

OKLAHOMA TURNPIKE AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2010



A COMPONENT UNIT OF THE
STATE OF OKLAHOMA

*This report is dedicated to the
memory of Oklahoma Highway
Patrol Captain George Green.
Captain George Green was a
highly esteemed, 31-year veteran
of the Oklahoma Highway
Patrol. Captain Green's most
recent duty was as Troop
Commander for troops on the
Cimarron, Turner and Kilpatrick
Turnpikes. Captain Green will
be greatly missed.*

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
For the Year Ended December 31, 2010**



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

Prepared by the Controller Division

About the OKLAHOMA TURNPIKE AUTHORITY

The Oklahoma Turnpike Authority (OTA) is an instrumentality of the State of Oklahoma created by the State Legislature by statute in 1947 for the purpose of constructing, operating and maintaining the Turner Turnpike. In 1953, the original purpose was statutorily redefined to allow the construction of additional turnpikes and to change 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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**CREEK TURNPIKE
SOUND BARRIER WALL**



**TURNER TURNPIKE
LUTHER INTERCHANGE**





Will Rogers
Turnpike



Toll Plaza

John Kilpatrick
Turnpike
Commuter Parking Lot



Will Rogers
Turnpike
Oklahoma Highway
Patrol Facility





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April 30, 2011

To the Honorable Mary Fallin, Governor
Oklahoma Turnpike Bondholders and
Citizens of the State of Oklahoma

On behalf of the Oklahoma Turnpike Authority (OTA), we are pleased to transmit this comprehensive annual financial report (CAFR) for calendar year 2010. The Controller Division has 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.

Management of the OTA is responsible for the establishment and maintenance of internal accounting controls that have been designed to ensure assets are safeguarded and financial transactions are properly recorded and adequately documented. Such internal controls require estimates and judgments from management so that, in attaining reasonable assurance as to the adequacy of such controls, the cost does not outweigh the achieved benefit. We have established an internal control structure designed to achieve these financial objectives. 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.

An audit of the financial statements has been performed in accordance with generally accepted auditing standards in compliance with the requirements of Section 711 of the Trust Agreement dated February 1, 1989, as amended (the Trust Agreement). The required audit has been performed for the year ended December 31, 2010, by the OTA's independent auditors, Grant Thornton LLP. Their report is included in the Financial Section of the CAFR. The Financial Section also includes Management's Discussion and Analysis which provides an overview and brief analysis of the basic financial statements. Readers are encouraged to review this information.

◆◆◆◆◆◆◆◆◆◆ **PROFILE OF THE OKLAHOMA TURNPIKE AUTHORITY** ◆◆◆◆◆◆◆◆◆◆

The OTA is an instrumentality of the State of Oklahoma (the State) and a body corporate and politic, created by statute in 1947 to provide an alternative means of constructing necessary State roadways without further straining limited State highway funds. The OTA is authorized to construct, maintain, repair and operate the Turnpike System, which presently consists of ten turnpikes covering approximately 605 miles. The OTA enhances the State's transportation network by providing an effective and efficient means of travel without straining appropriations. No tax appropriations are directly received by the OTA; operations and debt service are funded by toll revenues. Only those patrons, who include out-of-state travelers, pay the tolls. Turnpikes serve Oklahoma as a mechanism for building infrastructure for current use but gradually paying for it through future periods. The OTA is similar to a public utility, providing a needed basic service at a fee that yields a return to its bondholders (investors). The OTA must generate sufficient revenues to operate and maintain its roads at a high quality, as well as provide for debt service payments to its bondholders.

The Oklahoma Legislature has sole discretion to authorize turnpike routes, with approval from the Oklahoma Department of Transportation (ODOT). Turnpike Revenue Bonds or Refunding Bonds may be issued for the purpose of paying the costs of turnpike projects or refunding outstanding bonds. 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. Turnpike Revenue Bonds are payable solely from the tolls and other OTA revenues and do not constitute indebtedness of the State.

The OTA’s 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.

The Director, with the Deputy Director and division 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 Trust Agreement.

Annually, the OTA is required by the Trust Agreement to adopt a final budget on or before December 1 to provide for the next year’s operating expenses, monthly deposits to the Reserve Maintenance Fund and the Capital Plan. 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.

◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆ **ECONOMIC FACTORS** ◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆

Oklahoma has a multifaceted economy making the State an attractive region in which to live and work. A leader in the oil and natural gas industry, Oklahoma is a key contributor to the nation’s supply of energy. Other economic attributes include a vast array of agricultural and manufacturing markets. Tourism also plays a key role in Oklahoma’s economy, boasting more man-made lakes than any other state, a diverse offering of state parks and numerous historic sites. Collectively, the State enjoys a very low tax burden and cost of doing business.

According to State Treasurer Ken Miller’s news release on January 11, 2011, “Oklahoma’s economy appears to be continuing its slow and steady recovery from the recession.” This 2011 sentiment is echoed by Russell Evans, director of the Center for Applied Economic Research with Oklahoma State University’s Spears School of Business, voicing that 2011 will actually feel like a genuine recovery for Oklahoma with Oklahoma City recovering faster than the rest of the country. Evans looks for oil and gas activity to further expand as a result of constraints on offshore drilling. State Treasurer Miller reports Oklahoma’s General Revenue Fund collections for December 2010 are 13% above the prior year and 4.3% above the estimate. State sales tax collections for December 2010 show a 7% increase in spending from last December, which indicates an optimism among consumers. Even though State tax collections are up, there will be a shortfall of about \$400 million in the upcoming budget, according to Russell Evans at the Oklahoma State University’s Spears School of Business 2011 Oklahoma Economic Outlook Conference held at Metro Technology Center on December 7, 2010, as reported by Michael Cross for KOSU. The loss of jobs in the public sector will be offset by job gains in the private sector. Oklahoma’s unemployment rate of 6.9% is still far below the national rate of 9.8%.

In 2009, commercial transactions decreased 8.8% Systemwide which led to a 4.7% decline in commercial toll revenue. As a result of the faltering economy which began in late 2008, OTA retained traffic engineers, Wilbur Smith Associates, to conduct a Systemwide traffic and revenue study. As a result of that study, new toll rates became effective August 4, 2009, leading to an approximate 16% toll rate increase across the Turnpike System. Since the last toll increase occurred in January 2001, this adjustment was aimed at normalizing the current toll rates to account for inflation.

As the national economy gradually rebounded in 2010, heavy truck traffic continued its steady growth trend throughout 2010. The turnaround began in March of 2010 when total heavy truck traffic increased by 7.3% over March 2009. While heavy truck traffic remained below 2006 levels, this was the first increase since September 2008, as well as the most significant increase in a single month in nearly five years. In 2010, heavy truck traffic grew 5.5% over 2009 amounts. Total toll transactions for all classes resulted in a 2.7% increase when compared to 2009.

In 2010, OTA division management staff made efforts to hold operating expenses at conservative levels. Total operating expenses as of December 31, 2010, were approximately \$72.4 million, a modest increase of 2.1% from the prior year’s level of \$70.9 million. With the toll rate adjustment, the increase in 2010 toll transactions and operating expenses held at a consistent level, funds became available to proceed with planned capital projects.

Construction work in progress as of December 31, 2010, was \$52.6 million, a \$44.8 million increase when compared to the 2009 year end balance of \$7.8 million. The 2011 Annual Budget establishes an Operating and Maintenance Budget of \$69.9 million and a 2011 Capital Plan of \$89.0 million.

Oklahoma geographically serves as a transportation crossroads for three of the nation's most important transportation and shipping corridors, as U.S. Interstates 35, 40, and 44 intersect within the State. The Turnpike System plays an important role in providing infrastructure to facilitate movement along these corridors and assists the State in accessing the opportunities available through interstate commercial activity. The Turnpike System contributes to the State's economic development by bridging communities both in and out of the State. In accordance with its efforts to preserve the quality of the Turnpike System, the OTA will continue to focus on improving several bridges along the Turnpike System and performing pavement rehabilitation. The OTA remains committed to customer convenience, quality roadways and fiscal responsibility.

◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆ **LONG-TERM FINANCIAL PLANNING** ◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆

Adopted in 1994 by the Authority, the Capital Plan continuously identifies the maintenance, rehabilitation and improvement needs of its existing Turnpike System for the future. These needs are prioritized into a five-year maintenance and rehabilitation program designed to keep existing turnpikes in good condition thereby maintaining traffic flows and extending the useful life of the turnpikes. The maintenance, rehabilitation and improvement projects included in the five-year program should significantly increase the functionality and condition of the entire Turnpike System. The five-year maintenance program is reviewed and updated on an annual basis during the budget process. Total funding for the Capital Plan for the years 2011 through 2015 approximates \$392.1 million.

The Trust Agreement sets forth the proper flow of funds to be established by the OTA. Disbursements from these funds are strictly governed by the Trust Agreement and are only made in compliance with the Trust Agreement. Accordingly, based on the planned capital investments programmed in the Capital Plan, required monthly deposits to the Reserve Maintenance Fund from revenues received are established during the budgeting period as required by Section 505 of the Trust Agreement. Monies held in the General Fund are also allocated for certain projects of the Capital Plan.

The Consulting Engineer performed the 2010 annual inspection of all turnpikes as required by the Trust Agreement, and presented a report detailing information in regards to bridges, paving, drainage, lighting, signs and architectural features. This report is used to develop the OTA's 2011 Capital Plan that includes \$89.0 million in improvements, \$38.1 million being funded from the Reserve Maintenance Fund and \$50.9 from the General Fund. Additionally, preliminary traffic studies completed by the Consulting Engineer advise expansion improvements prior to 2016 on the Creek Turnpike from US-75 to US-169 and on the John Kilpatrick Turnpike from MacArthur to Eastern. Also, expansion improvements prior to 2020 are recommended from Bristow to Sapulpa on the Turner Turnpike. Corridor studies for these locations are underway.

As a direct result of the Systemwide toll increase, along with the increase in 2010 traffic, year-to-date 2010 net toll revenues reported at approximately \$228.5 million, an 11.6% increase when compared to the 2009 net toll revenues of \$204.8 million. Revenue projections for 2011 are estimated to be \$232.5 million. This in turn will provide the necessary funds needed to continue the Authority's commitment to its asset preservation program.

◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆ **MAJOR INITIATIVES** ◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆

Achieving system maintenance, rehabilitation and improvements identified in the Capital Plan remains a priority for the OTA. In keeping with this program, progress on several major projects was achieved in 2010, including toll plaza electrical upgrades, service plaza rehabilitation, signing program, pavement rehabilitation, bridge rehabilitation and other rehabilitation projects throughout the Turnpike System.

Work is progressing on electrical upgrades to the mainline toll plazas on the Will Rogers and Turner Turnpikes. Projects to upgrade the Walters Toll Plaza on the H.E. Bailey Turnpike and the Antlers Toll Plaza on the Indian Nation Turnpike are programmed within the next five years.

Renovating many of OTA's service plazas is at the forefront of major initiatives. The redesigned service plazas consist of a combined facility housing both food and fuel vendors. Work has begun on the newly redesigned

service plazas on the H.E. Bailey Turnpike at the Chickasha Service Plaza and on the Muskogee Turnpike at the Muskogee Service Plaza. A project to redesign the "Glass House" Service Plaza at Vinita on the Will Rogers Turnpike is currently underway. Service plazas on the Indian Nation Turnpike are also being reviewed for possible enhancements and relocation.

The OTA in conjunction with the ODOT completed the placement of nine dynamic message signs on the ODOT and the OTA right-of-way. These nine signs will focus on traffic traveling the John Kilpatrick, Turner and Will Rogers Turnpikes. Dynamic message signs are permanent, changeable message structures that provide notice to the motoring public of roadway and driving conditions and hazards affecting public safety, such as roadway and lane closures, accidents, snow and ice conditions and roadway obstructions. The successful completion of this project has led to a future endeavor between the OTA and the ODOT to provide an additional fourteen dynamic message signs.

Several staggered pavement rehabilitation projects on the Turner Turnpike were undertaken in 2010 and for the first time incorporated night work. Construction was completed on the complimentary ramps at May Avenue on the John Kilpatrick Turnpike. Pavement rehabilitation was also completed on the Indian Nation and Will Rogers Turnpikes. Plans are underway for a cable barrier project on the Creek and John Kilpatrick Turnpikes. Corridor and capacity studies on the John Kilpatrick, Turner and Creek Turnpikes are underway. The OTA also is in the midst of a feasibility study related to the Tulsa Gilcrease Expressway.

Progress continues on several other joint projects between the OTA and other entities. The OTA and the ODOT entered into a bridge replacement participation agreement for the replacement of five bridges that cross over the Turner and Will Rogers Turnpikes. The bridge over the Turner Turnpike near Wellston was completed in the latter part of 2008, and the bridge at Chandler was completed in 2009. The bridge near Bristow on the Turner Turnpike is under construction. Plans are underway for improvements on the other two bridges on the Will Rogers Turnpike.

The OTA's Maintenance Division, along with inmate labor and contractors, provides a vital role for the Turnpike System. Maintenance crews performed roadway, bridge and right-of-way repairs on the Turnpike System. Right-of-way projects include fence, drainage and slope repairs, as well as herbicide treatment, mowing, and the planting of wildflowers and trees. In early 2010, several winter storms resulted in maintenance crews working tirelessly to clear turnpike roadways. To assist in these efforts, new salt barns have recently been constructed at various locations on the Turnpike System. A new salt barn was completed on the H. E. Bailey Turnpike in 2010.

The OTA provides a special convenience through its *PIKEPASS* system for travelers desiring free-flow travel. The *PIKEPASS* system is the OTA's automated electronic toll collection system which allows travelers to travel at highway speeds through designated lanes without stopping to pay tolls. A *PIKEPASS* tag is applied to the windshield of the customer's vehicle. The tag emits a radio frequency that is recognized by a positioned reader, and data is captured and transmitted via the electronic toll collection system. The information is then translated into the appropriate toll collection transactions for each customer's individual account. The electronic *PIKEPASS* system eases congestion around the plazas, improves safety and enhances driver satisfaction. *PIKEPASS* customers enjoy a 5% average savings off the cash toll price for using their 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.

In order to advance to the next level of technology, new readers, Encompass 6 (E6) readers, were fully installed throughout the Turnpike System by mid-2010. The E6 reader is a multi-protocol reader which can read the allegro *PIKEPASS* tag and allow for the use of new sticker tag technology. A multi-phased approach is being used to replace the current tags with the new sticker tags.

Providing first class customer service to our customers is of utmost importance to the OTA whether it be while traveling the turnpike or in managing a customer *PIKEPASS* account. Online services are available that range from applying for a *PIKEPASS* account to managing an account. *PIKEPASS* customers may pay their account online by credit or debit card through the *PIKEPASS* online system. As of December 31, 2010, the OTA had nearly 545,000 active *PIKEPASS* accounts on the Turnpike System, with over one million active *PIKEPASS* tags in use.

◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆ **AWARDS AND ACKNOWLEDGEMENTS** ◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆

The OTA has been awarded the Silver Award by the Oklahoma/Arkansas Chapter of the American Concrete Pavement Association’s Award Program in the Urban Arterial and Collector Category for the May Avenue ramps on the John Kilpatrick Turnpike.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the OTA for its CAFR for the year ended December 31, 2009. In order to be awarded a Certificate of Achievement, the governmental unit must publish an easily readable and efficiently organized CAFR conforming to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The OTA has received this prestigious award since 1990. The OTA believes that its current CAFR continues to meet the Certificate of Achievement Program requirements and will be submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated efforts given by the Controller Division staff who prepared and designed the report. Appreciation is also due the OTA’s management staff for their professional contributions to this report and to the OTA’s independent auditors for their participation in the review of this report. Special appreciation is extended to Governor Mary Fallin and the Authority Members. Support of the Authority’s efforts to excel in the operational and financial management of the OTA is sincerely appreciated.

Respectfully submitted,

THE OKLAHOMA TURNPIKE AUTHORITY



Gary Ridley
Director



Julie Porter
Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Oklahoma Turnpike Authority

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

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



President

Executive Director

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, Stroud and Chandler.

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 restaurant with free restrooms at Vinita.

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.

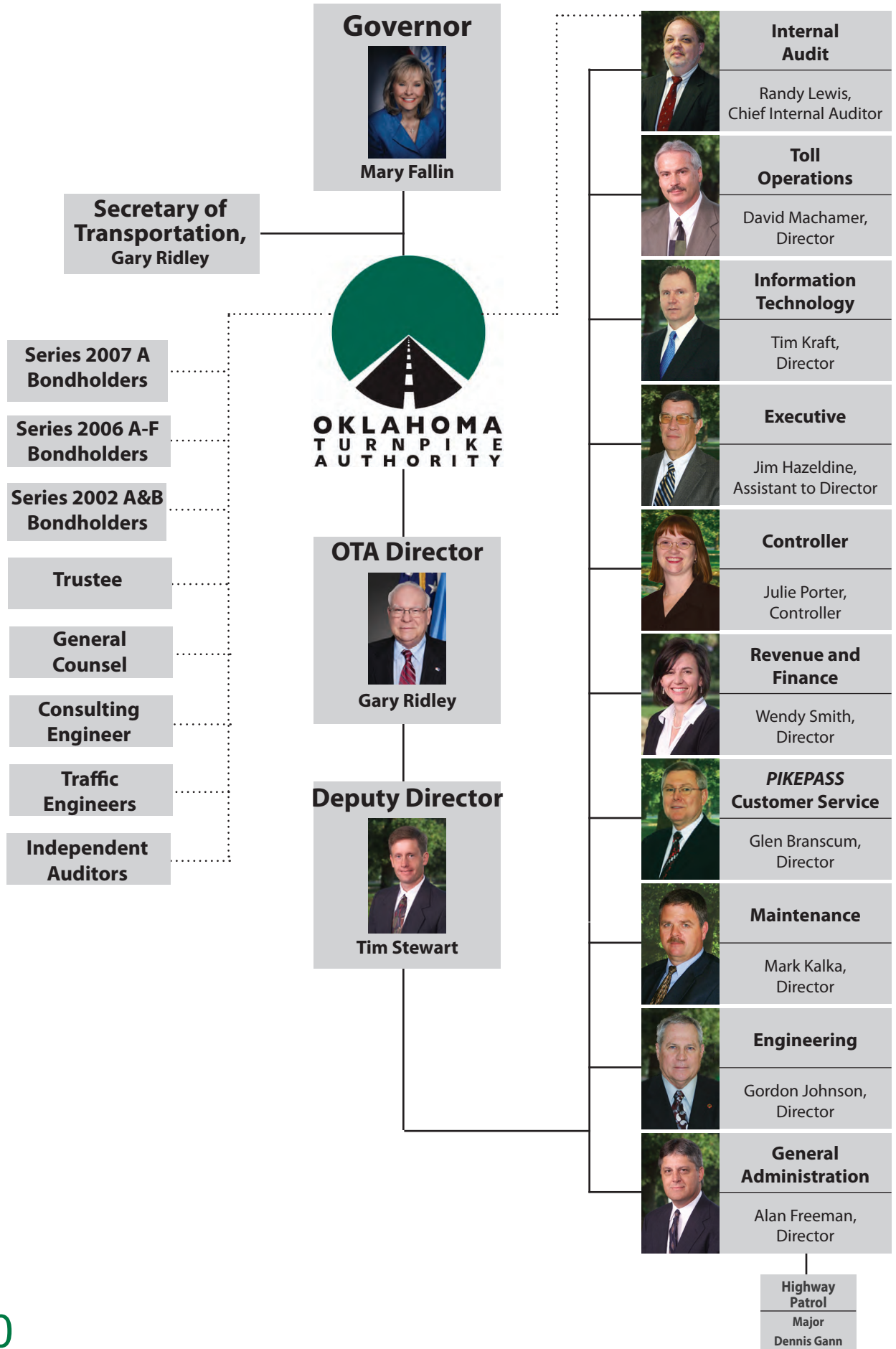
Cimarron Turnpike

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.

Organizational Chart



Oklahoma Turnpike Authority Members

Chairman



Douglas F. Riebel
District 1

Vice-Chairman



Mike Leonard
District 2

Secretary & Treasurer



C. Kendric Fergeson
District 5

Member



Clark Brewster
District 4

Member



David Burrage
District 6

Member



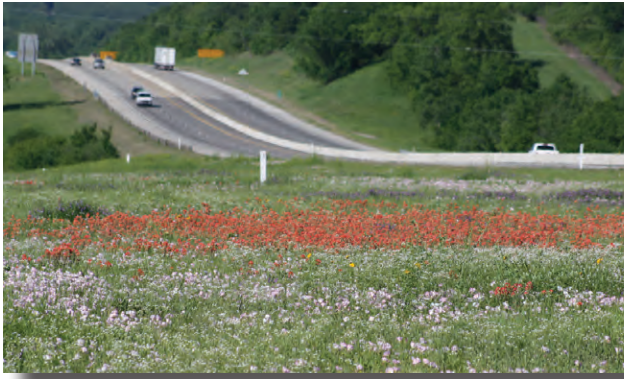
Hal Ellis
District 3

District Map



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TURNER TURNPIKE



JOHN KILPATRICK TURNPIKE



CREEK TURNPIKE



John Kilpatrick
Turnpike
May Avenue Ramps



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Report of Independent Certified Public Accountants

Members

Oklahoma Turnpike Authority

We have audited the accompanying basic financial statements of the Oklahoma Turnpike Authority (the Authority), a component unit of the State of Oklahoma, as of and for the years ended December 31, 2010 and 2009 as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America as established by 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of December 31, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Notes 1.C. and 7., the Authority adopted new accounting guidance in 2010 related to the accounting and financial reporting for derivative instruments.

In accordance with Government Auditing Standards, we have also issued our report dated March 30, 2011 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, grant agreements 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 effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management's Discussion and Analysis on pages 14 through 19 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. 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 Authority's basic financial statements. The accompanying supplementary financial schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental financial schedules on pages 40 and 41 and pages 44 and 45 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 11, the supplementary schedules on pages 42 and 43 and the statistical section on pages 48 through 68 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.

Oklahoma City, Oklahoma
 March 30, 2011

Management's Discussion and Analysis, Years Ended December 31, 2010 and 2009

This section of the Oklahoma Turnpike 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, 2010. 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 discussion and analysis.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this annual report consists of three parts: management's discussion and analysis, the basic financial statements with 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. Over time, increases or decreases in net assets can serve as one indicator of whether the financial position is improving or deteriorating. As shown below in Table A-1, the OTA's net assets have increased each year.

FINANCIAL ANALYSIS OF THE OTA

Net Assets

The OTA's total net assets at December 31, 2010, were approximately \$333.0 million, an increase of 10.5% over December 31, 2009 (see Table A-1). Generally, total assets and total liabilities have remained consistent from 2009 to 2010. Total assets increased 0.7% to \$1,566.3 million, and total liabilities decreased 1.7% to \$1,233.3 million. As of December 31, 2009, total net assets were approximately \$301.3 million, an increase of 3.0% over December 31, 2008.

The largest components of the total current and other assets in Table A-1 are the unrestricted and restricted cash and investment accounts. The OTA's Trust Agreement defines the flow of funds and establishes various unrestricted and restricted accounts for the OTA. These accounts are referred to as "Funds" for discussion purposes, but are consolidated for the purposes of enterprise fund financial statement presentation. Unrestricted cash and investment accounts are comprised of monies held in the Revenue and General Funds and total \$100.8 million at December 31, 2010, compared to the \$102.5 million held at December 31, 2009, in these funds. Balances of unrestricted cash and investment accounts at December 31, 2009, decreased \$17.1 million from the December 31, 2008, total of \$119.6 million. While balances have decreased two years, the cause is very different. Residual funds not needed for other required purposes are transferred to the General Fund monthly. The increase in 2010 revenues resulted in an increase in General Fund transfers. The utilization of General Fund monies for programmed capital expenditures led to the current year reduction in current unrestricted cash and investments. In the prior year, the decrease in toll revenues due to the national economic downturn caused the decrease noted at December 31, 2009. The General Fund monies are utilized for programmed projects, primarily related to the five-year Capital Plan (the Capital Plan) for System maintenance and rehabilitation, determined annually through the budgeting process as evidenced in the 574.4% increase for

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Current and other assets	\$ 311.6	\$ 275.8	\$ 215.5
Noncurrent restricted assets	137.1	136.6	93.7
Capital assets	1,117.6	1,143.6	1,178.3
Total assets	1,566.3	1,556.0	1,487.5
Current liabilities	138.5	134.2	93.2
Noncurrent liabilities	1,094.8	1,120.5	1,101.9
Total liabilities	1,233.3	1,254.7	1,195.1
Net Assets:			
Invested in capital assets, net of related debt	100.7	83.2	78.4
Restricted	137.6	122.1	98.9
Unrestricted	94.7	96.0	115.1
Total net assets	\$ 333.0	\$ 301.3	\$ 292.4

2011 construction work in progress in Table A-4 on page 18. The Revenue Fund monies provide for the general operations of the Turnpike System; this fund is directly impacted by fluctuations in operating results. As presented in Table A-2, page 16, as the result of the mid-2009 toll increase, the OTA experienced strong revenue growth of 11.5% in 2010 and 4.4% in 2009, while in 2008 revenues fell just short of the previous year by 0.3%.

The monies held in restricted cash and investment accounts are primarily comprised of the Reserve Maintenance Fund, the PIKEPASS Prepayment Fund and debt service accounts. Each month a deposit is transferred to the Reserve Maintenance Fund from revenues (unrestricted cash) to fund capital projects as budgeted in the Capital Plan. The required Reserve Maintenance Fund deposit for each year is established by the Consulting Engineer during the annual review and evaluation of the Turnpike System. At December 31, 2010, the current restricted cash and investments accounts were approximately \$115.2 million, up \$15.8 million from the previous year. This \$15.8 million increase (a 15.8% net increase when compared to December 31, 2009, and a 37.3% net increase when compared to December 31, 2008) is primarily related to an increase in the required monthly deposits to the Reserve Maintenance account and the increase in current fair market value of assets held in the PIKEPASS account. The utilization of revenues to fund capital projects through the deposits to the Reserve Maintenance Fund, rather than the issuance of bond proceeds for new capital projects, is reflected by the 21.0% increase in net assets invested in capital assets, net of related debt (see further discussion below).

Also included in current and other assets is the implementation of Governmental Accounting Standards Board (GASB) Statement 53, Accounting and Financial Reporting for Derivative Instruments. GASB Statement 53 requires the fair value of any derivative instruments be recorded on the face of the financial statements. See the discussion on Debt Administration on page 18 for further details.

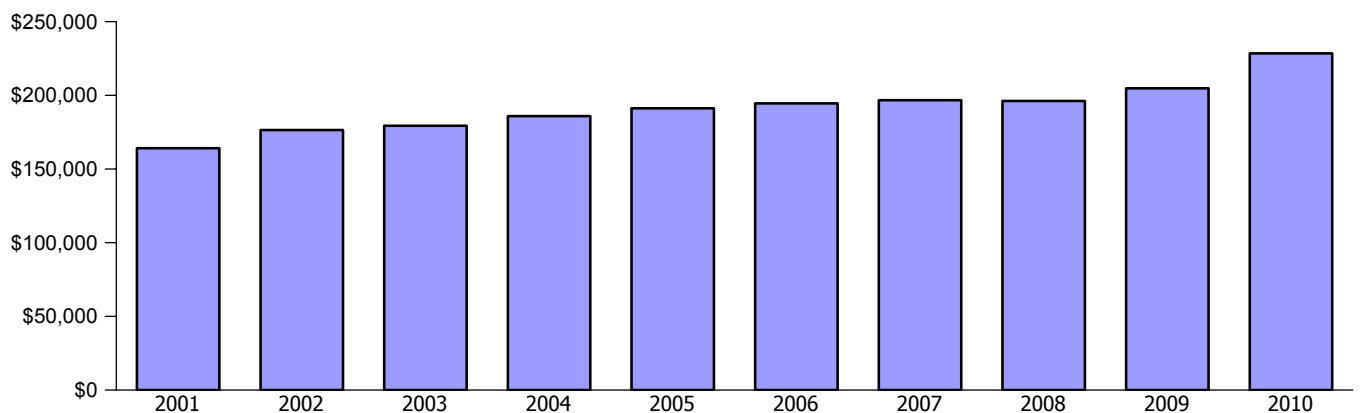
Noncurrent restricted assets consist of the Revenue Reserve Account and the Turnpike Trust Fund. These assets remained flat between 2010 and 2009, but increased \$42.9 million or 45.8% over 2008. The increase is related to the increase in the Revenue Reserve Account. In order to be in full compliance with

the Second Senior Bond Reserve Fund requirement of the Trust Agreement, additional funding of the Revenue Reserve Account was needed when the credit rating of the insurance provider of the surety policy providing the balance of the reserve account requirement was downgraded. The downgrade of the insurance provider necessitated funding from the OTA. The OTA entered into a \$35 million loan agreement (the Compass Loan) with BBVA Compass Bank to secure these funds. The Compass Loan proceeds were invested in a certificate of deposit with BBVA Compass Bank. Additionally in 2009, \$7.5 million was transferred from the General Fund to the Revenue Reserve Account to meet the remainder of the balance requirement. This loan was amended and restated in late 2010, with the principal amount now at \$33.5 million. This increase is also reflected in Table A-1 in 2010 and 2009 as a component of Restricted Net Assets.

As of December 31, 2010, current liabilities have increased approximately \$4.3 million over the prior year. Certain components of the OTA's portion of on-going joint construction agreements with the Oklahoma Department of Transportation (ODOT) increased. Current amounts due for construction projects are also included in this increase. At December 31, 2009, the \$41.0 million increase in current liabilities over 2008 stemmed mainly from the inclusion of the current portion of the Compass Loan with the current long-term debt. Total noncurrent liabilities decreased \$25.7 million, a net of \$46.5 million decrease mainly resulting from the retirement of the 2010 current portion of Second Senior Bonds and the \$20.8 million increase in the fair value of the derivative instrument liability. Total liabilities as of December 31, 2010, decreased approximately 1.7%.

Total net assets at December 31, 2010, increased \$31.7 million to \$333.0 million when compared to 2009. Net assets invested in capital assets, net of related debt consists of capital assets net of accumulated depreciation reduced by the amount of outstanding indebtedness from any bonds that are attributable to the acquisition, construction, or improvement of those assets. For purposes of this calculation, this outstanding indebtedness includes both revenue bonds payable and a liability to the ODOT for the construction and acquisition of capital assets. As a result of the construction of capital assets from operating revenues, net assets invested in capital assets, net of related debt increased \$17.5 million in 2010 and \$4.8 million in 2009. Capital asset

Toll Revenues, 2001-2010 (Presented in Thousands of Dollars)



Note: A toll rate adjustment occurred on August 4, 2009, averaging a 16% increase for both passenger and commercial traffic

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Operating revenues:			
Toll Revenue	\$ 228.4	\$ 204.8	\$ 196.2
Concession revenue	1.3	1.3	1.3
Total operating revenues	<u>229.7</u>	<u>206.1</u>	<u>197.5</u>
Operating expenses and depreciation:			
Operating expenses	72.4	70.9	75.3
Depreciation and amortization	79.8	77.7	75.7
Total operating expenses and depreciation	<u>152.2</u>	<u>148.6</u>	<u>151.0</u>
Operating income	77.5	57.5	46.5
Net non-operating revenues (expenses)	<u>(45.8)</u>	<u>(48.6)</u>	<u>(44.9)</u>
Change in net assets	31.7	8.9	1.6
Total net assets, beginning of the year	<u>301.3</u>	<u>292.4</u>	<u>290.8</u>
Total net assets, end of the year	<u>\$ 333.0</u>	<u>\$ 301.3</u>	<u>\$ 292.4</u>

investments have been achieved through the annual transfers of revenue to the Reserve Maintenance Fund and General Fund for this purpose, rather than the issuance of additional debt.

Changes in Net Assets

As depicted in Table A-2 above, the OTA's total operating revenues were approximately \$229.7 million, an increase of 11.5% when compared to 2009 revenue and a 16.3% gain over 2008 operating revenue levels. Operating revenues include toll transactions and rental fees received from concessionaires operating on the Turnpike System. Toll transactions during 2010 were just over 154.3 million and were 2.7% higher than in 2009. Toll transactions for 2009 reported just over 150.2 million, a 2.9% increase over the prior year. The strongest increases in toll transactions continued to be seen on the urban Creek and John Kilpatrick Turnpikes as noted by the growth rates of 5.4% and 2.3%, respectively, during 2010. With the staggering economy and lagging commercial traffic, a review of the Turnpike System was conducted by the OTA's traffic engineers, and new toll rates became effective August 4, 2009. The average 16% increase in toll rates resulted in year-to-date revenue growth for 2009 and 2010.

Total operating income increased \$20.0 million to \$77.5 million when comparing 2010 to 2009. The increase in operating income resulted from the \$23.6 million increase in operating revenues offset by the \$1.5 million increase in operating expenses and the \$2.1 million increase in depreciation and amortization. See Table A-3 and detailed discussions of operating expenses on page 17. See Table A-4, page 18 for detailed discussions of capital assets.

Total operating expenses before depreciation increased 2.1% over 2009 as detailed further in Table A-3 on page 17. All divisions continued to closely monitor and control operating expenses, as demonstrated by the year-end Revenue Fund operating expenses reporting 2.3% under budgeted projections. In 2009, total operating expenses before depreciation decreased

5.8% when compared to 2008, primarily the result of lower fuel prices that contributed to savings throughout the OTA, as well as concerted efforts to minimize discretionary spending. Year-end 2009 Revenue Fund operating expenses reported 6.9% under budgeted projections. In 2008, overall increases in total operating expenses were in large part due to increases in employee benefits and salary costs related to Oklahoma Highway Patrol (OHP) and higher organizational fuel costs.

Total net non-operating expenses decreased to \$45.8 million in 2010, a \$2.8 million decrease when compared to 2009. This change is primarily the result of an increase in the fair value of investments and the decline in interest expense, offset by the decrease in interest income due to the slow national economy. See the discussion on Debt Administration on page 18 for further details.

Operating Expenses

All divisions' operating expenses were impacted in 2010 by the increase in the employee benefit allowance for insurance costs. State legislation requires the employee health benefit allowance to be increased incrementally with increased health insurance costs.

After a strong decrease of 13.1% in 2009, the Turnpike Maintenance Division's expenses increased 3.9% in 2010 or approximately \$0.7 million. With the increase in 2010 toll revenues, many projects delayed in 2009 because of the weaker financial conditions were resumed in 2010. These projects included asphalt and concrete repairs. The harsh winter weather in late 2009 and early 2010 also caused havoc on the condition of the roads and necessitated repairs as well as replacement of traffic control supplies. With the rising gas prices in 2010, fuel costs also increased for the Maintenance Division.

The Engineering Division's 2010 operating expenses decreased 6.5% or approximately \$0.2 million when compared to 2009 operating expenses. Both 2010 and 2009 engineering costs were

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Toll Operations	\$ 18,175	\$ 18,263	\$ 17,515
Turnpike Maintenance	18,240	17,557	20,203
Engineering	3,430	3,667	5,190
Highway Patrol	12,851	12,154	13,187
PIKEPASS Customer Service	10,444	9,547	8,897
General Administration	2,355	2,134	2,101
Information Technology	3,905	4,065	5,198
Controller	817	821	740
Finance and Revenue	696	1,269	869
Executive	1,483	1,438	1,420
Authority	-	-	-
Total operating expenses before depreciation and amortization	<u>\$ 72,396</u>	<u>\$ 70,915</u>	<u>\$ 75,320</u>

below 2008 levels. Certain project design costs were expensed in 2008 when the projects were determined to have been put on hold indefinitely. Accordingly, these costs were removed from construction work in progress and expensed consistent with appropriate accounting procedures.

Operating expenses for the Oklahoma Highway Patrol (OHP) increased approximately \$0.7 or 5.7% from 2009, but are 2.5% below 2008 levels. In 2010, as in 2008, noncapitalizable mobile equipment was purchased with no significant similar purchases in 2009. These equipment costs are individually under the scope for capitalization and are therefore reflected as operating expenses. Also, fuel prices in 2010 returned to more of the levels of 2008, thus increasing costs in this category when compared to 2009. An increase in the average number of filled trooper positions for the year also accounted for the higher OHP costs in 2010 when compared to 2009.

Several factors contributed to the approximate \$0.9 million or 9.4% increase in the PIKEPASS Division's operating expenses for 2010. With the increase in PIKEPASS toll revenues in 2010, credit card and EFT payments also increased which led to higher bank and credit card fees. Also, conversion from the old transponder, which was a capitalizable asset, to the sticker tag, which is a consumable inventory asset, accounted for approximately \$0.4 million of the increase. Because these new sticker tags cannot be transferred between patrons, they are expensed by OTA when they are issued to a patron. Also, in 2010, an adjustment was made to the violation process to more accurately represent collectible violation receivables; this in turn increased bad debt expense.

Operating expenses for the Finance and Revenue Division were lower than those of 2009 and 2008, an approximate \$0.6 million decrease from the previous year and a \$0.2 million decrease when compared to 2008. Lower costs were associated with a decrease in legal service and professional fees. Legal services were incurred in 2009 and 2008 associated with the variable rate bonds, Series 2006B-F bonds. In 2009, professional services were provided by traffic engineers, Wilbur Smith Associates, for the toll rate study that resulted in the toll rate increase implemented in August 2009.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The OTA had invested approximately \$2,406.9 million and \$2,367.7 million in capital assets, including roads, bridges, buildings, land and equipment as of December 31, 2010 and 2009, respectively. In 2010, accumulated depreciation and amortization on capital assets increased 5.3%, as compared to 2009, to a total of \$1,289.3 million. At December 31, 2009, net capital assets (including additions and disposals, net of depreciation) totaled approximately \$1,143.6 million, a decrease of 2.9% when compared to net capital assets of \$1,178.3 on December 31, 2008, (see Table A-4, page 18). The net 2.3% decrease in capital assets for 2010 was primarily the result of depreciation for the year offset by the 574.4% increase in construction work in progress (CWIP).

The majority of the projects completed the last several years have been road and bridge rehabilitation projects. Therefore the decline in roads and bridges relates to depreciation expense. Road and bridge rehabilitation projects are classified as Improvements. Depreciation expense in the amount of \$33.9 million was recognized in the Improvements category. As previously noted, these projects are funded through monies available in the Reserve Maintenance Fund for this purpose, as well as General Fund projects identified through the Capital Plan. When the effects of the economic downturn began impacting the OTA in late 2008, capital projects were reevaluated for critical need. Projects which could be delayed were postponed in 2009 to address cash flow concerns. With the implementation of the toll rate increase in late 2009, a quicker construction pace has been reestablished. A striping project was completed on the John Kilpatrick, Creek and Turner Turnpikes. Interchange improvements were completed at the Peoria/Elm Avenue westbound exit off the Creek Turnpike. A paving rehabilitation project was completed on the Turner Turnpike. Also, grouped in the Improvements category are capital expenditures related to signs and concessions. The dynamic message sign project, a collaboration between the OTA and ODOT, of nine signs on the OTA and ODOT right-of-way was completed. Concession areas were demolished on the Turner Turnpike at the Bristow and

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Roads and bridges	\$ 470.6	\$ 498.7	\$ 526.4
Construction work in progress	52.6	7.8	70.3
Improvements	306.2	338.3	281.2
Land	162.9	162.7	162.7
Buildings	51.9	54.1	51.6
Equipment	23.7	29.4	30.7
Capitalized interest	49.7	52.6	55.4
Total net capital assets	<u>\$ 1,117.6</u>	<u>\$ 1,143.6</u>	<u>\$ 1,178.3</u>

Wellston locations. Concession areas were also demolished on the H.E. Bailey and Muskogee Turnpikes and are being replaced with new combined concessionaire structures.

CWIP has increased approximately \$44.8 million or 574.4%. With the increase in toll revenues, as the direct result of the August 2009 toll increase, improvement projects on the System were resumed in full force in 2010. Many of these projects are nearing completion and will be capitalized in 2011, such as the Luther Interchange on the Turner Turnpike. Pavement rehabilitation progressed at several locations on the Turner Turnpike, as well as on the Will Rogers and Muskogee Turnpikes. Work on the sound barrier wall project depicting artwork scenes of prairie and river environments continued in 2010. At the end of 2010, the Engineering Division had 53 projects in various stages of design and construction. The completion of several large projects in 2009 and the postponement of new construction contributed to the \$62.5 million or 88.9% decrease in CWIP when compared to the 2008 balance of \$70.3 million.

The Buildings asset category decreased \$2.2 million in 2010 compared to the \$2.5 million increase in 2009 over 2008. The increase in 2009 represented the capitalization of two joint maintenance and OHP facilities, one located on the H.E. Bailey Turnpike near Chickasha and the other located on the Indian Nation Turnpike near McAlester. A third facility on the Will Rogers Turnpike near Vinita houses an OHP Law Enforcement Office and was also completed in 2009. A new salt barn was erected on the H.E. Bailey Turnpike in 2010, as well as a steel iron parking shed at the maintenance yard on the Will Rogers Turnpike.

A decrease of 19.4% was realized in the Equipment asset category. The net of equipment additions and disposals along with the \$12.0 million in depreciation expense being recognized in 2010 led to the \$5.7 million decrease. Equipment purchases and disposals were made by several divisions to assist with the necessary electronic upgrades to and for the Turnpike System. Included with these purchases is the upgrade to multi-protocol readers, which allows for the replacement of the old transponder with the new sticker tag. For additional information regarding the OTA's capital assets, please see the disclosures in the notes to the financial statements on pages 26 and 32 of the Financial Section of this report.

The 2011 portion of the OTA's five-year Capital Plan calls for spending approximately \$89.0 million for capital projects. Approximately 76.5% of this funding is allocated to road and bridge rehabilitation projects, interchange improvements,

signage, toll booth replacement and concession redevelopment. Approximately 23.5% is allocated to various other capital projects including *PIKEPASS* equipment, violation enforcement upgrades, toll collection equipment and upgrades, information technology upgrades and the replacement of vehicles and equipment. The 2011 portion of the five-year Capital Plan will be funded by a combination of resources on hand and 2011 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 noncurrent debt includes revenue bonds payable, a payable to the ODOT, the Compass Loan and a derivative instrument liability. At December 31, 2010, the OTA had approximately \$1,034.5 million in revenue bonds outstanding. The payable to the ODOT at December 31, 2010, was approximately \$51.7 million. At December 31, 2010, the fixed rate revenue bonds outstanding total \$503.7 million of the revenue bonds outstanding and are insured and rated Aaa by Moody's Investors Service (Moody's), and AAA by both Fitch Ratings (Fitch) and Standard and Poor's Rating Service (S&P) with a positive rating outlook. The variable rate Series 2006 B-F Bonds total \$530.8 million and are rated Aa3/AA-/AA-.

The fair market value of these swap agreements fluctuate daily based on market conditions. The Authority's financial advisor has calculated the fair value of the Authority's swap agreements based upon the expected forward rates for BMA through January 1, 2009, and the 68% of LIBOR for the 18 years thereafter with discounted cash flows. On a current mark-to-market basis, using a termination date of December 31, 2010, the net present value of the five swap agreements attributable to the five series of variable rate bonds would have required the Authority to make an estimated combined termination payment, in the event that all the swaps were terminated, of approximately \$81.6 million. The termination payment of the net present value of the five swap agreements on December 31, 2009, was \$60.8 million. Meeting the definition of a qualified hedge, these derivatives are presented on the Statements of Net Assets, page 20, as both a deferred outflow of resources and an offsetting derivative instrument liability.

In December 2009, the OTA entered into a \$35.0 million loan agreement with BBVA Compass Bank in order to fund a portion of the revenue bond reserve requirement related to the second senior bonds. The OTA has surety bonds from Financial Guaranty

Insurance Company (FGIC) but when the insurance company was downgraded by rating agencies, an additional solution was necessary. In conjunction with the terms of the loan agreement, the proceeds from this transaction were invested in a certificate of deposit with BBVA Compass Bank which is guaranteed by the Federal Home Loan Bank in the form of a letter of credit. Interest paid on this loan for 2010 was \$0.5 million. In November 2010, this loan was amended and restated. The outstanding balance of this loan on December 31, 2010, is \$33.5 million. 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 33-37 of the Financial Section of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

According to Federal Reserve Chairman Ben Bernanke on January 13, 2011, at a Federal Deposit Insurance Corporation forum, the U.S. economy is strengthening with a forecast of three to four percent growth likely for 2011. Unfortunately, this will not be enough growth to bring unemployment within acceptable levels, but the economy will be headed in the right direction. The housing market is noted by Bernanke as recovering slowly. The Federal Reserve will be watchful in 2011, determining the intervening role it will play to sustain recovery and build consumer confidence.

Transactions on the System mirrored a gradual return of favorable economic conditions. Heavy truck traffic maintained an upward growth trend throughout 2010, resulting in a 5.5% increase over heavy truck traffic in 2009. Although heavy truck traffic remains below 2006 levels, the positive report is a hopeful indicator that the national economy is beginning to recover.

With these economic conditions in mind, OTA's 2011 Annual Budget, adopted by the Authority in December, 2010, includes approximately \$69.9 million for the Operating and Maintenance budget, \$38.2 million for the Reserve Maintenance Fund budget and \$50.7 million for the General Fund budget. The slight increase of \$2.7 million to the Operating and Maintenance budget from 2010 levels for 2011 reflects the OTA's commitment to safety for its patrons and a responsiveness to both current economic conditions and patron expectations. The amounts budgeted within the Reserve Maintenance and General Fund budgets finance the maintenance, rehabilitation and improvements included in the 2010 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. Questions about this report or requests for additional financial information should be addressed to the Oklahoma Turnpike Authority's Controller Division, P. O. Box 11357, Oklahoma City, OK 73136-0357.

Statements of Net Assets, December 31, 2010 and 2009

Assets:	2010	2009
Current assets:		
Cash and cash equivalents-unrestricted (note 3)	\$ 47,558,895	\$ 52,166,126
Investments-unrestricted (note 3)	53,283,245	50,325,811
Cash and cash equivalents-restricted (note 3)	76,717,558	70,880,277
Investments-restricted (note 3)	38,432,677	28,517,822
Accounts receivable (note 11)	2,525,204	3,355,953
Accrued interest receivable-unrestricted	404,134	566,731
Accrued interest receivable-restricted	371,218	2,027,766
Tag inventory	2,944,606	4,352
Materials inventory	3,124,662	2,114,532
Prepaid expenses	219,614	261,176
Total current assets	225,581,813	210,220,546
Noncurrent assets:		
Cash and cash equivalents-restricted (note 3)	42,079,755	48,482,988
Investments-restricted (note 3)	95,084,697	88,117,050
Total noncurrent cash, cash equivalents and investments	137,164,452	136,600,038
Capital assets: (note 4)		
Depreciable, net	902,089,219	973,118,709
Land	162,929,743	162,706,147
Construction work in progress	52,558,589	7,777,002
Net capital assets	1,117,577,551	1,143,601,858
Revenue bond issuance costs (net of accumulated amortization of \$3,002,964 and \$2,553,366 in 2010 and 2009, respectively)	4,386,813	4,836,411
Deferred outflow of resources (note 7)	81,629,701	60,780,693
Total noncurrent assets	1,340,758,517	1,345,819,000
Total assets	1,566,340,330	1,556,039,546
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses (note 11)	16,142,708	12,854,460
Payable from restricted assets:		
Accounts payable and accrued expenses payable (note 11)	315,222	312,880
Accrued interest payable	15,693,822	17,047,983
Deferred revenue	21,735,227	22,104,998
Arbitrage rebate payable to U.S. Treasury	2,460,233	1,762,813
Current portion of long-term debt (note 7)	82,134,991	80,094,991
Total current liabilities	138,482,203	134,178,125
Noncurrent liabilities:		
Accounts payable and accrued expenses (note 11)	1,395,533	1,546,254
Long-term debt, including unamortized net premiums of \$9,418,239 and \$10,284,679 in 2010 and 2009, respectively, and net of unamortized net deferred debit on refundings of \$35,144,745 and \$37,753,267 in 2010 and 2009, respectively (note 7)	960,153,503	1,007,056,421
Payable to Department of Transportation (note 10)	51,650,266	51,213,907
Derivative instrument liability (note 7)	81,629,701	60,780,693
Total noncurrent liabilities	1,094,829,003	1,120,597,275
Total liabilities	1,233,311,206	1,254,775,400
Net assets:		
Invested in capital assets, net of related debt	100,746,813	83,236,988
Restricted for debt service	107,454,253	103,547,137
Restricted for reserve maintenance	30,144,074	18,457,506
Unrestricted	94,683,984	96,022,515
Commitments and contingencies (notes 12 and 13)	-	-
Total net assets	\$ 333,029,124	\$ 301,264,146

See accompanying notes to financial statements

Statements of Revenues, Expenses and Changes in Net Assets, Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Operating revenues:		
Tolls	\$ 228,468,962	\$ 204,758,339
Concessions	<u>1,269,556</u>	<u>1,321,516</u>
Total operating revenues	229,738,518	206,079,855
Operating expenses:		
Toll Operations	18,174,606	18,262,993
Turnpike Maintenance	18,239,922	17,557,158
Engineering	3,429,587	3,667,385
Highway Patrol	12,850,922	12,153,431
PIKEPASS Customer Service	10,443,651	9,546,889
General Administration	2,354,822	2,134,361
Information Technology	3,905,555	4,064,720
Controller	817,465	821,160
Finance and Revenue	696,233	1,268,895
Executive	1,483,415	1,438,249
Authority	<u>-</u>	<u>-</u>
Total operating expenses before depreciation and amortization	<u>72,396,178</u>	<u>70,915,241</u>
Operating income before depreciation and amortization	157,342,340	135,164,614
Depreciation and amortization (note 4)	<u>(79,780,189)</u>	<u>(77,718,902)</u>
Operating income	<u>77,562,151</u>	<u>57,445,712</u>
Non-operating revenues (expenses):		
Interest earned on investments	4,495,305	6,126,044
Net increase (decrease) in fair value of investments	678,315	(2,436,163)
Interest expense on revenue bonds outstanding	(53,784,158)	(57,234,837)
Other revenues	<u>2,813,365</u>	<u>4,952,335</u>
Net non-operating expenses	<u>(45,797,173)</u>	<u>(48,592,621)</u>
Change in net assets	31,764,978	8,853,091
Total net assets, beginning of the year	<u>301,264,146</u>	<u>292,411,055</u>
Total net assets, end of the year	<u>\$ 333,029,124</u>	<u>\$ 301,264,146</u>

See accompanying notes to financial statements

Statements of Cash Flows, Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities:		
Receipts from patrons	\$ 228,711,232	\$ 206,430,761
Receipts from concessionaires	1,277,858	1,383,171
Receipts from other sources	3,075,246	2,994,495
Payments to service providers	(45,011,142)	(40,055,451)
Payments to employees	(31,538,808)	(31,283,658)
	<u>156,514,386</u>	<u>139,469,318</u>
Net cash flows provided by operating activities		
Cash flows from noncapital financing activities:		
Proceeds from motor fuel tax apportionment transfers	40,865,917	41,217,477
Payments to the Department of Transportation (ODOT)	(40,865,917)	(41,217,477)
Interest earned and recorded as payable to ODOT	436,359	1,244,704
	<u>436,359</u>	<u>1,244,704</u>
Net cash flows provided by noncapital financing activities		
Cash flows from capital and related financing activities:		
Receipt of proceeds from issuance of long-term debt	-	35,000,000
Acquisition and construction of capital assets	(49,672,940)	(40,737,157)
Principal payment to retire long-term debt	(46,605,000)	(42,320,000)
Interest paid on revenue bonds outstanding	(53,396,237)	(55,085,789)
	<u>(149,674,177)</u>	<u>(103,142,946)</u>
Net cash flows used in capital and related financing activities		
Cash flows from investing activities:		
Purchase of investments	(246,780,724)	(171,512,567)
Proceeds from sales and maturities of investments	227,319,103	202,039,269
Interest received	6,314,450	5,214,027
Increase in arbitrage funds payable to U. S. Treasury	697,420	665,204
	<u>(12,449,751)</u>	<u>36,405,933</u>
Net cash flows (used in) provided by investing activities		
Net (decrease) increase in cash and cash equivalents	(5,173,183)	73,977,009
Cash and cash equivalents, January 1 (including \$119,363,265 and \$72,614,879 for 2010 and 2009, respectively, reported in restricted assets)	<u>171,529,391</u>	<u>97,552,382</u>
Cash and cash equivalents, December 31 (including \$118,797,313 and \$119,363,265 for 2010 and 2009, respectively, reported in restricted assets)	<u>\$ 166,356,208</u>	<u>\$ 171,529,391</u>

See accompanying notes to financial statements

(Continued)

Statements of Cash Flows, Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 77,562,151	\$ 57,445,712
Adjustments to reconcile operating income to net cash provided by operating activities:		
Utilization of toll credits	-	(38,789)
Depreciation and amortization	79,780,189	77,718,902
Other non-operating revenue	2,813,365	4,952,335
Changes in assets and liabilities:		
Decrease (increase) in accounts receivable	941,976	(1,178,034)
Decrease (increase) in prepaid expense	41,562	(101,073)
(Increase) in tag inventory	(2,940,254)	(4,352)
(Increase) in materials inventory	(1,010,130)	(273,732)
(Decrease) increase in accounts payable and accrued expenses	(304,702)	31,061
(Decrease) increase in deferred revenue	(369,771)	917,288
Total adjustments	<u>78,952,235</u>	<u>82,023,606</u>
Net cash flows provided by operating activities	<u>\$ 156,514,386</u>	<u>\$ 139,469,318</u>
Noncash investing, capital, and financing items:		
Unrealized gain (loss) on investments	894,739	(2,518,358)

See accompanying notes to financial statements

Notes to Financial Statements, Years Ended December 31, 2010 and 2009

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

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

The Authority is a component unit of the State and is combined with other similar funds to comprise the Enterprise Funds of the State. The Authority'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. 51 "Accounting and Financial Reporting for Intangible Assets" (GASB 51) in 2010. GASB 51 establishes standards of accounting and financial reporting regarding the classification and recognition of intangible assets for all state and local governments. The implementation of GASB 51 did not have an impact on the financial statements.

The Authority also adopted the provisions of GASB Statement No. 53 "Accounting and Financial Reporting for Derivative Instruments" (GASB 53) in 2010. GASB 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. With the implementation of GASB 53, a deferred outflow of resources and a corresponding derivative instrument liability are now reflected on the Statement of 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. Inventory

Inventories of *PIKEPASS* sticker tags are valued at the lower of cost or market using the first-in-first-out method. These inventories are charged to expense during the period in which they are consumed, in accordance with the consumption method.

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 fuel consumed 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. The portion that is estimated to be due within one year is included with the current liabilities. 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 \$5,000 to \$25,000 depending on asset category. Depreciation is computed on the straight-line method over the following estimated useful lives:

Roads and bridges	30 years
Improvements	5-30 years
Buildings	5-30 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 2010 or 2009. 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 \$866,000 for each of the years ended December 31, 2010 and 2009, 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 2010 and 2009 of approximately \$450,000.

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 the estimated amount owed annually as a liability. The Authority's cumulative arbitrage rebate liability at December 31, 2010 and 2009, was approximately \$2,460,000 and \$1,763,000, respectively.

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.

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 2010 or 2009.

Note 3. Deposits and Investments

Deposits. At December 31, 2010 and 2009, the carrying amounts of the Authority's cash deposits were (\$2,823,722) and \$3,282,010, respectively. The bank balances were \$2,364,847 and \$2,167,398, respectively. At December 31, 2010 and 2009, the carrying amount and bank balances of the Authority's cash equivalents were \$169,179,930 and \$168,247,381, 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 2010 and 2009.

Investments. The fair values of the Authority's investments at December 31, 2010 and 2009, were \$186,800,619 and \$166,960,683, respectively.

Credit Risk. The Trust Agreement establishes the investment policy for the Authority. 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 2010 and 2009 investments in Federal Home Loan Bank (FHLB) debt securities were rated Aaa by Moody's Investor Services (Moody's) and AAA by Standard & Poor's (S & P). The Authority's 2010 and 2009 investments in FNMA debt securities were rated by Moody's and S & P as Aaa and AAA, respectively. The Authority's 2009 investment in Federal Home Loan Mortgage Corporation (FHLMC) debt securities were rated Aaa or AAA by all three credit rating agencies. All the Authority's investments in U.S. debt instruments are issued or explicitly guaranteed by the U. S. Government.

The Authority also has an investment policy for funds not pledged as security under the Trust Agreement. Under this policy, which currently applies only to the Prepaid *PIKEPASS* Fund, these funds can be invested in equity securities, fixed income securities and cash equivalents. The portfolio must be invested with a minimum investment in equity securities of 30% and a maximum of 50% and a minimum investment in fixed income securities of 50% and a maximum of 70%. For equity securities, the ownership of stock of any one issuer is limited to no more than 10% or the percentage of its weighting in the S & P 500 Index, whichever is higher, of the total equity assets of the portfolio. No securities of common stock in non-public corporations, short sales, letter or restricted stock and buying and selling on margin may be purchased. Fixed Income securities with a single issuer, with the exception of the U.S. government and its fully guaranteed agencies, must not exceed 10% of the portfolio's market value; total exposure to any one industry shall not exceed 30% of the portfolio's market value. Corporate debt issues must meet or exceed an A credit rating from Moody's and S & P. No fixed income securities of convertible bonds, denominated foreign debt, private placements, fixed income and interest rate futures and other specialized investments may be purchased.

The Authority has complied with the terms of the Trust Agreement and its investment policy in 2010 and 2009.

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. For funds not pledged as security under the Trust Agreement, the average maturity of fixed income securities should not exceed 10 years. The Authority has no other policies limiting investment maturities. The Authority has complied with the terms of the Trust Agreement and its investment policy in 2010 and 2009.

Concentration of Credit Risk. Except as previously noted for the Prepaid *PIKEPASS* Fund, there is no limit on the amount the Authority may invest in any one issuer. The Authority's investments in FHLB debt securities were 16.1% and 16.3% of total investments at December 31, 2010 and 2009, respectively. The Authority also has a significant investment in a JPMorgan Chase Bank (JPMorgan) Repurchase Agreement, representing 27.3% and 30.6% of total investments at December 31, 2010 and 2009, 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, A+ by S&P, and AA- by 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, 2010 and 2009, include the following:

	2010	2009
U.S. Treasuries	\$ 92,831,730	\$ 77,910,980
FHLB debt securities	29,998,057	27,270,987
FNMA debt securities	4,841,883	690,985
Open-end mutual fund	4,071,969	3,609,358
Closed-end equity funds	3,595,230	2,990,503
Certificates of deposit	498,000	1,338,000
U.S. Treasury SLGS	27,300	27,300
Repurchase agreement	50,936,450	50,936,450
FHLMC debt securities	-	2,186,120
Total	\$ <u>186,800,619</u>	\$ <u>166,960,683</u>

Schedule of Cash, Cash Equivalents and Investments as of December 31, 2010

	Applicable Interest Rate	Purchase Date	Maturity Date	Original Cost	Fair Value
Unrestricted:					
General Fund:					
Caval Hill U.S. Treasury	0.010 %	12/31/10	Demand	\$ 1,778,180	\$ 1,778,180
Invesco AIM Govt & Agency	0.020	12/31/10	Demand	3,998,838	3,998,838
U. S. Treasury Bills	0.000	12/31/10	02/24/11	29,995,417	29,995,567
FHLB	1.700	03/26/10	03/26/14	997,750	1,018,380
FHLB	3.125	07/12/10	07/12/17	1,500,000	1,502,715
FHLB	3.000	04/15/10	10/15/18	5,000,000	5,043,725
FHLB	2.250	08/19/10	11/19/18	1,493,250	1,459,958
FHLB	4.500	08/06/09	08/06/19	1,000,000	1,036,270
FHLB	4.500	01/21/10	01/21/20	500,000	501,012
FHLB	3.850	07/13/10	07/13/20	1,500,000	1,501,935
FHLB	1.000	09/16/10	09/16/20	1,995,000	1,983,390
FHLB	2.000	09/23/10	09/23/20	2,000,000	1,987,880
U. S. Treasury Notes	5.000	06/11/07	02/15/11	2,999,297	3,017,355
U. S. Treasury Notes	4.125	07/28/08	08/31/12	3,100,664	3,180,225
U. S. Treasury Notes	3.875	Various	10/13/12	10,536,359	10,610,550
U. S. Treasury Notes	1.375	12/31/10	05/15/13	10,133,985	10,145,350
U. S. Treasury Notes	2.250	12/31/10	01/31/15	10,246,875	10,267,200
U. S. Treasury SLGS	0.000	11/30/90	02/21/21	27,300	27,300
				<u>88,802,915</u>	<u>89,055,830</u>
Revenue Fund:					
Invesco AIM TST Prem-Inst	0.070	12/31/10	Demand	16,243,985	16,243,985
Invesco AIM Govt & Agency	0.020	12/31/10	Demand	1,029,362	1,029,362
				<u>17,273,347</u>	<u>17,273,347</u>
Total unrestricted cash equivalents & investments				<u>106,076,262</u>	<u>106,329,177</u>
Restricted:					
Reserve Maintenance Fund:					
Invesco AIM TST Prem	0.070	12/31/10	Demand	102,854	102,854
Invesco AIM Govt & Agency	0.020	12/31/10	Demand	1,044,625	1,044,625
U. S. Treasury Bills	0.000	12/31/10	02/24/11	9,998,197	9,998,517
FHLB	1.000	03/22/10	03/22/13	3,000,000	3,003,915
FHLB	0.600	07/12/10	04/12/13	2,750,000	2,750,976
U. S. Treasury Notes	0.875	08/18/09	03/31/11	500,449	500,898
U. S. Treasury Notes	1.125	11/25/09	01/15/12	2,012,656	2,016,330
U. S. Treasury Notes	0.375	12/31/10	08/31/12	2,992,969	2,995,080
U. S. Treasury Notes	1.125	12/31/10	12/15/12	3,029,063	3,031,290
U. S. Treasury Notes	1.375	12/31/10	03/15/13	1,014,023	1,014,765
U. S. Treasury Notes	1.125	12/31/10	06/15/13	2,015,234	2,016,710
U. S. Treasury Notes	0.750	12/31/10	09/15/13	1,992,266	1,993,910
				<u>30,452,336</u>	<u>30,469,870</u>
Revenue Reserve Account					
Invesco AIM TST Prem-Inst	0.070	12/31/10	Demand	1,735,349	1,735,349
U. S. Treasury Bills	0.000	12/31/10	02/24/11	1,199,784	1,199,822
Compass Bank CD	0.336	11/20/10	02/28/11	33,490,000	33,490,000
FHLB	1.700	03/26/10	03/26/14	498,875	509,190
FHLB	3.125	07/12/10	07/12/17	500,000	500,905
FHLB	3.000	04/15/10	10/15/18	500,000	504,373
FHLB	4.480	01/14/10	01/14/20	200,000	200,246
FHLB	4.500	01/21/10	01/21/20	500,000	501,013
FHLB	3.850	07/13/10	07/13/20	500,000	500,645
FHLB	2.000	09/23/10	09/17/20	1,000,000	993,940
FHLB	3.250	10/28/10	10/28/25	499,000	478,282
FNMA	3.000	11/18/10	11/18/25	498,750	479,167
FNMA	2.000	12/30/10	12/30/22	500,000	499,897
JP Morgan Chase Repo	5.991	05/23/02	01/01/22	50,936,450	50,936,450
U. S. Treasury Notes	1.750	12/31/10	03/31/14	509,434	509,883
U. S. Treasury Notes	1.375	12/31/10	05/15/13	506,836	507,268
				<u>93,574,478</u>	<u>93,546,430</u>
2002 A&B Bond Service Account:					
Caval Hill U.S. Treasury	0.010	12/31/10	Demand	35,608,636	35,608,636
				<u>35,608,636</u>	<u>35,608,636</u>

FINANCIAL SECTION
2010 CAFR
OKLAHOMA TURNPIKE AUTHORITY

	<u>Applicable Interest Rate</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Original Cost</u>	<u>Fair Value</u>
2006 Fixed Rate Debt Service Account: Caval Hill U.S. Treasury	0.010	12/31/10	Demand	<u>24,288,846</u> <u>24,288,846</u>	<u>24,288,846</u> <u>24,288,846</u>
2006 Variable Rate Debt Service Account: Caval Hill U.S. Treasury	0.010	12/31/10	Demand	<u>1,820,824</u> <u>1,820,824</u>	<u>1,820,824</u> <u>1,820,824</u>
2007 Bond Service Account: Caval Hill U.S. Treasury	0.010	12/31/10	Demand	<u>1,114,994</u> <u>1,114,994</u>	<u>1,114,994</u> <u>1,114,994</u>
Turnpike Trust Fund:					
Caval Hill U.S. Treasury	0.010 %	12/31/10	Demand	\$ 405,360	\$ 405,360
U. S. Treasury Bills	0.000	12/31/10	02/24/11	5,249,199	5,249,224
U. S. Treasury Notes	5.000	Various	02/15/11	2,518,656	2,514,463
U. S. Treasury Notes	4.500	08/13/08	02/28/11	3,139,922	3,020,505
U. S. Treasury Notes	1.125	07/17/09	06/30/11	4,011,563	4,019,060
U. S. Treasury Notes	0.750	11/30/09	11/30/11	2,000,703	2,008,200
U. S. Treasury Notes	1.125	07/17/09	01/15/12	7,008,359	7,057,155
U. S. Treasury Notes	1.375	03/18/10	10/15/12	5,017,383	5,074,425
U. S. Treasury Notes	0.875	03/18/10	02/29/12	4,996,094	5,029,875
U. S. Treasury Notes	4.125	07/28/08	08/31/12	2,067,109	2,120,150
U. S. Treasury Notes	1.375	Various	03/15/13	5,069,766	5,073,825
U. S. Treasury Notes	1.875	12/20/10	04/30/14	<u>2,044,609</u>	<u>2,045,780</u>
				<u>43,528,723</u>	<u>43,618,022</u>
Prepaid PIKEPASS Fund:					
BOK Short-Term Cash Fund I	0.070	12/31/10	Demand	74,947	74,947
FHLB	1.700	03/26/10	03/26/14	498,875	509,190
FHLB	3.000	04/15/10	10/15/18	500,000	504,373
FHLB	4.500	08/06/09	08/06/19	1,000,000	1,036,270
FHLB	4.480	01/14/10	01/14/20	100,000	100,123
FHLB	4.500	12/21/10	01/21/20	200,000	200,405
FHLB	2.000	09/23/10	09/23/20	1,000,000	993,940
FHLB	3.000	06/30/10	06/30/25	199,700	196,723
FHLB	3.250	10/28/10	10/28/25	499,000	478,283
FNMA	1.500	12/29/10	12/29/15	500,000	492,787
FNMA	2.000	06/29/10	12/29/17	199,300	200,298
FNMA	3.250	06/30/10	06/30/20	199,500	200,880
FNMA	1.000	09/30/10	09/30/20	499,000	497,170
FNMA	1.000	09/30/10	09/30/20	500,000	495,225
FNMA	2.000	12/30/10	12/30/22	500,000	499,897
FNMA	2.000	10/15/10	10/15/25	1,000,000	997,395
FNMA	3.000	11/18/10	11/18/25	498,750	479,167
U. S. Treasury Notes	4.875	02/10/06	02/15/12	1,009,248	1,050,275
U. S. Treasury Notes	4.125	07/28/08	08/31/12	775,166	795,056
U. S. Treasury Notes	1.125	12/31/10	12/15/12	201,937	202,086
U. S. Treasury Notes	1.125	12/31/10	06/15/13	503,809	504,178
U. S. Treasury Notes	1.750	12/31/10	03/31/14	509,434	509,883
Vanguard 500 Index Trust (open-end mutual fund)	-	Various	Demand	4,016,421	4,071,969
Ishares MSCI Emerging Mkts (closed-end equity fund)	-	09/29/10	Demand	149,904	161,983
Ishares Morgan Stanley Capital International Europe Asia Far East Index (closed-end equity fund)	-	Various	Demand	559,810	611,310
Ishares Russell Midcap Index (closed-end equity fund)	-	10/22/07	Demand	193,462	178,062
Ishares Russell 2000 Index (closed-end equity fund)	-	Various	Demand	181,357	234,720
Ishares S&P Midcap 4000 (closed-end equity fund)	-	10/22/07	Demand	270,420	272,070
Ishares S&P Smallcap 600 (closed-end equity fund)	-	Various	Demand	288,310	376,585
S&P 500 Depository Receipts (closed-end equity fund)	-	Various	Demand	1,674,804	1,760,500
Woodlands Commercial Bank, UT, CD	0.800	09/30/10	03/02/11	200,000	200,000
Community First BT, TN, CD	1.400	06/04/10	12/05/11	99,000	99,000
Union National Elgin, IL, CD	1.700	06/08/10	06/08/12	100,000	100,000
The First National, ME, CD	2.700	02/23/10	02/23/15	99,000	99,000
				<u>18,801,154</u>	<u>19,183,750</u>
Total restricted cash equivalents and investments				<u>249,189,991</u>	<u>249,651,372</u>
Cash balance (unrestricted & restricted)				-	(2,823,722)
Total Cash, Cash Equivalents and Investments				<u>\$ 335,266,253</u>	<u>\$ 353,156,827</u>

Schedule of Cash, Cash Equivalents and Investments as of December 31, 2009

	Applicable Interest Rate	Purchase Date	Maturity Date	Original Cost	Fair Value
Unrestricted:					
General Fund:					
Caval Hill U.S. Treasury	0.010 %	12/31/09	Demand	\$ 2,178,029	\$ 2,178,029
Invesco AIM TST Prem-Inst	0.050	12/31/09	Demand	3,142,000	3,142,000
Invesco AIM Govt & Agency	0.020	12/31/09	Demand	31,596,438	31,596,438
FHLB	5.020	05/03/07	05/03/12	2,565,000	2,604,270
FHLB	5.050	05/07/07	05/07/12	2,435,000	2,473,814
FHLB	5.125	05/25/07	05/25/12	5,000,000	5,092,200
FHLB	1.125	12/24/09	12/24/12	1,000,000	997,035
FHLB	2.000	08/12/09	08/12/14	1,000,000	1,002,035
FHLB	4.700	05/14/08	05/14/15	500,000	507,030
FHLB	5.200	08/20/08	08/20/15	3,000,000	3,078,285
FHLB	3.000	08/26/09	08/26/16	600,000	600,000
FHLB	4.500	08/06/09	08/06/19	1,000,000	999,530
FHLB	4.150	12/17/09	12/17/19	500,000	479,063
FHLMC	3.000	7/29/09	7/29/16	1,000,000	995,625
U. S. Treasury Notes	2.125	02/12/09	01/31/10	5,071,875	5,008,800
U. S. Treasury Notes	4.750	Various	02/15/10	12,033,788	12,066,539
U. S. Treasury Notes	2.000	2/12/09	09/30/10	5,103,711	5,060,950
U. S. Treasury Notes	5.000	06/11/07	02/15/11	2,999,297	3,144,960
U. S. Treasury Notes	4.125	07/28/08	08/31/12	3,100,664	3,208,125
U. S. Treasury Notes	3.875	07/10/08	10/31/12	2,899,859	2,980,250
State and Local Government Security	-	11/30/90	02/21/21	27,300	27,300
				<u>86,752,961</u>	<u>87,242,278</u>
Revenue Fund:					
Invesco AIM TST Prem-Inst	0.050	12/31/09	Demand	1,078,500	1,078,500
Invesco AIM Govt & Agency	0.020	12/31/08	Demand	13,746,925	13,746,925
				<u>14,825,425</u>	<u>14,825,425</u>
Total unrestricted cash equivalents & investments				<u>101,578,386</u>	<u>102,067,703</u>
Restricted:					
Reserve Maintenance Fund:					
Invesco AIM Govt & Agency	0.020	12/31/09	Demand	6,841,948	6,841,948
FHLB	5.020	12/31/09	12/21/12	999,000	991,565
FHLB	5.050	05/03/07	12/24/12	2,000,000	1,994,070
U. S. Treasury Notes	2.125	02/12/09	01/31/10	3,043,125	3,005,280
U. S. Treasury Notes	2.000	02/12/09	09/30/10	3,062,227	3,036,570
U. S. Treasury Notes	0.875	8/18/09	3/31/11	500,449	501,075
U. S. Treasury Notes	1.125	11/25/09	1/15/12	2,012,656	1,998,750
				<u>18,459,405</u>	<u>18,369,258</u>
Revenue Reserve Account					
Invesco AIM TST Prem-Inst	0.050	Various	Demand	6,485,559	6,485,559
Compass Bank CD	0.056	12/01/09	03/01/10	35,000,000	35,000,000
FHLB	1.125	12/24/09	12/24/12	500,000	498,518
FHLB	4.150	12/17/09	12/17/19	500,000	479,062
FHLB	4.480	12/17/09	01/14/20	200,000	200,000
JP Morgan Chase Repo	5.991	5/23/02	01/01/22	50,936,450	50,936,450
				<u>93,622,009</u>	<u>93,599,589</u>
2002 A&B Bond Service Account:					
Caval Hill U.S. Treasury	0.010	12/31/09	Demand	34,999,895	34,999,895
				<u>34,999,895</u>	<u>34,999,895</u>
2006 Fixed Rate Debt Service Account:					
Caval Hill U.S. Treasury	0.010	12/31/09	Demand	22,343,151	22,343,151
				<u>22,343,151</u>	<u>22,343,151</u>
2006 Variable Rate Debt Service Account:					
Caval Hill U.S. Treasury	0.010	12/31/09	Demand	1,878,398	1,878,398
				<u>1,878,398</u>	<u>1,878,398</u>
2007 Bond Service Account:					
Caval Hill U.S. Treasury	0.010	12/31/09	Demand	1,113,736	1,113,736
				<u>1,113,736</u>	<u>1,113,736</u>

FINANCIAL SECTION

2010 CAFR

OKLAHOMA TURNPIKE AUTHORITY

	<u>Applicable Interest Rate</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Original Cost</u>	<u>Fair Value</u>
Turnpike Trust Fund:					
Cavalan Hill U.S. Treasury	0.010 %	12/31/09	Demand	\$ 6,997,429	\$ 6,997,429
FHLB	1.125	12/31/09	12/24/12	500,000	498,518
U. S. Treasury Notes	2.125	02/12/09	01/31/10	1,014,375	1,001,760
U. S. Treasury Notes	3.500	08/13/08	02/15/10	6,127,813	6,024,840
U. S. Treasury Notes	4.750	02/16/07	02/15/10	5,509,570	5,530,498
U. S. Treasury Notes	2.875	07/17/09	06/30/10	4,092,812	4,053,599
U. S. Treasury Notes	5.000	Various	02/15/11	2,518,656	2,620,800
U. S. Treasury Notes	4.500	08/13/08	02/28/11	3,139,922	3,132,300
U. S. Treasury Notes	1.125	07/17/09	06/30/11	4,011,563	4,017,500
U. S. Treasury Notes	0.750	11/30/09	11/30/11	2,000,703	1,987,580
U. S. Treasury Notes	1.125	07/17/09	01/15/12	4,992,267	4,996,875
U. S. Treasury Notes	4.125	07/28/08	08/31/12	2,067,109	2,138,750
				<u>42,972,219</u>	<u>43,000,449</u>
Prepaid PIKEPASS Fund:					
BOK Short-Term Cash Fund I	0.120	12/31/09	Demand	845,373	845,373
FHLB	1.125	12/31/09	12/24/12	200,000	199,407
FHLB	4.700	05/14/08	05/14/15	500,000	507,030
FHLB	5.200	08/20/08	08/20/15	500,000	513,048
FHLB	3.800	05/20/09	05/20/16	250,000	248,243
FHLB	3.000	08/26/09	08/26/16	200,000	200,000
FHLB	4.500	08/06/09	08/06/19	1,000,000	999,530
FHLB	4.000	10/15/09	10/15/19	100,000	98,985
FHLB	4.150	12/17/09	12/17/19	400,000	383,250
FHLB	4.480	12/17/09	01/14/20	100,000	100,000
FHLB	4.000	09/16/09	09/16/21	500,000	486,640
FHLB	4.000	08/05/09	08/05/24	1,000,000	943,280
FHLB	4.000	10/15/09	10/15/24	100,000	96,579
FHLMC	3.000	07/29/09	07/29/16	1,000,000	995,625
FHLMC	4.000	09/30/09	09/30/19	100,000	97,846
FHLMC	4.000	12/09/09	12/15/24	100,000	97,024
FNMA	3.000	05/21/09	11/21/16	500,000	497,188
FNMA	4.000	12/10/09	12/10/24	100,000	96,625
FNMA	5.000	09/28/09	09/28/29	100,000	97,172
U. S. Treasury Notes	5.750	Various	08/15/10	518,936	516,818
U. S. Treasury Notes	4.875	02/10/06	02/15/12	1,009,248	1,076,330
U. S. Treasury Notes	4.125	07/28/08	08/31/12	775,165	802,031
Vanguard 500 Index Trust (open-end mutual fund)	-	Various	Demand	4,016,421	3,609,358
Ishares Morgan Stanley Capital International Europe Asia Far East Index (closed-end equity fund)	-	10/22/07	Demand	559,810	580,440
Ishares Russell Midcap Index (closed-end equity fund)	-	Various	Demand	193,463	144,393
Ishares Russell 2000 Index (closed-end equity fund)	-	10/22/07	Demand	181,357	187,320
Ishares S&P Midcap 4000 (closed-end equity fund)	-	Various	Demand	270,420	217,230
Ishares S&P Smallcap 600 (closed-end equity fund)	-	Various	Demand	288,310	300,960
S&P 500 Depository Receipts (closed-end equity fund)	-	04/13/09	04/10/10	1,674,804	1,560,160
Meridian Bank, TX, CD	2.000	04/13/09	04/10/10	99,000	99,000
Community First BT, TN, CD	2.100	02/11/09	02/11/10	99,000	99,000
Kansas State Bank, KS, CD	2.150	02/11/09	02/11/10	99,000	99,000
Amcore Bank, IL, CD	2.400	02/11/09	02/11/10	99,000	99,000
Desoto County Bank, MS, CD	2.200	02/11/09	02/11/10	99,000	99,000
Advanta Bank, UT, CD	2.200	02/12/09	02/12/10	99,000	99,000
Onewest Bank, CA, CD	1.300	08/14/09	03/15/10	150,000	150,000
Bankmeridian, SC, CD	1.800	09/02/09	09/02/10	99,000	99,000
Rainier Pac, WA, CD	1.520	11/05/09	11/05/10	99,000	99,000
First Regional, CA, CD	0.950	11/25/09	02/23/10	99,000	99,000
Security Bank, OK, CD	0.920	11/25/09	08/25/10	99,000	99,000
Allstate Bank, IL, CD	0.900	11/25/09	05/25/10	99,000	99,000
Union Natl Elgin, IL, CD	1.700	11/25/09	11/25/10	99,000	99,000
				<u>18,421,307</u>	<u>17,835,885</u>
Total restricted cash equivalents and investments				<u>233,810,120</u>	<u>233,140,361</u>
Cash balance (unrestricted & restricted)				-	3,282,010
Total Cash, Cash Equivalents and Investments				<u>\$ 335,388,506</u>	<u>\$ 338,490,074</u>

Note 4. Capital Assets

The following schedules summarize the capital assets of the Authority as of December 31, 2010 and 2009:

<u>2010</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Land	\$ 162,706,147	\$ 286,795	\$ (63,199)	\$ 162,929,743
Construction work in progress	7,777,002	48,560,596	(3,779,009)	52,558,589
Total capital assets, not being depreciated	<u>170,483,149</u>	<u>48,847,391</u>	<u>(3,842,208)</u>	<u>215,488,332</u>
Capital assets, being depreciated:				
Roads and bridges	1,114,360,546	-	-	1,114,360,546
Improvements	741,597,050	2,945,129	(5,628,277)	738,913,902
Buildings	90,497,981	145,027	(1,783,893)	88,859,115
Equipment	138,888,127	6,844,017	(8,336,312)	137,395,832
Capitalized interest	111,896,612	-	-	111,896,612
Total capital assets, being depreciated	<u>2,197,240,316</u>	<u>9,934,173</u>	<u>(15,748,482)</u>	<u>2,191,426,007</u>
Less accumulated depreciation for:				
Roads and bridges	(615,658,596)	(28,099,218)	-	(643,757,814)
Improvements	(403,255,022)	(33,927,111)	4,443,980	(432,738,153)
Buildings	(36,353,529)	(2,439,325)	1,783,893	(37,008,961)
Equipment	(109,508,162)	(12,026,183)	7,887,537	(113,646,808)
Capitalized interest	(59,346,298)	(2,838,754)	-	(62,185,052)
Total accumulated depreciation	<u>(1,224,121,607)</u>	<u>(79,330,591)</u>	<u>14,115,410</u>	<u>(1,289,336,788)</u>
Total capital assets, being depreciated, net	<u>973,118,709</u>	<u>(69,396,418)</u>	<u>(1,633,072)</u>	<u>902,089,219</u>
Total capital assets, net	<u>\$ 1,143,601,858</u>	<u>\$ (20,549,027)</u>	<u>\$ (5,475,280)</u>	<u>\$ 1,117,577,551</u>

<u>2009</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Land	\$ 162,665,319	\$ 40,828	\$ -	\$ 162,706,147
Construction work in progress	70,359,091	34,283,660	(96,865,749)	7,777,002
Total capital assets, not being depreciated	<u>233,024,410</u>	<u>34,324,488</u>	<u>(96,865,749)</u>	<u>170,483,149</u>
Capital assets, being depreciated:				
Roads and bridges	1,113,960,546	400,000	-	1,114,360,546
Improvements	652,266,538	89,330,512	-	741,597,050
Buildings	86,282,808	4,906,798	(691,625)	90,497,981
Equipment	134,196,657	11,544,191	(6,852,721)	138,888,127
Capitalized interest	111,896,612	-	-	111,896,612
Total capital assets, being depreciated	<u>2,098,603,161</u>	<u>106,181,501</u>	<u>(7,544,346)</u>	<u>2,197,240,316</u>
Less accumulated depreciation for:				
Roads and bridges	(587,569,441)	(28,089,155)	-	(615,658,596)
Improvements	(371,082,284)	(32,172,738)	-	(403,255,022)
Buildings	(34,653,180)	(2,373,861)	673,512	(36,353,529)
Equipment	(103,519,308)	(11,794,796)	5,805,942	(109,508,162)
Capitalized interest	(56,507,544)	(2,838,754)	-	(59,346,298)
Total accumulated depreciation	<u>(1,153,331,757)</u>	<u>(77,269,304)</u>	<u>6,479,454</u>	<u>(1,224,121,607)</u>
Total capital assets, being depreciated, net	<u>945,271,404</u>	<u>28,912,197</u>	<u>(1,064,892)</u>	<u>973,118,709</u>
Total capital assets, net	<u>\$ 1,178,295,814</u>	<u>\$ 63,236,685</u>	<u>\$ (97,930,641)</u>	<u>\$ 1,143,601,858</u>

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 \$1,207,100,000. 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 to reduce the overall exposure of risk to the Authority. There were no settlements in excess of insurance coverage in 2010, 2009 or 2008.

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 cost of leased concession areas was \$19,720,286 and \$26,893,341 at the end of December 31, 2010 and 2009, and accumulated depreciation totaled \$14,811,606 and \$20,230,809, respectively. Total future minimum rental payments to be received as of December 31, 2010, are approximately:

Year	Minimum Lease Rentals
2011	\$ 459,302
2012	506,525
2013	456,525
2014	456,849
2015	408,375
Thereafter	<u>7,390,145</u>
Total	<u>\$ 9,677,721</u>

Note 7. Long-Term Debt

The following schedule summarizes the long-term debt outstanding as of December 31, 2010:

Revenue Bonds:

2010	Date of Issuance	Beginning Balance	Additions	Retired	Ending Balance	Due Within One Year
Series 2002A-B	05/01/2002	\$ 398,525,000	-	\$ (24,590,000)	\$ 373,935,000	\$ 25,820,000
Series 2006A	08/24/2006	104,790,000	-	(20,325,000)	84,465,000	22,640,000
Series 2006B-F	08/24/2006	530,800,000	-	-	530,800,000	-
Series 2007A	06/06/2007	45,505,000	-	(180,000)	45,325,000	185,000
Total		<u>\$ 1,079,620,000</u>	<u>\$ -</u>	<u>\$ (45,095,000)</u>	<u>\$ 1,034,525,000</u>	<u>\$ 48,645,000</u>

Other Long-Term Debt:

2010	Date of Issuance	Beginning Balance	Additions	Retired	Ending Balance	Due Within One Year
BBVA Compass Loan	12/01/2009	\$ 35,000,000	-	\$ (1,510,000)	\$ 33,490,000	\$ 33,489,991

The following schedule summarizes the long-term debt outstanding as of December 31, 2009:

Revenue Bonds:

2009	Date of Issuance	Beginning Balance	Additions	Retired	Ending Balance	Due Within One Year
Series 1998A	05/01/1998	\$ 9,480,000	-	\$ (9,480,000)	-	-
Series 1998B	07/01/1998	9,245,000	-	(9,245,000)	-	-
Series 2002A-B	05/01/2002	421,945,000	-	(23,420,000)	398,525,000	24,590,000
Series 2006A	08/24/2006	104,790,000	-	-	104,790,000	20,325,000
Series 2006B-F	08/24/2006	530,800,000	-	-	530,800,000	-
Series 2007A	06/06/2007	45,680,000	-	(175,000)	45,505,000	180,000
Total		<u>\$ 1,121,940,000</u>	<u>\$ -</u>	<u>\$ (42,320,000)</u>	<u>\$ 1,079,620,000</u>	<u>\$ 45,095,000</u>

Other Long-Term Debt:

2009	Date of Issuance	Beginning Balance	Additions	Retired	Ending Balance	Due Within One Year
BBVA Compass Loan	12/01/2009	-	\$ 35,000,000	-	\$ 35,000,000	\$ 34,999,991

Fixed rate debt service requirements as of December 31, 2010:

Maturity January 1	Total Revenue Bonds - Fixed	
	Principal	Interest
2011	\$ 48,645,000	\$ 24,615,105
2012	49,100,000	22,411,105
2013	49,610,000	20,174,899
2014	49,915,000	17,898,418
2015	32,345,000	15,533,043
2016-2020	188,400,000	50,979,065
2021-2022	85,710,000	6,265,891
	<u>\$ 503,725,000</u>	<u>\$ 157,877,526</u>

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. As of December 31, 2010, the Authority has Series 2002 Refunding Bonds (fixed rate), Series 2006 Refunding Bonds (fixed and variable rate) and Series 2007 Refunding Bonds (fixed rate) outstanding.

Description of Fixed Rate Debt - On June 6, 2007, the Authority closed on the delivery of Series 2007A Refunding Second Senior Revenue Bonds totaling \$45,680,000. The Series 2007A Bonds were issued for the purpose of (1) refunding the portion of the Series 2002A and B Refunding Second Senior Revenue Bonds eligible for advanced refunding and (2) paying the costs of issuance. These bonds were structured as tax-exempt fixed rate "AAA" insured bonds. The principal amount of the bonds refunded and defeased through an escrow deposit was \$44,990,000, and the liability was removed from the Statement of Net Assets. The Series 2007 Bonds are series bonds due in annual installments beginning January 1, 2009 through January 1, 2022. Consistent with the Authority's other outstanding Revenue Bonds, the Series 2007 Bonds are payable from and secured by a pledge of net revenues from the operation of the Turnpike System. The Series 2007 Bonds were issued pursuant to the prevailing Trust Agreement, dated February 1, 1989 and as amended with supplements thereto (the Trust Agreement), with Bank of Oklahoma, N. A. as Trustee. Interest commenced January 1, 2008 and is payable semi-annually on January 1 and July 1 of each year, with interest rates ranging from 4.0% to 4.25%.

In August 2006, the Authority issued, through a negotiated sale, six separate series of Series 2006 Refunding Second Senior Revenue Bonds totaling \$635,590,000. The fixed rate portion of these bonds was \$104,790,000 Series 2006A Refunding Second Senior Revenue Bonds. The Series 2006 Bonds were issued to provide funds which when combined with other available funds of the Authority, were issued for the purpose of (1) refunding to redemption certain maturities of the (a) Series 1998A and 1998B Second Senior Revenue Bonds and defeasing to maturity the (b) Series 1992F First Senior Revenue Capital Appreciation Bonds and (2) paying the costs of issuance. The principal amount of the bonds refunded and defeased through an escrow deposit was \$612,670,000, and the liability was removed from the Statements of Net Assets. The Series 2006A Bonds are series bonds due in annual installments beginning January 1, 2010 through January 1, 2014. Consistent with the Authority's other outstanding Revenue Bonds, the Series 2006A Bonds are payable from and

secured by a pledge of net revenues from the operation of the Turnpike System. The Series 2006A Bonds were issued pursuant to the prevailing Trust Agreement, with Bank of Oklahoma, N. A. as Trustee. Interest is payable semi-annually on January 1 and July 1 of each year, with interest rates ranging from 3.5% to 4.0%.

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. 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) remaining portion of Series 1989 First Senior and Subordinate Lien Revenue Bonds, (b) Series 1992A-E Second Senior Revenue Bonds and (c) portions of the Series 1992F First Senior and 1992G Second Senior Revenue Bonds and (2) paying the costs of issuance. The Series 2002A and B Bonds were issued pursuant to the prevailing Trust Agreement, with Bank of Oklahoma, N.A. as Trustee. Interest is payable semi-annually on January 1 and July 1 of each year, with interest rates ranging from 3.0% to 5.5%. Of the bonds defeased through the issuance of the Series 2002 Bonds, only the 1989 Bonds continue to have an amount outstanding. Bank of New York serves as Escrow Trustee for these bonds having acquired the trust services of the previous Escrow Trustee, Bank One Trust Company. Of the \$526,440,000 Series 1989 Bonds advance refunded and defeased by the Series 1992A-E Bonds, \$29,000,000 remain outstanding at December 31, 2010 and 2009.

On May 12, 1998 and July 14, 1998, the Authority issued \$350,000,000 of Series 1998A Second Senior Revenue Bonds and \$337,010,000 of Series 1998B Second Senior Revenue Bonds, respectively. The Series 1998A and B Bonds were issued to provide funds which, when combined with other available funds of the Authority, provided (1) funding for 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 of the capitalized interest accounts for the Series 1998A and B Bonds, and (3) paying for costs of issuance. The Series 1998A and B 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. With the issuance of the Series 2006 Bonds, \$308,105,000 of the 1998A maturities ranging from 2010-2028 and \$301,565,000 of the 1998B maturities ranging from 2010-2028 were refunded to redemption through an escrow deposit. The remaining maturities of the Series 1998A and B Bonds have interest rates ranging from 5.0% to 6.0%. Bank of Oklahoma, N.A.

serves as the Escrow Trustee on the Series 1998A and B Bonds. At December 31, 2010 and 2009, the defeased bonds outstanding through an escrow deposit for the Series 1998A and B Bonds in total were \$589,915,000 and \$609,670,000, respectively.

Description of Variable Rate Debt - In August 2006, the Authority issued, through a negotiated sale, six separate series of Series 2006 Refunding Second Senior Revenue Bonds totaling \$635,590,000. As part of that sale, on August 24, 2006, the Authority issued variable rate Series 2006B-F Refunding Second Senior Revenue Bonds in five sub-series in the initial aggregate principal of \$530,800,000; the individual principal amounts of each Series 2006B-F Bonds are dated the date of their original issuance and delivery and will mature on January 1, 2028, subject to call provisions in accordance with the mandatory amortization installment beginning on January 1, 2015. The Series 2006B-F Bonds were initially issued in a variable rate mode that resets on a weekly basis with interest payable on a monthly basis. The Series 2006 C and D remain outstanding as such at December 31, 2010. At December 31, 2010 and 2009, the Series 2006 B, E and F Bonds are outstanding in a variable rate mode that resets on a daily basis with interest payable monthly. The Series 2006 B-F Bonds are payable from and secured by a pledge of net revenues from the operation of the Turnpike System.

Variable rate debt service requirements as of December 31, 2010:

Maturity	Total Revenue Bonds - Variable	
	Principal	Interest*
January 1		
2011	\$ -	\$ 20,483,572
2012	-	20,483,572
2013	-	20,483,572
2014	-	20,483,572
2015	19,625,000	20,483,572
2016-2020	101,775,000	90,704,830
2021-2025	208,200,000	68,349,643
2026-2028	201,200,000	15,736,037
	<u>\$ 530,800,000</u>	<u>\$ 277,208,370</u>

* Interest for the variable rate debt is calculated assuming the synthetic rate of 3.859%.

Variable-to Fixed Interest Rate Swaps - On July 28, 2006, in conjunction with the \$530,800,000 Series 2006B-F bonds described above, the Authority entered into five separate synthetic fixed rate swap agreements totaling \$530,800,000 (the 2006 Swaps), with three separate counterparties, effective as of August 24, 2006.

Objective of hedge, nature of hedge risk and type of hedge: The Authority entered into the 2006 Swaps rather than issuing fixed rate bonds as a means to achieve lower borrowing costs. The Authority issued variable rate bonds with a weekly reset and entered into swap agreements to obtain the synthetic rate. The Authority realized just over approximately \$40 million in net present value savings as a result of the refunding. The Authority entered into the 2006 Swaps to manage interest rate exposure that the Authority was subject to as a result of issuing its variable rate bonds. This is a discrete cash flow hedge.

Derivative Hedging Instruments: The Authority entered into five separate interest rate swap agreements with an effective date of August 24, 2006, all of which are associated with the Series 2006B-F Bonds. There are no embedded options in these contracts. The critical terms relating to the 2006 Swaps, including the credit ratings on the counterparties as of December 31, 2010, are reflected in the table below.

Terms: The following critical terms of the 2006 Swaps and the Series 2006B-F Bonds are identical: a) the notional amount of the 2006 Swaps equals the outstanding principal amount of the Series 2006B-F Bonds, b) the re-pricing dates of the 2006 Swaps match those of the Series 2006B-F Bonds and c) the amortization of the 2006 Swaps matches the amortization of the Series 2006B-F Bonds.

Fair Value: The implementation of GASB 53 requires entities to report derivative instruments. Because the Authority presents comparative financial statements, the December 31, 2009 financial statements have been restated to reflect the change in accounting principle. The Authority's 2006 Swaps are considered effective cash flow hedges because they meet the effectiveness test using regression analysis. Therefore, the fair value is reported as a deferred outflow on the Statement of Net Assets for the years ended December 31, 2010 and 2009.

The following are the critical terms relating to the 2006 Swaps:

	Series 2006B	Series 2006C	Series 2006D	Series 2006E	Series 2006F
Notional Value	\$106,160,000	\$106,160,000	\$106,160,000	\$106,160,000	\$106,160,000
Fixed Rate	3.859%	3.859%	3.859%	3.859%	3.859%
Fixed Leg Payer	Authority	Authority	Authority	Authority	Authority
Floating Leg Payer	BMA/SIFMA Weekly Index until 1/1/2009; then 68% of one-month LIBOR	BMA/SIFMA Weekly Index until 1/1/2009; then 68% of one-month LIBOR	BMA/SIFMA Weekly Index until 1/1/2009; then 68% of one-month LIBOR	BMA/SIFMA Weekly Index until 1/1/2009; then 68% of one-month LIBOR	BMA/SIFMA Weekly Index until 1/1/2009; then 68% of one-month LIBOR
Termination Date	1/1/2028	1/1/2028	1/1/2028	1/1/2028	1/1/2028
Settlement	Monthly	Monthly	Monthly	Monthly	Monthly
Premium Paid	None	None	None	None	None
Counterparty Ratings (S&P/Moody's/Fitch)	AAA/Aa1/NA	AAA/Aa1/NA	AAA/Aa1/NA	AA-/Aa1/AA	A+/Aa3/A+

BMA- The Bond Market Association Index/SIFMA - The Securities Industry and Financial Markets Association
LIBOR - The London Interbank Offering Rate

The Authority has obtained independent market value evaluations of its 2006 Swaps. These fair value estimates are based on expected forward LIBOR swap rates and discounted expected cash flows. The appropriate LIBOR percentages that relate to the swap rates are applied to the LIBOR swap curve to derive the expected forward swap rates. On December 31, 2010 and 2009, the fair value of the 2006 Swaps was approximately \$81,630,000 and \$60,781,000, respectively.

Risks: The Authority monitors the various risks associated with the 2006 Swaps:

Credit Risk: The Authority has adopted an interest rate risk management policy to select counterparties with an initial rating of at least AA-/Aa3/AA-by at least two of the three nationally recognized credit rating agencies and a minimum capitalization of \$50 million. A summary of the credit ratings of the counterparties is included in the table above. In the event of a counterparty downgrade below A-/A3/A- by at least two of the nationally recognized credit rating agencies, the counterparties must post suitable and adequate collateral from the listing of agreed upon acceptable securities. As of December 31, 2010, the counterparties have a credit rating that meets or exceeds the minimum credit rating requirement.

Interest Rate Risk: The Authority has implemented a strategy on the 2006 Swaps associated with the Series 2006B-F Bonds which was designed to provide a synthetic fixed rate, and as a result of this strategy, it is not anticipated that the Authority has assumed any additional interest rate risk. However, fluctuating market conditions could have a material impact on the effectiveness of the hedge.

Basis Risk: Initially remarketing agents for the Series 2006B-F Bonds were consistently able to obtain rates at or below the BMA/SIFMA weekly rate index. Since the variable rate paid by the counterparties on the interest rate swap was the BMA/SIFMA through January 1, 2009, the hedging relationship provided a synthetic fixed rate on the Series 2006B-F Bonds. However, economic events in 2008 produced some basis spread on the Series 2006B-F Bonds. The downgrade of XL Capital (XL), the Series 2006B-F Bonds insurer, made these bonds ineligible for purchase by tax-exempt money market funds under SEC Rule 2(a)(7). In March 2008, the Authority, with the consent of XL, terminated this insurance policy issued in support of the Series 2006B-F Bonds. Pursuant to a bulletin issued by the U.S. Treasury Department, this termination did not constitute a reissuance of the Series 2006B-F Bonds. At the close of the third quarter of 2008, Fortis Bank S.A/N.V. (Fortis), one of the standby banks for the Series 2006B-F Bonds, was downgraded. To offset the impact of this downgrade, the Authority reassigned the Series 2006F Bonds to one of the other remarketing agents and converted the Series 2006B, E and F Bonds to a daily interest rate mode. In early 2009, the Authority

renegotiated its standby bond purchase agreements and replaced Fortis. Since these changes, the Series B-F bonds have consistently traded near the index. The Authority continues to carefully monitor the bonds on a daily basis.

Termination Risk: The Authority has the option to terminate the 2006 Swaps at any time. The counterparties may only terminate in the event of a default such as non-payment, credit downgrade of a counterparty, failure to provide collateral, or they may assign the swap to an AA rated provider subject to the Authority's approval. As of December 31, 2010, no termination events have occurred.

Rollover Risk: The term of the Series 2006B-F Bonds match the related 2006 Swaps, so there is no associated rollover risk. In addition, the Authority has standby bond purchase agreements for the Series 2006B-F Bonds. The Series 2006C, E, and F standby bond purchase agreements are effective until March 2014. The Series 2006B and D standby bond purchase agreements are effective until February 2012.

Associated Debt: The net cash flow of the underlying 2006 Swaps compared to the Series 2006B-F Bonds resulted in the following net cash inflows (outflows):

For the Year Ended	2006 Swaps
December 31, 2006	\$22,163
December 31, 2007	\$253,163
December 31, 2008	(\$2,597,322)
December 31, 2009	(\$1,399,156)
December 31, 2010	(\$233,783)

Other Debt Related Information - The Interest, Sinking and Reserve Accounts required by the Trust Agreement have been established with the Trustee. The balances for the Revenue Reserve Account were \$93,546,430 and \$93,399,589 as of December 31, 2010 and 2009, respectively. The Authority also has surety bonds in place to satisfy reserve account requirements in the amount of approximately \$26,000,000 and \$25,000,000, respectively. These surety bonds are issued from Financial Guaranty Insurance Company (FGIC). Because FGIC's current financial strength is below the required rating, the Authority has funded the remainder of the debt reserve requirement with a ten year term loan with BBVA Compass Bank (the Compass Loan) for \$33,490,000. These proceeds were then invested in a certificate of deposit with BBVA Compass Bank which is guaranteed by the Federal Home Loan Bank in the form of a letter of credit. The interest rate on the Compass Loan is 90-day LIBOR plus .8%. The interest rate earned on the certificates of deposit is 90-day LIBOR minus .2%. The Authority also deposited \$7.5 million to the Revenue Reserve Account to fully fund the required balance.

Debt service requirements as of December 31, 2010:

Maturity December 1	Other Long-Term Debt (Compass Loan)	
	Principal	Interest
2011	\$ 33,489,991	\$ 337,786
2012	1	1
2013	1	1
2014	1	1
2015	1	1
2016-2020	5	5
2021-2025	-	-
2026-2028	-	-
	<u>\$ 33,490,000</u>	<u>\$ 337,795</u>

The Series 2007A Bonds refunded \$44,990,000 of eligible 2002A and B Refunding Bonds. Although the 2007A refunding resulted in the recognition of an additional \$2,327,510 increase to the deferred debit originating from the issuance of the 2002A and B Refunding Bonds, the Authority decreased its aggregate debt service payments by approximately \$4,600,000 from 2008 to 2022. The net present value savings was approximately \$1,600,000. As of December 31, 2010 and 2009, the Statements of Net Assets reflect a net deferred debit of approximately \$16,278,000 and \$17,777,000, respectively, as a component of debt resulting from accounting losses 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 \$1,499,000 at each year ended December 31, 2010 and 2009, respectively.

The Series 2006A-F Bonds refunded \$609,670,000 of the Series 1998A and B Bonds maturities ranging from 2010-2028 and redeemed to maturity the Series 1992F Capital Appreciation Bonds. Through the issuance of the Series 2006A-F Bonds, the Authority decreased its aggregate debt service payments by approximately \$18,000,000 from 2007 to 2028. The net present value savings of this transaction was approximately \$40,000,000. This refunding resulted in the recognition of a \$23,885,132 deferred debit. As of December 31, 2010 and 2009, the Statements of Net Assets reflect a deferred debit of approximately \$18,867,000 and \$19,976,000, respectively, as a component of debt resulting from accounting losses from the defeasance of debt. Approximately \$1,110,000 is reflected as a component of interest expense for each year ended December 31, 2010 and 2009, on the Statements of Revenues, Expenses and Changes in Net Assets for the current year amortization of this deferral.

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 2010 and 2009.

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, 2010. 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 defined benefit 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, Post Office Box 53007; Oklahoma City, Oklahoma 73152-3007 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 2010, 2009 and 2008 the contribution rate for the Plan members was 3.5% and the related contribution rate for the Authority was 15.5%, 15.5% and 14.5%, respectively. The Authority's contribution rate will reach its maximum rate of 16.5% as of July 1, 2011.

The Authority's contributions to the Plan for the years ended December 31, 2010, 2009 and 2008 were approximately

\$2,850,000, \$2,790,000, and \$2,523,000, 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). During 2010 and 2009, the Authority received and subsequently remitted to ODOT \$40,865,917 and \$41,217,477, respectively, of motor fuel excise taxes.

The amounts frozen at July 1, 1992 (fair value of \$43,618,022 and \$43,000,449 at December 31, 2010 and 2009, respectively) are invested in interest-bearing obligations in the Turnpike Trust Fund with the interest received thereon of \$713,488 and \$1,33,590 during the years ended December 31, 2010 and 2009, respectively) are used to eliminate deficiencies, if any, in available monies to meet revenue bond interest and principal requirements. No deficiencies existed in 2010 or 2009.

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 the ODOT. The accumulated liability to the ODOT as of December 31, 2010 and 2009, is \$51,650,266 and \$51,213,907, respectively, and the annual activity is shown below:

	Beginning Balance	Additions	Retired	Ending Balance
2010	\$ 51,213,907	\$ 436,359	\$ -	\$ 51,650,266
2009	49,969,203	1,244,704	-	51,213,907

Additions to the liability represent the interest earned on amounts invested, net of realized gains and losses on the sale of investments. No amounts are due within one year.

Note 11. Disaggregation of Receivable and Payable Balances

Receivables are primarily comprised of current customer receivables representing 59.0% and 72.5%, and intergovernmental receivables representing 37.1% and 24.4% at December 31, 2010 and 2009, respectively. Remaining current receivables are comprised of 3.9% and 3.1% other receivables at December 31, 2010 and 2009, respectively.

Payable balances are comprised of 40.9% and 18.1% current accounts payables and accrued expenses to contractors and vendors, 48.1% and 65.7% current intergovernmental payables and 11.0% and 16.2% in other payables at December 31, 2010 and 2009, respectively.

Note 12. Litigation and Contingent Liabilities

The Authority is a defendant in various litigation. Although the outcome of these matters is 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.

Note 13. Commitments

At December 31, 2010 and 2009, the Authority had commitments outstanding relating to equipment orders and supplies of approximately \$2,403,000 and \$2,377,000, respectively. At December 31, 2010 and 2009, the Authority had commitments outstanding relating to construction and maintenance contracts of approximately \$44,818,000 and \$22,129,000 respectively.

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Schedule of Budget Compared to Actual Operating Expense
(Prepared on a Non-GAAP Budgetary Basis)
Year Ended December 31, 2010

Expense Description	Budgeted Expenses	Actual Expenses	Variance (Over)/Under
Toll Operations:			
Personnel services	\$ 12,789,673	\$ 12,313,596	\$ 476,077
Contractual services	6,322,755	5,416,684	906,071
Commodities	295,293	324,634	(29,341)
Capital outlay and contingencies	-	-	-
Total	<u>19,407,721</u>	<u>18,054,914</u>	<u>1,352,807</u>
Turnpike Maintenance:			
Personnel services	10,207,681	9,931,647	276,034
Contractual services	4,436,693	4,205,601	231,092
Commodities	2,759,025	4,723,707	(1,964,682)
Capital outlay and contingencies	8,000	30,070	(22,070)
Total	<u>17,411,399</u>	<u>18,891,025</u>	<u>(1,479,626)</u>
Engineering:			
Personnel services	893,901	764,192	129,709
Contractual services	192,800	148,522	44,278
Commodities	38,000	45,629	(7,629)
Capital outlay and contingencies	5,000	-	5,000
Total	<u>1,129,701</u>	<u>958,343</u>	<u>171,358</u>
Highway Patrol:			
Contractual services	11,866,895	11,802,708	64,187
Commodities	893,908	917,324	(23,416)
Capital outlay and contingencies	-	-	-
Total	<u>12,760,803</u>	<u>12,720,032</u>	<u>40,771</u>
PIKEPASS Customer Service:			
Personnel services	2,927,004	2,976,180	(49,176)
Contractual services	4,479,202	4,370,214	108,988
Commodities	72,303	52,554	19,749
Capital outlay and contingencies	10,000	-	10,000
Total	<u>7,488,509</u>	<u>7,398,948</u>	<u>89,561</u>
General Administration:			
Personnel services	1,227,819	1,111,198	116,621
Contractual services	1,069,984	793,027	276,957
Commodities	163,575	108,211	55,364
Capital outlay and contingencies	-	-	-
Total	<u>2,461,378</u>	<u>2,012,436</u>	<u>448,942</u>

(Continued)

Schedule of Budget Compared to Actual Operating Expense
(Prepared on a Non-GAAP Budgetary Basis)
Year Ended December 31, 2010

Expense Description	Budgeted Expenses	Actual Expenses	Variance (Over)/Under
Information Technology:			
Personnel services	\$ 1,706,366	\$ 1,736,757	\$ (30,391)
Contractual services	1,374,872	1,195,845	179,027
Commodities	113,100	76,533	36,567
Capital outlay and contingencies	-	-	-
Total	3,194,338	3,009,135	185,203
Controller:			
Personnel services	725,110	684,632	40,478
Contractual services	164,385	133,788	30,597
Commodities	5,000	763	4,237
Capital outlay and contingencies	-	-	-
Total	894,495	819,183	75,312
Finance and Revenue:			
Personnel services	259,625	250,083	9,542
Contractual services	270,252	237,843	32,409
Commodities	100	-	100
Capital outlay and contingencies	-	-	-
Total	529,977	487,926	42,051
Executive:			
Personnel services	995,085	933,060	62,025
Contractual services	267,015	360,778	(93,763)
Commodities	6,650	8,948	(2,298)
Capital outlay and contingencies	-	-	-
Total	1,268,750	1,302,786	(34,036)
Authority:			
Contractual services	5,000	-	5,000
Capital outlay and contingencies	672,244	-	672,244
Total	677,244	-	677,244
Total expenses	\$ 67,224,315	\$ 65,654,728	\$ 1,569,587

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

	2010	2009
Budgetary basis	\$ 65,654,728	\$ 63,245,106
Increase (decrease) due to:		
Current expenses reclassified as capital assets	(30,070)	(77,472)
Non-Revenue Fund operating expenses	7,956,447	7,610,164
Other GAAP adjustments	(1,184,927)	137,443
GAAP basis	\$ 72,396,178	\$ 70,915,241

Schedule of Insurance in Force, as of December 31, 2010

Coverage	Policy Term	Policy	Coverage	Deductible	Annual or Last Premium	
Fire & extended coverage for buildings and contents, bridges and computers	08/01/10-11	State of Oklahoma Certificate #978	\$ 106,898,852 1,207,083,357	Buildings & contents Bridges (100%)	\$ 10,000 200,000	\$ 57,073 256,746
Auto liability	07/01/10-11	State of Oklahoma Certificate #978	175,000 25,000 1,000,000	Bodily injury Property damage Per occurrence	n/a	36,533
Comprehensive general liability and personal injury liability	08/01/10-11	State of Oklahoma Certificate #978	175,000 25,000 1,000,000	Bodily injury Property damage Per occurrence	n/a	40,085
Directors & Officer's insurance	10/30/10-11	State of Oklahoma Certificate #978	35,000,000 5,000,000	Aggregate Per occurrence	150,000	21,916
Public Employee Dishonesty Insurance	07/01/10-11	State of Oklahoma Certificate #978	50,000	Per employee	5,000	No charge (provided by State)
Special machinery	08/13/10-11	State of Oklahoma Certificate #978	2,250,000 100,000	Bridge machine Paint striping machine	5,000	2,298
Workers compensation	01/01/10-11	CompSource Oklahoma #00338640	100,000	Employee injuries	n/a	471,434
Health benefits	01/01/10-11	State of Oklahoma #0001	Various	Life, hospital, surgical, major medical, and dental	Various	6,940,026
Surety bond	08/09/10-11	Travelers C&S Ins. #105475256	25,000	Douglas Riebel	n/a	100
Surety bond	08/26/10-11	Travelers C&S Ins. #102870290	25,000	Ken Fergeson	n/a	263
Surety bond	07/01/10-11	Travelers C&S Ins. #104468444	25,000	Clark Brewster	n/a	100
Surety bond	12/05/10-11	Travelers C&S Ins. #105375256	25,000	Mike Leonard	n/a	100
Surety bond	03/23/10-11	Travelers C&S Ins. #103870293	25,000	Hal Ellis	n/a	100
Surety bond	01/17/10-11	Travelers C& S Ins. #105081767	25,000	David Burrage	n/a	100

(Continued)

Schedule of Insurance in Force, as of December 31, 2010

Coverage	Policy Term	Policy	Coverage	Deductible	Annual or Last Premium
Financial Guaranty Insurance Policy OTA Second Senior Revenue Bonds-2002A Maturing 01/01/2005-2022 OTA Second Senior Revenue Bonds-2002B Maturing 01/01/2005-2022	Thru Maturity	AMBAC Assurance Corporation Policy #19488BE	\$ 545,535,000	n/a	\$ 2,100,757
OTA Second Senior Revenue Bonds-2006A-F Bond Debt Service Reserve Fund Policy	1/1/2028	Financial Guaranty Insurance Company Policy #98010516	25,642,413	n/a	282,067
OTA Second Senior Revenue Bonds-2006A-F Bond Debt Service Reserve Fund Policy	1/1/2028	Financial Guaranty Insurance Company Policy #98010688	24,999,338	n/a	299,992
Municipal Bond Insurance-OTA Second Senior Revenue Bonds-2006A Maturing 01/01/2010-2028	Thru Maturity	XL Capital Assurance Policy #CA03231A	104,790,000	n/a	262,854
Municipal Bond Insurance-OTA Second Senior Revenue Bonds-2007A Maturing 01/01/2009-2022	Thru Maturity	Financial Security Assurance Policy #208664	45,680,000	n/a	141,486

Schedule of Annual Debt Service Requirements

								Revenue
2002 Series				2006 Series				
2002 Series Second Senior Bonds (Fixed Rate)				2006A Series Second Senior Bonds (Fixed Rate)		2006 B-F Series Second Senior Bonds (Variable Rate)		
Maturity Jan. 1	Principal	Interest	Total	Principal	Interest	Principal	Interest	Total 2006 Bonds
2011	25,820,000	19,511,431	45,331,431	22,640,000	3,244,719	-	20,483,572	46,368,291
2012	27,110,000	18,220,431	45,330,431	21,795,000	2,339,119	-	20,483,572	44,617,691
2013	25,035,000	16,782,094	41,817,094	20,860,000	1,549,050	-	20,483,572	42,892,622
2014	26,820,000	15,436,463	42,256,463	19,170,000	766,800	-	20,483,572	40,420,372
2015	28,265,000	13,994,888	42,259,888	-	-	19,625,000	20,483,572	40,108,572
2016	29,745,000	12,510,975	42,255,975	-	-	20,425,000	19,726,243	40,151,243
2017	31,315,000	10,949,363	42,264,363	-	-	22,775,000	18,938,043	41,713,043
2018	32,950,000	9,305,325	42,255,325	-	-	17,675,000	18,059,155	35,734,155
2019	34,725,000	7,531,813	42,256,813	-	-	20,025,000	17,377,077	37,402,077
2020	36,595,000	5,662,713	42,257,713	-	-	20,875,000	16,604,312	37,479,312
2021	40,190,000	3,832,963	44,022,963	-	-	10,725,000	15,798,746	26,523,746
2022	35,365,000	1,823,463	37,188,463	-	-	20,175,000	15,384,868	35,559,868
2023	-	-	-	-	-	56,975,000	14,606,315	71,581,315
2024	-	-	-	-	-	58,450,000	12,407,650	70,857,650
2025	-	-	-	-	-	61,875,000	10,152,064	72,027,064
2026	-	-	-	-	-	64,400,000	7,764,308	72,164,308
2027	-	-	-	-	-	67,025,000	5,279,112	72,304,112
2028	-	-	-	-	-	69,775,000	2,692,617	72,467,617
Totals	\$ 373,935,000	\$ 135,561,922	\$ 509,496,922	\$ 84,465,000	\$ 7,899,688	\$ 530,800,000	\$ 277,208,370	\$ 900,373,058

Bonds

<u>2007 Series</u>			<u>Total All Bonds</u>			
<u>2007 Series Second Senior Bonds (Fixed Rate)</u>						<u>Outstanding</u>
<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>
185,000	1,858,955	2,043,955	48,645,000	45,098,677	93,743,677	985,880,000
195,000	1,851,555	2,046,555	49,100,000	42,894,677	91,994,677	936,780,000
3,715,000	1,843,755	5,558,755	49,610,000	40,658,471	90,268,471	887,170,000
3,925,000	1,695,155	5,620,155	49,915,000	38,381,990	88,296,990	837,255,000
4,080,000	1,538,155	5,618,155	51,970,000	36,016,615	87,986,615	785,285,000
4,245,000	1,374,955	5,619,955	54,415,000	33,612,173	88,027,173	730,870,000
4,420,000	1,195,543	5,615,543	58,510,000	31,082,949	89,592,949	672,360,000
4,610,000	1,010,555	5,620,555	55,235,000	28,375,035	83,610,035	617,125,000
4,800,000	817,468	5,617,468	59,550,000	25,726,358	85,276,358	557,575,000
4,995,000	620,355	5,615,355	62,465,000	22,887,380	85,352,380	495,110,000
5,445,000	416,355	5,861,355	56,360,000	20,048,064	76,408,064	438,750,000
4,710,000	193,110	4,903,110	60,250,000	17,401,441	77,651,441	378,500,000
-	-	-	56,975,000	14,606,315	71,581,315	321,525,000
-	-	-	58,450,000	12,407,650	70,857,650	263,075,000
-	-	-	61,875,000	10,152,064	72,027,064	201,200,000
-	-	-	64,400,000	7,764,308	72,164,308	136,800,000
-	-	-	67,025,000	5,279,112	72,304,112	69,775,000
-	-	-	69,775,000	2,692,617	72,467,617	-
<u>\$ 45,325,000</u>	<u>\$ 14,415,916</u>	<u>\$ 59,740,916</u>	<u>\$ 1,034,525,000</u>	<u>\$ 435,085,896</u>	<u>\$ 1,469,610,896</u>	

Other Long-Term Debt

BBVA Compass Loan

<u>Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>Dec. 1</u>			
2011	\$ 33,489,991	\$ 337,786	\$ 33,827,777
2012	1	1	2
2013	1	1	2
2014	1	1	2
2015	1	1	2
2016	1	1	2
2017	1	1	2
2018	1	1	2
2019	1	1	2
2020	1	1	2
Totals	<u>\$ 33,490,000</u>	<u>\$ 337,795</u>	<u>\$ 33,827,795</u>



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

Audit • Tax • Advisory

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Members
Oklahoma Turnpike Authority

We have audited the financial statements of the Oklahoma Turnpike Authority (the Authority) as of and for the year ended December 31, 2010, and have issued our report thereon dated March 30, 2011, which included an explanatory paragraph that described the adoption of new accounting guidance discussed in Notes 1.C. and 7. of these statements. We conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by 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 as a basis for designing our audit procedures for the purpose of expressing an opinion on the financial statements 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.

A deficiency in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control would not necessarily identify all deficiencies in internal control over financial reporting that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in the Authority's internal control over financial reporting that we considered to be material weaknesses. However, material weaknesses may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 management, Authority members and others within the Authority 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 30, 2011

**MUSKOGEE TURNPIKE
PAVEMENT REHABILITATION**



**WILL ROGERS TURNPIKE
PAVEMENT REHABILITATION**





Turner Turnpike
Laying Asphalt



Turner Turnpike
Snow Plowing



John Kilpatrick
Turnpike
Drainage Project



John Kilpatrick
Turnpike
Constructing Paved Ditch



John Kilpatrick
Turnpike
Laying Sod



This part of OTA’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about OTA’s overall financial health.

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REVENUE CAPACITY

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DEBT CAPACITY

These schedules present information to help the reader assess the affordability of OTA’s current levels of outstanding debt.

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DEMOGRAPHIC AND ECONOMIC INFORMATION

This schedule offers demographic and economic indicators to help the reader understand the environment within which OTA’s financial activities take place and to help make comparison over time. The jurisdiction of the OTA is limited to its Turnpike System and right-of-way. Accordingly, the OTA is the only principal employer within its jurisdiction.

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OPERATING INFORMATION

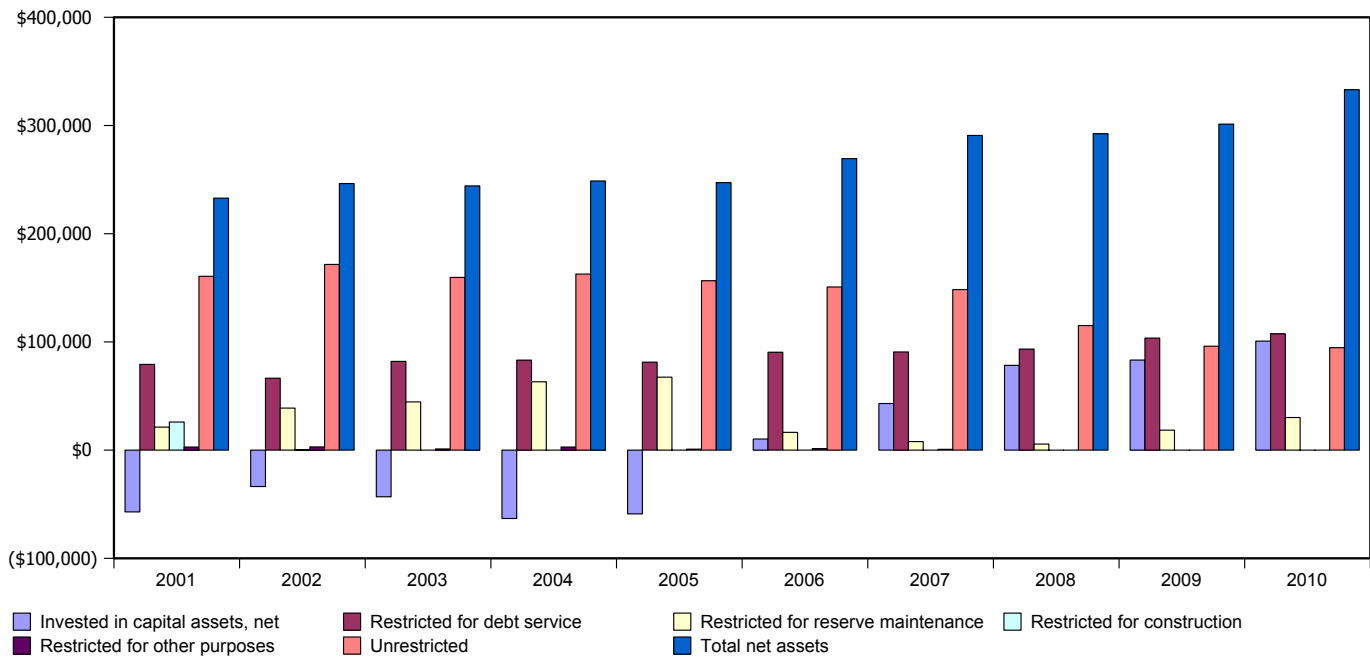
These schedules contain information about OTA’s operations and resources to help the reader understand how OTA’s financial information relates to the services OTA provides and the activities it performs.

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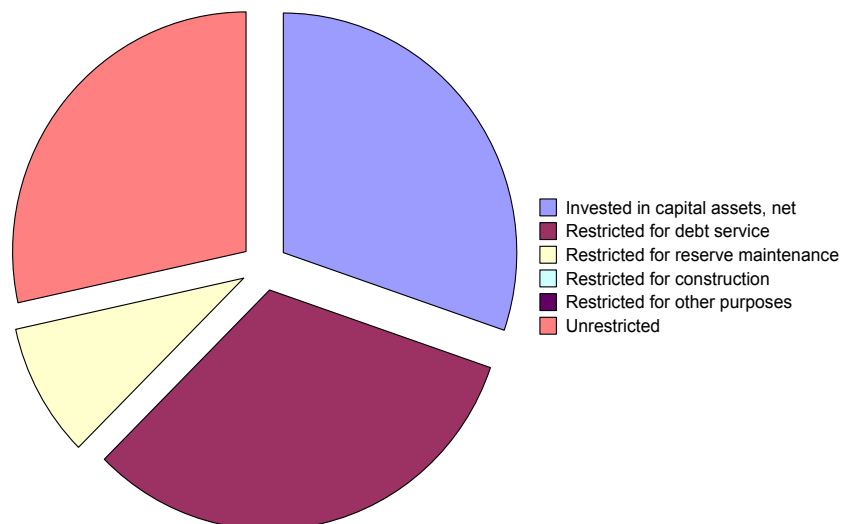
**Schedule 1: Net Assets by Component,
Ten Years Ended December 31, 2001-2010
(Presented in Thousands of Dollars)**

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Invested in capital assets, net of related debt	\$ 100,747	\$ 83,237	\$ 78,343	\$ 43,086	\$ 10,290	\$ (58,930)	\$ (63,177)	\$ (43,105)	\$ (33,638)	\$ (57,088)
Restricted for debt service	107,454	103,547	93,360	90,728	90,479	81,309	83,183	82,011	66,464	79,227
Restricted for reserve maintenance	30,144	18,457	5,582	7,898	16,429	67,425	63,151	44,567	38,838	21,285
Restricted for construction	-	-	-	-	-	-	-	-	106	25,951
Restricted for other purposes	-	-	-	732	1,426	892	2,872	1,111	2,983	2,849
Unrestricted	94,684	96,023	115,126	148,367	150,780	156,518	162,711	159,612	171,602	160,643
Total net assets	\$ 333,029	\$ 301,264	\$ 292,411	\$ 290,811	\$ 269,404	\$ 247,214	\$ 248,740	\$ 244,196	\$ 246,355	\$ 232,867

Net Assets by Component, 2001-2010 (Presented in Thousands of Dollars)



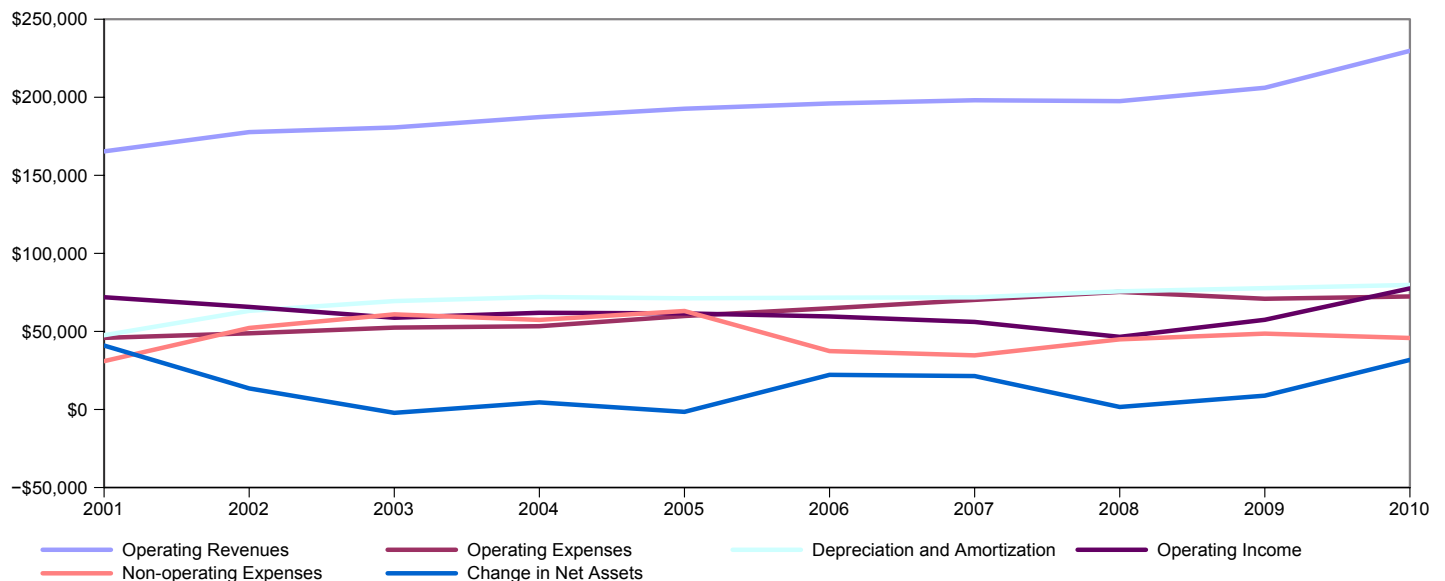
Net Assets by Component, 2010



Schedule 2: Changes in Net Assets
Ten Years Ended December 31, 2001-2010
 (Presented in Thousands of Dollars)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Operating revenues:										
Tolls	\$ 228,469	\$ 204,758	\$ 196,163	\$ 196,699	\$ 194,533	\$ 191,194	\$ 185,893	\$ 179,342	\$ 176,441	\$ 164,111
Concessions	1,269	1,322	1,358	1,391	1,496	1,467	1,407	1,311	1,240	1,224
Total operating revenues	229,738	206,080	197,521	198,090	196,029	192,661	187,300	180,653	177,681	165,335
Operating expenses:										
Toll Operations	18,175	18,263	17,515	17,391	16,383	15,663	13,278	13,056	12,211	11,412
Turnpike Maintenance	18,240	17,557	20,203	20,071	18,002	14,772	14,827	14,453	14,036	13,516
Engineering	3,430	3,667	5,190	2,605	2,188	1,663	2,034	2,470	1,880	2,780
Highway Patrol	12,851	12,154	13,187	12,195	11,969	11,585	9,502	9,737	9,150	8,348
PIKEPASS Customer Service	10,444	9,547	8,897	8,371	7,522	7,115	6,906	5,855	5,141	4,113
General Administration	2,355	2,134	2,101	2,194	1,940	1,755	1,674	1,738	1,670	1,489
Information Technology	3,905	4,065	5,199	4,706	4,039	4,239	2,840	2,779	2,664	2,216
Controller	817	821	740	685	648	613	677	725	673	722
Finance and Revenue	696	1,269	869	462	688	627	411	446	490	520
Executive	1,483	1,438	1,419	1,513	1,437	1,850	1,187	1,178	873	743
Authority	-	-	-	4	3	1	4	4	8	9
Total operating expenses before depreciation and amortization	72,396	70,915	75,320	70,197	64,819	59,883	53,340	52,441	48,796	45,868
Operating income before depreciation and amortization	157,342	135,165	122,201	127,893	131,210	132,778	133,960	128,212	128,885	119,467
Depreciation and amortization	(79,780)	(77,719)	(75,677)	(71,821)	(71,626)	(71,217)	(72,037)	(69,441)	(63,179)	(47,561)
Operating income	77,562	57,446	46,524	56,072	59,584	61,561	61,923	58,771	65,706	71,906
Non-operating revenues (expenses):										
Interest earned on investments	4,495	6,126	8,351	11,320	12,451	13,197	11,996	12,453	13,432	19,657
Net change in fair value of investments	678	(2,436)	(1,043)	4,860	2,605	(3,548)	(6,178)	(5,336)	2,738	5,967
Interest expense on bonds outstanding	(53,784)	(57,235)	(55,363)	(52,734)	(54,700)	(64,499)	(65,789)	(69,275)	(69,068)	(57,613)
Settlement of PIKEPASS litigation	-	-	-	-	-	(9,300)	-	-	-	-
Other	2,814	4,952	3,131	1,889	2,250	1,063	2,592	1,229	680	1,029
Net non-operating expenses	(45,797)	(48,593)	(44,924)	(34,665)	(37,394)	(63,087)	(57,379)	(60,929)	(52,218)	(30,960)
Change in net assets	\$ 31,765	\$ 8,853	\$ 1,600	\$ 21,407	\$ 22,190	\$ (1,526)	\$ 4,544	\$ (2,158)	\$ 13,488	\$ 40,946

Changes in Net Assets and Components, 2001-2010 (Presented in Thousands of Dollars)

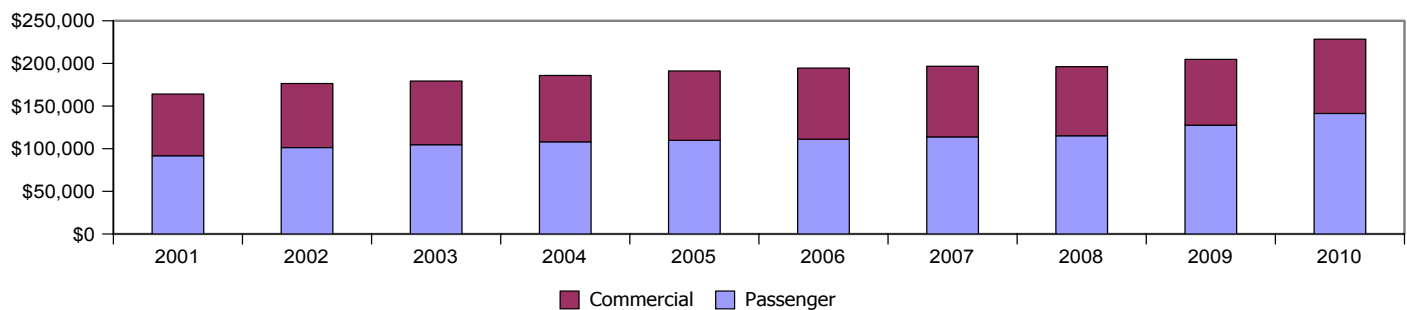


Schedule 3: Toll Revenues by Type and Turnpike
Ten Years Ended December 31, 2001-2010
 (Presented in Thousands of Dollars)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Turner Turnpike										
Passenger	\$ 27,833	\$ 25,586	\$ 23,094	\$ 23,160	\$ 23,297	\$ 23,334	\$ 23,590	\$ 23,413	\$ 23,404	\$ 22,108
Commercial	27,971	24,859	26,302	26,989	27,531	26,880	25,638	24,643	25,321	24,746
Total	55,804	50,445	49,396	50,149	50,828	50,214	49,228	48,056	48,725	46,854
Will Rogers Turnpike										
Passenger	18,294	16,848	15,151	15,230	15,201	15,356	15,541	15,570	15,245	14,283
Commercial	31,830	28,097	29,543	30,728	30,929	30,115	29,063	28,078	28,040	26,936
Total	50,124	44,945	44,694	45,958	46,130	45,471	44,604	43,648	43,285	41,219
H. E. Bailey Turnpike										
Passenger	17,759	15,929	14,094	14,107	13,951	13,945	14,000	13,528	13,092	12,057
Commercial	5,297	4,744	4,910	4,858	4,758	4,636	4,444	4,290	4,368	4,356
Total	23,056	20,673	19,004	18,965	18,709	18,581	18,444	17,818	17,460	16,413
Indian Nation Turnpike										
Passenger	7,791	7,042	6,431	6,335	6,173	6,229	6,300	6,234	6,322	6,022
Commercial	6,047	5,329	5,574	5,548	5,613	5,341	5,084	4,847	5,022	4,842
Total	13,838	12,371	12,005	11,883	11,786	11,570	11,384	11,081	11,344	10,864
Muskogee Turnpike										
Passenger	12,040	10,924	9,711	9,638	9,581	9,771	9,559	9,252	9,054	8,917
Commercial	4,402	3,826	4,044	3,997	3,980	3,929	3,731	3,594	3,623	3,824
Total	16,442	14,750	13,755	13,635	13,561	13,700	13,290	12,846	12,677	12,741
Cimarron Turnpike										
Passenger	5,891	5,336	4,700	4,664	4,776	4,785	4,802	4,601	4,598	4,511
Commercial	4,075	3,853	3,914	3,908	3,965	3,863	3,765	3,537	3,539	3,566
Total	9,966	9,189	8,614	8,572	8,741	8,648	8,567	8,138	8,137	8,077
John Kilpatrick Turnpike										
Passenger	23,805	21,262	19,480	18,786	17,572	16,475	15,305	14,178	13,204	10,995
Commercial	2,200	2,016	2,245	2,251	2,021	1,885	1,635	1,434	1,315	1,055
Total	26,005	23,278	21,725	21,037	19,593	18,360	16,940	15,612	14,519	12,050
Cherokee Turnpike										
Passenger	4,906	4,628	4,293	4,331	4,390	4,356	4,317	4,248	4,348	4,254
Commercial	2,588	2,386	2,374	2,554	2,763	2,848	2,776	2,617	2,640	2,408
Total	7,494	7,014	6,667	6,885	7,153	7,204	7,093	6,865	6,988	6,662
Chickasaw Turnpike										
Passenger	424	398	363	348	164	354	302	321	389	366
Commercial	247	200	196	173	48	119	129	108	95	84
Total	671	598	559	521	212	473	431	429	484	450
Creek Turnpike										
Passenger	22,561	19,613	17,840	17,222	16,025	15,242	14,335	13,332	11,672	8,214
Commercial	2,508	1,882	1,904	1,872	1,795	1,730	1,577	1,517	1,150	567
Total	25,069	21,495	19,744	19,094	17,820	16,972	15,912	14,849	12,822	8,781
Totals										
Passenger	141,304	127,566	115,157	113,821	111,130	109,847	108,051	104,677	101,328	91,727
Commercial	87,165	77,192	81,006	82,878	83,403	81,346	77,842	74,665	75,113	72,384
Total Revenues	\$ 228,469	\$ 204,758	\$ 196,163	\$ 196,699	\$ 194,533	\$ 191,193	\$ 185,893	\$ 179,342	\$ 176,441	\$ 164,111

Note: The Chickasaw Turnpike was closed to traffic from March 7, 2006 through September 21, 2006 for major pavement rehabilitation.

Toll Revenues by Type, 2001-2010 (Presented in Thousands of Dollars)

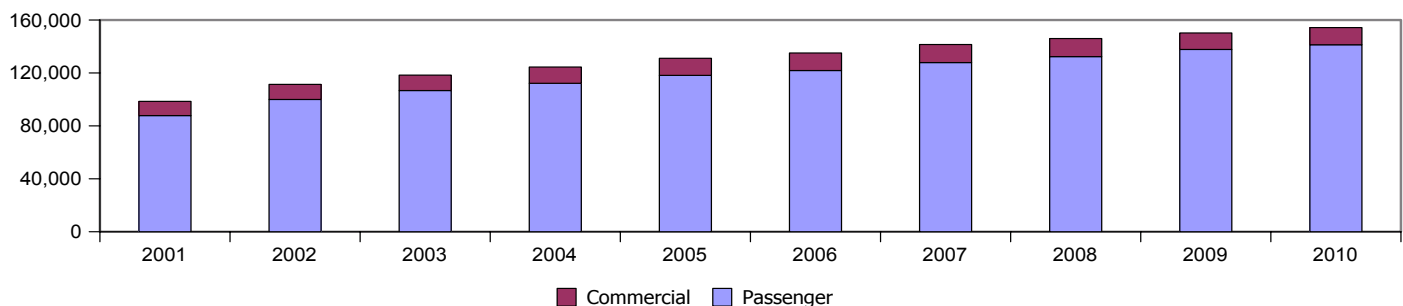


Schedule 4: Toll Transactions by Type and Turnpike
Ten Years Ended December 31, 2001-2010
 (Presented in Thousands of Transactions)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Turner Turnpike										
Passenger	13,761	13,786	13,326	12,819	12,491	12,739	12,305	12,170	11,821	11,089
Commercial	2,253	2,177	2,423	2,453	2,464	2,419	2,284	2,171	2,222	2,175
Total	16,014	15,963	15,749	15,272	14,955	15,158	14,589	14,341	14,043	13,264
Will Rogers Turnpike										
Passenger	11,799	11,527	11,009	10,526	10,083	9,958	9,624	9,599	8,763	8,120
Commercial	3,005	2,875	3,164	3,273	3,249	3,185	3,038	2,904	2,861	2,746
Total	14,804	14,402	14,173	13,799	13,332	13,143	12,662	12,503	11,624	10,866
H. E. Bailey Turnpike										
Passenger	16,151	15,728	14,825	14,710	14,512	14,119	13,995	13,446	12,747	11,577
Commercial	1,578	1,509	1,615	1,621	1,510	1,485	1,463	1,397	1,377	1,356
Total	17,729	17,237	16,440	16,331	16,022	15,604	15,458	14,843	14,124	12,933
Indian Nation Turnpike										
Passenger	5,073	5,070	4,956	4,854	4,707	4,760	4,778	4,714	4,745	4,502
Commercial	1,291	1,232	1,353	1,336	1,335	1,257	1,191	1,145	1,170	1,128
Total	6,364	6,302	6,309	6,190	6,042	6,017	5,969	5,859	5,915	5,630
Muskogee Turnpike										
Passenger	9,825	9,635	9,087	9,005	8,985	9,150	8,644	8,406	8,275	8,160
Commercial	1,200	1,139	1,277	1,256	1,239	1,240	1,240	1,138	1,099	1,153
Total	11,025	10,774	10,364	10,261	10,224	10,390	9,884	9,544	9,374	9,313
Cimarron Turnpike										
Passenger	6,024	6,121	5,751	5,715	5,767	5,777	5,764	5,527	5,415	5,255
Commercial	969	985	1,049	1,049	1,057	1,016	985	933	926	949
Total	6,993	7,106	6,800	6,764	6,824	6,793	6,749	6,460	6,341	6,204
John Kilpatrick Turnpike										
Passenger	36,044	35,189	34,193	32,430	30,398	27,991	25,648	23,638	21,657	18,630
Commercial	817	851	1,000	947	837	744	652	591	558	427
Total	36,861	36,040	35,193	33,377	31,235	28,735	26,300	24,229	22,215	19,057
Cherokee Turnpike										
Passenger	3,687	3,611	3,503	3,581	3,581	3,580	3,440	3,347	3,374	3,310
Commercial	428	430	455	476	484	496	487	459	461	402
Total	4,115	4,041	3,958	4,057	4,065	4,076	3,927	3,806	3,835	3,712
Chickasaw Turnpike										
Passenger	746	758	734	693	303	677	575	591	690	653
Commercial	191	154	151	135	35	87	93	69	50	44
Total	937	912	885	828	338	764	668	660	740	697
Creek Turnpike										
Passenger	38,202	36,331	34,958	33,512	31,007	29,414	27,403	25,272	22,471	16,480
Commercial	1,244	1,110	1,181	1,102	1,038	991	871	849	681	375
Total	39,446	37,441	36,139	34,614	32,045	30,405	28,274	26,121	23,152	16,855
Totals										
Passenger	141,312	137,756	132,342	127,845	121,834	118,165	112,176	106,710	99,958	87,776
Commercial	12,976	12,462	13,668	13,648	13,248	12,920	12,304	11,656	11,405	10,755
Total Transactions	154,288	150,218	146,010	141,493	135,082	131,085	124,480	118,366	111,363	98,531

Note: The Chickasaw Turnpike was closed to traffic from March 7, 2006 through September 21, 2006 for major pavement rehabilitation.

Toll Transactions by Type, 2001-2010 (Presented in Thousands of Transactions)



**Schedule 5: Toll Revenues by Principal Revenue Payers - Payment Method, Class and Turnpike
Ten Years Ended December 31, 2001-2010
(Presented in Thousands of Dollars/Transactions)**

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Toll revenues										
PIKEPASS	\$ 126,539	\$ 110,842	\$ 104,808	\$ 102,406	\$ 98,459	\$ 94,802	\$ 89,526	\$ 83,910	\$ 80,224	\$ 74,219
Cash	101,930	93,916	91,355	94,293	96,074	96,391	96,367	95,432	96,217	89,892
Percentage of total revenues										
PIKEPASS	55.4%	54.1%	53.4%	52.1%	50.6%	49.6%	48.2%	46.8%	45.5%	45.2%
Cash	44.6%	45.9%	46.6%	47.9%	49.4%	50.4%	51.8%	53.2%	54.5%	54.8%
Toll transactions										
PIKEPASS	102,279	97,058	93,831	88,926	83,291	78,861	73,843	68,047	61,762	49,436
Cash	52,009	53,160	52,179	52,567	51,791	52,224	50,637	50,319	49,601	49,095
Percentage of total transactions										
PIKEPASS	66.3%	64.6%	64.3%	62.8%	61.7%	60.2%	59.3%	57.5%	55.5%	50.2%
Cash	33.7%	35.4%	35.7%	37.2%	38.3%	39.8%	40.7%	42.5%	44.5%	49.8%
Turner Turnpike										
2-axle vehicles	\$ 27,833	\$ 25,586	\$ 23,094	\$ 23,160	\$ 23,297	\$ 23,334	\$ 23,590	\$ 23,413	\$ 23,404	\$ 22,108
3-axle vehicles	808	707	708	718	710	715	651	630	647	629
4-axle vehicles	1,595	1,507	1,444	1,573	1,657	1,582	1,621	1,583	1,602	1,547
5-axle vehicles	24,817	21,914	23,402	23,983	24,459	23,964	22,774	21,912	22,571	22,099
6-axle vehicles	751	731	748	715	705	619	592	518	501	471
Total	55,804	50,445	49,396	50,149	50,828	50,214	49,228	48,056	48,725	46,854
Will Rogers Turnpike										
2-axle vehicles	18,294	16,848	15,151	15,230	15,201	15,356	15,541	15,570	15,245	14,283
3-axle vehicles	707	655	650	657	639	651	595	575	555	512
4-axle vehicles	1,579	1,485	1,397	1,580	1,665	1,609	1,637	1,605	1,621	1,530
5-axle vehicles	28,842	25,256	26,856	27,839	27,982	27,328	26,344	25,446	25,459	24,528
6-axle vehicles	702	701	640	652	643	527	487	452	405	366
Total	50,124	44,945	44,694	45,958	46,130	45,471	44,604	43,648	43,285	41,219
H.E. Bailey Turnpike										
2-axle vehicles	17,759	15,929	14,094	14,107	13,951	13,945	14,000	13,528	13,092	12,057
3-axle vehicles	446	424	352	322	269	289	303	299	249	236
4-axle vehicles	611	532	501	498	480	459	482	499	486	459
5-axle vehicles	4,125	3,681	3,917	3,929	3,911	3,795	3,582	3,434	3,588	3,616
6-axle vehicles	115	107	140	109	98	93	77	58	45	45
Total	23,056	20,673	19,004	18,965	18,709	18,581	18,444	17,818	17,460	16,413
Indian Nation Turnpike										
2-axle vehicles	7,791	7,042	6,431	6,335	6,173	6,229	6,300	6,234	6,322	6,022
3-axle vehicles	239	240	233	226	206	198	186	177	187	186
4-axle vehicles	592	550	542	549	549	516	498	497	522	502
5-axle vehicles	5,094	4,407	4,669	4,668	4,745	4,524	4,310	4,096	4,232	4,068
6-axle vehicles	122	132	130	105	113	103	90	77	81	86
Total	13,838	12,371	12,005	11,883	11,786	11,570	11,384	11,081	11,344	10,864

(Continued)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Muskogee Turnpike										
2-axle vehicles	\$ 12,040	\$ 10,924	\$ 9,711	\$ 9,638	\$ 9,581	\$ 9,771	\$ 9,559	\$ 9,252	\$ 9,054	\$ 8,917
3-axle vehicles	263	228	224	219	225	251	241	206	174	174
4-axle vehicles	371	345	334	321	306	307	302	293	280	281
5-axle vehicles	3,668	3,159	3,380	3,316	3,311	3,247	3,063	3,020	3,107	3,315
6-axle vehicles	100	94	106	141	138	124	125	75	62	54
Total	16,442	14,750	13,755	13,635	13,561	13,700	13,290	12,846	12,677	12,741
Cimarron Turnpike										
2-axle vehicles	5,891	5,336	4,700	4,664	4,776	4,785	4,802	4,601	4,598	4,511
3-axle vehicles	165	155	152	157	155	149	140	129	130	116
4-axle vehicles	331	321	301	306	305	293	288	275	285	284
5-axle vehicles	3,505	3,310	3,381	3,352	3,398	3,327	3,247	3,050	3,040	3,102
6-axle vehicles	74	67	80	93	107	94	90	83	84	64
Total	9,966	9,189	8,614	8,572	8,741	8,648	8,567	8,138	8,137	8,077
John Kilpatrick Turnpike										
2-axle vehicles	23,805	21,262	19,480	18,786	17,572	16,475	15,305	14,178	13,204	10,995
3-axle vehicles	221	220	268	259	216	188	161	143	132	92
4-axle vehicles	286	266	285	263	227	184	178	163	144	103
5-axle vehicles	1,574	1,385	1,519	1,566	1,430	1,390	1,200	1,050	980	821
6-axle vehicles	119	145	173	163	148	123	96	78	59	39
Total	26,005	23,278	21,725	21,037	19,593	18,360	16,940	15,612	14,519	12,050
Cherokee Turnpike										
2-axle vehicles	4,906	4,628	4,293	4,331	4,390	4,356	4,317	4,248	4,348	4,254
3-axle vehicles	134	128	127	128	112	113	120	116	120	99
4-axle vehicles	194	187	178	203	203	194	199	199	223	189
5-axle vehicles	2,227	2,040	2,033	2,180	2,396	2,497	2,417	2,268	2,267	2,089
6-axle vehicles	33	31	36	43	52	44	40	34	30	31
Total	7,494	7,014	6,667	6,885	7,153	7,204	7,093	6,865	6,988	6,662
Chickasaw Turnpike										
2-axle vehicles	424	398	363	348	164	354	302	321	389	366
3-axle vehicles	80	54	46	41	6	23	33	20	3	2
4-axle vehicles	21	19	20	19	3	12	16	11	2	2
5-axle vehicles	142	124	128	111	38	83	79	76	89	79
6-axle vehicles	4	3	2	2	1	1	1	1	1	1
Total	671	598	559	521	212	473	431	429	484	450
Creek Turnpike										
2-axle vehicles	22,561	19,613	17,840	17,222	16,025	15,242	14,335	13,332	11,672	8,214
3-axle vehicles	302	265	260	245	217	203	170	176	146	80
4-axle vehicles	240	219	217	187	156	148	143	138	102	46
5-axle vehicles	1,866	1,333	1,355	1,324	1,308	1,292	1,189	1,154	859	418
6-axle vehicles	100	65	72	116	114	87	75	49	43	23
Total	25,069	21,495	19,744	19,094	17,820	16,972	15,912	14,849	12,822	8,781
All Turnpikes										
2-axle vehicles	141,304	127,566	115,157	113,821	111,130	109,847	108,051	104,677	101,328	91,727
3-axle vehicles	3,365	3,076	3,020	2,972	2,755	2,780	2,600	2,471	2,343	2,126
4-axle vehicles	5,820	5,431	5,219	5,499	5,551	5,304	5,364	5,263	5,267	4,943
5-axle vehicles	75,860	66,609	70,640	72,268	72,978	71,447	68,205	65,506	66,192	64,135
6-axle vehicles	2,120	2,076	2,127	2,139	2,119	1,815	1,673	1,425	1,311	1,180
Total	\$ 228,469	\$ 204,758	\$ 196,163	\$ 196,699	\$ 194,533	\$ 191,193	\$ 185,893	\$ 179,342	\$ 176,441	\$ 164,111

Note: The Chickasaw Turnpike was closed to traffic from March 7, 2006 through September 21, 2006 for major pavement rehabilitation.

Schedule 6: Toll Rates by Turnpike, Class and Type
Ten Years Ended December 31, 2001-2010

Turner Turnpike																					
Toll Rates Effective:		August 4, 2009										January 1, 2001									
Vehicle Classification		2 axle		3 axle		4 axle		5 axle		6 axle		2 axle		3 axle		4 axle		5 axle		6 axle	
Begin	End	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH
Oklahoma City	SH 66-Wellston	1.05	1.25	1.55	1.75	2.10	2.25	3.75	4.00	4.70	5.00	0.95	1.00	1.35	1.50	1.80	2.00	3.25	3.50	4.05	4.25
	SH 18-Chandler	1.40	1.50	2.10	2.25	3.40	3.75	6.10	6.50	7.40	7.75	1.20	1.25	1.80	2.00	2.95	3.25	5.25	5.50	6.40	6.75
	SH 99-Stroud	1.90	2.00	3.15	3.50	4.70	5.25	8.30	8.75	9.90	10.50	1.65	1.75	2.70	3.00	4.05	4.50	7.15	7.50	8.55	9.00
	US 66-Bristow	2.40	2.50	4.45	5.00	6.25	7.00	11.00	11.50	13.20	14.00	2.15	2.25	3.85	4.25	5.40	6.00	9.50	10.00	11.40	12.00
	Kellyville	3.30	4.00	5.00	6.75	7.30	9.75	12.95	16.50	15.70	20.00	2.85	3.00	4.30	4.75	6.30	7.00	11.15	11.75	13.55	14.25
	SH 97-Sapulpa	3.60	3.75	5.50	6.00	8.35	9.25	14.35	15.00	17.65	18.50	3.10	3.25	4.75	5.25	7.20	8.00	12.35	13.00	15.20	16.00
	Creek West	3.60	4.00	5.55	6.75	8.35	9.75	14.35	16.50	17.65	20.00	3.10	3.50	4.75	5.75	7.20	8.50	12.35	14.25	15.20	17.25
	Tulsa	3.90	4.00	6.05	6.75	8.85	9.75	15.70	16.50	19.00	20.00	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	0.40	1.50	0.65	2.25	0.95	3.75	1.60	6.50	1.95	7.75	0.35	1.25	0.55	2.00	0.80	3.25	1.40	5.50	1.70	6.75
	SH 99-Stroud	0.90	2.00	1.35	3.50	1.95	5.25	3.50	8.75	4.50	10.50	0.75	1.75	1.15	3.00	1.70	4.50	3.00	7.50	3.65	9.00
	US 66-Bristow	1.75	2.50	2.75	5.00	4.00	7.00	7.15	11.50	9.00	14.00	1.50	2.25	2.35	4.25	3.45	6.00	6.15	10.00	7.75	12.00
	Kellyville	2.50	4.00	3.90	6.75	5.70	9.75	10.05	16.50	12.20	20.00	2.15	3.00	3.35	4.75	4.90	7.00	8.65	11.75	10.50	14.25
	SH 97-Sapulpa	2.65	3.75	4.10	6.00	6.10	9.25	10.80	15.00	13.05	18.50	2.30	3.25	3.55	5.25	5.25	8.00	9.30	13.00	11.25	16.00
	Creek West	2.60	4.00	4.10	6.75	6.10	9.75	10.80	16.50	13.05	20.00	2.30	3.50	3.55	5.75	5.25	8.50	9.30	14.25	11.25	17.25
	Tulsa	2.90	4.00	4.60	6.75	6.60	9.75	11.60	16.50	14.15	20.00	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	1.05	1.25	1.35	1.50	2.50	2.50	2.80	3.00	0.45	0.50	0.90	1.00	1.15	1.25	2.15	2.25	2.40	2.50
	US 66-Bristow	1.40	1.50	1.85	2.00	2.90	3.25	5.50	5.75	6.30	6.75	1.20	1.25	1.60	1.75	2.50	2.75	4.75	5.00	5.45	5.75
	Kellyville	1.70	2.25	2.60	4.25	4.20	6.00	7.20	10.25	8.55	12.25	1.45	1.50	2.25	2.50	3.60	4.00	6.20	6.50	7.35	7.75
	SH 97-Sapulpa	1.90	2.00	3.15	3.50	5.00	5.50	8.55	9.00	10.50	11.00	1.65	1.75	2.70	3.00	4.30	4.75	7.35	7.75	9.05	9.50
	Creek West	1.90	2.25	3.65	4.25	5.00	6.00	8.25	10.25	9.85	12.25	1.65	2.00	3.15	3.75	4.30	5.25	7.10	8.75	8.50	10.50
	Tulsa	2.20	2.25	3.95	4.25	5.50	6.00	9.65	10.25	11.60	12.25	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	1.10	1.25	1.35	1.50	1.55	1.75	2.80	3.00	3.30	3.50	0.95	1.00	1.15	1.25	1.35	1.50	2.40	2.50	2.85	3.00
	Kellyville	1.40	1.75	1.85	3.00	2.60	5.00	4.70	7.75	5.80	9.25	1.20	1.25	1.60	1.75	2.25	2.50	4.05	4.25	5.00	5.25
	SH 97-Sapulpa	1.70	1.75	2.40	2.50	3.40	3.75	6.30	6.75	7.70	8.00	1.45	1.50	2.05	2.25	2.95	3.25	5.45	5.75	6.65	7.00
	Creek West	1.40	1.75	2.25	3.00	3.90	5.00	6.05	7.75	7.15	9.25	1.15	1.50	1.95	2.50	3.35	4.25	5.20	6.75	6.15	8.00
	Tulsa	1.70	1.75	2.60	3.00	4.45	5.00	7.40	7.75	8.80	9.25	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	1.25	0.70	1.75	1.15	3.00	1.90	4.75	2.50	6.00	0.45	0.50	0.70	0.75	1.15	1.25	1.90	2.00	2.15	2.25
	SH 97-Sapulpa	1.10	1.25	1.35	1.50	1.85	2.00	3.30	3.50	3.90	4.00	0.95	1.00	1.15	1.25	1.60	1.75	2.85	3.00	3.35	3.50
	Creek West	0.80	1.25	1.15	1.75	1.85	3.00	2.95	4.75	3.90	6.00	0.70	1.00	1.00	1.50	1.60	2.50	2.55	4.00	3.35	5.25
	Tulsa	1.10	1.25	1.55	1.75	2.60	3.00	4.40	4.75	5.80	6.00	0.95	1.00	1.35	1.50	2.25	2.50	3.80	4.00	5.00	5.25
Kellyville-SH 97	SH 97-Sapulpa	0.30	0.50	0.50	0.50	0.75	0.75	1.40	1.50	1.70	1.75	0.25	0.50	0.45	0.50	0.70	0.75	1.20	1.25	1.45	1.50
	Creek West	0.25	0.50	0.50	1.25	0.80	1.75	1.05	2.50	1.60	3.50	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	1.00	1.25	1.55	1.75	2.50	2.50	3.30	3.50	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	0.50	0.50	0.70	0.75	1.10	1.25	1.40	1.50	0.25	0.25	0.45	0.50	0.45	0.50	0.95	1.00	1.20	1.25

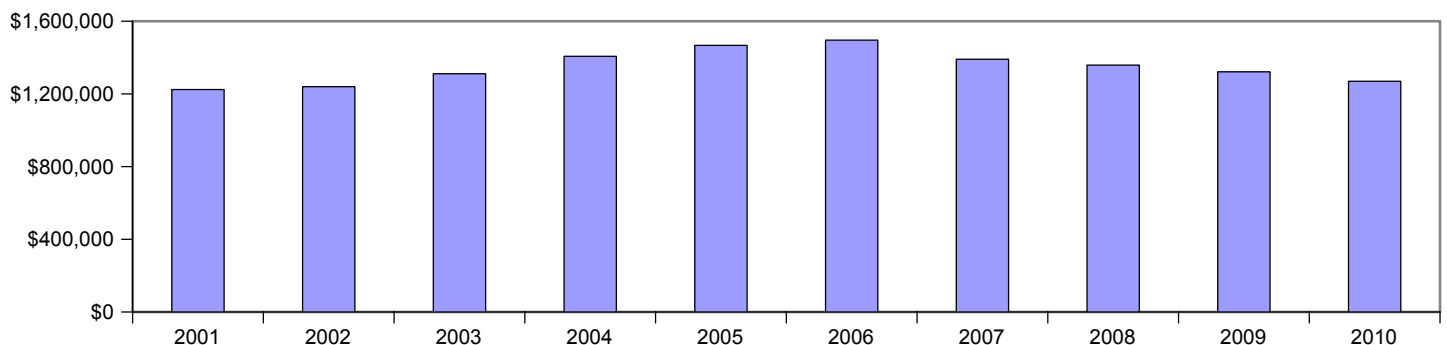
Will Rogers Turnpike																					
Toll Rates Effective:		August 4, 2009										January 1, 2001									
Vehicle Classification		2 axle		3 axle		4 axle		5 axle		6 axle		2 axle		3 axle		4 axle		5 axle		6 axle	
Begin	End	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH
Tulsa	State Hwy 266	0.45	0.50	0.70	0.75	1.10	1.25	1.40	1.50	1.70	1.75	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	1.05	1.25	1.35	1.50	2.50	2.50	2.80	3.00	0.45	0.50	0.90	1.00	1.15	1.25	2.15	2.25	2.40	2.50
	SH 28-Adair	1.40	1.50	1.85	2.00	2.90	3.25	5.50	5.75	6.30	6.75	1.20	1.25	1.60	1.75	2.50	2.75	4.75	5.00	5.45	5.75
	US 69-Big Cabin	1.70	1.75	2.60	3.00	4.20	4.75	7.60	8.00	8.80	9.25	1.45	1.50	2.25	2.50	3.60	4.00	6.40	6.75	7.60	8.00
	Vinita	1.90	2.00	3.15	3.50	5.00	5.50	8.70	9.25	10.50	11.00	1.65	1.75	2.70	3.00	4.30	4.75	7.35	7.75	9.05	9.50
	Afton	2.50	2.50	4.20	4.75	6.25	7.00	10.75	11.25	12.95	13.75	2.15	2.25	3.60	4.00	5.40	6.00	9.25	9.75	11.15	11.75
	SH 10-Miami	3.10	3.25	5.00	5.50	7.30	8.00	12.40	13.75	15.70	16.50	2.85	3.00	4.30	4.75	6.30	7.00	10.70	11.75	13.55	14.25
	State Line	3.90	4.00	6.05	6.75	8.85	9.75	15.70	16.50	19.00	20.00	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	0.50	1.25	0.80	1.50	0.80	2.50	1.10	3.00	0.45	0.50	0.45	1.00	0.70	1.25	0.70	2.25	0.95	2.50
	SH 28-Adair	0.80	1.50	1.70	2.00	2.75	3.25	3.30	5.75	4.10	6.75	0.70	1.25	1.45	1.75	2.35	2.75	2.85	5.00	3.55	5.75
	US 69-Big Cabin	1.40	1.75	2.20	3.00	3.90	4.75	6.00	8.00	7.25	9.25	1.20	1.50	1.90	2.50	3.35	4.00	5.00	6.75	6.25	8.00
	Vinita	1.70	2.00	3.00	3.50	4.70	5.50	7.15	9.25	8.55	11.00	1.45	1.75	2.60	3.00	4.05	4.75	6.15	7.75	7.35	9.50
	Afton	2.20	2.50	4.10	4.75	5.80	7.00	9.20	11.25	11.00	13.75	1.90	2.25	3.55	4.00	5.00	6.00	7.95	9.75	9.50	11.75
	SH 10-Miami	2.85	3.25	4.95	5.50	6.60	8.00	11.30	13.75	14.40	16.50	2.45	3.00	4.25	4.75	5.70	7.00	9.75	11.75	13.75	14.25
	State Line	3.55	4.00	5.80	6.75	8.55	9.75	14.35	16.50	17.40	20.00	3.05	3.50	5.00	5.75	7.35	8.50	12.35	14.25	15.00	17.25
SH 20-Claremore	SH 28-Adair	0.70	0.75	1.05	1.25	1.55	1.75	2.45	2.50	3.30	3.50	0.70	0.75	0.90	1.00	1.35	1.50	2.15	2.25	2.85	3.00
	US 69-Big Cabin	1.40	1.50	1.85	2.00	2.60	3.00	4.70	5.00	6.10	6.50	1.20	1.25	1.60	1.75	2.25	2.50	4.05	4.25	5.25	5.50
	Vinita	1.40	1.50	2.40	2.50	3.40	3.75	6.30	6.75	7.40	7.75	1.20	1.25	2.05	2.25	2.95	3.25	5.45	5.75	6.40	6.75
	Afton	1.90	2.00	3.15	3.50	5.00	5.50	8.55	9.00	9.90	10.50	1.65	1.75	2.70	3.00	4.30	4.75	7.35	7.75	8.55	9.00
	SH 10-Miami	2.30	2.50	4.20	4.75	6.05	6.75	10.50	11.00	12.40	13.00	1.90	2.00	3.60	4.00	5.20	5.75	9.05	9.50	10.70	11.25
	State Line	3.30	3.50	5.20	5.75	7.60	8.50	13.20	14.00	16.00	16.75	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	1.70	1.75	0.25	0.25	0.45	0.50	0.70	0.75	1.20	1.25	1.45	1.50
	Afton	1.10	1.25	1.35	1.50	1.85	2.00	3.00	3.25	3.90	4.00	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	2.10	2.25	3.15	3.50	5.40	5.75	6.90	7.25	1.20	1.25	1.80	2.00	2.70	3.00	5.00	5.25	5.95	6.25
	State Line	1.90	2.00	3.15	3.50	5.00	5.50	8.00	8.50	9.90	10.50	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	1.35	1.50	2.20	2.25	2.50	2.50	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	1.55	1.75	2.40	2.50	3.90	4.00	5.50	5.75	0.95	1.00	1.35	1.50	2.05	2.25	3.35	3.50	4.75	5.00
	State Line	1.70	1.75	2.60	3.00	4.20	4.75	7.20	7.50	8.55	9.00	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	1.05	1.25	1.70	1.75	2.50	2.50	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	1.85	2.00	2.60	3.00	4.70	5.00	6.10	6.50	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	0.70	0.75	1.05	1.25	1.55	1.75	2.80	3.00	3.30	3.50	0.45	0.50	0.90	1.00	1.35	1.50	2.40	2.50	2.85	3.00

Creek Turnpike (Continued)																					
Toll Rates Effective:		August 4, 2009										January 1, 2001									
		2 axle		3 axle		4 axle		5 axle		6 axle		2 axle		3 axle		4 axle		5 axle		6 axle	
Begin	End	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH	PPS	CASH
Mingo-US-64	Yale	0.30	0.35	0.45	0.60	0.65	0.85	1.45	1.50	1.80	1.85	0.25	0.30	0.40	0.50	0.55	0.75	1.25	1.30	1.55	1.60
	Riverside Pkwy	0.30	0.35	0.50	0.60	0.65	0.85	1.45	1.50	1.80	1.85	0.25	0.30	0.45	0.50	0.55	0.75	1.25	1.30	1.55	1.60
	Peoria-Elm	0.65	0.70	0.75	1.15	0.95	1.45	2.15	2.25	2.50	2.60	0.55	0.60	0.65	1.00	0.80	1.25	1.85	1.95	2.15	2.25
	US 75-Glenpool	0.70	0.75	1.10	1.20	1.35	1.50	2.20	2.30	2.55	2.65	0.60	0.65	0.95	1.05	1.15	1.30	1.90	2.00	2.20	2.30
	S 49th West Ave	1.00	1.10	1.60	1.80	2.20	2.35	3.55	3.80	4.05	4.50	0.90	0.95	1.45	1.55	1.95	2.05	3.15	3.30	3.70	3.90
	SH 66-Sapulpa	1.00	1.10	1.60	1.80	2.20	2.35	3.55	3.80	4.05	4.50	0.90	0.95	1.45	1.55	1.95	2.05	3.15	3.30	3.70	3.90
Yale	Riverside Pkwy	0.30	0.35	0.45	0.60	0.65	0.85	0.85	1.50	1.05	1.85	0.25	0.30	0.40	0.50	0.55	0.75	0.75	1.30	0.90	1.60
	Peoria-Elm	0.40	0.70	0.45	1.15	0.65	1.45	1.35	2.25	1.50	2.60	0.35	0.60	0.40	1.00	0.55	1.25	1.15	1.95	1.30	2.25
	US 75-Glenpool	0.70	0.75	0.80	1.20	1.00	1.50	2.20	2.30	2.55	2.65	0.60	0.65	0.70	1.05	0.85	1.30	1.90	2.00	2.20	2.30
	S 49th West Ave	1.00	1.10	1.60	1.80	2.05	2.35	3.05	3.80	3.55	4.50	0.90	0.95	1.40	1.55	1.75	2.05	2.65	3.30	3.05	3.90
	SH 66-Sapulpa	1.00	1.10	1.60	1.80	2.20	2.35	3.55	3.80	4.05	4.50	0.90	0.95	1.45	1.55	1.95	2.05	3.15	3.30	3.70	3.90
Riverside Pkwy	Peoria-Elm	0.30	0.70	0.45	1.15	0.65	1.45	0.85	2.25	1.05	2.60	0.25	0.60	0.40	1.00	0.55	1.25	0.75	1.95	0.90	2.25
	US 75-Glenpool	0.40	0.75	0.50	1.20	0.65	1.50	1.35	2.30	1.50	2.65	0.35	0.65	0.45	1.05	0.55	1.30	1.15	2.00	1.30	2.30
	S 49th West Ave	0.75	1.10	1.15	1.80	1.45	2.35	2.20	3.80	2.55	4.50	0.65	0.95	1.00	1.55	1.25	2.05	1.90	3.30	2.20	3.90
	SH 66-Sapulpa	1.00	1.10	1.60	1.80	2.05	2.35	3.05	3.80	3.55	4.50	0.85	0.95	1.40	1.55	1.75	2.05	2.65	3.30	3.05	3.90
Peoria-Elm	US 75-Glenpool	0.30	0.75	0.45	1.20	0.65	1.50	0.85	2.30	1.05	2.65	0.25	0.65	0.40	1.05	0.55	1.30	0.75	2.00	0.90	2.30
	S 49th West Ave	0.60	1.10	0.95	1.80	1.15	2.35	1.80	3.80	2.05	4.50	0.50	0.95	0.80	1.55	1.00	2.05	1.55	3.30	1.75	3.90
	SH 66-Sapulpa	0.85	1.10	1.40	1.80	1.75	2.35	2.65	3.80	3.05	4.50	0.75	0.95	1.20	1.55	1.50	2.05	2.30	3.30	2.65	3.90
US 75-Glenpool	S 49th West Ave	0.25	0.35	0.45	0.60	0.65	0.85	0.85	1.50	1.05	1.85	0.25	0.30	0.40	0.50	0.55	0.75	0.75	1.30	0.90	1.60
	SH 66-Sapulpa	0.25	0.35	0.50	0.60	0.75	0.85	1.25	1.50	1.50	1.85	0.25	0.30	0.45	0.50	0.70	0.75	1.25	1.30	1.50	1.60
Hickory Hill	SH 66-Sapulpa	0.25	0.35	0.30	0.60	0.30	0.85	0.45	1.50	0.50	1.85	0.25	0.30	0.25	0.50	0.25	0.75	0.40	1.30	0.45	1.60

**Schedule 7: Concession Revenue by Turnpike
Ten Years Ended December 31, 2001-2010**

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Turnpike:										
Turner Turnpike	\$ 300,753	\$ 345,616	\$ 362,132	\$ 367,269	\$ 431,204	\$ 420,980	\$ 409,404	\$ 382,609	\$ 337,726	\$ 335,927
Will Rogers Turnpike	104,416	102,628	93,804	135,911	180,512	176,574	168,435	158,411	148,717	138,063
H.E. Bailey Turnpike	215,340	298,561	290,562	278,699	263,131	261,879	242,223	218,755	209,846	210,324
Indian Nation Turnpike	214,997	216,963	268,428	253,680	235,172	232,710	218,189	198,041	194,795	187,847
Muskogee Turnpike	114,514	176,493	174,732	167,149	164,116	160,552	155,265	145,205	142,623	144,484
Cimarron Turnpike	254,421	117,937	104,969	126,134	154,636	148,175	147,431	145,379	143,012	140,165
Cherokee Turnpike	65,115	63,318	63,862	62,001	67,127	66,240	65,976	62,423	62,974	67,279
Totals	\$ 1,269,556	\$ 1,321,516	\$ 1,358,489	\$ 1,390,843	\$ 1,495,898	\$ 1,467,110	\$ 1,406,923	\$ 1,310,823	\$ 1,239,693	\$ 1,224,089

Concession Revenue by Turnpike, 2001-2010



**Schedule 8: Ratios of Outstanding Debt
Ten Years Ended December 31, 2001-2010
(Presented in Thousands of Dollars)**

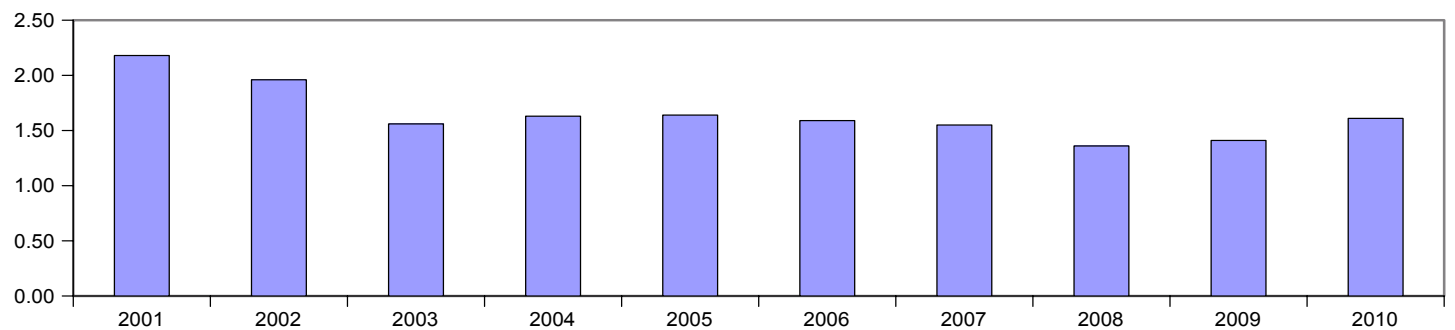
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Revenue bonds outstanding	\$ 1,008,799	\$ 1,052,151	\$ 1,092,729	\$ 1,129,731	\$ 1,167,341	\$ 1,193,784	\$ 1,217,604	\$ 1,240,217	\$ 1,244,617	\$ 1,262,813
Other long-term debt	33,490	35,000	-	-	-	-	-	-	-	-
Total outstanding debt	\$ 1,042,289	\$ 1,087,151	\$ 1,092,729	\$ 1,129,731	\$ 1,167,341	\$ 1,193,784	\$ 1,217,604	\$ 1,240,217	\$ 1,244,617	\$ 1,262,813
<i>PIKEPASS</i> transactions	102,279	97,058	93,831	88,926	83,291	78,861	73,843	68,047	61,762	49,436
Cash transactions	52,009	53,160	52,179	52,567	51,791	52,224	50,637	50,319	49,601	49,095
Total toll transactions	154,288	150,218	146,010	141,493	135,082	131,085	124,480	118,366	111,363	98,531
Debt per <i>PIKEPASS</i> transaction	\$ 10.19	\$ 11.20	\$ 11.65	\$ 12.70	\$ 14.02	\$ 15.14	\$ 16.49	\$ 18.23	\$ 20.15	\$ 25.54
Debt per cash transaction	20.04	20.45	20.94	21.49	22.54	22.86	24.05	24.65	25.09	25.72
Debt per total transaction	6.76	7.24	7.48	7.98	8.64	9.11	9.78	10.48	11.18	12.82

**Schedule 9: Pledged-Revenue Coverage
Ten Years Ended December 31, 2001-2010
(Presented in Thousands of Dollars)**

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Gross revenues (1)	\$ 234,233	\$ 212,206	\$ 205,873	\$ 209,410	\$ 208,480	\$ 205,858	\$ 199,296	\$ 193,080	\$ 189,830	\$ 176,323
Operating expenses (2)	72,396	70,915	75,320	70,197	64,819	59,883	53,340	52,441	48,797	45,868
Net revenues available for debt service	\$ 161,837	\$ 141,291	\$ 130,553	\$ 139,213	\$ 143,661	\$ 145,975	\$ 145,956	\$ 140,639	\$ 141,033	\$ 130,455
Debt service for revenue bonds outstanding:										
Principal	\$ 48,645	\$ 45,095	\$ 42,320	\$ 38,780	\$ 36,870	\$ 27,845	\$ 27,125	\$ 26,010	\$ 10,155	\$ 14,790
Interest (3)	52,042	55,418	53,585	50,966	53,742	61,431	62,391	63,937	61,910	44,956
Total current debt service	\$ 100,687	\$ 100,513	\$ 95,905	\$ 89,746	\$ 90,612	\$ 89,276	\$ 89,516	\$ 89,947	\$ 72,065	\$ 59,746
Debt service coverage (4)	1.61	1.41	1.36	1.55	1.59	1.64	1.63	1.56	1.96	2.18

(1) Includes total operating revenues and interest earnings from investments
 (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

Debt Service Coverage, 2001-2010

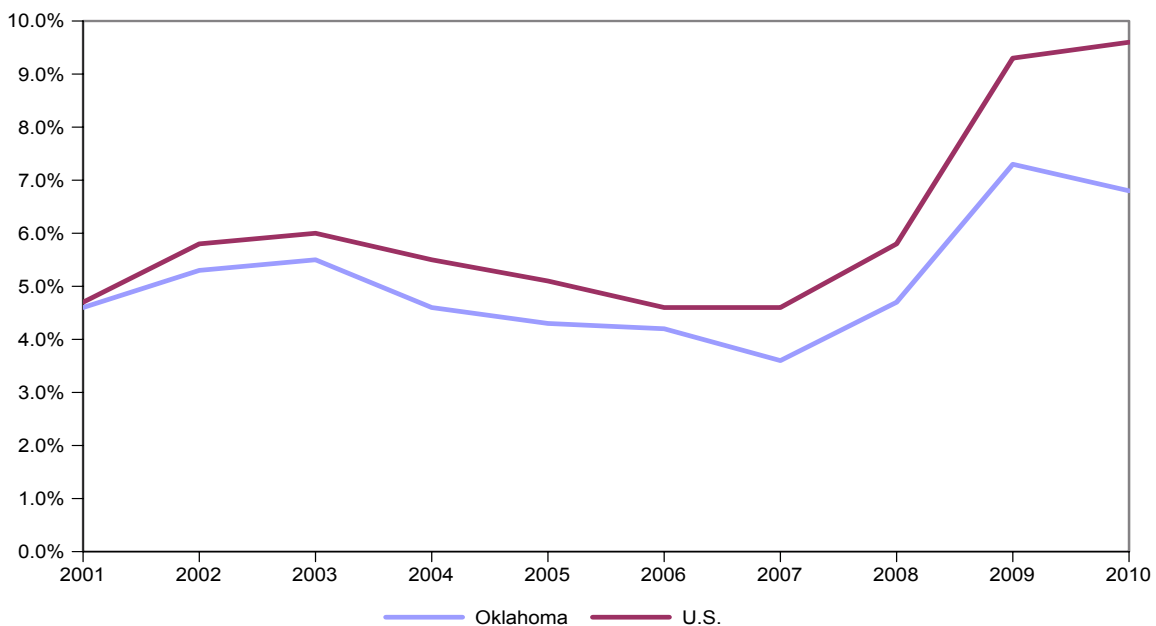


Schedule 10: Demographic and Economic Statistics
Ten Years Ended December 31, 2001-2010

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Population:										
Oklahoma (thousands)	3,724	3,686	3,640	3,609	3,572	3,530	3,511	3,496	3,483	3,464
U.S. (thousands)	309,051	306,656	304,177	301,394	298,432	295,618	292,936	290,242	287,746	285,050
Per capita income:										
Oklahoma	\$ *	\$ 35,840	\$ 36,917	\$ 34,529	\$ 33,223	\$ 30,492	\$ 28,444	\$ 26,457	\$ 25,872	\$ 26,022
U.S.	36,689	35,888	35,931	34,512	33,157	31,318	29,592	28,076	27,183	26,243
Total personal income:										
Oklahoma (millions)	*	132,144	134,528	124,725	118,749	107,641	100,024	92,599	90,178	90,161
U.S.(billions)	12,545	12,175	12,391	11,912	11,268	10,486	9,727	9,164	8,882	8,724
Gross product:										
Oklahoma (millions)	*	154,296	151,540	139,908	131,904	120,621	111,511	103,452	97,170	94,329
U.S. (billions)	14,658	14,119	14,369	14,062	13,399	12,638	11,868	11,142	10,642	10,286
Total labor force:										
Oklahoma (thousands)	1,749	1,754	1,746	1,737	1,738	1,709	1,691	1,694	1,688	1,689
U.S. (thousands)	153,889	154,142	154,287	153,124	151,428	149,320	147,401	146,510	144,863	143,734
% rate of unemployment:										
Oklahoma	6.8%	7.3%	4.7%	3.6%	4.2%	4.3%	4.6%	5.5%	5.3%	4.6%
U.S.	9.6%	9.3%	5.8%	4.6%	4.6%	5.1%	5.5%	6.0%	5.8%	4.7%

Sources: Web sites of the U.S. Department of Commerce, U.S. Census Bureau, and U.S. Department of Labor

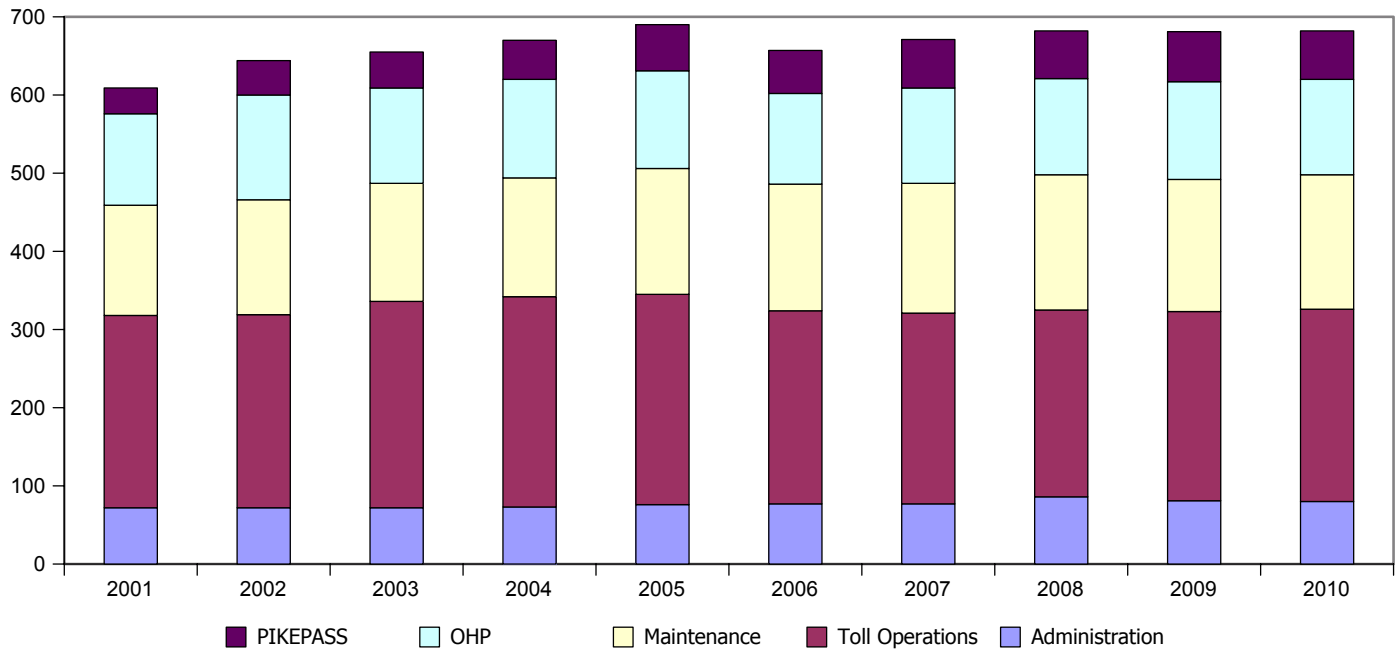
Unemployment Rate, 2001-2010



Schedule 11: Full-Time Employees
Ten Years Ended December 31, 2001-2010

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Administration	80	81	86	77	77	76	73	72	72	72
Toll Operations	246	242	239	244	247	269	269	264	247	246
Turnpike Maintenance	172	169	173	166	162	161	152	151	147	141
Highway Patrol (<i>troopers assigned to OTA</i>)	122	125	123	122	116	125	126	122	134	117
PIKEPASS Operations	62	64	61	62	55	59	50	46	44	33
Total	682	681	682	671	657	690	670	655	644	609

Full-Time Employees, 2001-2010



Schedule 12: Operating Indicators
Ten Years Ended December 31, 2001-2010
(Concession information Presented in 000's of Dollars/Gallons)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Concessions:										
Concessionaire restaurant sales (\$)	16,830	18,590	18,918	18,896	18,904	18,414	17,412	15,664	14,698	14,528
Concessionaire service station sales (\$)	11,442	11,516	10,480	10,285	9,960	9,736	9,529	9,509	9,425	8,922
Concessionaire gasoline sales (gallons)	16,925	17,484	15,056	16,249	16,854	17,855	18,957	17,529	17,131	15,820
Concessionaire diesel sales (gallons)	12,724	11,692	11,426	11,992	11,960	11,949	11,476	11,060	10,633	10,371
Concessionaire rent paid to OTA (\$)	1,269	1,322	1,358	1,391	1,496	1,467	1,407	1,311	1,240	1,224
Highway Patrol:										
Total citations	26,506	26,522	27,281	26,577	33,136	34,667	34,682	40,679	40,361	33,334
Total warnings	110,502	102,240	98,047	84,286	95,871	97,733	98,749	104,153	100,750	89,541
Motorist assists	14,366	12,515	10,290	10,678	14,704	26,127	25,659	24,656	25,469	28,015
Accidents	1,035	1,099	1,103	1,299	1,259	1,163	1,197	1,098	1,206	1,201
Accidents per 100 million miles	31.93	34.37	35.23	41.93	38.37	39.89	41.39	40.16	47.64	49.21
Fatalities	16	30	25	18	33	27	32	27	27	18
Fatalities per 100 million miles	0.49	0.94	0.80	0.58	1.09	0.93	1.11	0.99	1.07	0.74
PIKEPASS:										
Total active PIKEPASS accounts	544,788	513,223	491,374	457,681	424,731	395,647	367,240	355,937	328,846	294,150
Total active PIKEPASS tags	1,047,619	968,259	905,220	848,067	780,787	715,696	650,529	641,475	582,742	520,593
Total customer service calls received	576,611	694,274	576,992	588,421	529,318	491,076	500,286	432,447	404,205	318,805
Turnpike maintenance:										
Joint and crack sealing (linear feet)	2,227,385	2,287,794	2,714,427	2,220,730	1,925,917	2,229,045	1,527,430	1,714,268	1,382,396	1,429,156
Fence Repair/Replacement (linear feet)	64,920	319,253	202,008	212,636	238,653	97,233	62,257	77,518	70,376	82,740
Vegetation management (acres)	44,367	44,580	39,578	31,109	39,964	47,290	36,039	32,309	41,928	34,301
Snow removal operations (lane miles)	99,843	117,494	45,040	122,576	76,433	28,174	26,648	113,370	115,027	67,293
Turnpike operations:										
Average toll collected (\$):										
<i>(toll revenues / transactions)</i>										
Passenger	1.00	0.93	0.87	0.89	0.91	0.93	0.96	0.98	1.01	1.05
Commercial	6.71	6.19	5.93	6.07	6.30	6.30	6.33	6.41	6.59	6.73
Average trip length (miles):										
<i>(mileage / transactions)</i>										
Passenger	19.1	19.4	19.2	19.6	20.0	19.8	20.9	20.8	20.2	20.9
Commercial	42.4	42.6	42.8	43.7	45.0	44.4	44.6	43.8	44.7	46.8
Average toll/mile (¢)										
<i>(toll revenues / mileage)</i>										
Passenger	5.3	4.8	4.5	4.6	4.6	4.7	4.6	4.7	5.0	5.0
Commercial	15.9	14.5	13.8	13.9	14.0	14.2	14.2	14.6	15.0	14.4

Source: Various OTA Divisions

Schedule 13: Capital Asset Statistics
Ten Years Ended December 31, 2001-2010

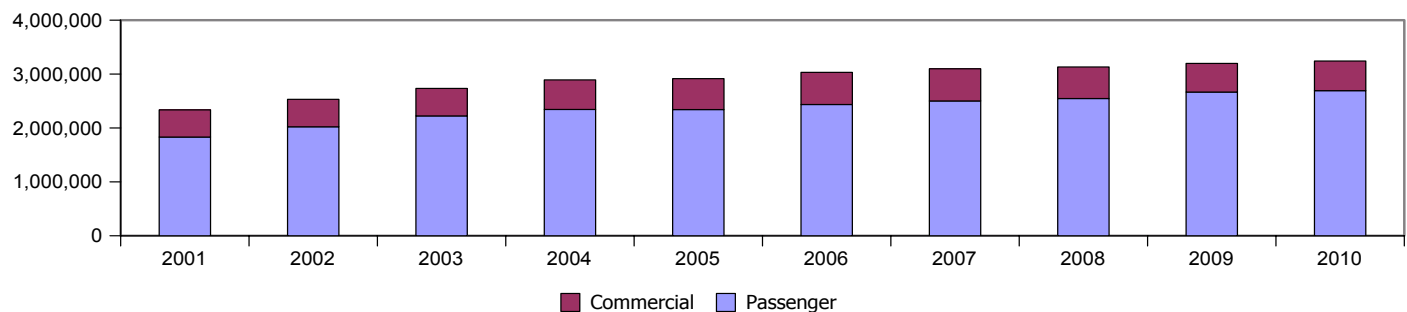
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Turnpikes under operation (total length in miles)	604.9	604.9	604.9	604.9	604.9	604.9	604.9	604.9	604.9	590.1
Turner (opened 1953)	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0
Will Rogers (opened 1957)	88.5	88.5	88.5	88.5	88.5	88.5	88.5	88.5	88.5	88.5
H.E. Bailey (opened 1964, 1987 and 2001)	94.6	94.6	94.6	94.6	94.6	94.6	94.6	94.6	94.6	94.6
Indian Nation (opened 1966 and 1970)	105.2	105.2	105.2	105.2	105.2	105.2	105.2	105.2	105.2	105.2
Muskogee (opened 1969)	53.1	53.1	53.1	53.1	53.1	53.1	53.1	53.1	53.1	53.1
Cimarron (opened 1975)	67.7	67.7	67.7	67.7	67.7	67.7	67.7	67.7	67.7	67.7
John Kilpatrick (opened 1991, 2000 and 2001)	25.3	25.3	25.3	25.3	25.3	25.3	25.3	25.3	25.3	25.3
Cherokee (opened 1991)	32.8	32.8	32.8	32.8	32.8	32.8	32.8	32.8	32.8	32.8
Chickasaw (opened 1991)	17.3	17.3	17.3	17.3	17.3	17.3	17.3	17.3	17.3	17.3
Creek (opened 1992, 2000, 2001 and 2002)	34.4	34.4	34.4	34.4	34.4	34.4	34.4	34.4	34.4	19.6
Lane miles:	2,388.6	2,388.6	2,388.6	2,388.6	2,388.6	2,388.6	2,388.6	2,388.6	2,388.6	2,325.8
Right-of-Way area: (000's acres)	33	33	33	33	33	33	33	33	33	33
Facilities:	268	267	267	263	266	244	233	226	232	229
Interchanges	84	84	84	84	84	84	84	84	84	84
Service areas	11	11	11	11	14	14	14	14	14	14
Maintenance buildings	170	169	169	165	165	143	132	125	131	128
Administration building	1	1	1	1	1	1	1	1	1	1
PIKEPASS customer service centers/stores	2	2	2	2	2	2	2	2	2	2
Total number of crossings over/under turnpikes:	789	789	789	789	789	789	789	789	789	554
Other highways or interchange ramps	499	499	499	499	499	499	499	499	499	400
Railroads	29	29	29	29	29	29	29	29	29	29
Rivers and streams	261	261	261	261	261	261	261	261	261	125

**Schedule 14: Mileage by Type and Turnpike
Ten Years Ended December 31, 2001-2010
(Presented in Thousands of Miles)**

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Turner Turnpike										
Passenger	686,571	689,089	659,560	651,869	645,512	555,823	575,183	531,852	496,426	506,874
Commercial	169,781	165,211	183,796	187,724	190,538	178,663	169,754	161,649	196,480	163,601
Total	856,352	854,300	843,356	839,593	836,050	734,486	744,937	693,501	692,906	670,475
Will Rogers Turnpike										
Passenger	526,936	527,431	501,391	489,493	480,708	482,706	487,406	480,446	407,248	405,286
Commercial	206,842	199,499	220,660	229,397	230,204	224,365	213,942	193,786	164,571	198,210
Total	733,778	726,930	722,051	718,890	710,912	707,071	701,348	674,232	571,819	603,496
H. E. Bailey Turnpike										
Passenger	348,423	340,351	321,306	319,923	314,987	306,633	307,124	298,074	279,217	268,973
Commercial	40,337	38,694	41,421	40,596	39,426	38,380	37,077	36,607	36,335	36,637
Total	388,760	379,045	362,727	360,519	354,413	345,013	344,201	334,681	315,552	305,610
Indian Nation Turnpike										
Passenger	163,302	161,997	157,451	154,365	149,816	150,124	152,766	155,135	150,535	142,006
Commercial	42,161	40,640	44,481	44,220	44,222	41,530	39,896	37,978	40,477	38,678
Total	205,463	202,637	201,932	198,585	194,038	191,654	192,662	193,113	191,012	180,684
Muskogee Turnpike										
Passenger	243,141	238,473	225,711	224,248	218,565	225,425	226,095	207,949	193,403	189,766
Commercial	29,559	28,093	31,346	31,064	30,615	30,110	29,349	28,705	28,348	29,712
Total	272,700	266,566	257,057	255,312	249,180	255,535	255,444	236,654	221,751	219,478
Cimarron Turnpike										
Passenger	127,426	130,191	122,092	120,705	121,062	121,200	121,882	116,069	113,437	110,408
Commercial	25,070	25,633	27,126	27,055	27,404	26,630	25,794	23,766	22,740	22,447
Total	152,496	155,824	149,218	147,760	148,466	147,830	147,676	139,835	136,177	132,855
John Kilpatrick Turnpike										
Passenger	247,779	244,941	237,203	227,525	212,428	211,646	195,789	179,869	165,286	43,491
Commercial	9,137	9,309	10,890	10,967	9,682	9,106	8,025	6,217	3,346	918
Total	256,916	254,250	248,093	238,492	222,110	220,752	203,814	186,086	168,632	44,409
Cherokee Turnpike										
Passenger	74,677	75,486	72,522	73,020	73,141	72,806	72,402	70,478	66,458	70,454
Commercial	11,651	11,924	12,733	13,445	14,233	14,669	14,362	13,478	13,150	11,765
Total	86,328	87,410	85,255	86,465	87,374	87,475	86,764	83,956	79,608	82,219
Chickasaw Turnpike										
Passenger	12,762	12,955	12,549	11,845	5,183	11,331	10,591	9,242	9,926	8,575
Commercial	3,245	2,628	2,578	2,301	587	1,455	1,521	1,060	644	556
Total	16,007	15,583	15,127	14,146	5,770	12,786	12,112	10,302	10,570	9,131
Creek Turnpike										
Passenger	261,342	245,394	236,389	228,253	214,014	203,709	194,374	174,526	140,195	85,735
Commercial	11,831	9,825	10,578	10,152	9,462	9,210	8,566	7,057	3,235	1,053
Total	273,173	255,219	246,967	238,405	223,476	212,919	202,940	181,583	143,430	86,788
Totals										
Passenger	2,692,359	2,666,308	2,546,174	2,501,246	2,435,416	2,341,403	2,343,612	2,223,640	2,022,131	1,831,568
Commercial	549,614	531,456	585,609	596,921	596,373	574,118	548,286	510,303	509,326	503,577
Total Mileage	3,241,973	3,197,764	3,131,783	3,098,167	3,031,789	2,915,521	2,891,898	2,733,943	2,531,457	2,335,145

Note: The Chickasaw Turnpike was closed to traffic from March 7, 2006 through September 21, 2006 for major pavement rehabilitation.

Mileage by Type, 2001-2010 (Presented in Thousands of Miles)





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