem.

On the roadway front, the OTA is using a substance with the trade name URETEK to enhance the ride quality of concrete pavement and at bridge approaches. The material is used to physically raise entire concrete slabs at the ends of bridges to eliminate the “bump” and in the areas where the pavement is faulted. By using this material, the OTA will save hundreds of thousands of dollars that would have otherwise been spent removing and replacing the concrete slabs.

The OTA is pleased to provide better service to customers through the renovation of 11 older toll plazas. The new side gates feature free-flowing *PIKEPASS* lanes, updated toll collector booths, new electronic toll collection equipment and modern welcome canopies to offer customers efficient and convenient service. During 2004, the OTA opened new plazas at Kellyville and Claremore on the Turner and Will Rogers Turnpikes, respectively.

Construction began in March 2004 at the Sapulpa gate on the Turner Turnpike. This is the seventh of the eleven older toll plazas scheduled for renovation. Due to the complexity of this project, which includes extensive wiring and challenging architectural and safety features, construction will be ongoing for about twelve months. However, upon completion, the new gate will provide motorists with access to new coin collection equipment and non-stop *PIKEPASS* lanes. The remaining side gate toll plazas scheduled for renovation are located at Afton and Vinita on the Will Rogers Turnpike and Stroud and Wellston on the Turner Turnpike. In addition, the mainline toll plaza located at State Highway 9 on the Indian Nation Turnpike is slated for renovation. Due to the size and complexity of this facility, the OTA expects construction to take approximately two years.



*Renovating older toll
plazas provides customers
more efficient service.*





Overseeing the toll collections on the System requires a well-trained and motivated workforce. The OTA recognizes that the attitude and performance of its toll collectors is a reflection on the OTA as well as the State of Oklahoma. During 2004, the OTA opened a new training facility at the west end-gate of the Turner Turnpike to support the mission of providing excellent customer service. This location is ideal for educating toll collectors from around the State. By renovating an existing facility, employees enjoy a new training classroom, meeting room and additional office space at a nominal cost.



The Training Branch of the Toll Operations Division added a new position to assist in designing and conducting the seminars. The objectives of this position include helping employees to reach their full potential, maintaining consistency in operations and reducing turnovers and absences. The Training Branch offers orientation seminars for new employees on safety, customer service, fiscal responsibility, sexual harassment and discrimination.

Existing employees benefit from continuing education on subjects such as money security procedures, identifying counterfeit money and customer service. Manual-lane terminal training is also available to assist in processing vehicle transactions. The Training Branch instructed 265 employees during 2004.



The OTA instructed 265 employees at the new training facility last year.



Managing security and traffic flow along the Turnpike System is accomplished through the services provided by the Oklahoma Highway Patrol (OHP). In light of the national security concerns over recent years, the OHP troopers remain vigilant in protecting motorists and monitoring the System. The officers often work in conjunction with other law enforcement agencies to attain their goals.



The OHP troopers are involved in all aspects of law enforcement and safety on the turnpikes including patrolling the roadways, enforcing the speed limits, assisting disabled motorists, detecting and apprehending drivers under the influence of alcohol or drugs and enforcing the laws of the State of Oklahoma. Over the years, the OHP has developed various programs to achieve their safety objectives.

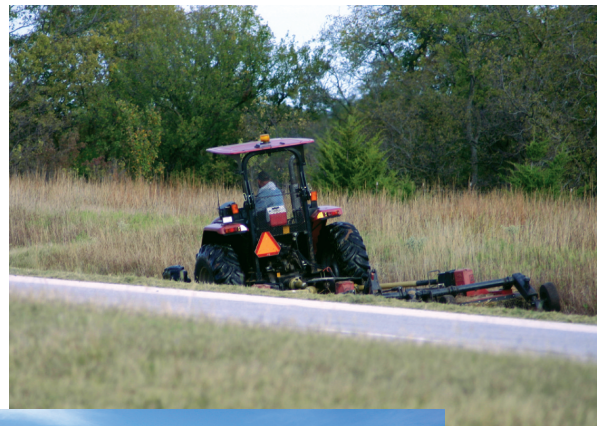
The size and weight enforcement program remains instrumental in protecting motorists and preserving the roadways from damage caused by overweight trucks. During 2004, five size and weight troopers were assigned exclusively to the Turnpike System to enforce the size and weight laws. These troopers are fully certified to perform inspections and to weigh trucks on the turnpikes. Their efforts resulted in removing 167 unsafe trucks from the System during 2004.

Oklahoma's weather often presents maintenance crews with challenging responsibilities. Severe storms and tornadoes, especially prevalent in the spring and fall, leave debris along the roadways and occasionally damage signs and facilities along the System. The winter months frequently bring hazardous ice and snow storms that require crews to work long hours clearing the roadways for motorists to safely pass. During 2004, maintenance crews plowed and sanded over 18,000 lane miles and treated over 1,400 lane miles with magnesium chloride. The total cost to clear roadways for these winter storms was approximately \$1.0 million.

The OTA's dedication to safety and security extends beyond its roads and bridges to include a secure information technology environment. To improve security, communications and performance, the OTA is always reevaluating its current software and hardware needs and installing upgrades determined to be necessary and consistent with industry best practices. As a cost effective measure, the OTA updates operating systems and software as new computers are installed rather than purchasing all new software licenses for the existing machines. Additional software is also being installed to protect and recover data.



The dedication of the OTA's maintenance crews runs throughout the seasons.



ECONOMIC TRENDS AND OUTLOOK

Oklahoma lies in the heartland of America and is crisscrossed by three of this nation's great arteries, Interstate-40, Interstate-35 and Interstate-44. These and other main highways provide a vital transportation link between producers and their markets. The effect on the economy from the process of transporting goods to market is a factor in the financial strength of Oklahoma and the nation. If the OTA's toll revenues are any indication, the economy is steadily rebounding.

Toll transactions on the Oklahoma Turnpike System were up a significant 5.3% in 2004 above 2003. Toll revenues grew by an impressive 3.7% and toll revenues from commercial vehicles grew by an even more impressive 4.3% when compared to the prior year. In 2003, toll revenue grew 1.6% while toll revenues from commercial vehicles fell below 2002 levels. The strong improvement in commercial vehicle revenue suggests an upturn in the economy.

The Federal Reserve Chairman, Alan Greenspan, echoes this economy improvement. When Alan Greenspan provided his semiannual report to the Senate

Committee on Banking, Housing and Urban Affairs, Greenspan applauded the solid growth in the U.S. economy in 2004, notwithstanding the second-half rise in energy prices. Greenspan also stated economic fundamentals steadied showing consumer spending had been well maintained over recent months. Consumer spending was influenced by continued growth in disposable personal income, gains in net worth and accommodative conditions in credit markets.

According to the "2005 Oklahoma Economic Outlook", published by the College of Business Administration of Oklahoma State University, economic output continues to expand at an impressive rate since the recession's end nearly three years ago. Output as measured by real gross domestic product increased at a 3.4% annual pace the past ten quarters, far surpassing the 2.7% rate realized over the ten quarters following the 1990-1991 recessions. The publication also indicated that although high energy costs are affecting economic growth at the national level, the impact of high energy prices is less severe in Oklahoma than in non-energy states. Oklahoma remains a significant producer of oil and gas, and enjoys a degree of offsetting economic stimulus during periods of high energy prices.



Another indication of the improved economy can be seen in the State of Oklahoma's General Revenue Fund collections. Scott Meacham, Director of the Office of State Finance, reported that halfway through the fiscal year General Revenue Fund collections are ahead of both prior year collections and projections. He reported that the margin over the prior year reflects improvements in the State's overall economy and the likelihood of budget reductions is remote.

According to Meacham, sales tax and individual income tax collections, two key reflections of overall economic strength, performed well in the fiscal year's first six months. Sales tax collections for the year-to-date are \$25.7 million ahead of those of one year ago and are very near the estimate. The current numbers reflect sales tax collections from the last half of November through mid-December, the first part of the holiday shopping season. According to various reports, the real strength of the holiday season was seen in the final days of the shopping season for tax collection purposes. Meacham summarized, "We anticipate we will see even greater improvement when we add January collections to the mix. Our individual income tax collections also are ahead of the prior year and the year-to-date estimate. That, too, shows our economy is faring better than it was one year ago and improving at a level in line with our expectations." During the first half of the current fiscal year, combined individual and corporate income taxes produced \$1.022 billion, exceeding collections of one year ago by \$86.0 million or 8.4% and the estimate by \$180.6 million or 19.5%.

With the upswing in the OTA's toll revenue and the increase in the State's tax revenue collections, Oklahoma ended the year on a very positive note. Although the State Legislators continue to have tough decisions to make regarding the appropriation of limited State funds, the Turnpike System, through its operations, supplements these limited monies by providing an alternative means of highway construction and maintenance. Through this role, the OTA extends community, enhances opportunity and empowers Oklahoma.



FINANCIAL INFORMATION



Internal Control

It is necessary to establish and maintain internal controls designed to provide reasonable assurance that assets are safeguarded against loss, theft or misuse and to ensure 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. The Authority believes 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, 2004, the OTA's outstanding debt, net of unamortized discount and net deferred debit on refundings, was approximately \$1,218,000,000. The current portion of this debt totals \$27,125,000. 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, Federal National Mortgage Association debt securities and repurchase agreements. At the direction of the Authority, all investments were made by the Trustee in strict compliance with the provisions of the Trust Agreement.

Risk Management

The OTA maintains an aggressive safety and loss prevention program that is staffed by a full-time safety officer. Insurance policies are purchased for normal business risk at favorable rates through the State Office of Risk Management. All major areas of operations are covered, including buildings and contents, bridges, workers' compensation, and general, personal injury and auto liability. The OTA also maintains surety bonds covering Authority Members, and a directors' and officers' in-

surance 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 OTA 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; 4) the balance to the General Fund for 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 immediately to the Oklahoma Department of Transportation (ODOT). However, during 2004, in accordance with Title 68 Section 2357.28 (K2) of the Oklahoma State Statutes, a portion of the motor fuel tax allocable to the OTA was transferred to the Insurance Department. This portion was equal to the insurance premium tax credits taken by insurance companies that purchased tax credits from Great Plains Airlines, a qualified air transportation provider. During 2004, the OTA received \$38,390,244 in motor fuel excise taxes of which \$6,386,170 was immediately transferred to the Insurance Department and \$32,004,074 was remitted to the ODOT.





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 Statements of Net Assets. The prevailing Trust Agreement and supplements thereto dated February 1, 1989 require that the Authority adopt accounting principles generally accepted in the United States of America (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.

Toll revenues for 2004 generated over \$185.9 million and were 3.7% higher than 2003 toll revenues.

Financial Results From Operations

Annual toll revenues generated approximately \$185.9 million in 2004, a significant 3.7% growth over 2003. Toll transactions approached 124.5 million for 2004, resulting in an impressive 5.3% increase over 2003. Concession revenues surpassed \$1.4 million.

Total operating expenses were approximately \$53.3 million in 2004, a 1.7% increase over total operating expenses in 2003. Revenue Fund operating expenses for 2004 were held to a significant 8.5% below the annual operating budget and only increased .7% above 2003.

The OTA's efforts to minimize operating costs have also contributed to the senior and total debt service ratios continuing to achieve budgeted results. On a rolling twelve-month basis, the total debt service coverage ratio exceeds the trust requirements by approximately 26.0%.



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 and Deputy 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 2004, the Authority adopted the calendar year 2005 Annual Budget. The 2005 Annual Budget for operating and maintenance of the Turnpike System is \$59,057,915. The Operating and Maintenance Budget reflected an increase over the 2004 Budget of 9.98%. This increase is primarily the result of the State Legislature passing bills to increase state employees' salaries for the first time in four years, compress the pay scales of the Oklahoma Highway Patrol troopers and automatically increase the benefit allowance paid to state employees as health insurance premiums rise. The other significant increase in the Operating and Maintenance Budget is related to the maintenance costs associated with the electronic toll collection system upgrade subsequent to the warranty expiration. The 2005 Annual Budget also includes \$78,956,104 in funding for the projects identified for 2005 in the five-year Capital Plan.

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, 2004 by the OTA's independent auditors, Grant Thornton LLP.



SPECIAL AWARDS

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Oklahoma
Transportation Authority

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

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Nancy L. Ziehl
President

Jeffrey R. Enos
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the Authority for its annual budget for the year beginning January 1, 2004.

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 thirteenth consecutive year that the OTA has earned this award. The OTA is the only State entity in Oklahoma to receive this award.

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the Oklahoma Transportation Authority for its comprehensive annual financial report for the year ended December 31, 2003. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

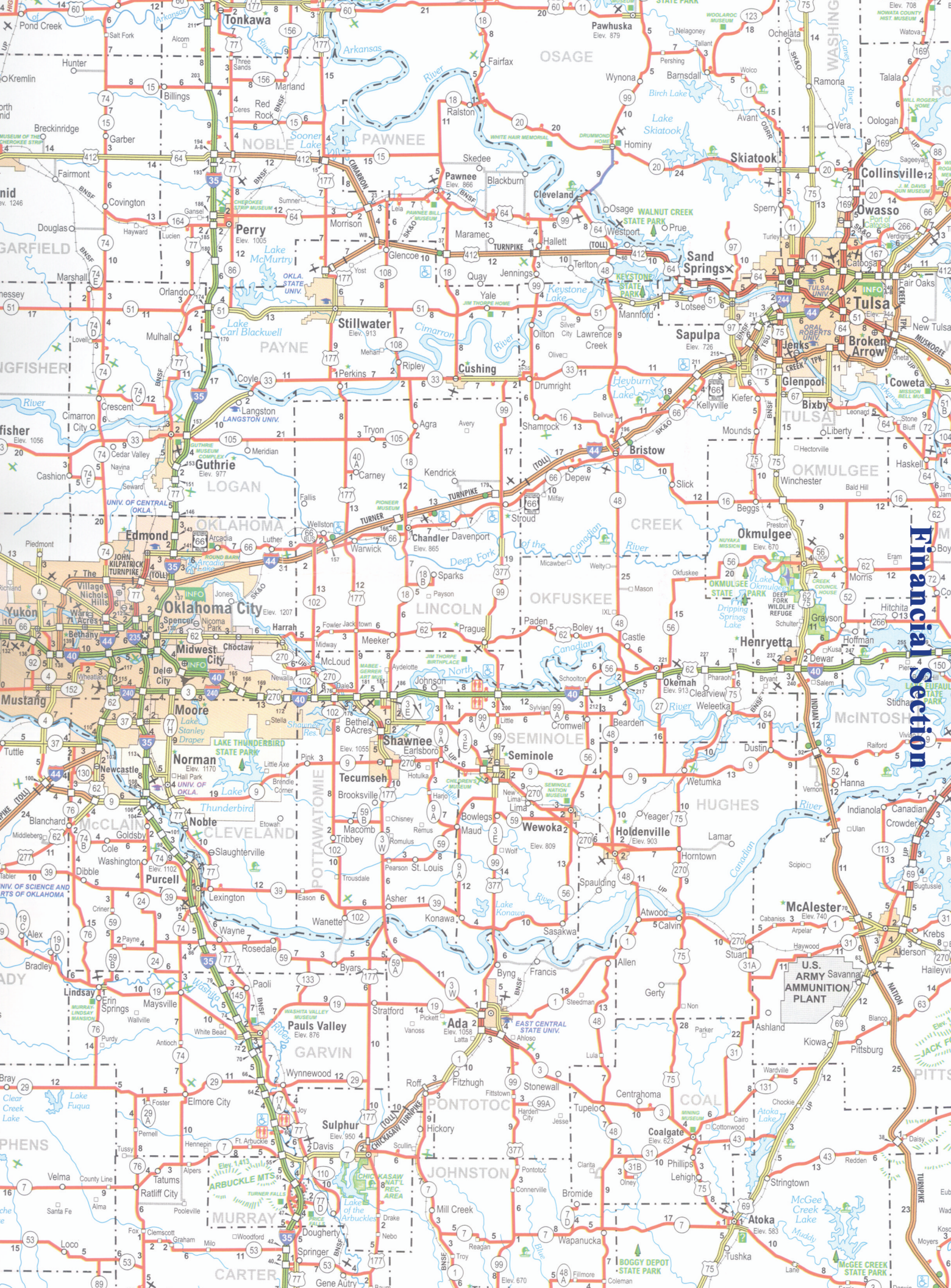
A Certificate of Achievement is valid for a period of one year only. This was the fourteenth consecutive year (years ended December 31, 1990-2003) that the OTA has achieved this prestigious award. The OTA's award is among 26 awarded throughout the State and is one of only six received by State entities in Oklahoma. The OTA believes that its current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and will be submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS



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

Special appreciation is extended to Governor Brad Henry, the Authority Members, Director and Secretary of Transportation Phil Tomlinson and Deputy Director Tim Stewart. Support of the Authority's efforts to excel in the operational and financial management of the OTA is sincerely appreciated.



Financial Section

Independent Auditor's Report

Members of the Oklahoma Transportation Authority

We have audited the accompanying statement of net assets, and the related statements of revenues, expenses and changes in net assets and cash flows of the Oklahoma Transportation Authority (the Authority), as of and for the year ended December 31, 2004. 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 audit. The financial statements of the Authority as of and for the year ended December 31, 2003, were audited by other auditors. Those auditors report, dated March 19, 2004, on those statements, included an explanatory paragraph that described the adoption of Governmental Accounting Standards Board Statement No. 40, Deposit and Investment Risk Disclosures, discussed in Note 1C.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by the Auditing Standards Board of the American Institute of Certified Public Accountants 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 2004 financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of December 31, 2004, and the changes in its net assets and cash flows, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2005 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 24 through 30 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America and the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental financial schedules on pages 54 through 60 have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section on pages 3 through 22 and the supplementary statistical section on pages 63 through 89 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Grant Thornton LLP

Oklahoma City, Oklahoma
March 16, 2005

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Oklahoma Transportation Authority Management's Discussion and Analysis Years Ended December 31, 2004 and 2003

This section of the Oklahoma Transportation Authority's (OTA) annual financial report presents our discussion and analysis of the OTA's financial performance during the fiscal year that ended December 31, 2004. Please read it in conjunction with the transmittal letter in the introductory section of this report and the OTA's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- Toll revenues generated approximately \$185.9 million in 2004 and exceeded 2003 toll revenues by a strong 3.7%. Toll transactions grew to roughly 124.5 million, a substantial 5.3% increase over 2003.
- Total operating expenses remained relatively consistent during 2004 as noted by the 1.7% increase over 2003 to approximately \$53.3 million. All divisions' operating expenses were adversely affected by the Legislative mandated increase to state employees' health benefit allowance. Total operating expenses for 2004 were held to a significant 8.5% below the annual operating budget.
- Total capital assets, net of depreciation, were approximately \$1,163.0 million as of December 31, 2004, representing a 3.5% decline when compared to total capital assets at December 31, 2003. The decline in capital assets is primarily related to initial depreciation expense on Capital Plan projects placed into service during 2004 offset by the purchase of *PIKEPASS* transponders to complete the *PIKEPASS* transponder refurbishment program. In addition, construction work in progress decreased 19.9% as of December 31, 2004 largely due to the completion of several significant rehabilitation projects coupled with fewer expenditures towards new projects.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements and the notes to the financial statements, and other supplementary information.

The financial statements provide both long-term and short-term information about the OTA's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of other supplementary information that further explains and supports the information in the financial statements.

The OTA's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units on an accrual basis. 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, and depreciation of assets is recognized in the Statements of Revenues, Expenses, and Changes in Net Assets. All assets and liabilities associated with the operation of the Authority are included in the Statements of Net Assets.

The Statements of Net Assets report the OTA's net assets and how they have changed. Net assets – the difference between the OTA's assets and liabilities – is one way to measure the OTA's financial health or position. The increase in the OTA's net assets during 2004 is an indicator of its strong financial health.

FINANCIAL ANALYSIS OF THE OTA

Net Assets

The OTA's total net assets surpassed \$248.7 million as of December 31, 2004. (See Table A-1.) Total assets decreased 1.1% to \$1,566.0 million and total liabilities decreased 1.7% to \$1,317.3 million. As of December 31, 2003, total net assets were approximately \$244.2 million. That year, total assets decreased 1.0% to \$1,584.1 million, and total liabilities decreased 1.1% to \$1,339.9 million.

Table A-1
Net Assets
(in millions of dollars)

	2004	2003	2002	Percentage Change 2004-2003
Current assets	\$ 161.3	\$ 159.5	\$ 169.8	1.1%
Restricted assets	233.5	211.2	203.6	10.6%
Capital assets	1,163.0	1,204.8	1,218.1	(3.5%)
Revenue bond issuance costs	8.2	8.6	9.1	(4.7%)
Total assets	1,566.0	1,584.1	1,600.6	(1.1%)
Current liabilities	5.5	7.0	7.2	(21.4%)
Liabilities payable from restricted assets	76.8	75.4	70.8	1.9%
Long-term debt	1,235.0	1,257.5	1,276.2	(1.8%)
Total liabilities	1,317.3	1,339.9	1,354.2	(1.7%)
Net assets:				
Invested in capital assets, net of related debt	(55.0)	(34.5)	(24.6)	59.4%
Restricted for debt service	83.2	82.0	66.5	1.5%
Restricted for reserve maintenance	63.1	44.6	38.8	41.7%
Restricted for construction	-	-	0.1	0.0%
Restricted for other purposes	2.9	1.1	3.0	163.6%
Unrestricted	154.5	151.0	162.6	2.3%
Total net assets	\$ 248.7	\$ 244.2	\$ 246.4	1.8%

During 2004, current assets remained relatively flat, increasing only 1.1%. Current assets are comprised primarily of unrestricted cash and investments in the Revenue and General Funds. Revenue Fund operating expenses for 2004 were held to a significant 8.5% below budgeted levels and were only 0.7% above 2003 Revenue Fund operating expenses. In 2003, unrestricted cash and investment balances had declined 6.1%, as Revenue Fund operating expenses were 6.0% greater than 2002.

Restricted assets increased 10.6% to approximately \$233.5 million in 2004 when compared to 2003 restricted assets. Cash and cash equivalents increased 19.1% and investments grew 7.1% over 2003 balances. The monies held in restricted cash and investments accounts are primarily comprised of the Reserve Maintenance Fund and monies restricted for debt service. Monthly deposits of revenues (unrestricted cash) are transferred to the Reserve Maintenance Fund (restricted cash) as budgeted in the five year Capital Plan for maintenance and rehabilitation projects. During 2004, the OTA concentrated on the completion of several rehabilitation projects and preparations towards the construction of new capital projects. As a result, fewer capital expenditures were made during the year from the Reserve Maintenance Fund, contributing to an increase in these related cash and investment balances and a decrease of 19.9% to construction work in progress when compared to 2003. Consequently, net assets restricted for reserve maintenance was \$63.1 million during 2004, an increase of 41.7% over 2003, in contrast to an increase of 14.9% in this reserve between 2002 and 2003. Debt service accounts have also grown as required debt service transfers increased in accordance with the bond amortization schedules. As principal payments rise, the monthly amount required to be transferred from revenues (unrestricted cash) to fund debt service increases. This natural progression is evidenced by the 1.5% increase from 2003 to 2004 in net assets restricted for debt service.

Capital assets declined 3.5% principally from higher depreciation expense on Capital Plan projects completed in 2004 and the decline in construction work in progress at year-end as mentioned above, offset by the purchase of *PIKEPASS* transponders to complete the implementation of the *PIKEPASS* transponder refurbishment program in August 2004. See further discussion in the Capital Asset Section on pages 28 and 29.

Total liabilities fell 1.7% below the 2003 level. The reduction to current liabilities of 21.4% stemmed from the timing of certain contract service payments at year-end compared to December 31, 2003. The majority of the 1.9% increase to liabilities payable from restricted assets resulted from the current portion of revenue bonds payable combined with a larger balance in the deferred revenue account. Deferred revenue has grown 6.8% in

2004 as the growing base of *PIKEPASS* patrons made deposits to their accounts. This is substantiated by the 3.2% increase in the number of total active *PIKEPASS* accounts at December 31, 2004 compared to the year-ago level. In 2003, total liabilities declined 1.1% below 2002 mainly due to the issuance of Series 2002 revenue bonds to refund the outstanding Series 1989 and 1992 current interest bonds in mid-2002. In addition, the final rebatable arbitrage payment was remitted to the Internal Revenue Service in mid-2003 and caused the \$8.0 million decrease to arbitrage rebate payable and the 63.3% decrease to net assets restricted for other purposes in 2003 compared to 2002.

Net assets invested in capital assets, net of related debt consists of capital assets net of accumulated depreciation and reduced by the amount of outstanding indebtedness from any bonds that are attributable to the acquisition, construction, or improvement of those assets. This outstanding indebtedness includes both revenue bonds payable and a liability to the Oklahoma Department of Transportation for the construction and acquisition of capital assets. A portion of this deficit is a result of the funding from bond proceeds of interest expense during the period of construction of the new turnpike extensions. The proceeds set aside to fund interest expense during the period of construction were not significant to the total of the bond proceeds received. This deficit has increased since December 31, 2002 primarily as a result of the application of depreciation expense on capital assets. The capitalization of completed projects and the reduced number of new capital projects in 2004 led to an overall decline in construction work in progress. This further contributed to the increased deficit in net assets invested in capital assets. New capital projects funded by operating revenues, as well as principal payments made on the outstanding revenue bonds, will slowly decrease this deficit.

Changes in Net Assets

Net assets as of December 31, 2004 exceeded \$248.7 million, an increase of 1.8% above December 31, 2003. (See Table A-2.) The OTA's total operating revenues generated \$187.3 million, an increase of 3.7% over 2003, and total operating expenses were \$125.3 million, an increase of 2.8% over 2003.

Table A-2
Changes in Net Assets
(in millions of dollars)

	2004	2003	2002	Percentage Change 2004-2003
Operating revenues:				
Toll revenue	\$ 185.9	\$ 179.3	\$ 176.5	3.7%
Concession revenue	1.4	1.3	1.2	7.7%
Total operating revenues	187.3	180.6	177.7	3.7%
Operating expenses and depreciation:				
Operating expenses	53.3	52.4	48.8	1.7%
Depreciation and amortization	72.0	69.5	63.2	3.6%
Total operating expenses and depreciation	125.3	121.9	112.0	2.8%
Operating income	62.0	58.7	65.7	5.6%
Non-operating revenues (expenses):				
Interest earned on investments	12.0	12.5	13.4	(4.0%)
Net decrease in fair value of investments	(6.2)	(5.3)	2.7	(17.0%)
Interest expense on revenue bonds outstanding	(65.9)	(69.3)	(69.0)	(5.0%)
Other	2.6	1.2	0.7	116.7%
Net non-operating expenses	(57.5)	(60.9)	(52.2)	(5.6%)
Change in net assets	4.5	(2.2)	13.5	304.5%
Total net assets, beginning of the year	244.2	246.4	232.9	(0.9%)
Total net assets, end of the year	\$ 248.7	\$ 244.2	\$ 246.4	1.8%

All turnpikes have enjoyed steady revenue growth as indicated by the 3.7% gain in toll revenue during 2004 above 2003. Revenue growth shows a healthy 5.3% gain above 2002 revenue levels. Toll transactions during 2004 topped 124.5 million and were 5.3% higher than in 2003. The strongest increases in toll transactions continued to be seen on the recently extended Creek and John Kilpatrick Turnpikes as noted by the impressive growth rates of 8.2% and 8.5%, respectively, during 2004.

Total operating expenses remained comparatively consistent by increasing only 1.7% over those of 2003 as discussed and detailed below in Table A-3. All divisions continued to closely monitor and control operating expenses as demonstrated by the very slight 0.7% increase to Revenue Fund operating expenses over 2003. Depreciation and amortization expense increased 3.6% or nearly \$2.6 million from the addition to capital assets of Capital Plan projects completed in 2004. In 2003, depreciation and amortization expense increased approximately 10.0% as this was the first full year the new turnpike extensions and upgraded toll collection equipment were entirely operational.

Net non-operating expenses decreased \$3.4 million to approximately \$57.5 million in 2004, or 5.6% as compared to 2003. This is essentially represented by the \$3.4 million decrease in interest expense, which is the result of the gradual decline in interest payments based on the bond amortization schedules and the amortization of the net deferred debit. Other non-operating revenue grew approximately \$1.4 million in 2004 as a result of the finalization of the *PIKEPASS* transponder refurbishment program. All transponders not returned for replacement were declared lost, and each account was charged a \$30 lost tag fee per transponder. The growth in other non-operating revenue was offset by a slight decline in interest earned on investments and the decline in fair value of investments. In 2003, net non-operating expenses increased 16.7%, or \$8.7 million. The decrease in 2003 was attributable to the net decrease in fair value of investments. Because the OTA's Trust Agreement is structured to hold most investments to maturity, many of the U.S. Treasury Notes held on December 31, 2003 had been purchased during 1999-2001 when 5-year treasury rates were between 4% and 6%. However, as these U.S. Treasury Notes move closer to maturity, they experienced significantly lower unrealized gains since fewer interest payments remained above market rates. These circumstances continue to exist at December 31, 2004 and will continue until most of the investment rates in the portfolio are closer to current rates.

Table A-3
Operating Expenses Before Depreciation and Amortization
(in thousands of dollars)

	2004	2003	2002	Percentage Change 2004-2003
Toll Operations	\$ 13,278	\$ 13,056	\$ 12,211	1.7%
Turnpike Maintenance	14,827	14,453	14,036	2.6%
Engineering	2,034	2,470	1,880	(17.7%)
Highway Patrol	9,502	9,737	9,151	(2.4%)
<i>PIKEPASS</i> Customer Service	6,906	5,855	5,141	18.0%
General Administration	1,674	1,738	1,670	(3.7%)
Information Technology	2,840	2,779	2,664	2.2%
Controller	677	725	673	(6.6%)
Finance and Revenue	411	446	490	(7.9%)
Executive	1,187	1,178	873	0.8%
Authority	4	4	8	0.0%
Total operating expenses before depreciation and amortization	\$ 53,340	\$ 52,441	\$ 48,797	1.7%

All divisions' operating expenses were adversely affected by higher health care costs and the continuing effect of the Legislatively mandated automatic increase paid to state employees benefit allowance as health insurance premiums rise that was approved during the 2001 Legislative session.

The Toll Operations Division experienced an increase in operating expenses of 1.7% or approximately \$222,000. This upsurge was triggered by the 21.4% hike in health benefit costs, the hiring of temporary personnel in an effort to reduce overtime for regular employees and the application of a credit towards the maintenance of the new toll collection equipment as the warranties expire. In 2003, operating expenses were up 6.9% largely from the 11% market base increase in toll collector base salaries, the increased health benefit costs and the utility costs for the first full year of the upgraded toll lanes on the Creek Extensions.

The Maintenance Division's operating expenses increased by 2.6%, or \$374,000, in 2004 above 2003 compared to 3.0%, or \$417,000, in 2003 above 2002. Road maintenance costs during 2004 exceeded 2003 levels chiefly resulting from diamond grinding performed on the H.E. Bailey Turnpike and extensive dirt removal and armoring performed to the embankments of the Haikey Creek Wetlands on the Creek Turnpike. The Maintenance Division also participated in other projects including fence replacement on the Turner Turnpike, repainting various toll areas on the Cherokee Turnpike and highway striping on the H.E. Bailey and Indian Nation Turnpikes. These increases in road maintenance costs were offset by lower costs in project areas completed in 2003. Prior year projects included replacing worn crash attenuators, improving signage on the System and stocking salt storage facilities to full capacity.

Operating expenses for the Engineering Division fell by over 17.7% or \$435,000 when compared to the same period last year. Payments made in 2003 for phase II wetland/waterway permits related to right-of-way and environmental feasibility studies on the Muskogee Turnpike and other items such as the use of outside engineering services during 2003 to cover a vacant position and general project load fluctuations from year to year contributed significantly to the decline. In contrast, operating expenses during 2003 were up by \$590,000 or 31.4% due to the wetland/waterway permits on the Muskogee Turnpike feasibility studies, landscaping on the Creek South Turnpike Extension and the discontinuation of a pavement rehabilitation project on the Will Rogers Turnpike, making it no longer eligible for capitalization.

During 2004, the Oklahoma Highway Patrol (OHP) Division's operating expenses declined 2.4% or almost \$236,000 below 2003 operating expenses. Decreased expenses were primarily in personnel costs. Regular payroll costs on the Will Rogers and Muskogee Turnpikes declined over 2003 as the average number of troopers fell below prior year staffing levels. Corresponding to the decrease in personnel cost was a decrease in worker's compensation costs. During 2003, the OHP Division's operating expenses were up 6.4% mainly from an agreement with the Department of Public Safety to reimburse additional administrative overhead costs for the services provided by the OHP. This agreement remains in effect.

The *PIKEPASS* Customer Service Division's operating expenses increased nearly 18.0% in 2004 above 2003 operating expenses and 13.9% in 2003 above 2002 operating expenses. The number of active *PIKEPASS* accounts grew 3.2% in 2004 and 8.2% in 2003. The higher volume of *PIKEPASS* accounts, increased credit card and EFT usage, completion of the *PIKEPASS* transponder refurbishment program and implementation of the new violation enforcement system has resulted in higher tag agency fees and banking and financial service expenditures during 2004. Operating expenses were also affected by the increase in bad debt expense related to violations processing. In late 2003, the OTA significantly improved its ability to detect violation occurrences. With the improved detection capabilities, the number of violations processed has increased which has led to an increase to bad debt expense. The OTA utilizes a third party service provider for collection efforts on outstanding violation receivables.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The OTA had invested approximately \$2,045.2 million in capital assets, including roads, bridges, buildings, land, and equipment as of December 31, 2004. Accumulated depreciation and amortization on capital assets increased 7.3% compared to 2003. As a result of the increase in depreciation expense and the 19.9% decrease in construction work in progress, total net capital assets declined 3.5% from December 31, 2003 to approximately \$1,163.0 million at December 31, 2004. (See Table A-4.) At December 31, 2003, net capital

assets totaled approximately \$1,204.8 million, a net decrease (including additions and disposals, net of depreciation) of approximately 1.1% from December 31, 2002.

Table A-4
Capital Assets
(net of depreciation, in millions of dollars)

	2004	2003	2002	Percentage Change 2004-2003
Roads and bridges	\$ 626.3	\$ 654.5	\$ 679.6	(4.3%)
Construction work in progress	54.8	68.4	40.1	(19.9%)
Improvements	173.1	177.5	188.6	(2.5%)
Land	162.3	162.2	161.5	0.1%
Buildings	41.4	31.5	30.9	31.4%
Equipment	38.4	40.9	44.4	(6.1%)
Capitalized interest	66.7	69.8	73.0	(4.4%)
Total net capital assets	\$ 1,163.0	\$ 1,204.8	\$ 1,218.1	(3.5%)

Roads and bridges declined 4.3% in 2004 compared to the 3.7% decrease in 2003. Over \$29.5 million in depreciation expense was properly recognized on roads and bridges alone during 2004. The OTA focused on the completion of several large System rehabilitation projects that were underway at December 31, 2003 as noted by the 19.9% reduction to construction work in progress at December 31, 2004. As a result of this emphasis, the largest component of improvements, road and bridge rehabilitation, increased by over \$17.2 million during 2004. Depreciation expense in the amount of \$23.0 million was recognized on improvements leading to the net 2.5% decrease to improvements in 2004 compared to the 5.9% decrease in 2003.

The OTA finalized toll plaza side-gate reconstruction projects at Big Cabin and Miami on the Will Rogers Turnpike and at Kellyville on the Turner Turnpike, adding nearly \$11.8 million to buildings during 2004. These new additions, reduced by the depreciation expense on OTA's existing assets comprise the 31.4% increase in buildings during 2004 compared to 2003. During 2003, toll plazas and salt storage buildings on the H.E. Bailey and Creek Turnpikes accounted for nearly all of the 1.9% increase over 2002.

As budgeted in the five year Capital Plan, the purchase of Type II *PIKEPASS* tags to accommodate the growing customer base and complete the implementation of the *PIKEPASS* transponder replacement program generated the bulk of the increase to equipment in 2004 and 2003. The related disposal of the old style of *PIKEPASS* tags from inventory contributed to the 6.1% net decrease in equipment in 2004 as well as the 7.9% net decrease in equipment in 2003. For additional information regarding the OTA's capital assets, please see the disclosures in the notes to the financial statements on pages 39-40 and pages 47-48 of the Financial Section of this report.

The 2005 portion of the OTA's five year Capital Plan calls for spending almost \$79.0 million for capital projects. Approximately 88.1% of this funding is allocated to road and bridge rehabilitation projects, the construction of toll plazas and salt barns and diamond grinding throughout the System. The remaining 11.9% is allocated to other capital projects such as the purchase of Type II *PIKEPASS* transponders for new patrons, annual replacement of vehicles for Oklahoma Highway Patrol troopers and various security measures throughout the System. The 2005 portion of the five year Capital Plan will be funded by a combination of resources on hand and 2005 toll revenues.

Debt Administration

Turnpike bond sales must be approved by the Council of Bond Oversight and must comply with rules and regulations of the United States Treasury Department and the United States Securities and Exchange Commission. The OTA's long-term debt includes revenue bonds payable and a payable to ODOT. At December 31, 2004, the OTA had approximately \$1,228.5 million in revenue bonds outstanding, a 2.0% decrease from December 31, 2003. The payable to ODOT at December 31, 2004 was approximately \$44.5 million.

Of the \$1,228.5 million in revenue bonds outstanding, approximately \$1,127.9 million is insured and rated Aaa by Moody's Investors Service, and AAA by both Fitch Ratings and Standard and Poor's Rating Service (S&P) with a positive rating outlook. The remaining debt is rated Aa3 by Moody's Investors Service and AA- by both Fitch Ratings and S&P. For more detailed information on the OTA's long-term debt activity, please refer to the disclosures in the notes to the financial statements on pages 48-51 of the Financial Section of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Reports from the Federal Reserve Board indicate the United States economy continued to expand from late November 2004 through early January 2005. Consumer spending was generally higher, and a number of districts reported retail sales during the holidays above year-ago levels. Most districts reported manufacturing activity firmed, and many districts said businesses planned to increase capital spending in 2005. In the financial sector, lending activity was mixed, as modestly higher commercial and industrial lending was tempered by slower residential mortgage lending. Several districts noted that agricultural conditions were favorable and that activity in the energy sector remained strong.

The "2005 State of Oklahoma Outlook", published by the College of Business Administration of the Oklahoma State University, indicated the nation's gross domestic product (GDP) expanded at an impressive rate since the recession's end nearly three years ago. GDP output increased at a 3.4% annual pace in the ten quarters since the recovery began, far surpassing the 2.7% rate realized over the ten quarters following the 1990-91 recession. Despite strong growth in output, job formation remains disappointing nationwide since the job recovery began. The apparent reluctance of firms to add workers has less to do with the wherewithal to hire and more to do with fragile business confidence and ongoing gains in worker productivity. Job formation in Oklahoma has outpaced that of the nation since the third quarter of 2003. While still below peak 2001 hiring levels, State non-farm wage and salary payrolls expanded 1.7% versus 1.3% for the nation. The Oklahoma City metropolitan area continues its gradual recovery from the 2001 recession. Following two consecutive years of job losses, the Oklahoma City metropolitan area expects to post its first gain in non-farm employment in 2004. The Tulsa metropolitan area experienced a disproportionate adverse impact to the national recession that pushed Tulsa's unemployment rate to 6.5% in 2003. In 2004, Tulsa's economic recovery was well underway and preliminary estimates indicate real gross metropolitan product increased by almost 1.7%. The economic expansion brought about a very modest 0.8% increase in real personal income, and reduced the Tulsa metropolitan area unemployment rate to 4.8%.

The OTA's 2005 Annual Budget, adopted by the Authority on November 17, 2004, includes \$59.1 million for the operating and maintenance budget, \$44.9 million for the Reserve Maintenance Fund budget and \$34.0 million for the General Fund budget. The amounts budgeted within the operating and maintenance budget increased approximately 9.9% primarily from the State Legislature passing bills to increase state employees' salaries for the first time in four years, compress the pay scales of the Oklahoma Highway Patrol troopers and automatically increase the benefit allowance paid to state employees as health insurance premiums rise. The other significant increase in the operating and maintenance budget is related to the maintenance costs associated with the electronic toll collection system upgrade subsequent to the warranty expiration. The amounts budgeted within the Reserve Maintenance and General Fund budgets finance the maintenance, rehabilitation and improvements included in the 2005 portion of the OTA's five year Capital Plan.

CONTACTING THE OTA'S FINANCIAL MANAGEMENT

This financial report is designed to provide our bondholders, patrons, and other interested parties with a general overview of the OTA's finances and to demonstrate the OTA's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Oklahoma Transportation Authority's Controller Division, P. O. Box 11357, Oklahoma City, OK 73136-0357.

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Oklahoma Transportation Authority

Statements of Net Assets

December 31, 2004 and 2003

Assets:	2004	2003
Current assets:		
Cash and cash equivalents (note 3)	\$ 20,760,609	\$ 13,835,443
Investments (note 3)	136,778,977	141,452,677
Accounts receivable (note 11)	1,370,161	1,554,629
Accrued interest receivable	983,582	1,165,970
Prepaid expenses	125,871	167,332
Materials inventory	1,299,580	1,280,828
Total current assets	161,318,780	159,456,879
Restricted assets (notes 3, 7 and 10):		
Cash and cash equivalents (note 3)	74,344,153	62,442,503
Investments (note 3)	157,067,491	146,628,686
Accrued interest receivable	2,066,178	2,149,581
Total restricted assets	233,477,822	211,220,770
Capital assets (note 4):		
Land	162,259,763	162,206,539
Construction work in progress	54,770,852	68,378,560
Property and equipment	1,828,125,243	1,796,258,730
Less accumulated depreciation and amortization	(882,122,916)	(821,998,770)
Net capital assets	1,163,032,942	1,204,845,059
Revenue bond issuance costs (net of accumulated amortization of \$1,753,507 and \$1,327,749 in 2004 and 2003, respectively)	8,183,482	8,609,240
Total assets	1,566,013,026	1,584,131,948
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses (note 11)	5,436,255	7,043,686
Liabilities payable from restricted assets:		
Accounts payable and accrued expenses (note 11)	2,417,181	2,628,514
Accrued interest payable	31,195,447	31,760,366
Deferred revenue	16,070,000	15,042,621
Current portion of revenue bonds payable (note 7)	27,125,000	26,010,000
Total liabilities payable from restricted assets	76,807,628	75,441,501
Long-term debt:		
Revenue bonds, net of unamortized net premiums of \$14,276,119 and \$15,134,745 in 2004 and 2003, respectively, and of unamortized net deferred debit on refundings of \$25,137,561 and \$29,064,689 in 2004 and 2003, respectively (note 7)	1,190,479,358	1,214,206,717
Payable to Department of Transportation (note 10)	44,549,686	43,243,731
Total long-term debt	1,235,029,044	1,257,450,448
Total liabilities	1,317,272,927	1,339,935,635
Net assets:		
Invested in capital assets, net of related debt	(54,993,648)	(34,495,879)
Restricted for debt service	83,182,503	82,010,707
Restricted for reserve maintenance	63,150,948	44,567,213
Restricted for other purposes	2,872,289	1,111,073
Unrestricted	154,528,007	151,003,199
Commitments and contingencies (note 12)	-	-
Total net assets	\$ 248,740,099	\$ 244,196,313

See accompanying notes to financial statements

Oklahoma Transportation Authority
Statements of Revenues, Expenses and Changes in Net Assets
Years Ended December 31, 2004 and 2003

	<u>2004</u>	<u>2003</u>
Operating revenues:		
Tolls	\$ 185,892,994	\$ 179,341,853
Concessions	1,406,923	1,310,823
Total operating revenues	187,299,917	180,652,676
Operating expenses:		
Toll Operations	13,277,932	13,056,476
Turnpike Maintenance	14,827,358	14,453,089
Engineering	2,034,389	2,469,550
Highway Patrol	9,501,714	9,737,287
PIKEPASS Customer Service	6,906,149	5,854,572
General Administration	1,674,259	1,738,011
Information Technology	2,839,786	2,778,549
Controller	677,158	725,093
Finance and Revenue	410,771	445,572
Executive	1,186,429	1,178,352
Authority	3,948	4,338
Total operating expenses before depreciation and amortization	53,339,893	52,440,889
Operating income before depreciation and amortization	133,960,024	128,211,787
Depreciation and amortization (note 4)	(72,037,188)	(69,440,597)
Operating income	61,922,836	58,771,190
Non-operating revenues (expenses):		
Interest earned on investments	11,996,164	12,452,772
Net decrease in fair value of investments	(6,178,509)	(5,335,682)
Interest expense on revenue bonds outstanding	(65,788,534)	(69,275,388)
Other	2,591,829	1,228,631
Net non-operating expenses	(57,379,050)	(60,929,667)
Change in net assets	4,543,786	(2,158,477)
Total net assets, beginning of the year	244,196,313	246,354,790
Total net assets, end of the year	\$ 248,740,099	\$ 244,196,313

See accompanying notes to financial statements

Oklahoma Transportation Authority
Statements of Cash Flows
Years Ended December 31, 2004 and 2003

	<u>2004</u>	<u>2003</u>
Cash flows from operating activities:		
Receipts from patrons	\$ 186,956,621	\$ 180,357,376
Receipts from concessionaires	1,392,548	1,178,098
Payments to suppliers	(30,968,824)	(30,565,581)
Payments to employees	<u>(23,396,796)</u>	<u>(22,764,138)</u>
Net cash flows provided by operating activities	<u>133,983,549</u>	<u>128,205,755</u>
Cash flows from noncapital financing activities:		
Proceeds from motor fuel tax apportionment transfers	38,390,244	35,650,462
Payments to the Department of Transportation (ODOT)	(32,004,074)	(29,162,453)
Payments to State Insurance Department	(6,386,170)	(6,488,009)
Interest earned and recorded as payable to the ODOT	1,305,955	1,510,222
Receipts from other non-operating sources	<u>2,938,337</u>	<u>911,659</u>
Net cash flows provided by noncapital financing activities	<u>4,244,292</u>	<u>2,421,881</u>
Cash flows from capital and related financing activities:		
Payment of bond issuance costs	-	(1,253)
Acquisition and construction of capital assets	(30,753,554)	(54,143,011)
Principal payment to retire revenue bonds	(26,010,000)	(10,155,000)
Interest paid on revenue bonds outstanding	<u>(62,955,812)</u>	<u>(66,784,501)</u>
Net cash flows used in capital and related financing activities	<u>(119,719,366)</u>	<u>(131,083,765)</u>
Cash flows from investing activities:		
Purchase of investments	(175,412,342)	(204,696,208)
Proceeds from sales and maturities of investments	163,468,728	203,435,943
Interest received	12,261,955	11,466,717
Decrease in arbitrage funds payable to U.S. Treasury	<u>-</u>	<u>(8,033,267)</u>
Net cash flows provided by investing activities	<u>318,341</u>	<u>2,173,185</u>
Net increase in cash and cash equivalents	18,826,816	1,717,056
Cash and cash equivalents, January 1 (including \$62,442,503 and \$58,704,442 for 2004 and 2003, respectively, reported in restricted assets)	<u>76,277,946</u>	<u>74,560,890</u>
Cash and cash equivalents, December 31 (including \$74,344,153 and \$62,442,503 for 2004 and 2003, respectively, reported in restricted assets)	<u>\$ 95,104,762</u>	<u>\$ 76,277,946</u>

See accompanying notes to financial statements

(Continued)

Oklahoma Transportation Authority
Statements of Cash Flows
Years Ended December 31, 2004 and 2003

	<u>2004</u>	<u>2003</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 61,922,836	\$ 58,771,190
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	72,037,188	69,440,597
Changes in assets and liabilities:		
Decrease in accounts receivable	32,136	153,011
Decrease in prepaid expense	41,461	18,441
(Increase) decrease in materials inventory	(18,752)	65,033
Decrease in accounts payable and accrued expenses	(1,058,699)	(1,096,041)
Increase in deferred revenue	1,027,379	853,524
Total adjustments	<u>72,060,713</u>	<u>69,434,565</u>
Net cash flows provided by operating activities	<u>\$ 133,983,549</u>	<u>\$ 128,205,755</u>
 Noncash investing, capital, and financing items:		
Unrealized loss on investments	\$ (5,980,801)	\$ (5,584,409)
Decrease in receivables related to acquisition and construction of capital assets	-	(642,467)
Increase in contractual obligations related to acquisition and construction of capital assets	7,122	1,005,502
Accretion of capital appreciation bonds	(329,139)	(416,166)

See accompanying notes to financial statements

Oklahoma Transportation Authority
Notes to Financial Statements
December 31, 2004 and 2003

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Oklahoma Transportation Authority

Notes to Financial Statements

December 31, 2004 and 2003

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

The financial statements of the Oklahoma Transportation Authority (the Authority) have been prepared in conformity with accounting principles generally accepted in the United States of America (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 Transportation 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's governing body 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 Statements of Net Assets. The principal revenues of the Authority are toll revenues received from patrons. Deposits of prepayments from *PIKEPASS* patrons are recorded as deferred revenue on the Statements of Net Assets and are recognized as toll revenue when earned. The Authority also recognizes as operating revenue the rental fees received from concessionaires from operating leases on concession property. Operating expenses for the Authority include the costs of operating the turnpikes, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The prevailing Trust Agreement dated February 1, 1989 and all supplements thereto (the Trust Agreement) 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 (GASB) Statement No. 40, "Deposit and Investment Risk Disclosures" (Statement 40) in 2003, effective January 1, 2002. Statement 40 modified or eliminated certain investment reporting requirements previously established by GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements." Statement 40 had an impact on the presentation of the notes to the financial statements, but no impact on net assets.

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. See additional information regarding legal compliance for budgets in Note 2.

E. Cash, Cash Equivalents and Investments

Cash includes amounts in demand deposits. Cash equivalents include all highly liquid deposits with an original maturity of three months or less when purchased. These deposits are fully collateralized or covered by federal deposit insurance. The carrying amount of the investments is fair value. The net change in fair value of investments is recorded on the Statements of Revenues, Expenses and Changes in Net Assets 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. These inventories are charged to expense during the period in which the maintenance or repair occurs.

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. Payments from these restricted accounts are strictly governed by the Trust Agreement and are only made in compliance with the Trust Agreement. Limited types of expenses may be funded from these restricted accounts. Those types of expenses which do not meet these standards are funded from unrestricted accounts. 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 (see 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 construction or improvements.

The Authority has also established 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. Capital Assets

All capital assets are stated at cost. Capital assets are defined as assets with initial, individual costs exceeding \$500 to \$20,000 depending on asset category. Depreciation is computed on the straight-line method over the following estimated useful lives:

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

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. There was no interest capitalized in 2004 or 2003. Amortization of capitalized interest is included in depreciation expense.

J. Net Bond Premiums and Bond Issuance Costs

Net bond premiums are presented as additions to the face amount of bonds payable on the Statements of Net Assets. Bond issuance costs are presented as a deferred asset on the Statements of Net Assets. The net premiums and issuance costs are amortized over the life of the bonds on a method that approximates the effective interest method. Amortization expense related to net bond premiums was approximately \$859,000 for each of the years ended December 31, 2004 and 2003, and is included as a component of interest expense on revenue bonds outstanding on the Statements of Revenues, Expenses and Changes in Net Assets. Depreciation and amortization expense includes amortization of bond issuance costs for both 2004 and 2003 of approximately \$426,000.

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 Internal Revenue Service (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 to record annually as a liability the estimated amount owed. At December 31, 2004 and 2003, there was no cumulative rebatable arbitrage, and therefore, no arbitrage rebate liability has been recorded for the years ended December 31, 2004 and 2003.

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 GAAP 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.

N. Reclassifications

Certain amounts in the 2003 financial statements have been reclassified to conform to the 2004 presentation.

Note 2. Legal Compliance-Budgets

On or before October 10 each year 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. 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 and Deputy Director are authorized to approve all line item and inter-division budget transfers. Budget amendments must be approved by the governing body in a manner similar to the adoption of the annual budget. There were no occurrences of budget noncompliance in 2004 or 2003.

Note 3. Deposits and Investments

Deposits. At December 31, 2004 and 2003, the carrying amounts of the Authority's cash deposits were \$6,691,885 and \$223,501, respectively. The bank balances were \$5,753,839 and \$484,375, respectively. At December 31, 2004 and 2003, the carrying amount and bank balances of the Authority's cash equivalents were \$88,412,877 and \$76,054,445, respectively. Under the terms of the Trust Agreement, all monies deposited with the Trustee in excess of the amount insured by the Federal Deposit Insurance Corporation shall be continuously secured with collateralized securities held by the Authority's agent in the Authority's name. The Authority has complied with the terms of the Trust Agreement in 2004 and 2003.

Investments. The Authority's investments at December 31, 2004 and 2003 were \$293,846,468 and \$288,081,363, respectively.

Credit Risk. 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 (FNMA) or any bank, trust company or national banking association or a corporation meeting certain conditions defined in the Authority's Trust Agreement. The Authority's investments in Federal Home Loan Mortgage Corporation (FHLMC) debt securities were rated Aaa by Moody's Investors Services (Moody's) and AAA by Standard & Poor's (S&P) and Fitch Ratings. The Authority's investments in Federal Home Loan Bank (FHLB) and FNMA debt securities were rated Aaa by Moody's and AAA by S&P. All the Authority's investments in U.S. debt instruments are issued or explicitly guaranteed by the U. S. Government. The Authority has complied with the terms of the Trust Agreement in 2004 and 2003.

Interest Rate Risk. The Trust Agreement also specifically defines the maturity periods for each of the Authority's funds and accounts (see Note 1(G)). These maturity limits range from 6 months to 7 years. The Authority has no other policies limiting investment maturities. The Authority has complied with the terms of the Trust Agreement in 2004 and 2003.

Concentration of Credit Risk. There is no limit on the amount the Authority may invest in any one issuer. The Authority's investments in FHLB debt securities were 10.4% and 9.6% of total investments at December 31, 2004 and 2003, respectively. The Authority also has a significant investment in a JPMorgan Chase Bank (JPMorgan) Repurchase Agreement, representing 17.3% and 17.7% of total investments at December 31, 2004 and 2003, respectively. This Repurchase Agreement bears a yield equal to the rate of 5.991%. If the rating of unsecured senior long-term debt obligations of JPMorgan falls below A by Moody's or S&P, then the Repurchase Agreement can be collateralized with additional securities, transferred with the consent of the Trustee to another entity with long-term senior unsecured debt rated at A or better by Moody's and S&P, or terminated if neither of the above conditions are met. Certain JPMorgan

unsecured senior long-term debt is rated Aa3 by Moody's and A+ by S&P and Fitch. Wells Fargo Bank Minnesota, N.A., correspondent custodian, holds the collateral for this agreement directly for the benefit of the customers of the custodian, Bank of Oklahoma N.A. The transaction matures every 30 days and is automatically renewed until January 1, 2022. The terms of this Repurchase Agreement are governed by the Master Repurchase Agreement between JPMorgan and Bank of Oklahoma, N.A., Trustee, as supplemented by the letter agreement dated May 23, 2002.

The Authority's investments at December 31, 2004 and 2003 include the following for each year, respectively: U.S. Treasuries \$191,899,650 and \$198,780,539; U. S. Strips \$6,816,129 and \$6,057,215; FHLB debt securities \$30,563,114 and \$27,577,737; FHLMC debt securities \$8,733,986 and \$3,793,464; a repurchase agreement \$50,936,450 each year; and an open-end mutual fund \$2,070,970 and \$935,958. The Authority also has a FNMA debt security investment of \$2,499,212 and investments in closed-end equity funds of \$326,957 at December 31, 2004. See details for each investment in the schedules below.

Schedule of Cash, Cash Equivalents and Investments as of December 31, 2004

	<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	-	%	12/31/04	\$ 103,840	\$ 103,840
Commercial Paper	1.400	12/31/04	Demand	8,838,174	8,838,174
FHLB	3.250	06/18/03	12/18/08	4,000,000	3,930,000
FHLB	3.500	06/19/03	06/19/09	6,000,000	6,004,710
FHLB	3.925	10/07/04	01/07/09	5,004,687	5,000,000
FHLB	4.300	04/01/03	04/01/10	6,000,000	5,912,820
FHLMC	3.000	12/15/03	12/15/06	1,800,000	1,785,096
FHLMC	4.020	04/15/04	04/15/10	5,000,000	4,965,450
U. S. Treasury Notes	1.500	08/15/03	02/28/05	1,998,750	1,999,220
U. S. Treasury Notes	6.500	Various	05/15/05	8,275,391	8,372,460
U. S. Treasury Notes	5.875	06/13/01	11/15/05	11,162,578	10,780,546
U. S. Treasury Notes	5.750	Various	11/15/05	25,350,625	24,622,560
U. S. Treasury Notes	4.625	Various	05/15/06	26,294,102	26,351,523
U. S. Treasury Notes	3.500	Various	11/15/06	10,225,039	9,835,312
U. S. Treasury Notes	6.250	08/31/00	02/15/07	5,967,461	6,121,967
U. S. Treasury Notes	4.375	12/29/04	05/15/07	5,136,719	5,140,425
U. S. Treasury Notes	3.000	Various	11/15/07	2,008,281	1,988,280
U. S. Treasury Notes	2.625	07/29/03	05/15/08	303,093	293,391
U. S. Treasury Notes	5.625	08/16/04	05/15/08	6,798,828	6,705,562
U. S. Treasury Notes	3.250	08/16/04	08/15/08	7,014,766	6,969,655
				<u>147,282,334</u>	<u>145,720,991</u>
Revenue Fund:					
American Performance Treasury Fund	-	12/31/04	Demand	100,815	100,815
Commercial Paper	1.400	12/31/04	Demand	10,907,684	10,907,684
				<u>11,008,499</u>	<u>11,008,499</u>
Total unrestricted cash equivalents & investments				\$ 158,290,833	\$ 156,729,490

	Applicable Interest Rate	Purchase Date	Maturity Date	Original Cost	Fair Value
Restricted:					
Reserve Maintenance Fund:					
American Performance Treasury Fund	- %	12/31/04	Demand	\$ 273,548	\$ 273,548
Commercial Paper	1.400	12/31/04	Demand	7,331,165	7,331,165
FHLB	2.400	03/15/04	09/15/06	2,000,000	1,975,000
FHLB	2.250	09/29/03	09/29/06	1,000,000	977,815
FHLB	2.800	02/09/04	02/09/07	1,000,000	990,780
FHLB	3.700	08/10/04	08/10/07	2,000,000	1,993,749
FHLMC	3.000	12/15/03	12/15/06	2,000,000	1,983,440
FNMA	3.350	05/10/04	05/10/07	2,500,000	2,499,212
U. S. Treasury Notes	1.500	09/10/03	02/28/05	2,004,374	1,999,220
U. S. Treasury Notes	1.625	12/31/03	04/30/05	2,357,159	2,344,948
U. S. Treasury Notes	1.500	08/14/03	07/31/05	1,490,624	1,491,270
U. S. Treasury Notes	5.875	Various	11/15/05	4,595,132	4,260,883
U. S. Treasury Notes	5.750	02/18/03	11/15/05	3,304,219	3,077,820
U. S. Treasury Notes	1.875	02/17/04	12/31/05	4,996,405	4,958,200
U. S. Treasury Notes	5.625	02/10/03	02/15/06	3,306,563	3,093,750
U. S. Treasury Notes	4.625	Various	05/15/06	3,766,094	3,581,760
U. S. Treasury Notes	2.500	09/10/04	05/31/06	3,008,436	2,983,710
U. S. Treasury Notes	2.750	Various	06/30/06	9,003,906	8,978,535
U. S. Treasury Notes	3.500	Various	11/15/06	4,052,033	4,035,000
U. S. Treasury Notes	4.375	12/29/04	05/15/07	5,136,722	5,140,425
				<u>65,126,380</u>	<u>63,970,230</u>
1992 Series F&G Bond Service and Reserve Accounts:					
American Performance Treasury Fund	-	12/31/04	Demand	1,027,686	1,027,686
Commercial Paper	1.400	12/31/04	Demand	992,515	992,515
U. S. Treasury Strip	-	11/28/03	02/15/05	811,140	823,061
U. S. Treasury Strip	-	11/28/03	02/15/08	793,188	813,717
				<u>3,624,529</u>	<u>3,656,979</u>
1998 A&B Bond Service Funds:					
American Performance Treasury Fund	-	12/31/04	Demand	20,747,091	20,747,091
Commercial Paper	1.400	12/31/04	Demand	3,453,752	3,453,752
				<u>24,200,843</u>	<u>24,200,843</u>
Revenue Reserve Accounts:					
American Performance Treasury Fund	-	12/31/04	Demand	21,290	21,290
JP Morgan Chase Repo	5.991	05/23/02	01/01/22	50,936,450	50,936,450
U. S. Treasury Strip	-	11/28/03	02/15/05	1,474,800	1,496,475
				<u>52,432,540</u>	<u>52,454,215</u>
2002 A&B Bond Service Funds:					
American Performance Treasury Fund	-	12/31/04	Demand	23,115,711	23,115,711
Commercial Paper	1.400	12/31/04	Demand	9,238,412	9,238,412
				<u>32,354,123</u>	<u>32,354,123</u>
Turnpike Trust Fund:					
American Performance Treasury Fund	-	12/31/04	Demand	177,264	177,264
Commercial Paper	1.400	12/31/04	Demand	2,006,065	2,006,065
U. S. Treasury Notes	5.750	Various	11/15/05	9,314,921	9,028,270
U. S. Treasury Notes	4.625	Various	05/15/06	7,225,430	7,163,520
U. S. Treasury Notes	3.500	Various	11/15/06	5,713,711	5,548,125
U. S. Treasury Notes	3.125	09/02/04	05/15/07	752,695	749,854
U. S. Treasury Notes	4.375	12/29/04	05/15/07	2,054,688	2,056,170
U. S. Treasury Notes	3.000	Various	11/15/07	1,180,828	1,168,115
U. S. Treasury Notes	3.125	11/26/03	10/15/08	498,750	494,825
U. S. Treasury Notes	5.625	08/16/04	05/15/08	1,903,672	1,877,558
U. S. Treasury Notes	3.250	08/16/04	08/15/08	2,004,219	1,991,330
U. S. Treasury Strip	-	08/14/03	08/15/05	2,411,875	2,462,300
U. S. Treasury Strip	-	Various	02/15/08	1,209,961	1,220,576
				<u>36,454,079</u>	<u>35,943,972</u>

	<u>Applicable Interest Rate</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Original Cost</u>	<u>Fair Value</u>
Prepaid PIKEPASS Fund:					
American Performance Treasury Fund	- %	12/31/04	Demand	\$ 77,864	\$ 77,864
FHLB	4.100	11/19/03	11/19/08	1,000,000	1,000,000
FHLB	3.050	06/30/03	12/30/08	500,000	487,500
FHLB	3.280	07/16/03	01/16/09	500,000	491,408
FHLB	4.450	05/27/04	05/27/09	500,000	502,970
FHLB	4.000	04/15/04	10/15/10	300,000	296,439
FHLB	4.800	11/24/03	11/24/10	750,000	750,000
FHLB	4.750	12/15/03	12/15/10	250,000	249,923
U. S. Treasury Notes	6.500	06/09/00	05/15/05	502,344	507,422
U. S. Treasury Notes	1.500	Various	07/31/05	349,281	347,963
U. S. Treasury Notes	5.750	Various	11/15/05	1,752,923	1,641,505
U. S. Treasury Notes	4.625	12/10/01	05/15/06	1,765,449	1,790,880
U. S. Treasury Notes	2.375	Various	08/15/06	649,133	644,033
U. S. Treasury Notes	3.500	Various	11/15/06	595,883	580,031
U. S. Treasury Notes	5.625	08/16/04	05/15/08	543,906	536,445
U. S. Treasury Notes	3.250	08/16/04	08/15/08	651,371	647,182
Vanguard 500 Index Trust (open-end mutual fund)	-	Various	Demand	2,183,000	2,070,970
Ishares Morgan Stanley Capital International					
Europe Asia Far East Index (closed-end equity fund)	-	Various	Demand	128,981	132,206
Ishares Russell 2000 Index (closed-end equity fund)	-	Various	Demand	94,464	97,125
Ishares S&P Smallcap 600 (closed-end equity fund)	-	Various	Demand	95,144	97,626
				<u>13,189,743</u>	<u>12,949,492</u>
Total restricted cash equivalents & investments				<u>227,382,237</u>	<u>225,529,854</u>
Cash balance (unrestricted & restricted)				<u>-</u>	<u>6,691,886</u>
Total Cash, Cash Equivalents and Investments				<u>\$ 385,673,070</u>	<u>\$ 388,951,230</u>

Schedule of Cash, Cash Equivalents and Investments as of December 31, 2003

	<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	- %	12/31/03	Demand	\$ 99,051	\$ 99,051
Commercial Paper	0.700	12/31/03	Demand	2,909,916	2,909,916
FHLB	3.250	06/18/03	12/18/08	4,000,000	3,930,620
FHLB	3.500	06/19/03	06/19/09	6,000,000	5,895,930
FHLB	4.420	03/04/03	03/04/10	6,000,000	6,007,500
FHLB	4.300	04/01/03	04/01/10	6,000,000	5,991,570
FHLMC	3.000	12/15/03	12/15/06	1,800,000	1,796,904
U. S. Treasury Notes	5.250	06/13/01	05/15/04	1,784,727	1,777,895
U. S. Treasury Notes	6.000	Various	08/15/04	13,479,687	13,913,437
U. S. Treasury Notes	5.875	11/15/00	11/15/04	2,036,094	2,080,630
U. S. Treasury Notes	2.000	Various	11/30/04	6,053,750	6,045,000
U. S. Treasury Notes	1.500	08/15/03	02/28/05	1,998,750	2,005,000
U. S. Treasury Notes	6.500	Various	05/15/05	8,275,391	8,819,786
U. S. Treasury Notes	5.875	06/13/01	11/15/05	11,162,578	11,300,625
U. S. Treasury Notes	5.750	Various	11/15/05	25,350,624	25,777,560
U. S. Treasury Notes	4.625	Various	05/15/06	26,294,102	27,303,111
U. S. Treasury Notes	3.500	Various	11/15/06	10,225,039	10,082,135
U. S. Treasury Notes	6.250	08/31/00	02/15/07	5,967,461	6,411,250
U. S. Treasury Notes	3.000	Various	11/15/07	2,008,281	2,018,130
U. S. Treasury Notes	2.625	07/29/03	05/15/08	303,094	295,594
				<u>141,748,545</u>	<u>144,461,644</u>

	<u>Applicable Interest Rate</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Original Cost</u>	<u>Fair Value</u>
Revenue Fund:					
American Performance Treasury Fund	- %	12/31/03	Demand	\$ 426,641	\$ 426,641
Commercial Paper	0.700	12/31/03	Demand	<u>11,601,411</u>	<u>11,601,411</u>
				<u>12,028,052</u>	<u>12,028,052</u>
Total unrestricted cash equivalents & investments				<u>\$ 153,776,597</u>	<u>\$ 156,489,696</u>
Restricted:					
Reserve Maintenance Fund:					
American Performance Treasury Fund	-	12/31/03	Demand	123,112	123,112
Commercial Paper	0.700	12/31/03	Demand	940,271	940,271
FHLB	2.200	09/30/03	09/28/05	1,000,000	1,000,630
FHLB	3.000	09/29/03	09/29/06	1,000,000	1,003,750
FHLMC	3.000	12/15/03	12/15/06	2,000,000	1,996,560
U. S. Treasury Notes	4.750	06/13/01	02/15/04	2,024,844	2,009,380
U. S. Treasury Notes	3.375	Various	04/30/04	2,524,063	2,520,313
U. S. Treasury Notes	3.250	08/09/02	05/31/04	2,045,938	2,018,750
U. S. Treasury Notes	2.250	08/15/02	07/31/04	1,500,000	1,510,784
U. S. Treasury Notes	2.125	Various	10/31/04	2,767,148	2,772,344
U. S. Treasury Notes	5.875	01/10/02	11/15/04	5,291,718	5,201,575
U. S. Treasury Notes	2.000	Various	11/30/04	4,037,187	4,030,000
U. S. Treasury Notes	1.500	09/10/03	02/28/05	2,004,374	2,005,000
U. S. Treasury Notes	1.625	12/31/03	04/30/05	2,357,160	2,358,084
U. S. Treasury Notes	1.500	08/14/03	07/31/05	1,490,624	1,499,535
U. S. Treasury Notes	5.875	Various	11/15/05	4,595,132	4,466,438
U. S. Treasury Notes	5.750	02/18/03	11/15/05	3,304,218	3,222,195
U. S. Treasury Notes	5.625	02/10/03	02/15/06	3,306,562	3,234,375
U. S. Treasury Notes	4.625	Various	05/15/06	<u>3,766,096</u>	<u>3,711,103</u>
				<u>46,078,447</u>	<u>45,624,199</u>
1992 Series F&G Bond Service and Reserve Accounts:					
American Performance Treasury Fund	-	12/31/03	Demand	2,035,887	2,035,887
U. S. Treasury Strip	-	11/28/03	02/15/05	811,140	813,541
U. S. Treasury Strip	-	11/28/03	02/15/08	<u>793,187</u>	<u>796,040</u>
				<u>3,640,214</u>	<u>3,645,468</u>
1998 A&B Bond Service Funds:					
American Performance Treasury Fund	-	12/31/03	Demand	<u>24,013,704</u>	<u>24,013,704</u>
Revenue Reserve Accounts:					
American Performance Treasury Fund	-	12/31/03	Demand	21,290	21,290
JP Morgan Chase Repo	5.991	05/23/02	01/01/22	50,936,450	50,936,450
U. S. Treasury Strip	-	11/28/03	02/15/05	<u>1,474,800</u>	<u>1,479,165</u>
				<u>52,432,540</u>	<u>52,436,905</u>
2002 A&B Bond Service Funds:					
American Performance Treasury Fund	-	12/31/03	Demand	<u>31,911,986</u>	<u>31,911,986</u>

	<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	- %	12/31/03	Demand	\$ 32,063	\$ 32,063
U. S. Treasury Notes	5.250	02/15/01	05/15/04	1,428,094	1,422,316
U. S. Treasury Notes	6.000	Various	08/15/04	3,995,375	4,096,734
U. S. Treasury Notes	2.125	12/11/02	10/31/04	678,480	680,484
U. S. Treasury Notes	2.000	Various	11/30/04	3,099,445	3,098,063
U. S. Treasury Notes	5.750	Various	11/15/05	9,314,922	9,451,772
U. S. Treasury Notes	4.625	Various	05/15/06	7,225,430	7,422,205
U. S. Treasury Notes	3.500	Various	11/15/06	4,702,852	4,653,293
U. S. Treasury Notes	3.000	Various	11/15/07	1,180,828	1,185,651
U. S. Treasury Notes	3.125	11/26/03	10/15/08	498,750	499,220
U. S. Treasury Strip	-	08/14/03	08/15/05	2,411,875	2,437,775
U. S. Treasury Strip	-	11/28/03	02/15/08	528,792	530,694
				<u>35,096,906</u>	<u>35,510,270</u>
Prepaid PIKEPASS Fund:					
American Performance Treasury Fund	-	12/31/03	Demand	1,939,113	1,939,113
Vanguard 500 Index Trust (open end mutual fund)	-	Various	Demand	1,143,000	935,958
FHLB	3.070	12/15/03	12/15/06	250,000	250,390
FHLB	4.100	11/19/03	11/19/08	1,000,000	1,012,815
FHLB	3.050	06/30/03	12/30/08	500,000	486,953
FHLB	3.280	07/16/03	01/16/09	500,000	491,173
FHLB	4.540	10/07/03	04/07/09	500,000	500,155
FHLB	4.800	11/24/03	11/24/10	750,000	756,915
FHLB	4.750	12/15/03	12/15/10	250,000	249,336
U. S. Treasury Notes	5.250	06/13/01	05/15/04	305,953	304,782
U. S. Treasury Notes	3.250	Various	05/31/04	920,449	908,438
U. S. Treasury Notes	6.000	Various	08/15/04	1,242,418	1,262,516
U. S. Treasury Notes	6.500	06/09/00	05/15/05	502,344	534,533
U. S. Treasury Notes	1.500	Various	07/31/05	349,281	349,892
U. S. Treasury Notes	5.750	Various	11/15/05	1,752,922	1,718,504
U. S. Treasury Notes	4.625	12/10/01	05/15/06	1,765,449	1,855,551
U. S. Treasury Notes	2.375	Various	08/15/06	351,523	351,969
U. S. Treasury Notes	3.500	Various	11/15/06	595,887	594,587
				<u>14,618,339</u>	<u>14,503,580</u>
Total restricted cash equivalents & investments				<u>207,792,136</u>	<u>207,646,112</u>
Cash balance (unrestricted & restricted)				<u>-</u>	<u>223,501</u>
Total Cash, Cash Equivalents and Investments				<u><u>\$ 361,568,733</u></u>	<u><u>\$ 364,359,309</u></u>

Note 4. Capital Assets

The following schedules summarize the capital assets of the Authority as of December 31, 2004 and 2003:

2004	Beginning Balance	Increases	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 162,206,539	\$ 76,722	\$ (23,498)	\$ 162,259,763
Construction work in progress	68,378,560	24,158,985	(37,766,693)	54,770,852
Total capital assets, not being depreciated	<u>230,585,099</u>	<u>24,235,707</u>	<u>(37,790,191)</u>	<u>217,030,615</u>
Capital assets, being depreciated:				
Roads and bridges	1,101,255,707	1,411,032	-	1,102,666,739
Improvements	425,980,659	18,661,949	(667)	444,641,941
Buildings	56,493,072	11,877,368	(969,044)	67,401,396
Equipment	100,632,680	12,362,949	(11,477,074)	101,518,555
Capitalized interest	<u>111,896,612</u>	<u>-</u>	<u>-</u>	<u>111,896,612</u>
Total capital assets, being depreciated	<u>1,796,258,730</u>	<u>44,313,298</u>	<u>(12,446,785)</u>	<u>1,828,125,243</u>
Less accumulated depreciation for:				
Roads and bridges	(446,791,650)	(29,536,092)	-	(476,327,742)
Improvements	(248,458,240)	(23,039,430)	666	(271,497,004)
Buildings	(25,016,777)	(1,937,386)	932,669	(26,021,494)
Equipment	(59,684,884)	(13,993,212)	10,553,949	(63,124,147)
Capitalized interest	<u>(42,047,219)</u>	<u>(3,105,310)</u>	<u>-</u>	<u>(45,152,529)</u>
Total accumulated depreciation	<u>(821,998,770)</u>	<u>(71,611,430)</u>	<u>11,487,284</u>	<u>(882,122,916)</u>
Total capital assets, being depreciated, net	<u>974,259,960</u>	<u>(27,298,132)</u>	<u>(959,501)</u>	<u>946,002,327</u>
Total capital assets, net	<u>\$ 1,204,845,059</u>	<u>\$ (3,062,425)</u>	<u>\$(38,749,692)</u>	<u>\$ 1,163,032,942</u>

2003	Beginning Balance	Increases	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 161,528,983	\$ 677,556	\$ -	\$ 162,206,539
Construction work in progress	40,110,442	54,283,299	(26,015,181)	68,378,560
Total capital assets, not being depreciated	<u>201,639,425</u>	<u>54,960,855</u>	<u>(26,015,181)</u>	<u>230,585,099</u>
Capital assets, being depreciated:				
Roads and bridges	1,097,008,623	4,247,084	-	1,101,255,707
Improvements	414,796,742	11,183,917	-	425,980,659
Buildings	54,228,354	2,440,293	(175,575)	56,493,072
Equipment	100,980,042	9,595,509	(9,942,871)	100,632,680
Capitalized interest	<u>111,896,612</u>	<u>-</u>	<u>-</u>	<u>111,896,612</u>
Total capital assets, being depreciated	<u>1,778,910,373</u>	<u>27,466,803</u>	<u>(10,118,446)</u>	<u>1,796,258,730</u>
Less accumulated depreciation for:				
Roads and bridges	(417,363,514)	(29,428,136)	-	(446,791,650)
Improvements	(226,233,561)	(22,224,679)	-	(248,458,240)
Buildings	(23,368,957)	(1,722,570)	74,750	(25,016,777)
Equipment	(56,540,212)	(12,533,574)	9,388,902	(59,684,884)
Capitalized interest	<u>(38,941,902)</u>	<u>(3,105,317)</u>	<u>-</u>	<u>(42,047,219)</u>
Total accumulated depreciation	<u>(762,448,146)</u>	<u>(69,014,276)</u>	<u>9,463,652</u>	<u>(821,998,770)</u>
Total capital assets, being depreciated, net	<u>1,016,462,227</u>	<u>(41,547,473)</u>	<u>(654,794)</u>	<u>974,259,960</u>
Total capital assets, net	<u>\$ 1,218,101,652</u>	<u>\$ 13,413,382</u>	<u>\$(26,669,975)</u>	<u>\$ 1,204,845,059</u>

At December 31, 2004 and 2003, depreciation and amortization expense related to capital assets was \$71,611,430 and \$69,014,276, respectively.

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 for all potential losses. 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.”

The self-retention level for property and casualty coverage for non-bridge property is \$10,000 per incident, while the overall limit of coverage for bridges and non-bridge property is approximately \$560,900,000. All 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 2004, 2003 and 2002.

Note 6. Operating Leases

The Authority has entered into various non-cancelable 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 non-cancelable contracts with a 20-year term. The total value of leased concession areas was \$25,812,451 and accumulated depreciation totaled \$17,316,425 and \$16,597,800 as of year-end 2004 and 2003, respectively. Total future minimum rental payments to be received as of December 31, 2004, are approximately:

<u>Year</u>	<u>Minimum Lease Payments</u>
2005	\$ 176,767
2006	150,504
2007	105,504
2008	66,504
2009	66,792
Thereafter	<u>252,116</u>
Total	<u>\$ 818,187</u>

Note 7. Revenue Bonds

The Authority issues revenue bonds from time to time for the purpose of financing capital improvements and new projects. In addition, when the market environment indicates favorable results, the Authority will issue bonds to restructure its debt to take advantage of these economic factors.

On May 14, 2002, the Authority issued \$314,065,000 of Series 2002A Refunding Second Senior Revenue Bonds and \$255,575,000 of Series 2002B Refunding Second Senior Revenue Bonds, dated May 1, 2002. The Series 2002 Bonds were issued to provide funds which when combined with other available funds of the Authority, were issued for the purpose of (1) refunding the (a) Series 1989 First Senior and Subordinate Lien Revenue Bonds, (b) Series 1992 A-E Second Senior Revenue Bonds, (c) portions of the Series 1992F First Senior and 1992G Second Senior Revenue Bonds (see additional information below), and (2) paying the costs of issuance. The portions of the Series 1992 F and G Bonds not being refunded included Capital Appreciation Bonds which are not callable and will remain outstanding to their respective maturity dates of January 1, 2005 through 2008.

(a) Pursuant to provisions of a Trust Agreement dated February 1, 1989 (the Trust Agreement), on that date, the Authority issued \$385,400,000 of Series 1989 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 Statements of Net Assets. 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. Bank of Oklahoma, N.A. serves as the Escrow Trustee on the 1966 Series A and B Bonds. At December 31, 2004 and 2003, the total defeased bonds outstanding for the 1966 Series A and B Bonds were \$13,275,000 and \$21,655,000, respectively. Bank One Trust Company served as the Escrow Trustee on the 1971 Series C Bonds. Final payment on the defeased 1971 Series C Bonds was satisfied in 2003.

(b) On May 22, 1992, pursuant to the Trust Agreement, 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, dated May 1, 1992 with interest rates ranging from 4.35% to 6.3%, 4.25% to 6.25% and 4.25% to 6.25%, respectively. These Series 1992 A-E Bonds were issued for the purpose of (1) refunding approximately 94% of the Series 1989 Bonds, (2) funding capital costs of certain turnpike projects, and (3) paying certain costs of issuance. The principal amount of the Series 1989 Bonds advance refunded and considered defeased was \$526,440,000, and the liability for these bonds was removed from the Statements of Net Assets. 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 these defeased Series 1989 Bonds. Defeased Series 1989 Bonds outstanding at December 31, 2004 and 2003 were \$29,000,000.

(c) On September 25, 1992, the Authority issued \$22,786,862 of Series 1992 First Senior Revenue Bonds and \$28,017,387 of Series 1992 Second Senior Revenue Bonds, dated October 1, 1992, both with interest rates ranging from 3.15% to 5.3%. These Series 1992 F and G Bonds were issued to (1) 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, (2) pay costs of issuance, and (3) make a deposit to the Second Senior Bond Reserve Account established under the Trust Agreement. The principal amount of the Series 1991 Bonds advance refunded and paid in full in October 1992 was \$49,350,000, and the liability was removed from the Statements of Net Assets. The Series 1991 Bonds were originally issued to provide funds for the completion of the Portland Interchange on the John Kilpatrick Turnpike and certain other improvements to the Oklahoma Turnpike System.

The Series 1992 F and G Bonds were issued pursuant to the Trust Agreement, including supplements thereto. The Series 1992 F and G Bonds not refunded are Capital Appreciation Bonds (CABs). 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 (CAV) at maturity of \$8,465,000. The accumulated accretion to date of \$3,901,547 is reflected in the balance of long-term debt outstanding on the Authority's Statements of Net Assets as an

increase to the principal payable on these bonds. The accretion in 2004 and 2003 is \$329,139 and \$416,166, respectively. These Series 1992 F and G Capital Appreciation Bonds mature on January 1 in each of the years 2004-2008. On January 1, 2004, \$1,990,000 of the CABs matured. The total CAV at maturity of the remaining CABs at December 31, 2004 was \$6,475,000.

The Series 2002A and 2002B Refunding Second Senior Revenue Bonds were issued pursuant to the prevailing Trust Agreement, 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 January 1, 2003. The Series 2002 Bonds interest rates range from 4.0% to 5.5%. The principal amount of the bonds refunded and paid in full on July 1, 2002 was \$577,810,000, and the liability was removed from the Statements of Net Assets.

On May 12, 1998, the Authority issued \$350,000,000 of Series 1998A Second Senior Revenue Bonds, dated May 1, 1998. 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 6.0%.

On July 14, 1998, the Authority issued \$337,010,000 of Series 1998B Second Senior Revenue Bonds, dated July 1, 1998. 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 5.0% to 5.5%.

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

The following schedules summarize the revenue bonds outstanding as of December 31, 2004 and 2003:

2004	Date of Issuance	Beginning Balance	Additions	Retired	Ending Balance	Due Within One Year
Series 1992F-G	10/01/1992	\$ 7,651,661	\$ 329,139	\$ (1,990,000)	\$ 5,990,800	\$ 1,975,000
Series 1998A	05/01/1998	346,480,000	-	(3,665,000)	342,815,000	3,820,000
Series 1998B	07/01/1998	337,010,000	-	(2,885,000)	334,125,000	3,030,000
Series 2002A-B	05/01/2002	563,005,000	-	(17,470,000)	545,535,000	18,300,000
Total		<u>\$1,254,146,661</u>	<u>\$ 329,139</u>	<u>\$ (26,010,000)</u>	<u>\$ 1,228,465,800</u>	<u>\$ 27,125,000</u>

2003	Date of Issuance	Beginning Balance	Additions	Retired	Ending Balance	Due Within One Year
Series 1992F-G	10/01/1992	\$ 7,235,495	\$ 416,166	\$ -	\$ 7,651,661	\$ 1,990,000
Series 1998A	05/01/1998	350,000,000	-	(3,520,000)	346,480,000	3,665,000
Series 1998B	07/01/1998	337,010,000	-	-	337,010,000	2,885,000
Series 2002A-B	05/01/2002	569,640,000	-	(6,635,000)	563,005,000	17,470,000
Total		<u>\$1,263,885,495</u>	<u>\$ 416,166</u>	<u>\$ (10,155,000)</u>	<u>\$ 1,254,146,661</u>	<u>\$ 26,010,000</u>

Additions to long-term debt on the Series 1992 F and G Bonds in 2004 and 2003 represent the current accretion on the capital appreciation bonds.

The revenue bond debt service requirements below are prepared as of December 31, 2004:

Year Ended January 1	Total Revenue Bonds	
	Principal	Interest
2005	\$ 27,125,000	\$ 62,390,894
2006	27,763,010	61,276,609
2007	38,207,910	60,115,434
2008	40,039,880	58,277,851
2009	42,145,000	56,176,231
2010-2014	246,355,000	245,743,786
2015-2019	319,955,000	174,136,564
2020-2024	307,795,000	86,160,100
2025-2028	179,080,000	23,467,136
	<u>\$ 1,228,465,800</u>	<u>\$ 827,744,605</u>

The Interest, Sinking and Reserve Accounts required by the Trust Agreement have been established with the Trustee. The balances as of December 31, 2004 and 2003 were:

	2004	2003
First Senior Bond Reserve Account	\$ 1,676,215	\$ 1,649,018
Second Senior Bond Reserve Account	52,454,215	52,436,905

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

The Series 2002 A and B Bonds refunded \$577,810,000 in revenue bonds from the remaining Series 1989 Bonds, Series 1992 A-E Bonds, and portions of the Series 1992 F and G Bonds. Although the refunding resulted in the recognition of a \$32,513,172 deferred debit, the Authority decreased its aggregate debt service payments by approximately \$51,000,000 from 2003 to 2022. The net present value savings was approximately \$33,000,000. As of December 31, 2004 and 2003, the Statements of Net Assets reflect a net deferred debit of approximately \$25,138,000 and \$29,065,000, respectively, as a component of debt resulting from accounting losses or gains from the defeasance of debt. The Statements of Revenues, Expenses and Changes in Net Assets reflect the amortization of this deferral as a component of interest expense of approximately \$3,927,000 and \$6,197,000, respectively.

The Trust Agreement contains certain bond covenants that the Authority is aware of and monitors for compliance throughout the year. The Authority has complied with all bond covenants throughout 2004 and 2003.

Note 8. Deferred Compensation Plan

The State of Oklahoma 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 of the Oklahoma Statutes. The Oklahoma State Employees Deferred Compensation Plan (the 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. 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. Further information may be obtained from the Oklahoma State Employees Deferred Compensation Plan audited financial statements for the year ended June 30, 2004. 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. During 2004, 2003 and 2002, the contribution rate for the Plan members was 3.0% on the first \$25,000 of salary and 3.5% on salary amounts exceeding \$25,000. The Authority's related contribution rate for the years 2004, 2003 and 2002 was 10.0% on all salaries.

The Authority's contributions to the Plan for the years ended December 31, 2004, 2003 and 2002 were approximately \$1,480,000, \$1,495,000 and \$1,479,000, respectively, and equal to the 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 Series 1989 Revenue 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). However, during 2004 and 2003 in accordance with Title 68, Section 2357.28 (K2) of the Oklahoma State Statutes, a portion of the motor fuel tax allocable to OTA was transferred to the Insurance Department. This portion was equal to the insurance premium tax credits taken by insurance companies that purchased tax credits from Great Plains Airlines, a qualified air transportation provider. During the years ended December 31, 2004 and 2003, the OTA received \$38,390,244 and \$35,650,462 in motor fuel excise taxes. Of these apportionments received, \$6,386,170 and \$6,488,009 was immediately transferred to the Insurance Department and \$32,004,074 and \$29,162,453 was remitted to ODOT in 2004 and 2003, respectively.

The amounts frozen at July 1, 1992 (fair value of \$35,943,972 and \$35,510,270 at December 31, 2004 and 2003, respectively) are invested in interest-bearing obligations and with the interest received thereon (\$1,435,990 and

\$1,713,689 during the years ended December 31, 2004 and 2003, respectively) are used to eliminate deficiencies, if any, in available monies to meet revenue bond interest and principal requirements. No deficiencies existed in 2004 or 2003.

Prior to the issuance of the Series 1989 Revenue 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, 2004 and 2003 is \$44,549,686 and \$43,243,731, respectively, and the annual activity is shown below:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retired</u>	<u>Ending Balance</u>
2004	\$ 43,243,731	\$1,305,955	\$ -	\$ 44,549,686
2003	41,733,509	1,510,222	-	43,243,731

Additions to the liability represent the interest earned on amounts invested, net of gains and losses on the sale of investments. No amounts are due within one year. Total debt retirement represents the Authority's completion of its obligation relating to a cooperative construction agreement between the Authority and ODOT.

Note 11. Disaggregation of Receivable and Payable Balances

Receivables are primarily comprised of current customer receivables representing 29% and 37%, and intergovernmental receivables representing 21% and 28% at December 31, 2004 and 2003, respectively. Also included at December 31, 2004 was a receivable representing 34% of total receivables for proceeds on a disposal of surplus right-of-way. Remaining current receivables are comprised of 16% and 35% other receivables at December 31, 2004 and 2003, respectively.

Payable balances are comprised of 39% and 44% current accounts payables and accrued expenses to contractors and vendors, 43% and 41% current intergovernmental payables and 18% and 15% in other payables at December 31, 2004 and 2003, respectively.

Note 12. Commitments and Contingent Liabilities

At December 31, 2004 and 2003, the Authority had commitments outstanding relating to equipment orders and supplies of approximately \$1,099,000 and \$15,000,000, respectively. At December 31, 2004 and 2003, the Authority had commitments outstanding relating to construction and maintenance contracts of approximately \$7,000,000 and \$12,000,000, respectively.

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.

Schedule of Budget Compared to Actual Operating Expense

(Prepared on a Non-GAAP Budgetary Basis)

Year Ended December 31, 2004

Expense Description	Budgeted Expenses	Actual Expenses	Variance (Over)/Under
Toll Operations:			
Personnel services	\$ 9,993,680	\$ 9,620,666	\$ 373,014
Contractual services	3,756,627	3,470,354	286,273
Commodities	251,238	224,061	27,177
Capital outlay and contingencies	<u>428,757</u>	<u>98,001</u>	<u>330,756</u>
Total	<u>14,430,302</u>	<u>13,413,082</u>	<u>1,017,220</u>
Turnpike Maintenance:			
Personnel services	7,598,914	7,191,857	407,057
Contractual services	4,072,981	3,825,456	247,525
Commodities	2,463,740	2,491,257	(27,517)
Capital outlay and contingencies	<u>362,452</u>	<u>69,025</u>	<u>293,427</u>
Total	<u>14,498,087</u>	<u>13,577,595</u>	<u>920,492</u>
Engineering:			
Personnel services	617,587	569,343	48,244
Contractual services	100,600	39,496	61,104
Commodities	12,000	28,507	(16,507)
Capital outlay and contingencies	<u>46,415</u>	<u>7,167</u>	<u>39,248</u>
Total	<u>776,602</u>	<u>644,513</u>	<u>132,089</u>
Highway Patrol:			
Contractual services	9,859,249	9,038,940	820,309
Commodities	592,010	499,474	92,536
Capital outlay and contingencies	<u>294,135</u>	<u>104,280</u>	<u>189,855</u>
Total	<u>10,745,394</u>	<u>9,642,694</u>	<u>1,102,700</u>
PIKEPASS Customer Service:			
Personnel services	2,150,228	1,916,032	234,196
Contractual services	3,857,295	3,437,973	419,322
Commodities	59,642	58,844	798
Capital outlay and contingencies	<u>157,620</u>	<u>29,484</u>	<u>128,136</u>
Total	<u>6,224,785</u>	<u>5,442,333</u>	<u>782,452</u>
General Administration:			
Personnel services	738,041	737,399	642
Contractual services	1,019,375	857,287	162,088
Commodities	106,225	101,283	4,942
Capital outlay and contingencies	<u>125,221</u>	<u>37,973</u>	<u>87,248</u>
Total	<u>1,988,862</u>	<u>1,733,942</u>	<u>254,920</u>
Information Technology:			
Personnel services	1,173,420	1,109,882	63,538
Contractual services	1,144,850	1,161,686	(16,836)
Commodities	53,500	74,064	(20,564)
Capital outlay and contingencies	<u>235,071</u>	<u>111,814</u>	<u>123,257</u>
Total	<u>2,606,841</u>	<u>2,457,446</u>	<u>149,395</u>

(Continued)

Schedule of Budget Compared to Actual Operating Expense (Prepared on a Non-GAAP Budgetary Basis) Year Ended December 31, 2004

<u>Expense Description</u>	<u>Budgeted Expenses</u>	<u>Actual Expenses</u>	<u>Variance (Over)/Under</u>
Controller:			
Personnel services	\$ 593,591	\$ 574,592	\$ 18,999
Contractual services	160,553	115,542	45,011
Commodities	3,500	3,256	244
Capital outlay and contingencies	<u>19,427</u>	<u>6,377</u>	<u>13,050</u>
Total	<u>777,071</u>	<u>699,767</u>	<u>77,304</u>
Finance and Revenue:			
Personnel services	205,670	144,735	60,935
Contractual services	287,140	263,449	23,691
Commodities	1,100	20	1,080
Capital outlay and contingencies	<u>12,664</u>	<u>-</u>	<u>12,664</u>
Total	<u>506,574</u>	<u>408,204</u>	<u>98,370</u>
Executive:			
Personnel services	766,001	717,106	48,895
Contractual services	324,210	377,501	(53,291)
Commodities	10,350	8,563	1,787
Capital outlay and contingencies	<u>29,245</u>	<u>1,875</u>	<u>27,370</u>
Total	<u>1,129,806</u>	<u>1,105,045</u>	<u>24,761</u>
Authority:			
Contractual services	15,000	3,948	11,052
Capital outlay and contingencies	<u>385</u>	<u>-</u>	<u>385</u>
Total	<u>15,385</u>	<u>3,948</u>	<u>11,437</u>
Total expenses	\$ <u>53,699,709</u>	\$ <u>49,128,569</u>	\$ <u>4,571,140</u>

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

	<u>2004</u>	<u>2003</u>
Budgetary basis	\$ 49,128,569	\$ 48,772,929
Increase (decrease) due to:		
Current expenses reclassified as capital assets	(465,997)	(823,317)
Non-Revenue Fund operating expenses	5,036,994	4,507,717
Other GAAP adjustments	<u>(359,673)</u>	<u>(16,440)</u>
GAAP basis	\$ <u>53,339,893</u>	\$ <u>52,440,889</u>

Oklahoma Transportation Authority

Schedule of Insurance in Force

as of December 31, 2004

Coverage	Policy Term	Policy	Coverage	Deductible	Annual or Last Premium
Fire & extended coverage for buildings and contents, bridges, and computers	07-01-04/05	State of Oklahoma Certificate #978	\$80,349,491 \$480,554,333	Buildings & contents Bridges (100%) \$10,000 \$200,000	\$75,456 \$163,581
Auto liability	07-01-04/06-30-05	State of Oklahoma Certificate #978	\$175,000 \$25,000 \$1,000,000	Bodily injury Property damage Per occurrence \$250 (all claims)	\$69,750
Comprehensive general liability, and personal injury liability	07-01-04/05	State of Oklahoma Certificate #978	\$175,000 \$25,000 \$1,000,000	Bodily injury Property damage Per occurrence \$500 (all claims)	\$69,202
Director's & Officer's insurance	10-30-04/10-30-05	State of Oklahoma Certificate #978	\$35,000,000 \$5,000,000	Aggregate Per occurrence \$150,000	\$30,175
Special machinery	12-07-04/05	America First Insurance Policy # IN9660259	\$100,000 \$100,000	Bridge machine Paint striping machine \$5,000	\$2,499
Aircraft hull & liability	07-01-04/06-30-05	State of Oklahoma	\$208,500 \$1,000,000 \$5,000,000 \$175,000	Property damage Liability (Oklahoma) Liability (outside Okla.) Passenger \$250 /NIM \$1,000 /IM	\$8,123
Workers compensation	01-01-05/06	CompSource Oklahoma #00338640	\$100,000	Employee injuries \$0	\$333,894
Health benefits	01-01-05/06	State of Oklahoma #0001	Various	Life, hospital surgical, major medical, and dental Various	\$3,349,585
Surety bond	08-08-04/05	Travelers C&S Ins. #103870289	\$25,000	Douglas Riebel n/a	\$100
Surety bond	08-29-04/05	Travelers C&S Ins. #103870288	\$100,000	Greg Massey n/a	\$375
Surety bond	08-29-04/05	Travelers C&S Ins. #102870290	\$25,000	Ken Fergeson n/a	\$100
Surety bond	01-25-05/07-01-06	Travelers C&S Ins. #104468444	\$25,000	Clark Brewster n/a	\$143
Surety bond	12-05-04/05	Travelers C&S Ins. #103870292	\$25,000	Mike Leonard n/a	\$100
Surety bond	03-23-04/05	Travelers C&S Ins. #103870293	\$25,000	Hal Ellis n/a	\$100

(Continued)

Oklahoma Transportation Authority

Schedule of Insurance in Force

as of December 31, 2004

Coverage	Policy Term	Policy	Coverage	Deductible	Annual or Last Premium
Financial Guaranty Insurance Policy OTA Second Senior Revenue Bonds-2002A Maturing 1/1/2005-2022 OTA Second Senior Revenue Bonds 2002B Maturing 1/1/2005-2022	Thru Maturity	AMBAC Assurance Corporation Policy #19488BE	\$545,535,000	n/a	\$2,100,757
Municipal Bond New Issue Insurance Policy OTA Second Senior Revenue Bonds-1998A Maturing 1/1/2003-2020, 2023, 2025, & 2028	Thru Maturity	Financial Guaranty Insurance Company Policy #98010515	\$249,465,000	n/a	\$885,225
Municipal Bond New Issue Insurance Policy OTA Second Senior Revenue Bonds-1998B Maturing 1/1/2004-2028	Thru Maturity	Financial Guaranty Insurance Company Policy #98010687	\$337,010,000	n/a	\$1,167,731
OTA Second Senior Revenue Bonds-1998A Bond Debt Service Reserve Fund Policy on Bonds Maturing 1/1/2028	Thru Maturity	Financial Guaranty Insurance Company Policy #98010516	\$25,642,413	n/a	\$282,067
OTA Second Senior Revenue Bonds-1998B Bond Debt Service Reserve Fund Policy on Bonds Maturing 1/1/2028	Thru Maturity	Financial Guaranty Insurance Company Policy #98010688	\$24,999,338	n/a	\$299,992
Financial Guaranty Insurance Policy Oklahoma Turnpike Authority First Senior Revenue Bonds - Series 1992F Maturing 1/1/2004-2008	Thru Maturity	Municipal Bond New Insurance Policy #9201056	\$5,760,000	n/a	\$189,134
Financial Guaranty Insurance Policy Oklahoma Turnpike Authority Revenue Bonds Second Senior Lien-Series 1992G Maturing 1/1/2004-2005	Thru Maturity	Municipal Bond New Insurance Policy #92010561	\$2,705,000	n/a	\$242,160

Oklahoma Transportation Authority Schedule of Annual Debt Service Requirements

Year Ended Jan. 1	<u>1992 Series First Senior Bonds</u>			<u>1992 Series Second Senior Bonds</u>			<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>1992 Bonds</u>
2005	\$ 630,000	\$ -	\$ 630,000	\$ 1,345,000	\$ -	\$ 1,345,000	\$ 1,975,000
2006	1,418,010	81,990	1,500,000	-	-	-	1,500,000
2007	1,337,910	162,090	1,500,000	-	-	-	1,500,000
2008	<u>1,259,880</u>	<u>240,120</u>	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,500,000</u>
Totals	<u>\$ 4,645,800</u>	<u>\$ 484,200</u>	<u>\$ 5,130,000</u>	<u>\$ 1,345,000</u>	<u>\$ -</u>	<u>\$ 1,345,000</u>	<u>\$ 6,475,000</u>

(Continued)

Oklahoma Transportation Authority

Schedule of Annual Debt Service Requirements

Year Ended Jan. 1	1998 Series Second Senior Bonds			2002 Series Second Senior Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2005	\$ 6,850,000	\$ 34,511,150	\$ 41,361,150	\$ 18,300,000	\$ 27,879,744	\$ 46,179,744
2006	7,165,000	34,192,525	41,357,525	19,180,000	27,002,094	46,182,094
2007	16,825,000	33,814,350	50,639,350	20,045,000	26,138,994	46,183,994
2008	17,705,000	32,930,700	50,635,700	21,075,000	25,107,031	46,182,031
2009	18,725,000	31,912,200	50,637,200	23,420,000	24,264,031	47,684,031
2010	19,755,000	30,882,325	50,637,325	24,590,000	23,093,031	47,683,031
2011	20,795,000	29,845,187	50,640,187	25,820,000	21,863,531	47,683,531
2012	21,885,000	28,753,450	50,638,450	27,110,000	20,572,531	47,682,531
2013	23,035,000	27,604,487	50,639,487	28,545,000	19,134,194	47,679,194
2014	24,240,000	26,395,150	50,635,150	30,580,000	17,599,900	48,179,900
2015	25,485,000	25,153,238	50,638,238	32,225,000	15,956,225	48,181,225
2016	26,790,000	23,847,500	50,637,500	33,915,000	14,264,413	48,179,413
2017	28,130,000	22,508,000	50,638,000	35,700,000	12,483,875	48,183,875
2018	29,535,000	21,101,500	50,636,500	37,570,000	10,609,625	48,179,625
2019	31,010,000	19,624,750	50,634,750	39,595,000	8,587,438	48,182,438
2020	32,565,000	18,074,250	50,639,250	41,725,000	6,456,200	48,181,200
2021	34,190,000	16,446,000	50,636,000	45,820,000	4,369,950	50,189,950
2022	35,900,000	14,736,500	50,636,500	40,320,000	2,078,950	42,398,950
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>\$ 676,940,000</u>	<u>\$ 519,798,648</u>	<u>\$ 1,196,738,648</u>	<u>\$ 545,535,000</u>	<u>\$ 307,461,757</u>	<u>\$ 852,996,757</u>

(Continued)

Oklahoma Transportation Authority

Schedule of Annual Debt Service Requirements

Total All Bonds

Year Ended Jan. 1	Principal	Interest	Total	Outstanding Principal
2005	\$ 27,125,000	\$ 62,390,894	\$ 89,515,894	\$ 1,201,340,800
2006	27,763,010	61,276,609	89,039,619	1,173,577,790
2007	38,207,910	60,115,434	98,323,344	1,135,369,880
2008	40,039,880	58,277,851	98,317,731	1,095,330,000
2009	42,145,000	56,176,231	98,321,231	1,053,185,000
2010	44,345,000	53,975,356	98,320,356	1,008,840,000
2011	46,615,000	51,708,718	98,323,718	962,225,000
2012	48,995,000	49,325,981	98,320,981	913,230,000
2013	51,580,000	46,738,681	98,318,681	861,650,000
2014	54,820,000	43,995,050	98,815,050	806,830,000
2015	57,710,000	41,109,463	98,819,463	749,120,000
2016	60,705,000	38,111,913	98,816,913	688,415,000
2017	63,830,000	34,991,875	98,821,875	624,585,000
2018	67,105,000	31,711,125	98,816,125	557,480,000
2019	70,605,000	28,212,188	98,817,188	486,875,000
2020	74,290,000	24,530,450	98,820,450	412,585,000
2021	80,010,000	20,815,950	100,825,950	332,575,000
2022	76,220,000	16,815,450	93,035,450	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>\$ 1,228,465,800</u>	<u>\$ 827,744,605</u>	<u>\$ 2,056,210,405</u>	

**Report of Independent Certified Public Accountants
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 Transportation Authority

We have audited the financial statements of the Oklahoma Transportation Authority (the Authority) as of and for the year ended December 31, 2004, and have issued our report thereon dated March 16, 2005. The financial statements of the Authority as of and for the year ended December 31, 2003, were audited by other auditors. Those auditors report, dated March 19, 2004, on those statements, included an explanatory paragraph that described the adoption of Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures*, discussed in Note 1C. We conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by the Auditing Standards Board of the American Institute of Certified Public Accountants and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 not to provide an opinion on the internal control over financial reporting. Accordingly, we express no such opinion. 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 reportable 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 caused by error or fraud 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.

Compliance and Other Matters

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, regulations and contracts, 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 or other matters that are required to be reported under *Government Auditing Standards*.

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

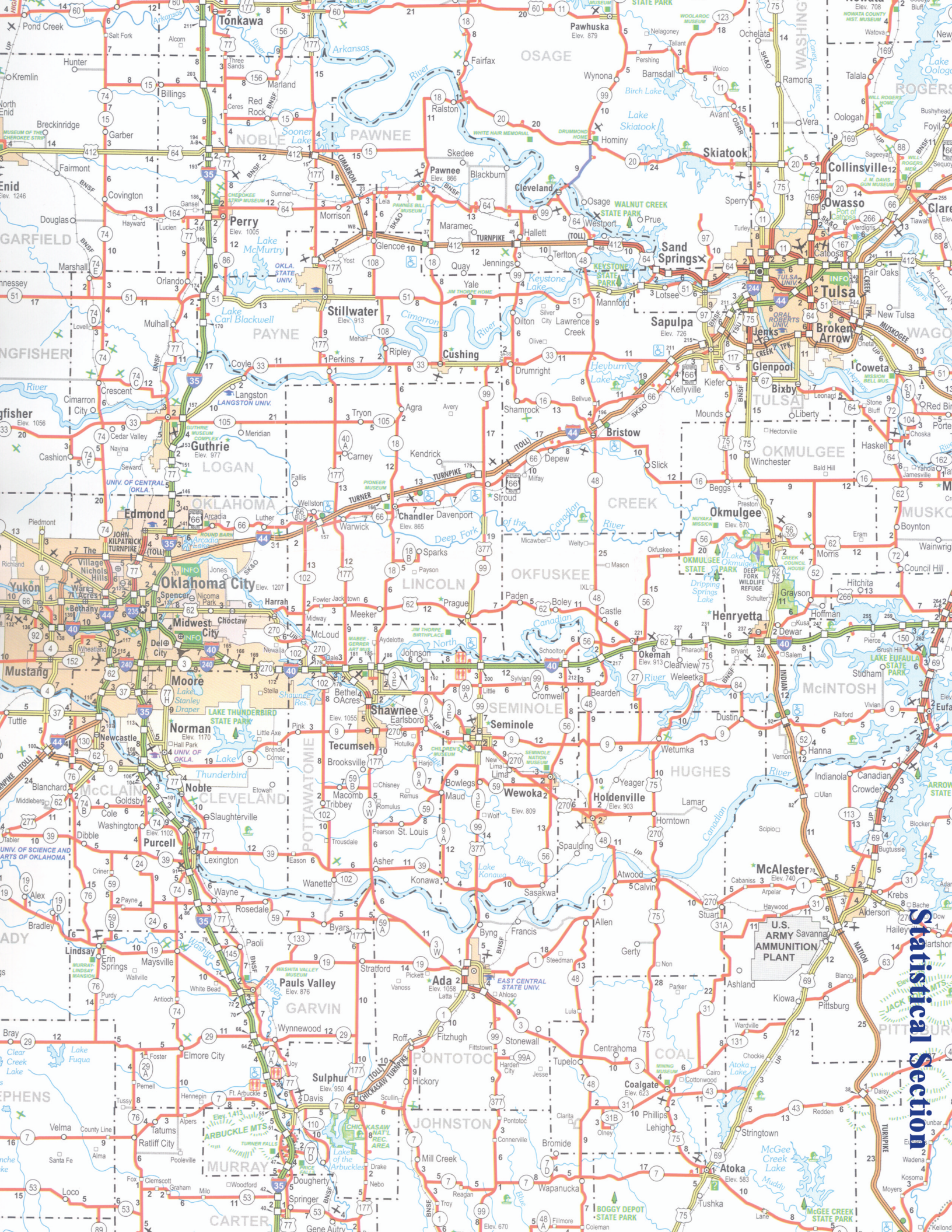
Grant Thornton LLP

Oklahoma City, Oklahoma
March 16, 2005

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All Oklahoma Turnpikes

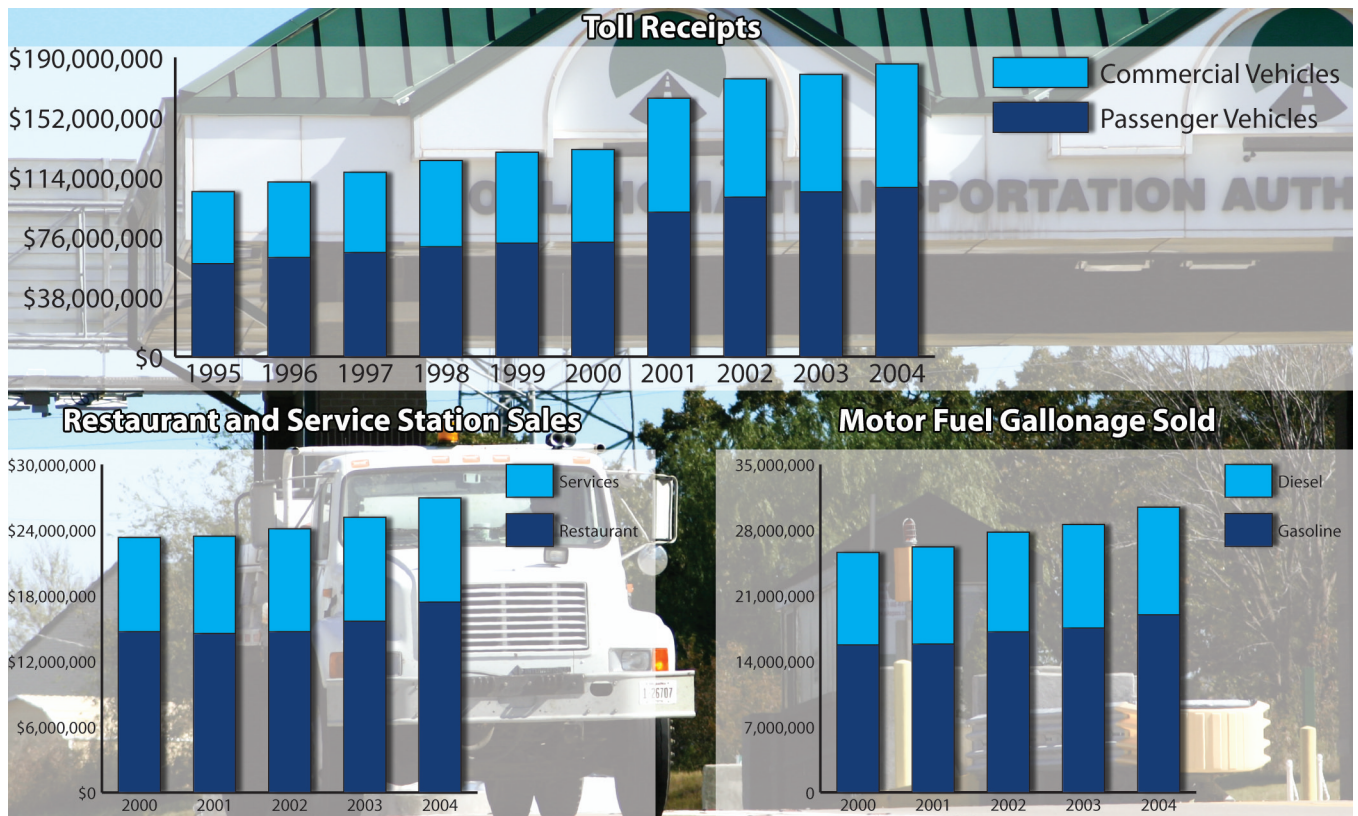
Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1995	\$59,068,949	\$45,791,018	\$104,859,967	\$1,157,788	\$106,017,755	1,965,465,275	65,095,358
1996	62,944,902	47,957,505	110,902,407	1,135,377	112,037,784	2,075,255,828	69,936,648
1997	66,089,007	51,078,776	117,167,783	1,145,441	118,313,224	2,192,810,075	74,748,285
1998	69,751,444	54,819,282	124,570,726	1,227,223	125,797,949	2,297,320,338	79,932,083
1999	72,129,266	57,705,582	129,834,848	1,241,675	131,076,523	2,348,163,031	84,235,805
2000	72,578,901	58,989,472	131,568,373	1,198,650	132,767,023	2,373,688,410	86,746,217
2001	91,727,188	72,384,115	164,111,303	1,212,089	165,323,392	2,440,418,447	98,530,645
2002	101,328,024	75,113,462	176,441,486	1,239,693	177,681,179	2,531,456,866	111,363,308
2003	104,677,498	74,664,355	179,341,853	1,310,823	180,652,676	2,733,942,931	118,218,662
2004	108,050,915	77,842,079	185,892,994	1,406,923	187,299,917	2,891,897,555	124,479,570

Restaurant and Service Station Sales

Year	Turner	Will Rogers	H.E. Bailey	Indian Nation	Muskogee	Cimarron	Cherokee	Total
2000	\$6,911,377	\$3,630,077	\$3,454,946	\$3,318,004	\$2,248,727	\$2,357,270	\$1,406,896	\$23,327,297
2001	6,923,879	3,407,127	3,608,965	3,384,512	2,369,539	2,355,460	1,400,160	23,449,642
2002	7,126,705	3,606,251	3,789,252	3,489,501	2,301,787	2,418,837	1,390,343	24,122,676
2003	7,831,893	3,802,159	3,951,439	3,470,357	2,326,768	2,466,810	1,323,126	25,172,552
2004	8,432,696	3,998,057	4,339,548	3,757,580	2,489,670	2,521,216	1,401,849	26,940,616

Motor Fuel Gallonage Sold

Year	Turner	Will Rogers	H.E. Bailey	Indian Nation	Muskogee	Cimarron	Cherokee	Total
2000	7,051,215	4,491,815	3,979,261	3,395,163	2,309,090	2,793,441	1,599,999	25,619,984
2001	6,724,332	4,440,371	4,159,563	3,564,717	2,503,395	3,215,662	1,582,900	26,190,940
2002	7,306,908	4,801,794	4,406,750	3,792,718	2,602,043	3,152,741	1,701,075	27,764,029
2003	7,632,691	4,935,127	4,472,902	3,956,929	2,613,272	3,160,252	1,818,351	28,589,524
2004	9,186,680	4,519,739	4,746,874	4,246,090	2,762,392	3,057,749	1,913,677	30,433,201

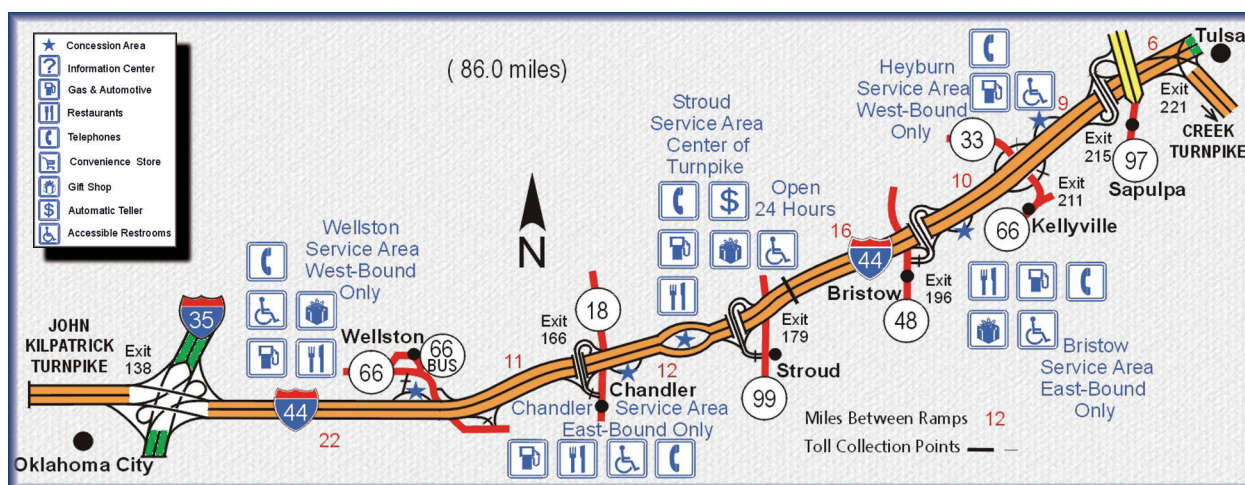


Turner Turnpike



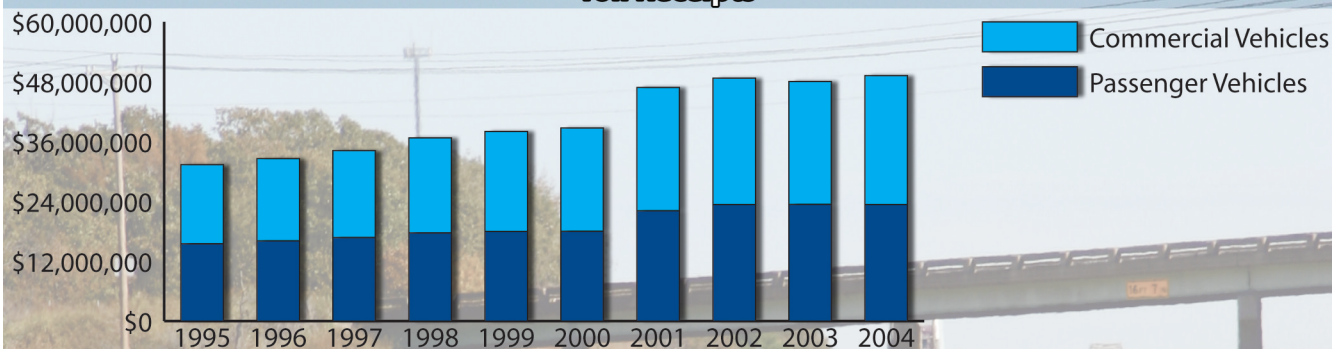
Vehicle Classification	2 axle		3 axle		4 axle		5 axle		6 axle	
	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH
Oklahoma City-SH 66-Wellston	0.95	1.00	1.35	1.50	1.80	2.00	3.25	3.50	4.05	4.25
SH 18-Chandler	1.20	1.25	1.80	2.00	2.95	3.25	5.25	5.50	6.40	6.75
SH 99-Stroud	1.65	1.75	2.70	3.00	4.05	4.50	7.15	7.50	8.55	9.00
US 66-Bristow	2.15	2.25	3.85	4.25	5.40	6.00	9.50	10.00	11.40	12.00
Kellyville	2.85	3.00	4.30	4.75	6.30	7.00	11.15	11.75	13.55	14.25
SH 97-Sapulpa	3.10	3.25	4.75	5.25	7.20	8.00	12.35	13.00	15.20	16.00
Creek West	3.10	3.50	4.75	5.75	7.20	8.50	12.35	14.25	15.20	17.25
Tulsa	3.35	3.50	5.20	5.75	7.65	8.50	13.55	14.25	16.40	17.25
SH 66-Wellston-SH 18-Chandler	0.35	1.25	0.55	2.00	0.80	3.25	1.40	5.50	1.70	6.75
SH 99-Stroud	0.75	1.75	1.15	3.00	1.70	4.50	3.00	7.50	3.65	9.00
US 66-Bristow	1.50	2.25	2.35	4.25	3.45	6.00	6.15	10.00	7.75	12.00
Kellyville	2.15	3.00	3.35	4.75	4.90	7.00	8.65	11.75	10.50	14.25
SH 97-Sapulpa	2.30	3.25	3.55	5.25	5.25	8.00	9.30	13.00	11.25	16.00
Creek West	2.30	3.50	3.55	5.75	5.25	8.50	9.30	14.25	11.25	17.25
Tulsa	2.50	3.50	3.85	5.75	5.70	8.50	10.00	14.25	12.20	17.25
SH 18-Chandler-SH 99-Stroud	0.45	0.50	0.90	1.00	1.15	1.25	2.15	2.25	2.40	2.50
US 66-Bristow	1.20	1.25	1.60	1.75	2.50	2.75	4.75	5.00	5.45	5.75
Kellyville	1.45	1.50	2.25	2.50	3.60	4.00	6.20	6.50	7.35	7.75
SH 97-Sapulpa	1.65	1.75	2.70	3.00	4.30	4.75	7.35	7.75	9.05	9.50
Creek West	1.65	2.00	3.15	3.75	4.30	5.25	7.10	8.75	8.50	10.50
Tulsa	1.90	2.00	3.40	3.75	4.75	5.25	8.30	8.75	10.00	10.50
SH 99-Stroud-US 66-Bristow	0.95	1.00	1.15	1.25	1.35	1.50	2.40	2.50	2.85	3.00
Kellyville	1.20	1.25	1.60	1.75	2.25	2.50	4.05	4.25	5.00	5.25
SH 97-Sapulpa	1.45	1.50	2.05	2.25	2.95	3.25	5.45	5.75	6.65	7.00
Creek West	1.15	1.50	1.95	2.50	3.35	4.25	5.20	6.75	6.15	8.00
Tulsa	1.45	1.50	2.25	2.50	3.85	4.25	6.40	6.75	7.60	8.00
US 66-Bristow-Kellyville	0.45	0.50	0.70	0.75	1.15	1.25	1.90	2.00	2.15	2.25
SH 97-Sapulpa	0.95	1.00	1.15	1.25	1.60	1.75	2.85	3.00	3.35	3.50
Creek West	0.70	1.00	1.00	1.50	1.60	2.50	2.55	4.00	3.35	5.25
Tulsa	0.95	1.00	1.35	1.50	2.25	2.50	3.80	4.00	5.00	5.25
Kellyville-SH 97-Sapulpa	0.45	0.50	0.45	0.50	0.70	0.75	1.20	1.25	1.45	1.50
Creek West	0.20	0.50	0.45	1.00	0.70	1.50	0.90	2.25	1.40	3.00
Tulsa	0.45	0.50	0.90	1.00	1.35	1.50	2.15	2.25	2.85	3.00
SH 97-Sapulpa-Tulsa	0.25	0.25	0.45	0.50	0.45	0.50	0.95	1.00	1.20	1.25

Turner Turnpike

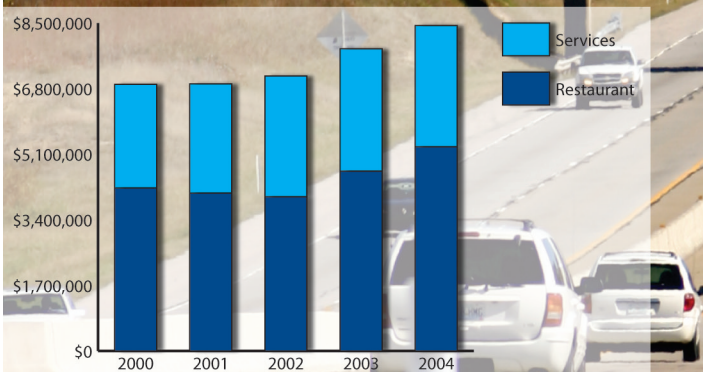


Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1995	\$15,489,307	\$15,884,505	\$31,373,812	\$363,709	\$31,737,521	613,775,550	10,260,467
1996	16,067,658	16,535,359	32,603,017	342,597	32,945,614	636,093,432	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
1999	17,987,428	20,028,976	38,016,404	349,569	38,365,973	725,230,552	12,314,250
2000	17,998,272	20,723,600	38,721,872	338,804	39,060,676	727,502,004	12,410,023
2001	22,108,158	24,745,886	46,854,044	335,927	47,189,971	670,475,241	13,264,674
2002	23,382,606	25,321,822	48,704,428	337,726	49,042,154	692,906,185	14,042,772
2003	23,413,499	24,642,682	48,056,181	382,609	48,438,790	693,500,957	14,194,247
2004	23,590,204	25,637,336	49,227,540	409,404	49,636,944	744,936,787	14,589,222

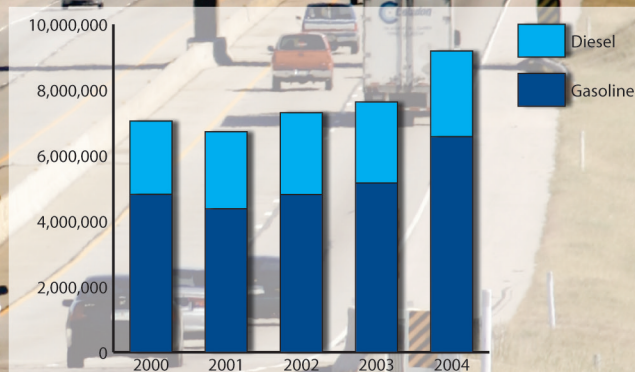
Toll Receipts



Restaurant and Service Station Sales



Motor Fuel Gallonage Sold

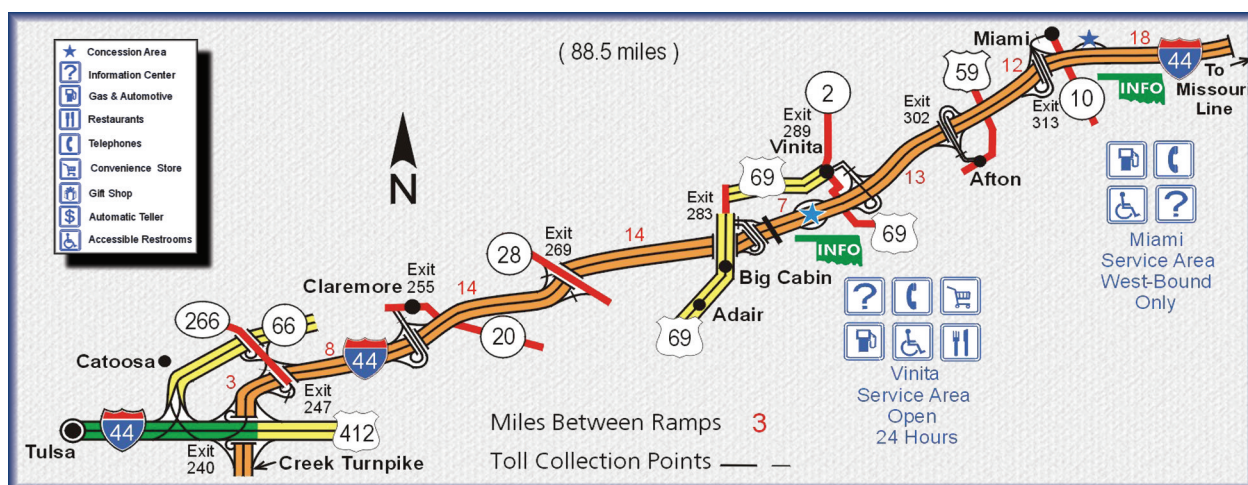


Will Rogers Turnpike

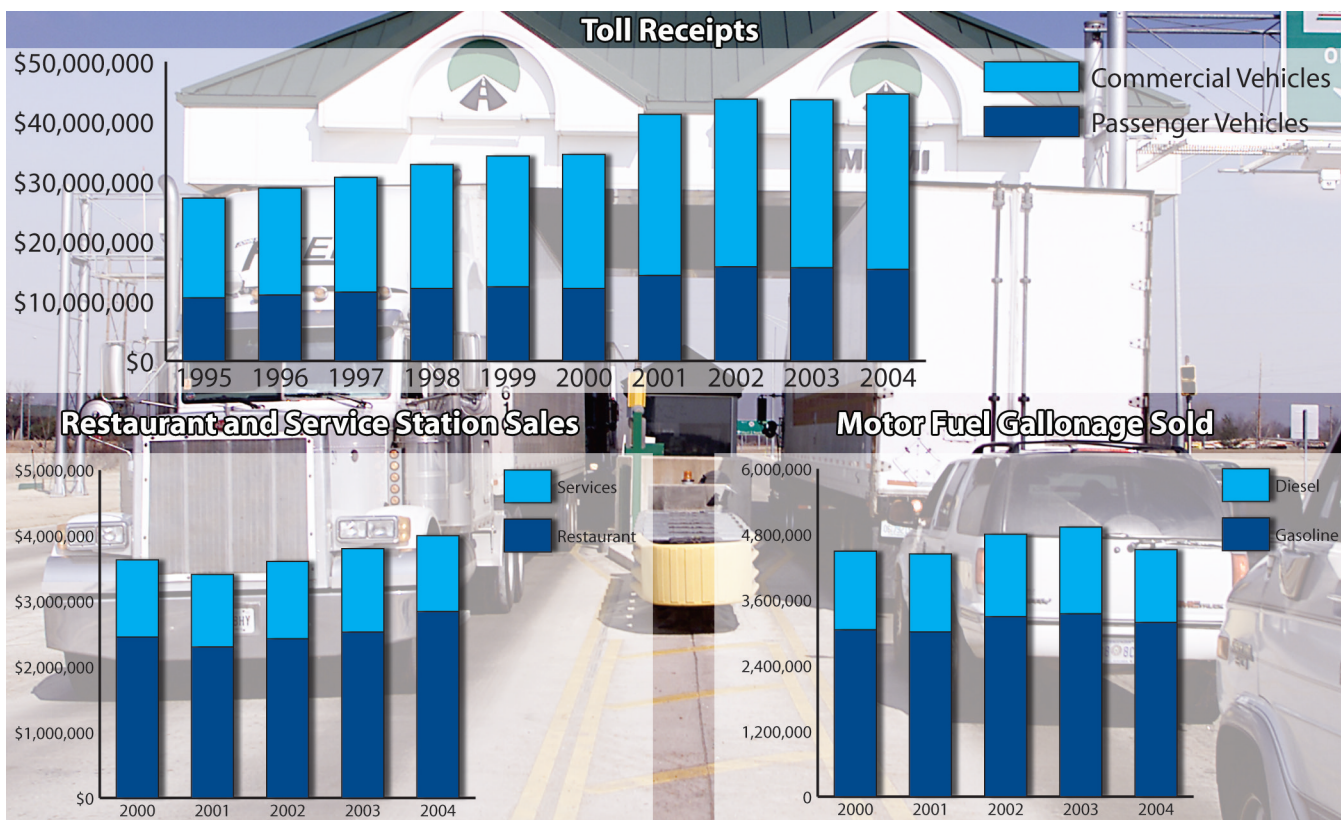


Vehicle Classification	2 axle		3 axle		4 axle		5 axle		6 axle	
	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH
Tulsa-State Hwy 266	0.45	0.50	0.70	0.75	0.95	1.00	1.20	1.25	1.45	1.50
SH 20-Claremore	0.45	0.50	0.90	1.00	1.15	1.25	2.15	2.25	2.40	2.50
State Hwy 28	1.20	1.25	1.60	1.75	2.50	2.75	4.75	5.00	5.45	5.75
US 69-Big Cabin	1.45	1.50	2.25	2.50	3.60	4.00	6.40	6.75	7.60	8.00
Vinita	1.65	1.75	2.70	3.00	4.30	4.75	7.35	7.75	9.05	9.50
Afton	2.15	2.25	3.60	4.00	5.40	6.00	9.25	9.75	11.15	11.75
SH 10-Miami	2.85	3.00	4.30	4.75	6.30	7.00	10.70	11.75	13.55	14.25
State Line	3.35	3.50	5.20	5.75	7.65	8.50	13.55	14.25	16.40	17.25
State Hwy 266-SH 20-Claremore	0.45	0.50	0.45	1.00	0.70	1.25	0.70	2.25	0.95	2.50
State Hwy 28	0.70	1.25	1.45	1.75	2.35	2.75	2.85	5.00	3.55	5.75
US 69-Big Cabin	1.20	1.50	1.90	2.50	3.35	4.00	5.00	6.75	6.25	8.00
Vinita	1.45	1.75	2.60	3.00	4.05	4.75	6.15	7.75	7.35	9.50
Afton	1.90	2.25	3.55	4.00	5.00	6.00	7.95	9.75	9.50	11.75
SH 10-Miami	2.45	3.00	4.25	4.75	5.70	7.00	9.75	11.75	13.75	14.25
State Line	3.05	3.50	5.00	5.75	7.35	8.50	12.35	14.25	15.00	17.25
SH 20-Claremore-State Hwy 28	0.70	0.75	0.90	1.00	1.35	1.50	2.15	2.25	2.85	3.00
US 69-Big Cabin	1.20	1.25	1.60	1.75	2.25	2.50	4.05	4.25	5.25	5.50
Vinita	1.20	1.25	2.05	2.25	2.95	3.25	5.45	5.75	6.40	6.75
Afton	1.65	1.75	2.70	3.00	4.30	4.75	7.35	7.75	8.55	9.00
SH 10-Miami	1.90	2.00	3.60	4.00	5.20	5.75	9.05	9.50	10.70	11.25
State Line	2.85	3.00	4.50	5.00	6.55	7.25	11.40	12.00	13.80	14.50
US 69-Big Cabin-Vinita	0.25	0.25	0.45	0.50	0.70	0.75	1.20	1.25	1.45	1.50
Afton	0.95	1.00	1.15	1.25	1.60	1.75	2.85	3.00	3.35	3.50
SH 10-Miami	1.20	1.25	1.80	2.00	2.70	3.00	5.00	5.25	5.95	6.25
State Line	1.65	1.75	2.70	3.00	4.30	4.75	7.15	7.50	8.55	9.00
Vinita-Afton	0.45	0.50	0.70	0.75	1.15	1.25	1.90	2.00	2.15	2.25
SH 10-Miami	0.95	1.00	1.35	1.50	2.05	2.25	3.35	3.50	4.75	5.00
State Line	1.45	1.50	2.25	2.50	3.60	4.00	6.20	6.50	7.35	7.75
Afton-SH 10-Miami	0.45	0.50	0.70	0.75	0.90	1.00	1.45	1.50	2.15	2.25
State Line	1.20	1.25	1.60	1.75	2.25	2.50	4.05	4.25	5.25	5.50
SH 10-Miami-State Line	0.45	0.50	0.90	1.00	1.35	1.50	2.40	2.50	2.85	3.00

Will Rogers Turnpike



Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
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
1999	\$12,390,866	\$21,871,193	\$34,262,059	\$179,358	\$34,441,417	603,673,057	10,603,664
2000	\$12,117,554	\$22,407,537	\$34,525,091	\$148,095	\$34,673,186	600,301,293	10,682,010
2001	\$14,282,884	\$26,936,300	\$41,219,184	\$138,063	\$41,357,247	603,496,108	10,866,415
2002	\$15,723,549	\$28,040,771	\$43,764,320	\$148,717	\$43,913,037	571,819,349	11,624,161
2003	\$15,569,560	\$28,078,562	\$43,648,122	\$158,411	\$43,806,533	674,231,823	12,503,103
2004	\$15,541,719	\$29,062,458	\$44,604,177	\$168,435	\$44,772,612	701,347,657	12,662,830

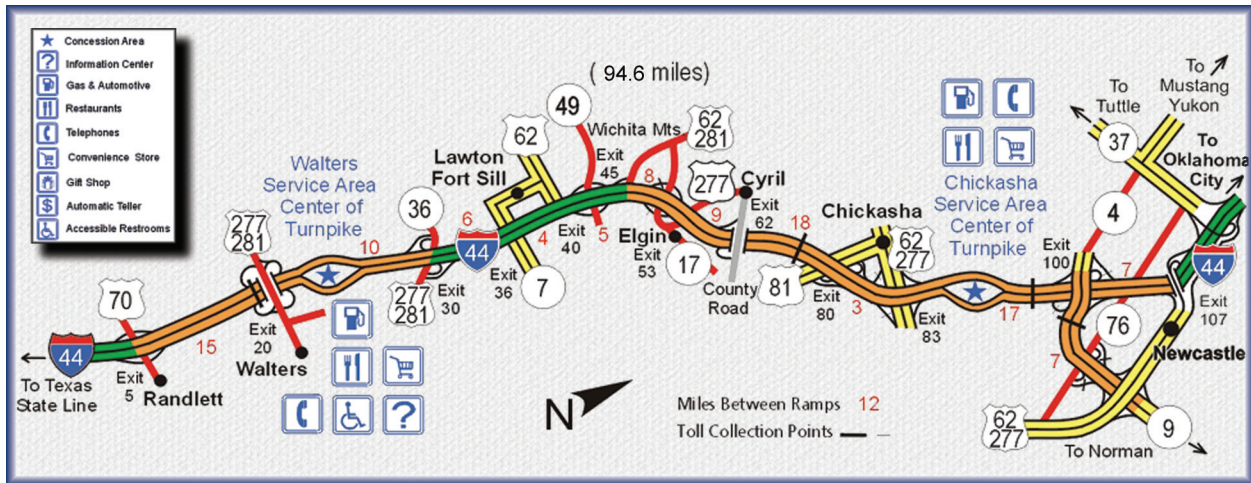


H.E. Bailey Turnpike

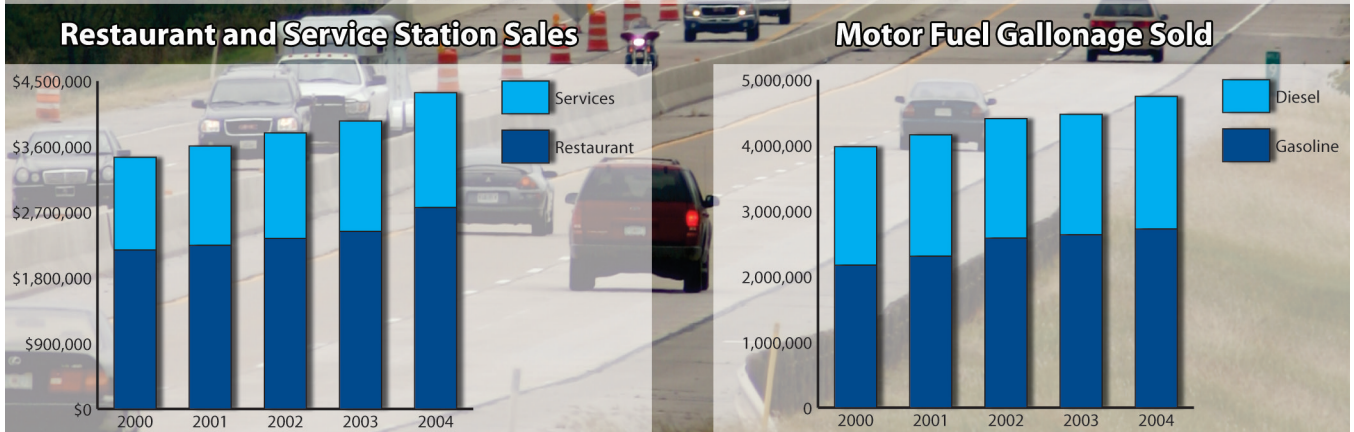
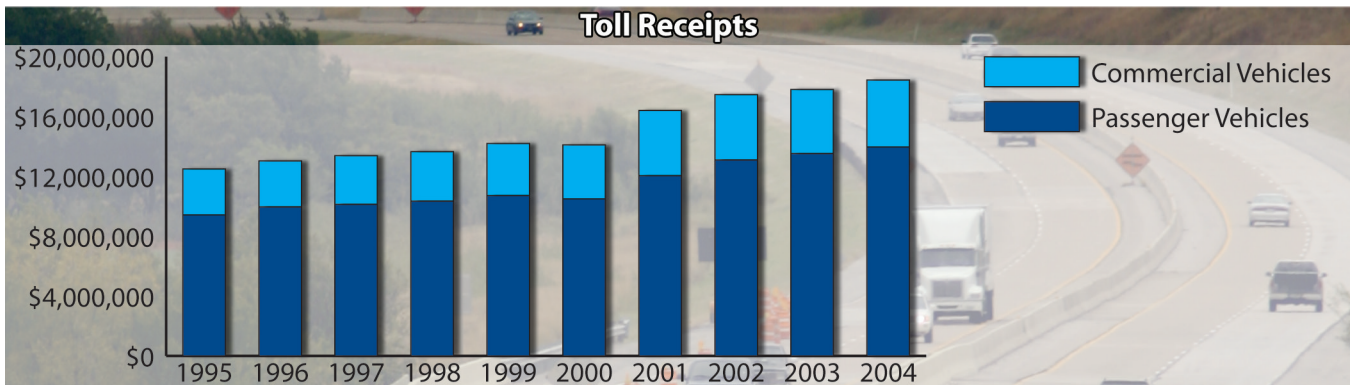


Vehicle Classification	2 axle		3 axle		4 axle		5 axle		6 axle	
	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH
Oklahoma City-										
Wichita Falls	3.80	4.00	4.95	5.50	7.00	7.75	11.90	12.50	14.75	15.50
Chickasha-	1.15	1.25	1.80	2.00	2.25	2.50	2.95	3.25	3.60	4.00
Chickasha-										
State Hwy 62	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.45	0.50
Lawton	1.45	1.50	1.60	1.75	2.50	2.75	4.50	4.75	5.50	5.75
Elgin-Lawton	0.25	0.25	0.45	0.50	0.45	0.50	0.95	1.00	0.95	1.00
Lawton-										
Enid- Wichita Falls	1.20	1.25	1.60	1.75	2.25	2.50	4.45	4.50	4.75	5.75
Walters	0.45	0.50	0.70	0.75	0.90	1.00	1.45	1.50	1.90	2.00
Walters-										
Wichita Falls	0.45	0.50	0.70	0.75	0.90	1.00	1.45	1.50	1.90	2.00
H.E. Bailey Spur-State Hwy 4										
State Hwy 76-Spur	0.45	0.50	0.75	0.80	1.10	1.15	1.50	1.60	1.85	1.95
State Hwy 9	0.45	0.50	0.75	0.80	1.10	1.15	1.50	1.60	1.85	1.95
Chickasha	1.15	1.25	1.80	2.00	2.25	2.50	2.95	3.25	3.60	4.00
Oklahoma City	0.25	.30	0.45	.50	0.60	.65	1.25	1.30	1.50	1.60
State Hwy 9										
Chickasha	1.15	1.75	1.80	2.80	2.25	3.65	2.95	4.85	3.60	5.95
Oklahoma City	0.45	0.50	0.75	0.80	1.10	1.15	1.50	1.60	1.85	1.95
SH-76-Spur	0.25	0.30	0.45	0.50	0.60	0.65	1.25	1.30	1.50	1.60
State Hwy 76-Spur										
Chickasha	1.15	1.75	1.80	2.80	2.25	3.65	2.95	4.85	3.60	5.95
Oklahoma City	0.45	0.50	0.75	0.80	1.10	1.15	1.50	1.60	1.85	1.95

H.E. Bailey Turnpike



Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
1995	\$ 9,431,704	\$3,071,198	\$12,502,902	\$175,525	\$12,678,427	262,008,294	10,801,551
1996	9,964,575	3,074,802	13,039,377	172,881	13,212,258	273,647,373	11,222,476
1997	10,134,572	3,252,368	13,386,940	174,775	13,561,715	282,514,426	11,516,692
1998	10,352,078	3,303,951	13,656,029	185,659	13,841,688	287,002,025	11,808,248
1999	10,728,035	3,480,590	14,208,625	194,477	14,403,102	291,937,283	12,340,078
2000	10,499,563	3,604,128	14,103,691	190,074	14,293,765	293,843,780	12,232,918
2001	12,056,705	4,356,577	16,413,282	198,324	16,611,606	305,610,073	12,932,894
2002	13,104,682	4,367,701	17,472,383	209,846	17,682,229	315,551,811	14,124,761
2003	13,528,419	4,290,229	17,818,648	218,755	18,037,403	334,681,097	14,843,461
2004	14,000,261	4,444,094	18,444,355	242,223	18,686,578	344,200,688	15,457,590

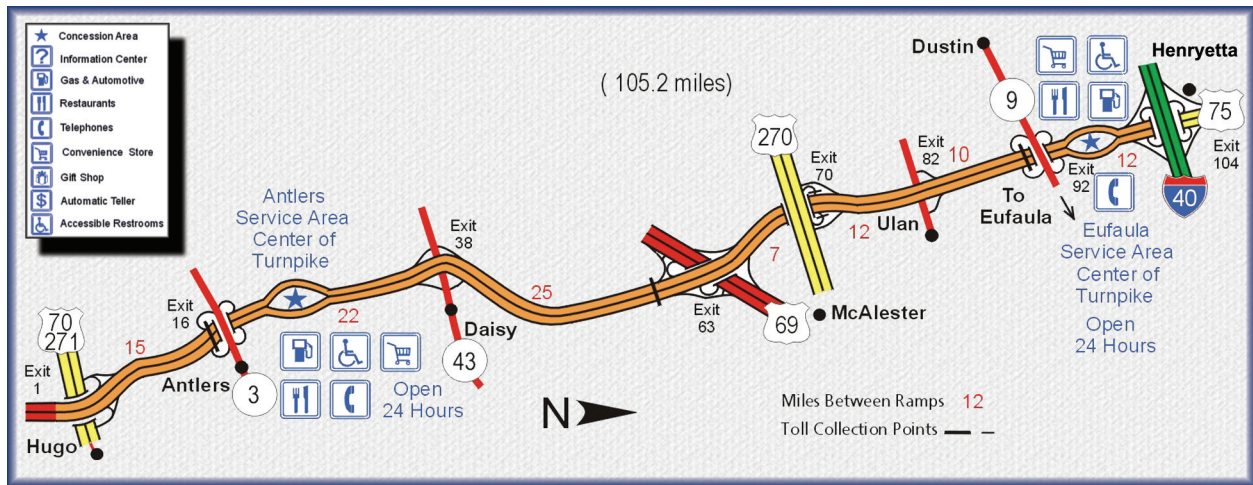


Indian Nation Turnpike

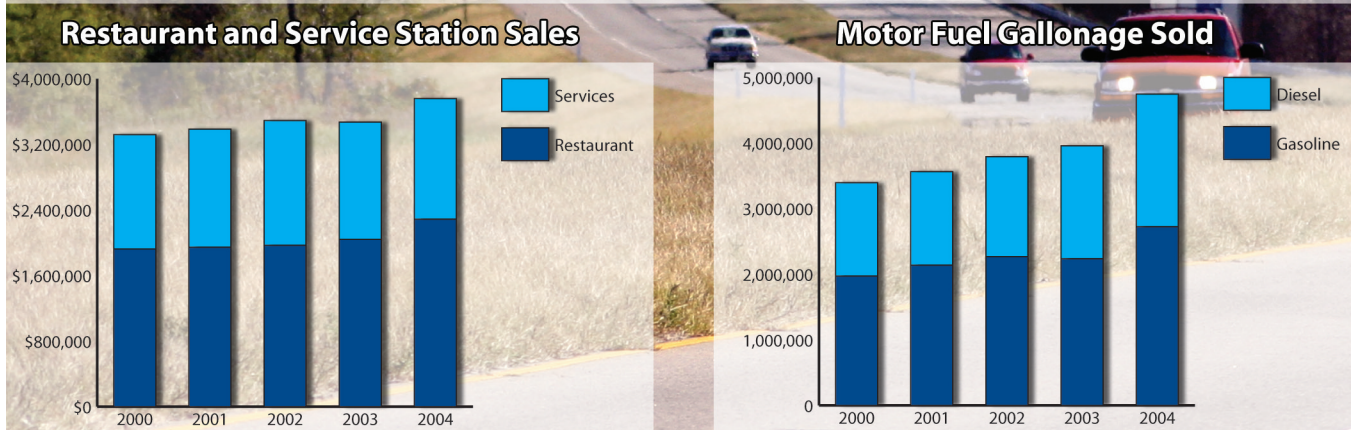
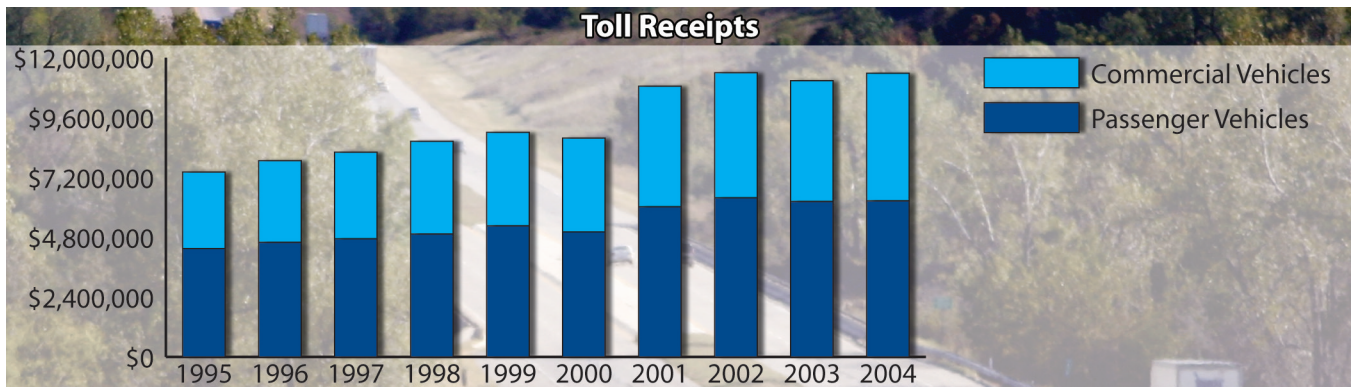


Vehicle Classification	2 axle		3 axle		4 axle		5 axle		6 axle	
	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH
Henryetta-Hugo	4.55	4.75	5.40	6.00	8.60	9.50	15.25	16.00	18.55	19.50
State Hwy 9	0.45	0.50	0.70	0.75	0.90	1.00	1.45	1.50	1.90	2.00
McAlester	1.65	1.75	1.80	2.00	2.95	3.25	5.25	5.50	6.40	6.75
State Hwy 9-McAlester	0.95	1.00	1.15	1.25	1.60	1.75	2.85	3.00	3.35	3.50
US-270-Ulan-McAlester	0.25	0.25	0.45	0.50	0.70	0.75	1.20	1.25	1.45	1.50
McAlester-Daisy	1.45	1.50	1.80	2.00	2.95	3.25	5.00	5.25	5.95	6.25
Daisy-Antlers	0.95	1.00	1.15	1.25	1.35	1.50	2.40	2.50	2.85	3.00
Hugo	1.45	1.50	1.80	2.00	2.70	3.00	5.00	5.25	6.20	6.50
Antlers-Hugo	0.45	0.50	0.90	1.00	1.15	1.25	2.15	2.25	2.40	2.50

Indian Nation Turnpike



Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
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
1999	5,262,648	3,749,926	9,012,574	180,283	9,192,857	180,714,671	5,597,096
2000	5,012,804	3,765,484	8,778,288	183,216	8,961,504	175,786,888	5,471,809
2001	6,022,296	4,841,725	10,864,021	187,847	11,051,868	180,684,063	5,629,296
2002	6,381,757	5,022,261	11,404,018	194,795	11,598,813	191,012,119	5,914,991
2003	6,233,519	4,847,229	11,080,748	198,041	11,278,789	193,113,355	5,859,208
2004	6,300,277	5,084,168	11,384,445	218,189	11,602,634	192,662,423	5,968,565

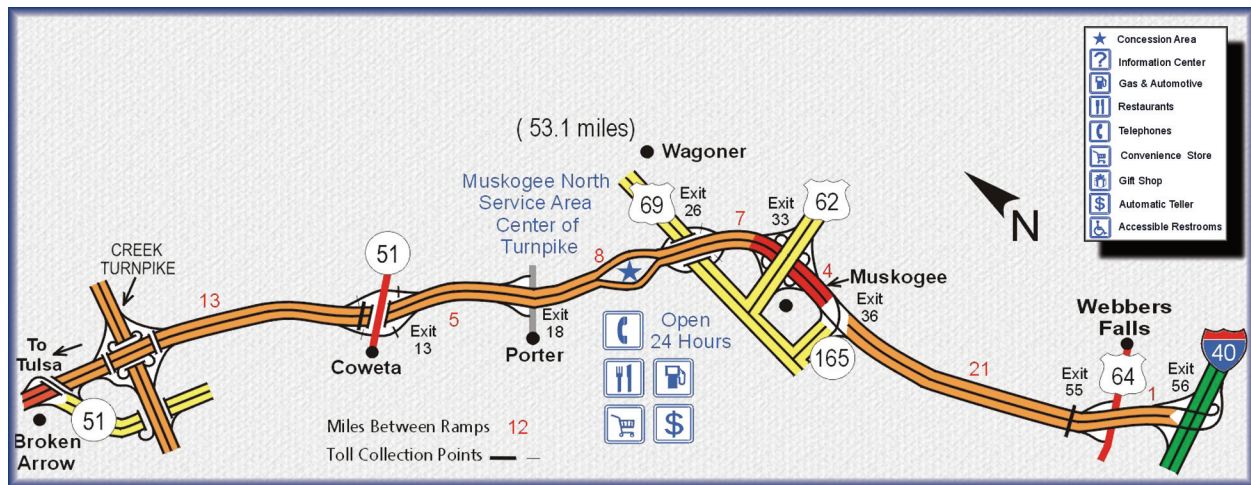


Muskogee Turnpike

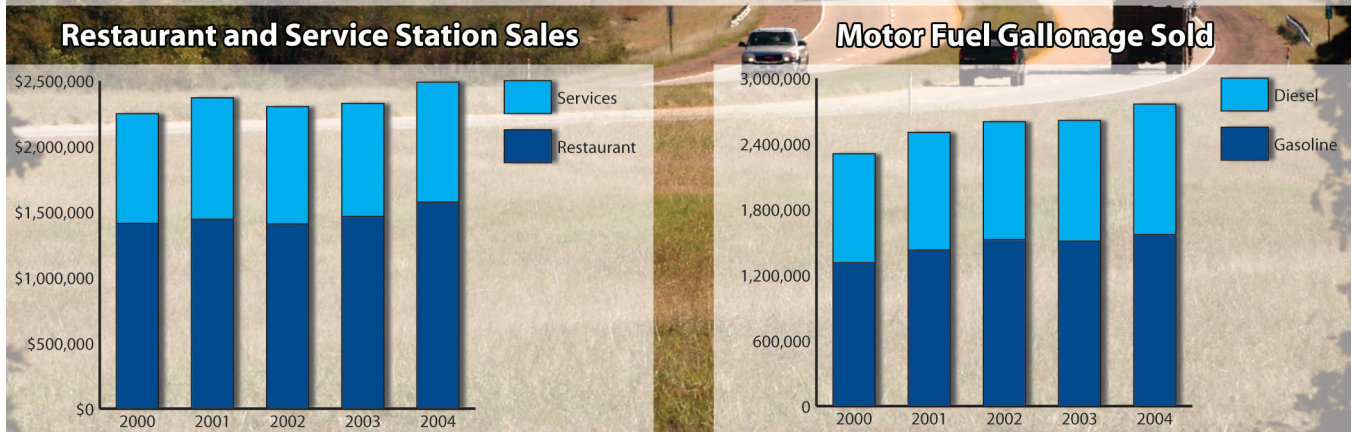
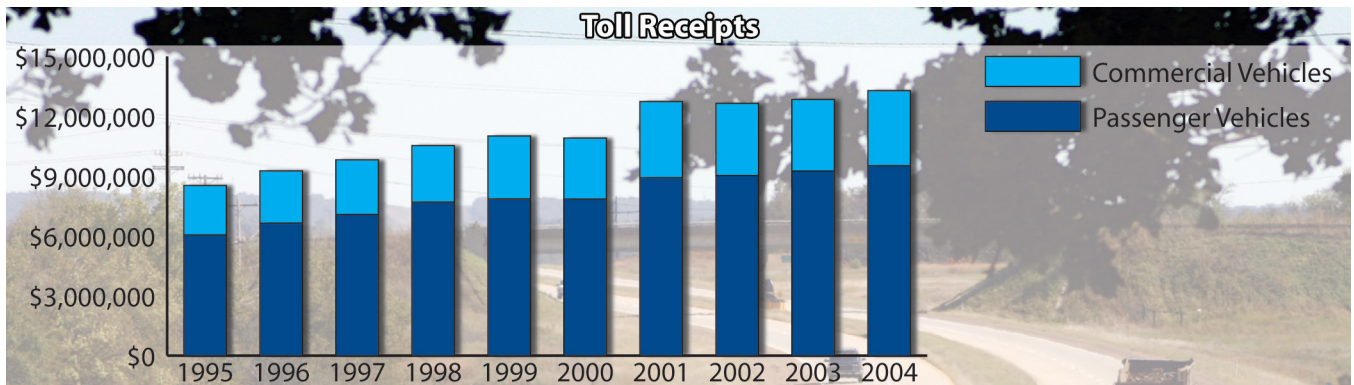


Vehicle Classification	2 axle		3 axle		4 axle		5 axle		6 axle	
	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH
Tulsa-Webbers Falls	2.40	2.50	3.15	3.50	4.50	5.00	7.60	8.00	8.60	9.00
SH 51-Coweta	0.95	1.00	1.35	1.50	1.35	1.50	2.15	2.25	2.40	2.50
Muskogee	1.20	1.25	2.05	2.25	2.50	2.75	4.30	4.50	4.75	5.00
SH 51-Coweta-Muskogee	0.45	0.50	0.90	1.00	1.15	1.25	2.15	2.25	2.40	2.50
US 69-Wagoner-Muskogee	0.45	0.50	0.45	0.50	0.70	0.75	1.20	1.25	1.45	1.50
Muskogee-Webbers Falls	1.20	1.25	1.20	1.25	2.05	2.25	3.35	3.50	3.80	4.00

Muskogee Turnpike



Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
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
1999	7,862,470	3,150,880	11,013,350	139,308	11,152,658	197,872,962	9,187,009
2000	7,847,707	3,062,549	10,910,256	137,511	11,047,767	209,047,738	9,089,890
2001	8,917,308	3,823,898	12,741,206	144,484	12,885,690	219,478,020	9,313,405
2002	9,028,593	3,622,759	12,651,352	142,623	12,793,975	221,751,032	9,374,419
2003	9,252,419	3,594,092	12,846,511	145,205	12,991,716	236,653,442	9,543,623
2004	9,558,405	3,730,986	13,289,391	155,265	13,444,656	255,443,796	9,883,702

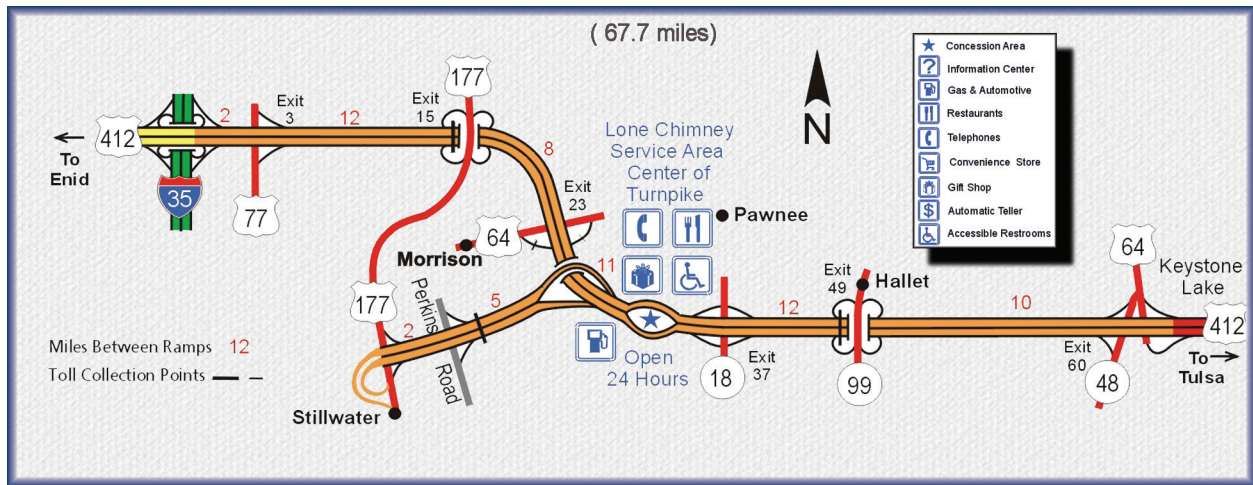


Cimarron Turnpike

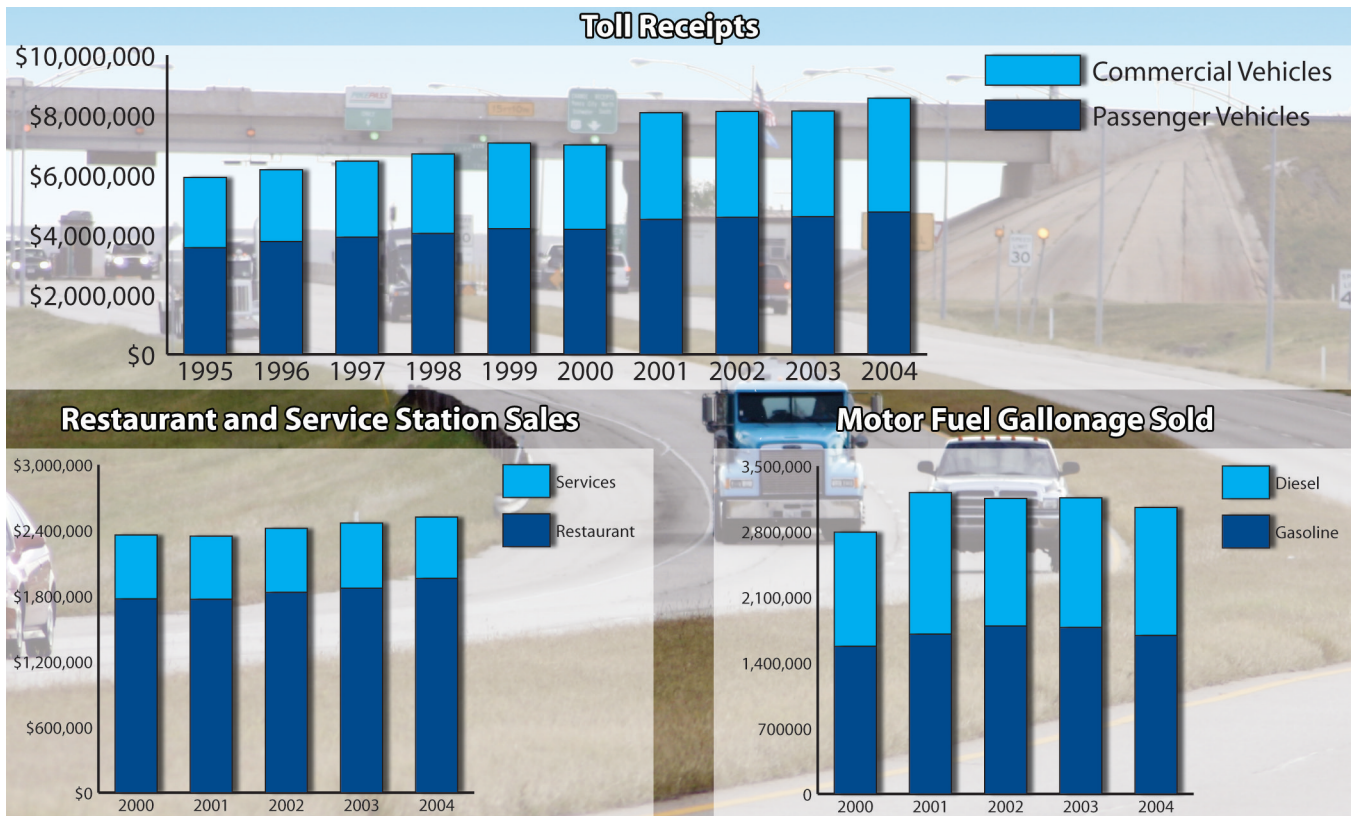


Vehicle Classification	2 axle		3 axle		4 axle		5 axle		6 axle	
	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH
Tulsa-I-35	2.35	2.50	3.15	3.50	5.40	6.00	9.55	10.00	11.45	12.00
US 177	1.65	1.75	2.25	2.50	4.05	4.50	7.15	7.50	8.10	8.50
Morrison	1.15	1.25	1.60	1.75	3.15	3.50	5.45	5.75	6.65	7.00
Stillwater	1.15	1.25	2.05	2.25	3.60	4.00	6.40	6.75	7.60	8.00
State Hwy 18	0.70	0.75	1.15	1.25	2.50	2.75	4.30	4.50	5.25	5.50
SH 99-Hallett	0.45	0.50	0.70	0.75	0.90	1.00	1.45	1.50	1.90	2.00
SH 99-Hallett-State Hwy 18	0.45	0.50	0.70	0.75	0.90	1.00	1.45	1.50	1.90	2.00
State Hwy 18-I-35	1.65	1.75	2.05	2.25	2.95	3.25	5.25	5.50	6.20	6.50
US 177	0.95	1.00	1.15	1.25	1.60	1.75	2.85	3.00	3.10	3.25
Morrison	0.45	0.50	0.45	0.50	0.70	0.75	1.20	1.25	1.45	1.50
Stillwater	0.45	0.50	0.90	1.00	1.15	1.25	2.15	2.25	2.40	2.50
US 177-I-35	0.95	1.00	0.90	1.00	1.35	1.50	2.40	2.50	3.10	3.25

Cimarron Turnpike



Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
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
1999	4,200,296	2,865,757	7,066,053	138,680	7,204,733	133,915,899	6,110,421
2000	4,181,192	2,820,514	7,001,706	140,950	7,142,656	133,105,385	6,115,451
2001	4,510,779	3,565,853	8,076,632	140,165	8,216,797	132,855,493	6,203,722
2002	4,582,012	3,538,825	8,120,837	143,012	8,263,849	136,176,631	6,340,584
2003	4,600,587	3,537,292	8,137,879	145,379	8,283,258	139,835,356	6,459,613
2004	4,801,715	3,764,924	8,566,639	147,431	8,714,070	147,675,827	6,748,831



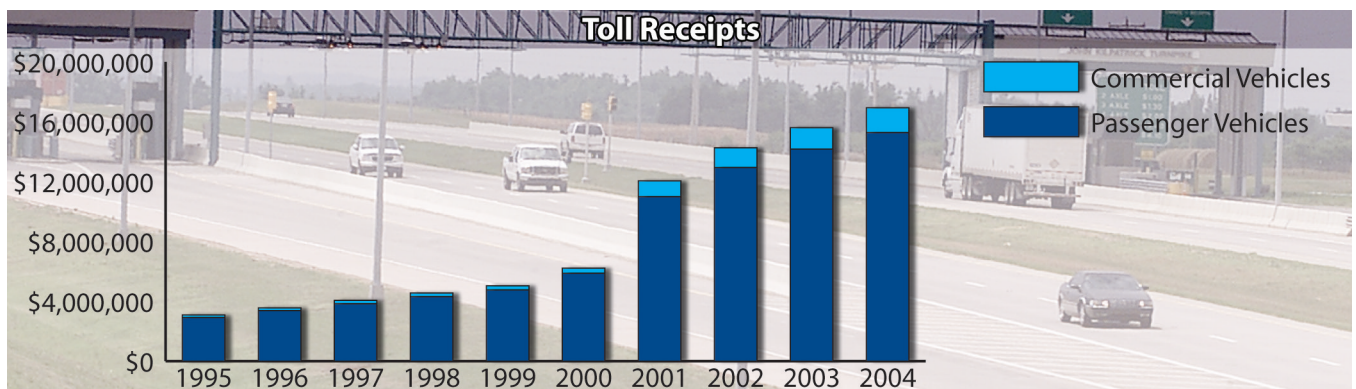
John Kilpatrick Turnpike

Vehicle Classification	2 axle		3 axle		4 axle		5 axle		6 axle	
	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH
I-35-Eastern	0.25	0.30	0.40	0.50	0.55	0.75	0.85	1.30	1.05	1.60
US 77-Brdwy Ext	0.40	0.50	0.55	0.75	0.80	1.00	1.40	1.60	1.70	1.95
Western	0.50	1.00	0.75	1.45	1.05	2.00	1.70	3.40	2.05	4.10
Pennsylvania	0.60	1.00	0.85	1.45	1.20	2.00	2.00	3.40	2.40	4.10
May	0.65	1.00	1.05	1.45	1.45	2.00	2.25	3.40	2.75	4.10
Portland	0.80	1.00	1.20	1.45	1.60	2.00	2.80	3.40	3.40	4.10
Meridian	0.90	1.00	1.25	1.45	1.75	2.00	3.10	3.40	3.75	4.10
MacArthur	0.95	1.00	1.35	1.45	1.90	2.00	3.30	3.40	3.90	4.10
Rockwell	1.05	1.30	1.75	2.05	2.45	2.90	3.35	4.70	4.45	5.70
SH 3-NW Exp	1.35	1.50	2.00	2.20	2.75	3.00	4.50	5.00	5.45	6.05
Wilshire	1.50	2.00	2.10	2.75	2.85	4.00	5.05	6.80	6.20	8.20
SH 66-39th Exp	1.65	2.00	2.15	2.75	3.00	4.00	5.60	6.80	6.80	8.20
NW 10th	1.80	2.00	2.35	2.75	3.30	4.00	6.20	6.80	7.45	8.20
I-40	1.90	2.00	2.45	2.75	3.45	4.00	6.45	6.80	7.80	8.20
Eastern-US 77-Brdwy Ext	0.25	0.50	0.40	0.75	0.55	1.00	0.75	1.60	0.90	1.95
Western	0.25	1.00	0.40	1.45	0.55	2.00	0.85	3.40	0.90	4.10
Pennsylvania	0.35	1.00	0.50	1.45	0.70	2.00	1.15	3.40	1.40	4.10
May	0.50	1.00	0.70	1.45	0.95	2.00	1.70	3.40	2.05	4.10
Portland	0.60	1.00	0.80	1.45	1.10	2.00	2.00	3.40	2.40	4.10
Meridian	0.65	1.00	0.90	1.45	1.25	2.00	2.25	3.40	2.70	4.10
MacArthur	0.75	1.00	1.00	1.45	1.40	2.00	2.50	3.40	3.05	4.10
Rockwell	0.85	1.30	1.40	2.05	1.95	2.90	2.80	4.70	3.40	5.70
SH 3-NW Exp	1.05	1.50	1.65	2.20	2.25	3.00	3.65	5.00	4.40	6.05
Wilshire	1.20	2.00	1.75	2.75	2.40	4.00	4.20	6.80	5.10	8.20
SH 66-39th Exp	1.40	2.00	1.85	2.75	2.55	4.00	4.75	6.80	5.80	8.20
NW 10th	1.60	2.00	2.05	2.75	2.85	4.00	5.35	6.80	6.45	8.20
I-40	1.65	2.00	2.15	2.75	3.00	4.00	5.60	6.80	6.80	8.20
US 77-Brdwy Ext-Western	0.25	1.00	0.40	1.45	0.55	2.00	0.75	3.40	0.90	4.10
Pennsylvania	0.25	1.00	0.40	1.45	0.55	2.00	0.75	3.40	0.90	4.10
May	0.35	1.00	0.50	1.45	0.70	2.00	1.15	3.40	1.40	4.10
Portland	0.40	1.00	0.60	1.45	0.85	2.00	1.40	3.40	1.70	4.10
Meridian	0.50	1.00	0.70	1.45	1.00	2.00	1.70	3.40	2.05	4.10
MacArthur	0.60	1.00	0.80	1.45	1.15	2.00	2.00	3.40	2.40	4.10
Rockwell	0.75	1.30	1.20	2.05	1.70	2.90	2.35	4.70	2.75	5.70
SH 3-NW Exp	0.90	1.50	1.45	2.20	2.00	3.00	3.05	5.00	3.75	6.05
Wilshire	0.95	2.00	1.55	2.75	2.15	4.00	3.80	6.80	3.95	8.20
SH 66-39th Exp	1.25	2.00	1.60	2.75	2.25	4.00	4.40	6.80	5.10	8.20
NW 10th	1.40	2.00	1.85	2.75	2.55	4.00	4.75	6.80	5.75	8.20
I-40	1.50	2.00	1.95	2.75	2.70	4.00	5.05	6.80	6.10	8.20
Western-Pennsylvania	0.25	0.30	0.40	0.50	0.55	0.75	0.75	1.30	0.90	1.60
May	0.25	0.30	0.40	0.50	0.55	0.75	0.85	1.30	1.05	1.60
Portland	0.25	0.30	0.45	0.50	0.60	0.75	1.15	1.30	1.20	1.60
Meridian	0.25	0.30	0.45	0.50	0.60	0.75	1.25	1.30	1.20	1.60
MacArthur	0.25	0.30	0.45	0.50	0.60	0.75	1.25	1.30	1.20	1.60
Rockwell	0.50	0.60	0.85	1.10	1.15	1.65	2.00	2.60	2.40	3.20
SH 3-NW Exp	0.65	0.80	1.10	1.25	1.45	1.75	2.80	2.90	3.35	3.55
Wilshire	0.90	1.30	1.30	1.80	1.75	2.75	3.40	4.70	3.80	5.70
SH 66-39th Exp	1.15	1.30	1.50	1.80	2.10	2.75	3.95	4.70	4.75	5.70
NW 10th	1.20	1.30	1.55	1.80	2.25	2.75	4.45	4.70	5.40	5.70
I-40	1.25	1.30	1.60	1.80	2.30	2.75	4.50	4.70	5.45	5.70
Pennsylvania-May	0.25	0.30	0.40	0.50	0.55	0.75	0.75	1.30	0.90	1.60
Portland	0.25	0.30	0.40	0.50	0.55	0.75	0.85	1.30	1.05	1.60
Meridian	0.25	0.30	0.40	0.50	0.55	0.75	1.15	1.30	1.35	1.60
MacArthur	0.25	0.30	0.40	0.50	0.55	0.75	1.25	1.30	1.50	1.60
Rockwell	0.50	0.60	0.80	1.10	1.10	1.65	1.70	2.60	2.05	3.20
SH 3-NW Exp	0.65	0.80	1.05	1.25	1.40	1.75	2.50	2.90	3.05	3.55
Wilshire	0.90	1.30	1.25	1.80	1.60	2.75	3.10	4.70	3.70	5.70
SH 66-39th Exp	1.05	1.30	1.40	1.80	1.95	2.75	3.65	4.70	4.40	5.70
NW 10th	1.20	1.30	1.60	1.80	2.25	2.75	4.20	4.70	5.10	5.70
I-40	1.25	1.30	1.65	1.80	2.30	2.75	4.45	4.70	5.45	5.70
Portland-Meridian	0.25	0.30	0.40	0.50	0.55	0.75	0.75	1.30	0.90	1.60
MacArthur	0.25	0.30	0.40	0.50	0.55	0.75	0.75	1.30	0.90	1.60
Rockwell	0.50	0.60	0.80	1.10	1.10	1.65	1.50	2.60	1.80	3.20
SH 3-NW Exp	0.65	0.80	1.05	1.25	1.40	1.75	1.85	2.90	2.20	3.55
Wilshire	0.80	1.30	1.10	1.80	1.45	2.75	2.50	4.70	2.80	5.70
SH 66-39th Exp	0.85	1.30	1.15	1.80	1.50	2.75	2.80	4.70	3.40	5.70
NW 10th	1.00	1.30	1.30	1.80	1.80	2.75	3.40	4.70	4.10	5.70
I-40	1.05	1.30	1.40	1.80	1.95	2.75	3.65	4.70	4.45	5.70
MacArthur-Rockwell	0.25	0.30	0.40	0.60	0.55	0.90	0.75	1.30	0.90	1.60
SH 3-NW Exp	0.40	0.50	0.65	0.75	0.85	1.00	1.50	1.60	1.85	1.95
Wilshire	0.70	1.00	0.85	1.30	1.25	2.00	2.30	3.40	2.60	4.10
SH 66-39th Exp	0.85	1.00	1.10	1.30	1.50	2.00	2.75	3.40	3.40	4.10
NW 10th	0.90	1.00	1.20	1.30	1.70	2.00	3.25	3.40	3.90	4.10
I-40	0.95	1.00	1.25	1.30	1.75	2.00	3.30	3.40	3.90	4.10
Rockwell-SH 3-NW Exp	0.40	0.50	0.50	0.75	0.70	1.00	1.40	1.60	1.70	1.95
Wilshire	0.65	1.00	0.75	1.30	1.10	2.00	2.15	3.40	2.30	4.10
SH 66-39th Exp	0.75	1.00	0.95	1.30	1.35	2.00	2.55	3.40	3.05	4.10
NW 10th	0.90	1.00	1.20	1.30	1.65	2.00	3.10	3.40	3.75	4.10
I-40	0.95	1.00	1.25	1.30	1.75	2.00	3.25	3.40	3.90	4.10
Council-SH 3-NW Exp	0.25	0.50	0.40	0.75	0.55	1.00	0.65	1.60	0.80	1.95
Wilshire	0.45	1.00	0.55	1.30	0.75	2.00	1.20	3.40	1.45	4.10
SH 66-39th Exp	0.65	1.00	0.65	1.30	0.90	2.00	1.70	3.40	2.05	4.10
NW 10th	0.70	1.00	0.85	1.30	1.20	2.00	2.25	3.40	2.75	4.10
I-40	0.75	1.00	1.00	1.30	1.35	2.00	2.50	3.40	3.05	4.10
SH 3-NW Exp-Wilshire	0.25	1.00	0.35	1.30	0.50	2.00	1.00	3.40	1.00	4.10
SH 66-39th Exp	0.35	1.00	0.45	1.30	0.60	2.00	1.15	3.40	1.40	4.10
NW 10th	0.50	1.00	0.65	1.30	0.90	2.00	1.70	3.40	2.05	4.10
I-40	0.55	1.00	0.75	1.30	1.05	2.00	1.95	3.40	2.40	4.10
Wilshire-SH 66-39th Exp	0.25	0.50	0.30	0.85	0.40	1.25	0.75	2.20	0.90	2.70
NW 10th	0.40	0.50	0.50	0.85	0.70	1.25	1.30	2.20	1.60	2.70
I-40	0.45	0.50	0.65	0.85	0.85	1.25	1.60	2.20	1.95	2.70
SH 66-39th Exp-NW 10th	0.25	0.30	0.45	0.50	0.55	0.75	0.60	1.30	0.70	1.60
I-40	0.25	0.30	0.45	0.50	0.55	0.75	0.85	1.30	1.05	1.60

John Kilpatrick Turnpike



Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
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
1999	4,761,463	275,282	5,036,745	-N/A-	5,036,745	61,065,543	10,933,012
2000	5,879,781	335,672	6,215,453	-N/A-	6,215,453	78,481,878	13,074,054
2001	10,994,529	1,055,720	12,050,249	-N/A-	12,050,249	141,037,219	19,056,564
2002	12,946,822	1,314,581	14,261,403	-N/A-	14,261,403	168,631,952	22,215,000
2003	14,177,341	1,434,202	15,611,543	-N/A-	15,611,543	186,085,883	24,229,035
2004	15,304,482	1,635,595	16,940,077	-N/A-	16,940,077	203,814,473	26,300,054

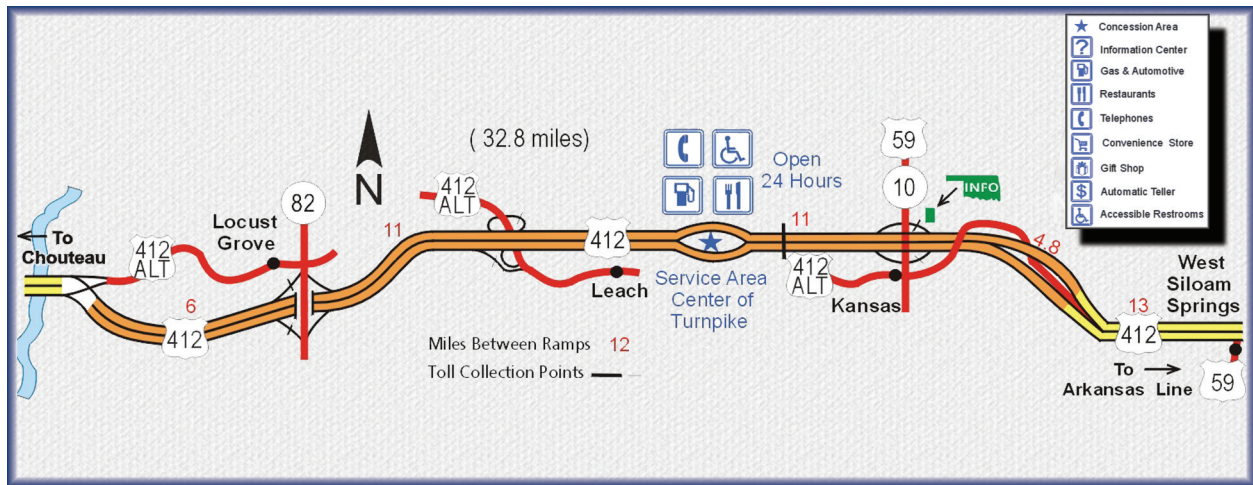


Cherokee Turnpike

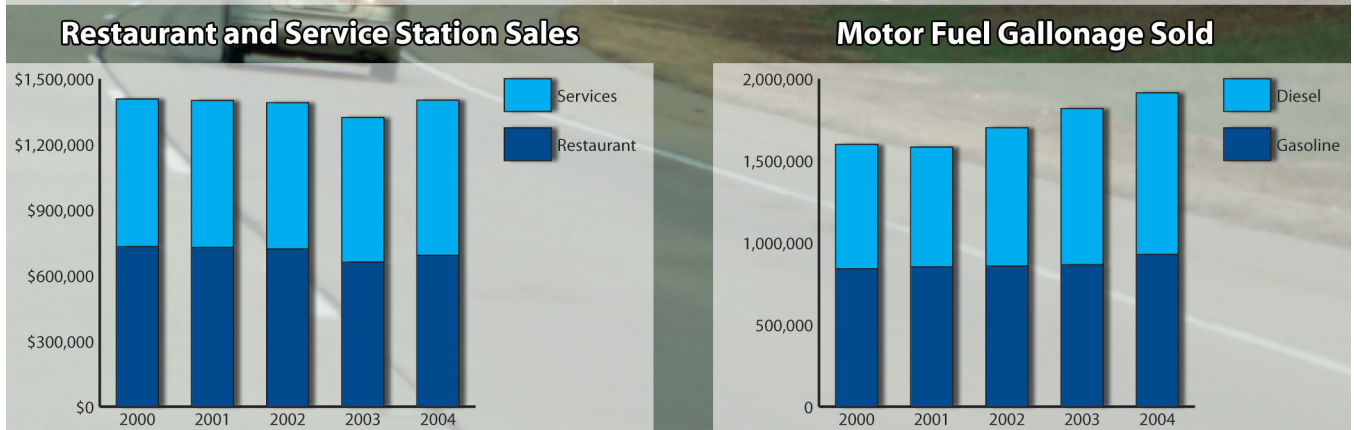
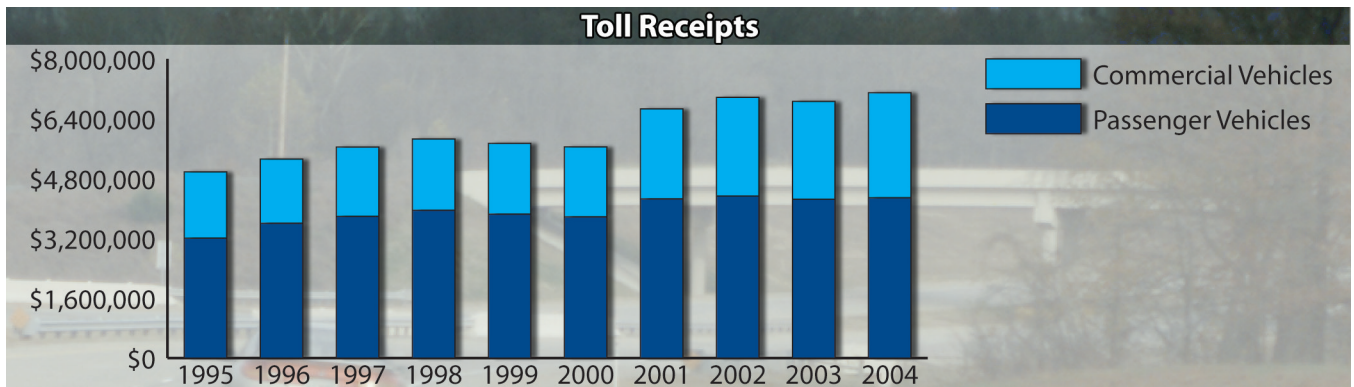


Vehicle Classification	2 axle		3 axle		4 axle		5 axle		6 axle	
	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH
Flint Creek-SH 10-Kansas	0.25	0.25	0.45	0.50	0.60	1.00	1.10	1.50	1.30	2.00
ALT 412-Leach	1.05	2.25	1.50	3.25	2.05	4.50	3.45	7.50	4.15	9.00
State Hwy 82	1.80	2.25	2.50	3.25	3.45	4.50	6.05	7.50	7.25	9.00
US 69	2.15	2.25	2.95	3.25	4.05	4.50	7.15	7.50	8.55	9.00
SH 10-Kansas-ALT 412-Leach	0.75	2.25	1.05	3.25	1.45	4.50	2.60	7.50	3.10	9.00
State Hwy 82	1.50	2.25	1.50	3.25	2.80	4.50	4.95	7.50	5.95	9.00
US 69	1.80	2.25	2.50	3.25	3.50	4.50	6.05	7.50	7.25	9.00
ALT 412-Leach-State Hwy 82	0.70	1.25	1.00	1.75	1.40	2.25	2.40	3.50	2.85	4.25
Enid US 69	1.10	1.25	1.50	1.75	2.05	2.25	3.35	3.50	4.05	4.25
State Hwy 82-US 69	0.25	0.25	0.45	0.50	0.70	1.00	1.10	1.25	1.30	1.50

Cherokee Turnpike



Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
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
1999	3,850,064	1,892,147	5,742,211	60,000	5,802,211	78,508,587	3,730,897
2000	3,776,383	1,872,714	5,649,097	60,000	5,709,097	77,347,012	3,694,286
2001	4,254,122	2,407,523	6,661,645	67,279	6,728,924	82,219,222	3,712,230
2002	4,333,384	2,640,018	6,973,402	62,974	7,036,376	79,607,493	3,834,551
2003	4,248,324	2,616,236	6,864,560	62,423	6,926,983	83,955,658	3,805,808
2004	4,316,863	2,776,636	7,093,499	65,976	7,159,475	86,763,758	3,926,986

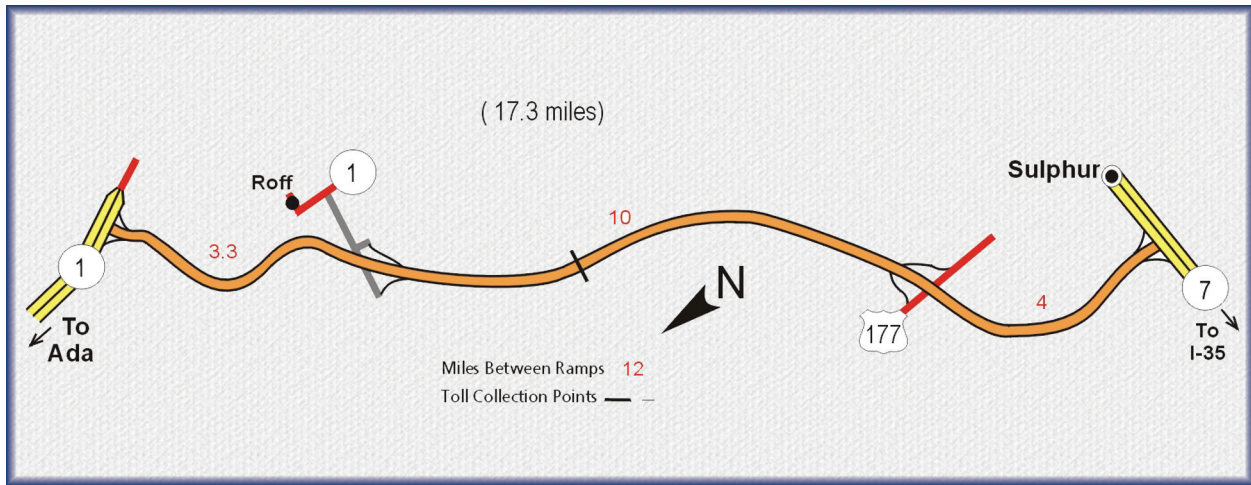


Chickasaw Turnpike

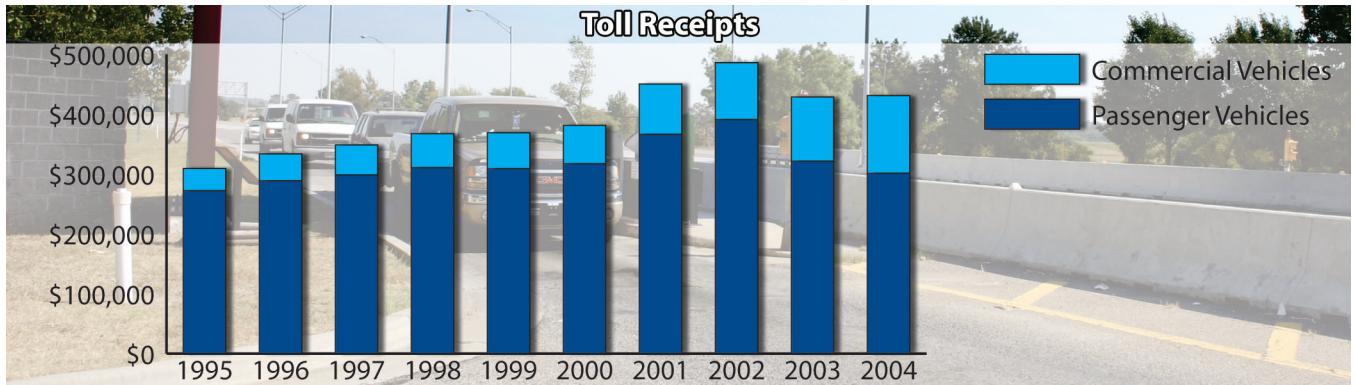


Vehicle Classification	2 axle		3 axle		4 axle		5 axle		6 axle	
	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH
SH 1-Roff-US 177	0.45	0.55	0.65	0.75	1.00	1.25	1.65	2.25	1.75	2.25
State Hwy 7	0.50	0.55	0.70	0.75	1.15	1.25	2.15	2.25	2.15	2.25

Chickasaw Turnpike



Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
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
1999	308,882	60,302	369,184	-N/A-	369,184	9,579,549	666,930
2000	317,009	64,455	381,464	-N/A-	381,464	9,847,851	687,390
2001	366,300	84,176	450,476	-N/A-	450,476	9,983,307	696,845
2002	390,950	95,157	486,107	-N/A-	486,107	10,570,016	739,746
2003	321,462	107,220	428,682	-N/A-	428,682	10,302,205	659,618
2004	301,830	129,212	431,042	-N/A-	431,042	12,112,264	668,254

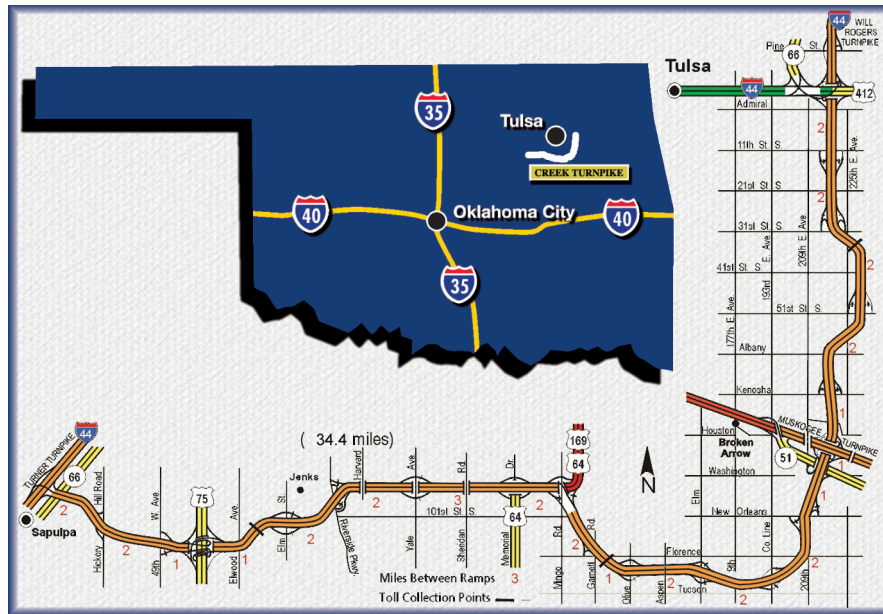


Creek Turnpike

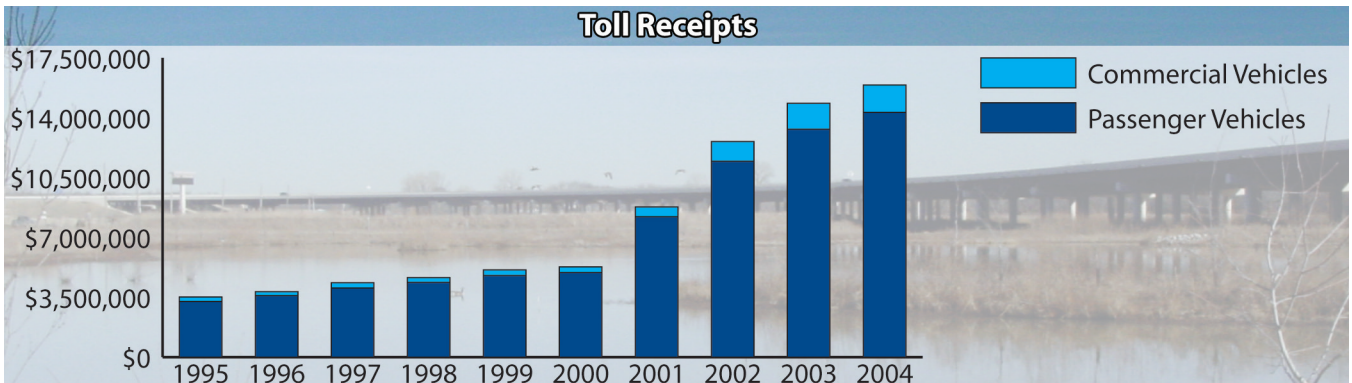
Vehicle Classification	2 axle	3 axle	4 axle	5 axle	6 axle
412-Admiral-11th	0.25	0.30	0.25	0.75	0.45
31st	0.25	0.30	0.45	0.75	1.25
51st-Omaha	0.55	0.75	0.65	1.30	1.90
71st-Kenosh	0.65	0.75	0.85	1.30	2.25
Muskogee Turnpike	0.70	1.00	1.00	2.15	2.85
State Hwy 51	0.95	1.05	1.25	2.05	3.30
101st-New Orleans	0.95	1.05	1.45	2.05	3.55
193rd-County Line Rd	1.05	1.15	1.60	2.20	3.80
161st-Elm	1.15	1.25	1.75	2.30	4.10
129th-Olive	1.25	1.35	1.90	2.45	4.35
Mingo-US 64	1.40	1.50	2.00	2.60	4.50
Yale	1.65	1.80	2.40	3.35	5.55
Riverside Pkwy	1.65	1.80	2.45	3.35	5.55
Peoria-Elm	1.95	2.10	2.65	3.85	6.15
US 75	2.00	2.15	2.95	3.90	6.20
S 49th West Ave	2.30	2.45	3.45	4.65	7.45
State Hwy 66	2.30	2.45	3.45	4.65	7.45
11th-31st	0.25	0.30	0.40	0.75	1.30
51st-Omaha	0.50	0.75	0.70	1.30	2.25
71st-Kenosh	0.55	0.75	0.80	1.30	2.25
Muskogee Turnpike	0.60	0.75	0.90	1.30	2.25
State Hwy 51	0.85	1.05	1.15	2.05	3.35
101st-New Orleans	0.85	1.05	1.35	2.05	3.35
193rd-County Line Rd	0.95	1.15	1.50	2.20	3.80
161st-Elm	1.05	1.25	1.65	2.30	4.10
129th-Olive	1.15	1.35	1.80	2.45	4.35
Mingo-US 64	1.30	1.50	1.90	2.60	4.50
Yale	1.55	1.80	2.30	3.35	5.55
Riverside Pkwy	1.55	1.80	2.35	3.35	5.55
Peoria-Elm	1.85	2.10	2.55	3.85	6.15
US 75	1.90	2.15	2.85	3.90	6.20
S 49th West Ave	2.20	2.45	3.35	4.65	7.45
State Hwy 66	2.20	2.45	3.35	4.65	7.45
31st-51st-Omaha	0.25	0.75	0.40	1.30	2.25
71st-Kenosh	0.45	0.75	0.60	1.30	2.25
Muskogee Turnpike	0.50	0.75	0.80	1.30	2.25
State Hwy 51	0.75	1.05	1.05	2.05	3.35
101st-New Orleans	0.75	1.05	1.25	2.05	3.35
193rd-County Line Rd	0.85	1.15	1.50	2.20	3.80
161st-Elm	0.95	1.25	1.55	2.30	4.10
129th-Olive	1.05	1.35	1.70	2.45	4.35
Mingo-US 64	1.20	1.50	1.80	2.60	4.50
Yale	1.45	1.80	2.25	3.35	5.55
Riverside Pkwy	1.45	1.80	2.25	3.35	5.55
Peoria-Elm	1.75	2.10	2.45	3.85	6.15
US 75	1.80	2.15	2.75	3.90	6.20
S 49th West Ave	2.10	2.45	3.35	4.65	7.45
State Hwy 66	2.10	2.45	3.35	4.65	7.45
51st-Omaha-71st-Kenosh	0.25	0.30	0.40	0.75	1.30
Muskogee Turnpike	0.25	0.30	0.45	0.75	1.30
State Hwy 51	0.50	0.60	0.70	1.30	2.25
101st-New Orleans	0.50	0.60	0.90	1.50	2.60
193rd-County Line Rd	0.60	0.70	1.05	1.65	2.85
161st-Elm	0.70	0.80	1.20	1.75	3.15
129th-Olive	0.80	0.90	1.35	1.90	3.40
Mingo-US 64	0.95	1.05	1.45	2.05	3.65
Yale	1.20	1.35	1.90	2.80	4.40
Riverside Pkwy	1.20	1.35	1.90	2.80	4.40
Peoria-Elm	1.50	1.65	2.10	3.35	5.05
US 75	1.55	1.70	2.40	3.40	5.10
S 49th West Ave	1.85	2.00	2.90	4.10	6.30
State Hwy 66	1.85	2.00	2.90	4.10	6.30
71st-Kenosh-Muskogee Turnpike	0.25	0.30	0.25	0.75	1.30
State Hwy 51	0.50	0.60	0.50	1.50	2.60
101st-New Orleans	0.50	0.60	0.70	1.50	2.60
193rd-County Line Rd	0.60	0.70	0.85	1.65	2.85
161st-Elm	0.70	0.80	1.00	1.75	3.15
129th-Olive	0.80	0.90	1.15	1.90	3.40
Mingo-US 64	0.95	1.05	1.25	2.05	3.65
Yale	1.20	1.35	1.65	2.80	4.40
Riverside Pkwy	1.20	1.35	1.65	2.80	4.40
Peoria-Elm	1.50	1.65	2.10	3.35	5.05
US 75	1.55	1.70	2.40	3.40	5.10
S 49th West Ave	1.85	2.00	2.90	4.10	6.30
State Hwy 66	1.85	2.00	2.90	4.10	6.30
Muskogee Turnpike-State Hwy 51	0.25	0.30	0.25	0.75	1.30
101st-New Orleans	0.25	0.30	0.45	0.75	1.30
193rd-County Line Rd	0.35	0.40	0.60	0.90	1.45
161st-Elm	0.45	0.50	0.75	1.00	1.75
129th-Olive	0.55	0.60	0.90	1.15	2.00
Mingo-US 64	0.70	0.75	1.00	1.25	2.15
Yale	0.95	1.05	1.40	2.05	3.40
Riverside Pkwy	0.95	1.05	1.40	2.05	3.40
Peoria-Elm	1.25	1.35	1.65	2.55	4.20
US 75	1.30	1.40	1.95	2.60	4.25
S 49th West Ave	1.60	1.70	2.45	3.35	5.30
State Hwy 66	1.60	1.70	2.45	3.35	5.30
101st-New Orleans-193rd-County Line Rd	0.30	0.40	0.50	0.90	1.30
161st-Elm	0.40	0.50	0.65	1.00	1.65
129th-Olive	0.50	0.60	0.80	1.15	2.10
Mingo-US 64	0.65	0.75	0.95	1.30	2.25
Yale	0.90	1.05	1.35	2.05	3.35
Riverside Pkwy	1.15	1.35	1.80	2.80	4.55
Peoria-Elm	1.20	1.35	1.60	2.55	4.20
US 75	1.25	1.40	1.90	2.60	4.25
S 49th West Ave	1.55	1.70	2.40	3.35	5.20
State Hwy 66	1.55	1.70	2.40	3.35	5.20
193rd-County Line Rd-161st-Elm	0.30	0.40	0.50	0.90	1.30
129th-Olive	0.40	0.50	0.65	1.00	1.65
Mingo-US 64	0.60	0.75	0.90	1.30	2.25
Yale	0.85	1.05	1.30	2.05	3.35
Riverside Pkwy	0.85	1.05	1.35	2.05	3.35
Peoria-Elm	1.15	1.35	1.55	2.55	4.25
US 75	1.20	1.40	1.85	2.60	4.25
S 49th West Ave	1.50	1.70	2.35	3.35	5.10
State Hwy 66	1.50	1.70	2.35	3.35	5.10
161st-Elm-129th-Olive	0.25	0.30	0.40	0.75	1.30
Mingo-US 64	0.50	0.75	0.75	1.30	2.25
Yale	0.75	1.05	1.05	2.05	3.35
Riverside Pkwy	0.75	1.05	1.20	2.05	3.35
Peoria-Elm	1.05	1.35	1.40	2.55	4.25
US 75	1.10	1.40	1.70	2.60	4.25
S 49th West Ave	1.40	1.70	2.20	3.35	5.10
State Hwy 66	1.40	1.70	2.20	3.35	5.10

Creek Turnpike

Vehicle Classification	2 axle	3 axle	4 axle	5 axle	6 axle
129th-Olive-Mingo-US 64	0.40	0.60	0.75	1.15	1.30
Yale	0.65	1.05	1.30	2.05	2.40
Riverside Pkwy	0.65	1.05	1.30	2.05	2.40
Peoria-Elm	0.95	1.35	1.55	2.55	3.00
US 75	1.00	1.40	1.90	2.60	3.05
S 49th West Ave	1.30	1.70	2.05	3.35	4.30
State Hwy 66	1.30	1.70	2.05	3.35	4.30
Mingo-US-64-Yale	0.25	0.50	0.55	0.75	1.25
Riverside Pkwy	0.25	0.50	0.55	0.75	1.25
Peoria-Elm	0.55	0.60	0.80	1.25	1.85
US 75	0.60	0.65	1.05	1.30	1.90
S 49th West Ave	0.90	0.95	1.45	2.05	3.15
State Hwy 66	0.90	0.95	1.45	2.05	3.15
Nale-Riverside Pkwy	0.25	0.30	0.40	0.55	0.75
Peoria-Elm	0.35	0.60	1.00	1.25	1.15
US 75	0.60	0.65	1.05	1.30	1.90
S 49th West Ave	0.90	0.95	1.45	2.05	3.15
State Hwy 66	0.90	0.95	1.45	2.05	3.15
Riverside Pkwy-Peoria-Elm	0.25	0.60	1.00	1.25	0.75
US 75	0.35	0.65	1.05	1.30	1.15
S 49th West Ave	0.65	0.95	1.25	2.05	1.90
State Hwy 66	0.85	0.95	1.40	2.05	2.65
Peoria-Elm-US 75	0.25	0.65	1.05	1.30	0.75
S 49th West Ave	0.50	0.95	1.55	2.05	3.30
State Hwy 66	0.75	0.95	1.55	2.05	3.30
US 75-S 49th West Ave	0.25	0.30	0.40	0.55	0.75
State Hwy 66	0.25	0.30	0.45	0.70	1.25
Hickory Hill-State Hwy 66	0.25	0.30	0.50	0.75	1.30



Year	Passenger Vehicles	Commercial Vehicles	Total Toll Receipts	Concession Receipts	Total All Receipts	Total Vehicle Miles	Total Transactions
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
1999	4,777,114	330,529	5,107,643	-N/A-	5,107,643	65,664,928	12,752,448
2000	4,948,636	332,819	5,281,455	-N/A-	5,281,455	68,424,581	13,288,386
2001	8,214,107	566,457	8,780,564	-N/A-	8,780,564	94,579,701	16,854,600
2002	11,453,669	1,149,567	12,603,236	-N/A-	12,603,236	143,430,278	23,152,323
2003	13,332,368	1,516,611	14,848,979	-N/A-	14,848,979	181,583,155	26,120,946
2004	14,335,159	1,576,670	15,911,829	-N/A-	15,911,829	202,939,882	28,273,536



Oklahoma Transportation Authority

Toll Revenue by Vehicle Class

Year Ended December 31, 2004

<u>Turner Turnpike</u>	<u>Toll Revenue</u>	<u>Vehicle Miles</u>	<u>Transactions</u>
Two-axle Vehicles	\$ 23,590,204	575,182,332	12,305,237
Three-axle Vehicles	651,091	10,288,236	170,108
Four-axle Vehicles	1,620,608	17,222,309	241,718
Five-axle Vehicles	22,773,837	139,307,684	1,832,550
Six-axle Vehicles	591,800	2,936,226	39,609
	<u>49,227,540</u>	<u>744,936,787</u>	<u>14,589,222</u>
<u>Will Rogers Turnpike</u>			
Two-axle Vehicles	15,541,719	487,405,789	9,624,649
Three-axle Vehicles	594,951	10,393,067	171,963
Four-axle Vehicles	1,636,730	19,201,051	282,725
Five-axle Vehicles	26,343,779	181,579,441	2,543,844
Six-axle Vehicles	486,998	2,768,309	39,649
	<u>44,604,177</u>	<u>701,347,657</u>	<u>12,662,830</u>
<u>H.E. Bailey Turnpike</u>			
Two-axle Vehicles	14,000,261	307,123,407	13,995,332
Three-axle Vehicles	302,967	4,876,641	201,654
Four-axle Vehicles	481,962	5,492,264	220,510
Five-axle Vehicles	3,582,532	26,198,805	1,018,311
Six-axle Vehicles	76,633	509,571	21,783
	<u>18,444,355</u>	<u>344,200,688</u>	<u>15,457,590</u>
<u>Indian Nation Turnpike</u>			
Two-axle Vehicles	6,300,277	152,766,679	4,778,270
Three-axle Vehicles	186,418	3,555,198	111,395
Four-axle Vehicles	498,348	5,873,010	181,415
Five-axle Vehicles	4,309,909	29,939,490	882,492
Six-axle Vehicles	89,493	528,046	14,993
	<u>11,384,445</u>	<u>192,662,423</u>	<u>5,968,565</u>
<u>Muskogee Turnpike</u>			
Two-axle Vehicles	9,558,405	226,095,366	8,643,953
Three-axle Vehicles	241,302	3,758,557	154,971
Four-axle Vehicles	302,013	3,437,104	148,913
Five-axle Vehicles	3,062,617	21,337,987	907,140
Six-axle Vehicles	125,054	814,782	28,725
	<u>13,289,391</u>	<u>255,443,796</u>	<u>9,883,702</u>

(Continued)

Oklahoma Transportation Authority

Toll Revenue by Vehicle Class

Year Ended December 31, 2004

<u>Cimarron Turnpike</u>	<u>Toll Revenue</u>	<u>Vehicle Miles</u>	<u>Transactions</u>
Two-axle Vehicles	\$ 4,801,715	121,881,482	5,763,597
Three-axle Vehicles	139,841	2,481,801	101,720
Four-axle Vehicles	288,028	2,950,387	115,750
Five-axle Vehicles	3,246,439	19,893,277	750,552
Six-axle Vehicles	90,616	468,880	17,212
	<u>8,566,639</u>	<u>147,675,827</u>	<u>6,748,831</u>
 <u>John Kilpatrick Turnpike</u>			
Two-axle Vehicles	15,304,482	195,789,240	25,647,878
Three-axle Vehicles	161,231	1,554,391	185,950
Four-axle Vehicles	177,995	1,287,348	119,436
Five-axle Vehicles	1,200,200	4,862,363	325,869
Six-axle Vehicles	96,169	321,131	20,921
	<u>16,940,077</u>	<u>203,814,473</u>	<u>26,300,054</u>
 <u>Cherokee Turnpike</u>			
Two-axle Vehicles	4,316,863	72,402,224	3,439,673
Three-axle Vehicles	119,902	1,327,970	62,611
Four-axle Vehicles	199,217	1,568,311	53,818
Five-axle Vehicles	2,417,211	11,307,933	365,499
Six-axle Vehicles	40,306	157,320	5,385
	<u>7,093,499</u>	<u>86,763,758</u>	<u>3,926,986</u>
 <u>Chickasaw Turnpike</u>			
Two-axle Vehicles	301,830	10,591,372	574,958
Three-axle Vehicles	33,188	698,121	41,284
Four-axle Vehicles	15,863	189,794	11,369
Five-axle Vehicles	79,382	627,068	40,239
Six-axle Vehicles	779	5,909	404
	<u>431,042</u>	<u>12,112,264</u>	<u>668,254</u>
 <u>Creek Turnpike</u>			
Two-axle Vehicles	14,335,159	194,374,326	27,402,586
Three-axle Vehicles	169,282	1,601,012	193,401
Four-axle Vehicles	143,344	1,230,916	122,079
Five-axle Vehicles	1,189,155	5,457,451	528,296
Six-axle Vehicles	74,889	276,177	27,174
	<u>15,911,829</u>	<u>202,939,882</u>	<u>28,273,536</u>
 Total All Turnpikes	\$ <u>185,892,994</u>	<u>2,891,897,555</u>	<u>124,479,570</u>

Revenue Bond Coverage

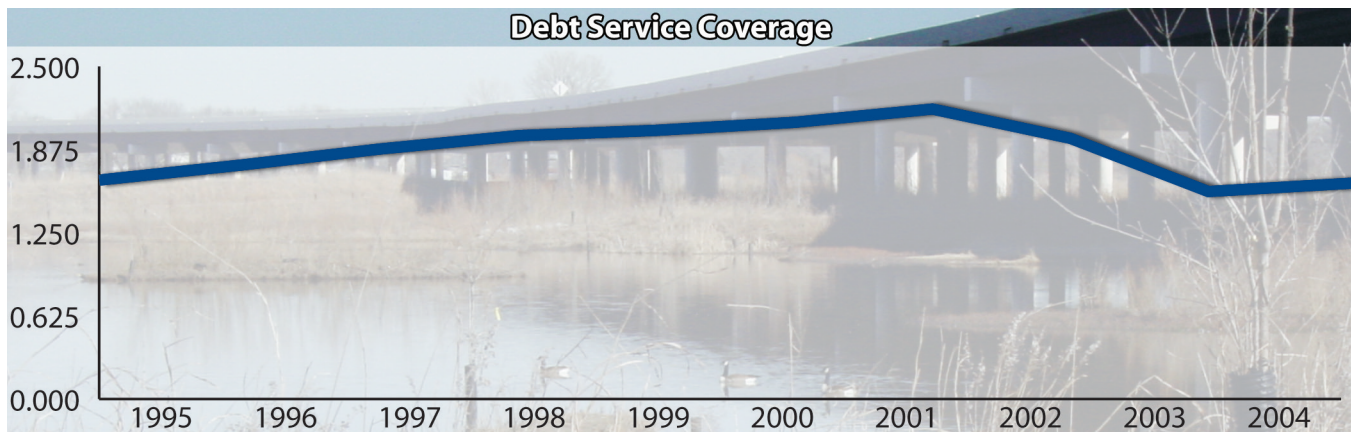
Year	Gross Revenues(1)	Operating Expenses(2)	Net Revenues Available for Debt Service	Current Debt Principal	Current Debt Interest(3)	Total Current Debt Service(3)	Debt Service Coverage(4)
1995	\$117,136,485	\$33,626,452	\$ 83,510,033	\$10,955,000	\$39,571,935	\$50,526,935	1.65
1996	122,500,788	33,159,667	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
1999	143,546,433	40,931,741	102,614,692	13,295,000	37,452,319	50,747,319	2.02
2000	146,309,226	40,865,107	105,444,119	14,015,000	36,686,060	50,701,060	2.08
2001	176,323,546	45,868,089	130,455,457	14,790,000	44,956,171	59,746,171	2.18
2002	189,829,974	48,796,505	141,033,469	10,155,000	61,910,066	72,065,066	1.96
2003	193,079,741	52,440,889	140,638,852	26,010,000	63,936,897	89,946,897	1.56
2004	199,296,081	53,339,893	145,956,188	27,125,000	62,390,894	89,515,894	1.63

(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 Revenues Available for Debt Service divided by Total Current Debt Service

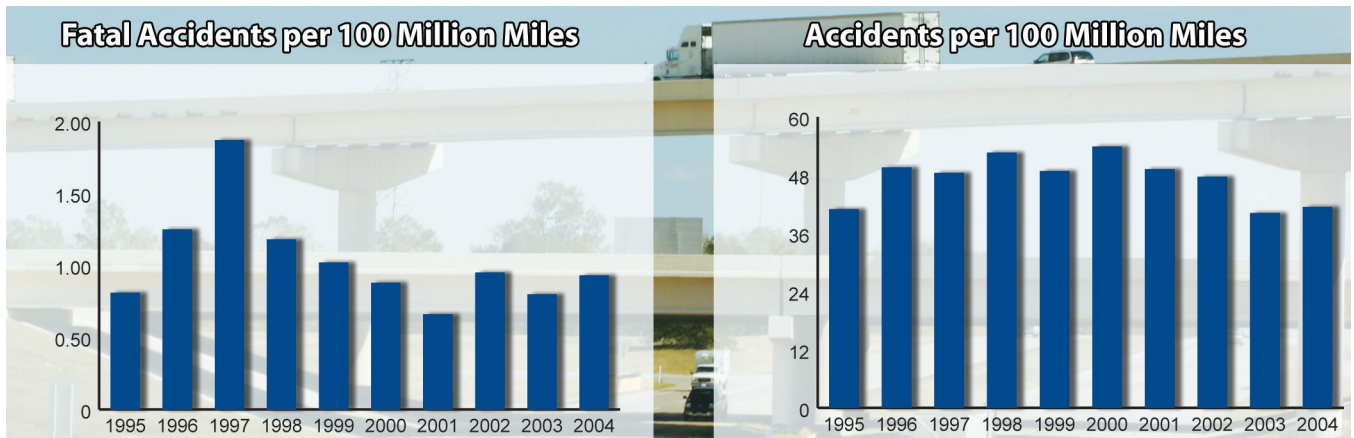


Operating Expenses by Function

Year	Toll and PIKEPASS Operations	Maintenance and Engineering	Highway Patrol	Management Support Services	Authority and Executive	Total
1995	\$10,980,646	\$12,395,690	\$5,021,700	\$3,448,514	\$1,779,902	\$33,626,452
1996	10,976,837	11,995,581	5,293,878	3,662,490	1,230,881	33,159,667
1997	11,904,245	10,473,182	5,630,062	3,622,809	1,083,030	32,713,328
1998	12,821,107	12,038,414	6,149,176	4,136,734	1,399,171	36,544,602
1999	14,011,450	14,215,307	6,969,375	4,893,473	842,136	40,931,741
2000	14,598,266	12,869,549	7,674,364	4,699,077	1,023,851	40,865,107
2001	15,524,540	16,295,340	8,348,423	4,947,217	752,569	45,868,089
2002	17,351,930	15,916,215	9,150,461	5,496,926	880,973	48,796,505
2003	18,911,048	16,922,639	9,737,287	5,687,225	1,182,690	52,440,889
2004	20,184,081	16,861,747	9,501,714	5,601,974	1,190,377	53,339,893

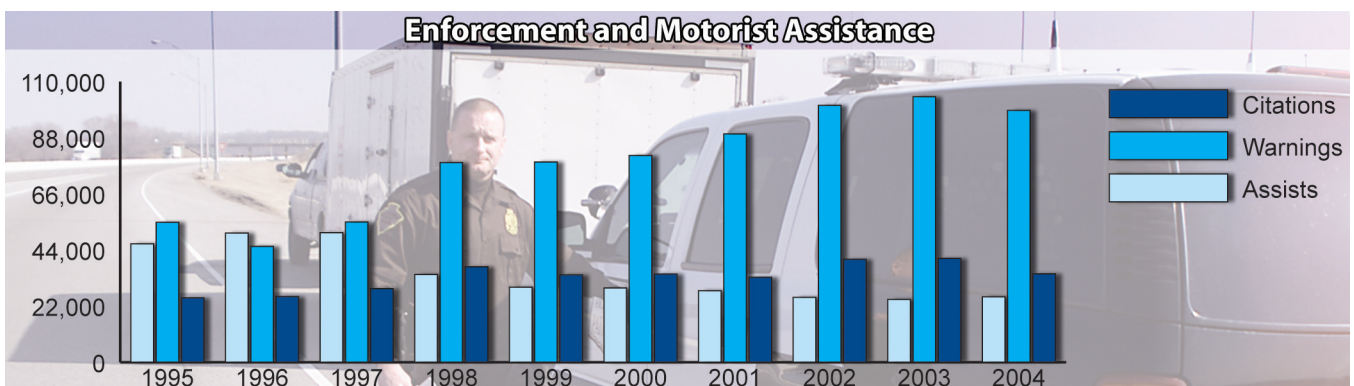
Traffic Accident Statistics

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
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
1999	2,348,163,031	1,146	48.80	24	1.02	24	1.02
2000	2,373,688,410	1,279	53.88	21	0.88	25	1.05
2001	2,440,418,447	1,201	49.21	16	0.66	18	0.74
2002	2,531,456,866	1,206	47.64	24	0.95	27	1.07
2003	2,733,942,931	1,098	40.16	22	0.80	27	0.99
2004	2,891,897,555	1,198	41.42	27	0.93	32	1.11



Enforcement and Motorist Assistance Statistics

Year	Total Citations	Total Warnings	Motorist Assists
1995	25,291	54,898	46,434
1996	25,754	45,437	50,671
1997	28,865	54,975	50,757
1998	37,455	78,286	34,397
1999	34,298	78,491	29,455
2000	34,617	81,083	29,098
2001	33,334	89,541	28,015
2002	40,361	100,750	25,469
2003	40,679	104,153	24,656
2004	34,682	98,749	25,659

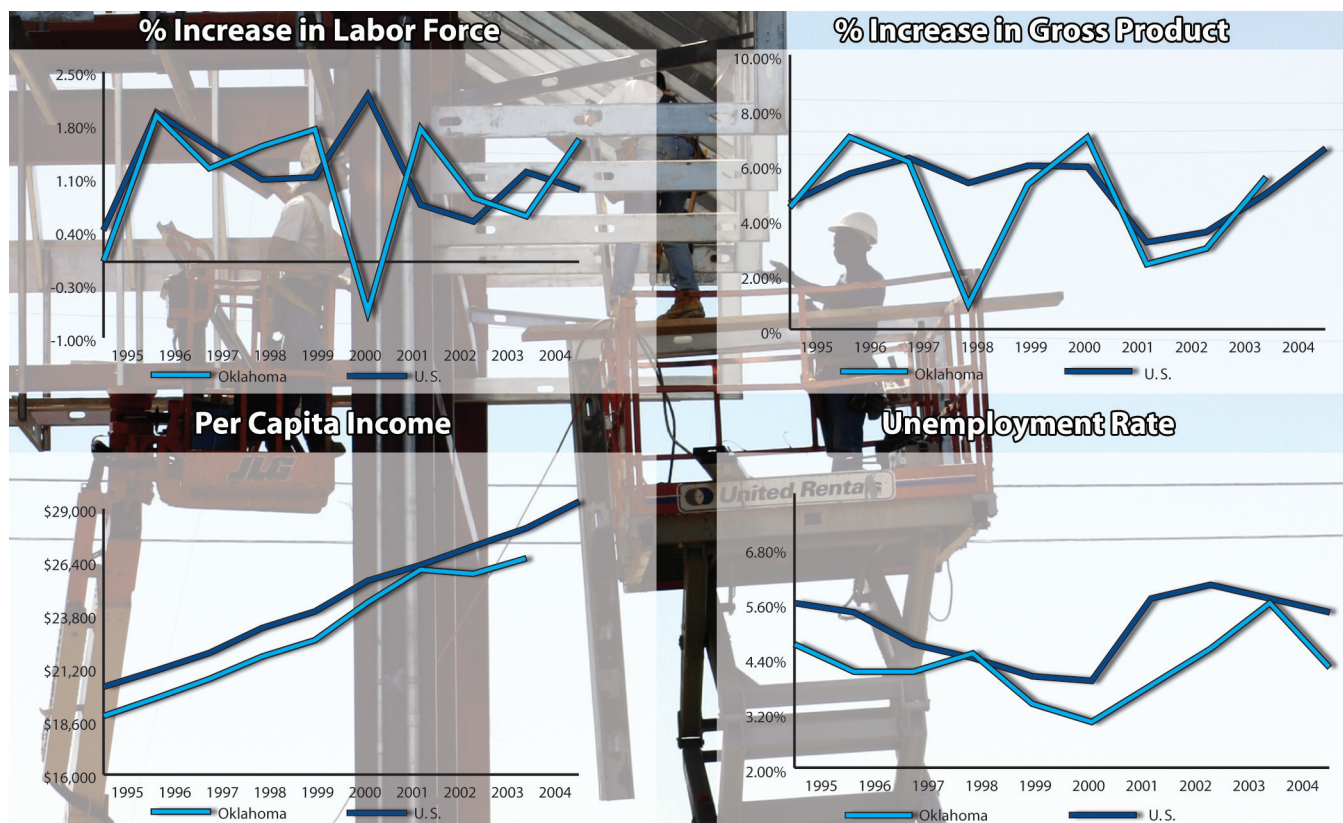


Oklahoma Demographic Statistics

Year	Population (Millions)	Median Age	Per Capita Income	Consumer Price Index	Labor Force (Millions)	Gross State Product (Millions)	% Rate of Unemployment
1995	3,278	34.6	\$18,861	149.0	1,546.2	\$ 69,960	4.7%
1996	3,301	35.0	19,743	153.6	1,575.9	74,855	4.1%
1997	3,317	36.6	20,671	156.9	1,595.3	79,423	4.1%
1998	3,347	36.9	21,766	158.9	1,619.5	80,141	4.5%
1999	3,358	35.8	22,567	162.0	1,647.6	84,368	3.4%
2000	3,454	35.5	24,410	167.2	1,636.8	90,266	3.0%
2001	3,467	35.7	26,015	171.1	1,665.4	92,406	3.8%
2002	3,488	35.7	25,812	173.3	1,679.4	95,126	4.6%
2003	3,506	35.8	26,567	177.3	1,689.4	100,383	5.6%
2004	3,524	N/A	N/A	181.8	1,716.6	N/A	4.2%

United States Demographic Statistics

Year	Population (Millions)	Median Age	Per Capita Income	Consumer Price Index	Labor Force (Millions)	Gross Domestic Product (Billions)	% Rate of Unemployment
1995	262,755	34.3	\$20,287	152.4	132,511	\$7,397.7	5.6%
1996	265,284	34.9	21,091	156.9	135,113	7,816.9	5.4%
1997	268,765	35.1	21,940	160.5	137,155	8,304.3	4.7%
1998	270,299	35.3	23,161	163.0	138,634	8,747.0	4.4%
1999	272,691	35.5	23,968	166.6	140,177	9,268.4	4.0%
2000	282,192	35.4	25,472	172.2	143,248	9,817.0	3.9%
2001	285,102	35.6	26,236	177.1	144,324	10,128.0	5.7%
2002	287,941	35.7	27,159	179.9	145,091	10,487.0	6.0%
2003	290,789	35.9	28,034	184.0	146,808	11,004.0	5.7%
2004	293,655	N/A	29,334	188.9	148,203	11,728.0	5.4%



(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)

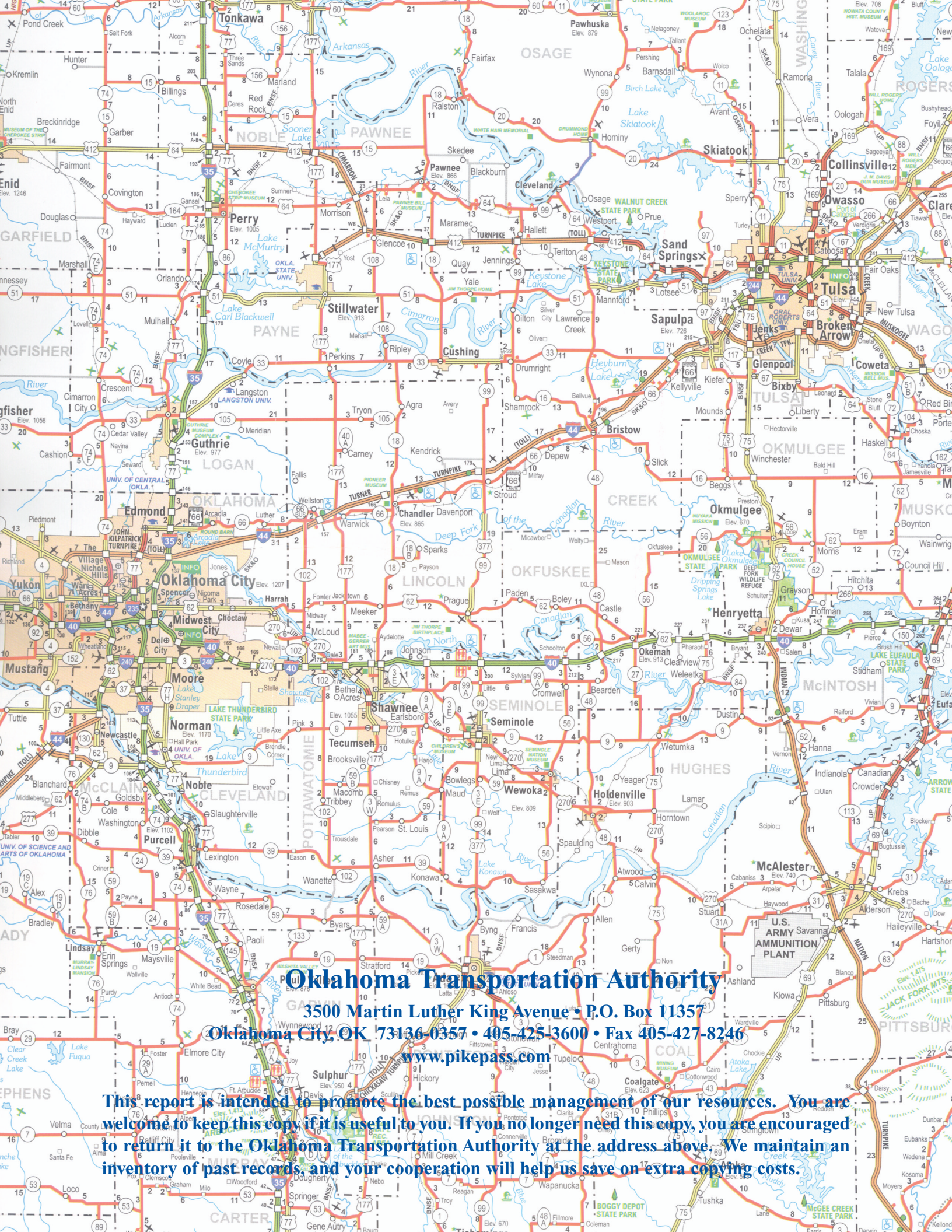
Miscellaneous Statistics

Date of Creation	1947
Form of Government	Instrumentality of the State of Oklahoma
Number of Employees	670
Administration	73
Toll Operations	269
Turnpike Maintenance	152
Highway Patrol	126
PIKEPASS Operations	50
Turnpikes Under Operation	604.9 miles
Turner (opened 1953)	86.0 miles
Will Rogers (opened 1957)	88.5 miles
H. E. Bailey (opened 1964)	94.6 miles
Indian Nation (opened 1966)	105.2 miles
Muskogee (opened 1969)	53.1 miles
Cimarron (opened 1975)	67.7 miles
John Kilpatrick (opened 1991)	25.3 miles
Cherokee (opened 1991)	32.8 miles
Chickasaw (opened 1991)	17.3 miles
Creek (opened 1992)	34.4 miles
Total Number of Lane Miles	2,388.6 miles
Total Area of Right-of-Way	33,028.0 acres
Total Number of Facilities	233
Interchanges	84
Service Areas	14
Maintenance Buildings	132
Administration Building	1
PIKEPASS Customer Service Centers / Stores	2
Total Number of Crossings Over/Under Turnpikes	789
Other highways or interchange ramps	499
Railroads	29
Rivers and streams	261
Concession Sales	
Restaurant Sales	\$17,411,933
Service Station Sales	\$9,528,683
Gallons of Gasoline Sold	18,957,491
Gallons of Diesel Fuel Sold	11,475,710

By vehicle class:	Passenger		Commercial		Total
Number of revenue transactions	112,176,133	90.1%	12,303,437	9.9%	124,479,570
Number of miles traveled	2,343,612,217	81.0%	548,285,338	19.0%	2,891,897,555
Gross toll revenues	\$108,050,915	58.1%	\$77,842,079	41.9%	\$185,892,994
Average toll collected	\$0.96		\$6.33		\$1.49
Average trip length	20.9		44.6		23.2
Average toll/mile	4.6¢		14.2¢		6.4¢
By collection mode:	PIKEPASS		Cash		Total
Revenue transactions	73,842,679	59.3%	50,636,891	40.7%	124,479,570
Gross toll revenues	\$89,526,359	48.2%	\$96,366,635	51.8%	\$185,892,994
Average toll collected	\$1.21		\$1.90		\$1.49

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