

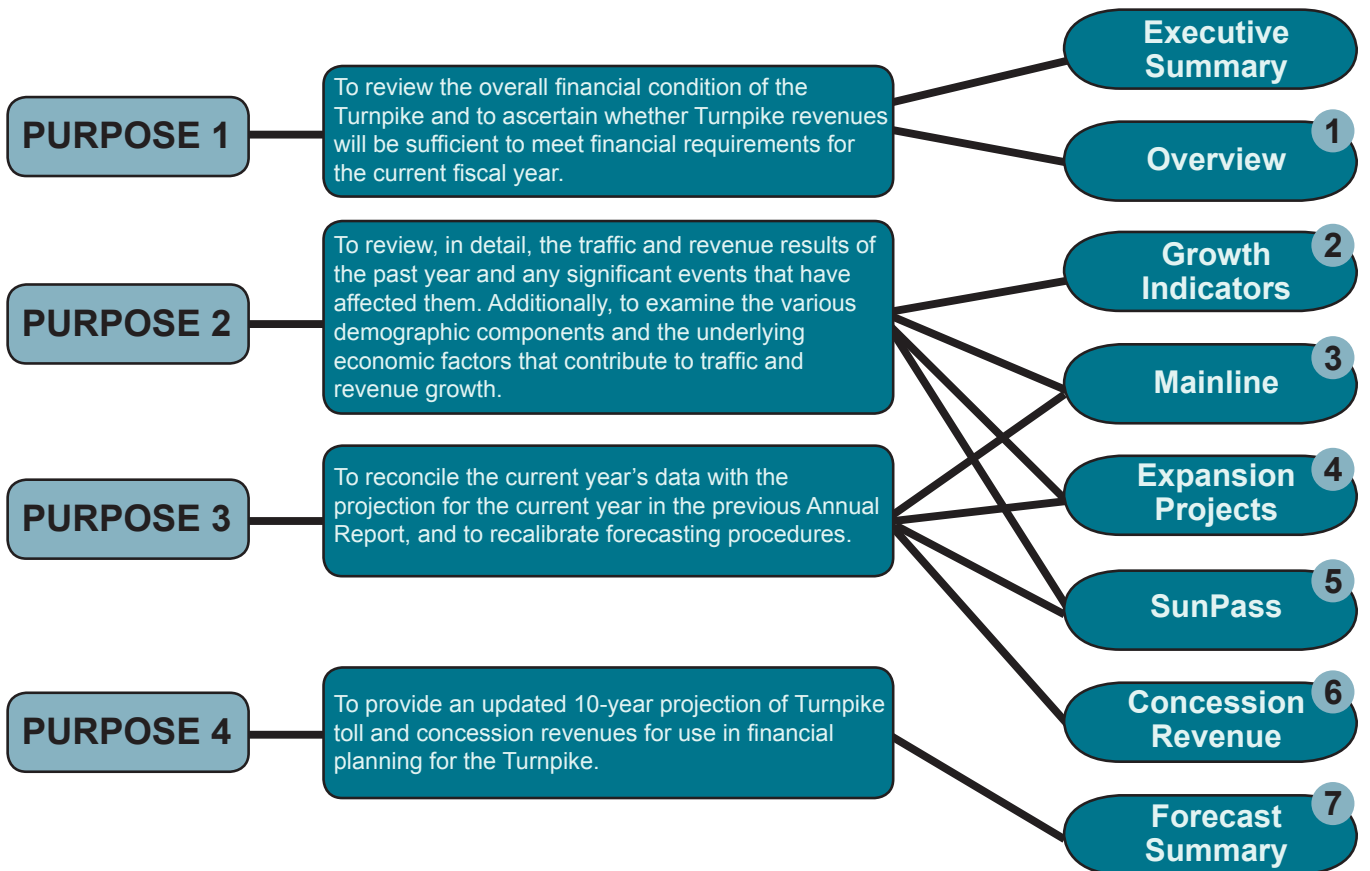
OVERVIEW

This Annual Report was prepared pursuant to Section 5.14 of the 1989 Turnpike Revenue Bond Resolution, which requires the Traffic Engineer to provide a traffic and earnings report to the Florida Department of Transportation (the Department) on an annual basis. The reporting period for this Annual Report is FY 2008 (July 1, 2007 through June 30, 2008). As shown in the diagram, the FY 2008 Annual Report serves four basic purposes that are illustrated in seven sections of the report.

This section describes several important Turnpike issues related to recent traffic and revenue events, planning, traffic operations and finance. An analysis of changing demographic and economic environment in the state that is contributing to changes in traffic and revenue is described in **Section 2**. **Sections 3** and **4** contain a review of traffic and revenue for individual Turnpike System components, separated as the Mainline and expansion projects. Each section contains a comparison of FY 2008 traffic and

revenue data with FY 2007 information. Factors affecting future traffic and revenue are identified, followed by a 10-year projection of revenue. **Section 5** discusses SunPass traffic and revenue on Mainline and expansion facilities and examines the continued growth of SunPass participation since its systemwide implementation in FY 2001. **Section 6** provides a review of concession revenues and includes a ten-year forecast. A summary of the combined revenue forecasts through FY 2019 is provided in the **Forecast Summary (Section 7)** for the entire Turnpike System.

Additionally, this report has four appendices: **Appendix A** includes the toll rate schedule for each toll facility; **Appendices B** and **C** contain the current and projected traffic profiles through FY 2019, and **Appendix D** contains End Notes. These End Notes provide detailed information about both historical and future events and actions that impact Turnpike traffic and revenue.



1.1 TRAFFIC AND TOLL REVENUE FORECASTING

As the Florida Turnpike's Traffic Engineering Consultant, URS Corporation (URS) periodically updates forecasts of traffic and revenue for current and proposed Turnpike projects. URS has provided this service for the Turnpike since 1953. These traffic and revenue estimates, which are affected by several different factors, are required by bond covenants. Traffic and toll revenue forecasts are an essential element of the Department's Finance and Cash Forecast Plans (see Notes A and B in **Appendix D** for a basic overview of the forecasting methodology).

In preparing this Annual Report, URS has reviewed and applied information from several other reports, surveys and memoranda. The following is a list of these documents issued and used during or subsequent to FY 2008:

- Turnpike Enterprise Toll Operations, Annual Report on Traffic & Audited Revenues, FY 2008
- South Florida Net Revenue Calculation, November 2008
- Turnpike Annual Traffic Trends Report, FY 2007
- 2025 Florida Transportation Plan
- Florida's Turnpike Enterprise Master Plan Update: 2008- 2030, March 2008
- Economic Impact Analysis, Fishkind & Associates, Inc., June 2008

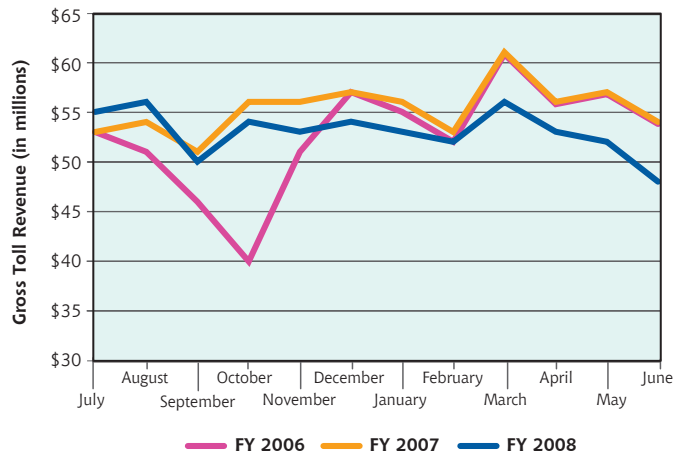
1.2 CURRENT EVENTS AFFECTING TRAFFIC AND REVENUE

Many events occurred during FY 2008 which affected traffic and revenue on the Turnpike. The most significant is the decline in traffic and revenue in FY 2008 (first time since the oil embargo of 1973-74) due to persistent economic slowdown in the nation triggered by the housing correction and the rising fuel prices. Florida is particularly hit hard by the rising unemployment, slowing construction and fewer

tourists. Other important traffic and revenue events are described on the following page.

Graph 1.1 illustrates the monthly trends in toll revenue over the entire Turnpike System. With the exception of the first two months of FY 2008, the monthly revenue consistently declined over the preceding fiscal year due to deteriorating economic condition. Turnpike toll revenue was \$636 million in FY 2008, a decline of \$28 million, or 4 percent over the preceding year. A notable decline in toll revenues in October 2005 (FY 2006) is due to temporary toll suspension attributable to Hurricane Wilma.

Graph 1.1
Florida's Turnpike System
Historical Gross Toll Revenue



1.3 TRAFFIC OPERATIONS

This section compares traffic on the Turnpike with other interstate highways. It also reviews significant enhancements in safety and maintenance programs that the Turnpike has implemented in order to enhance customer convenience and satisfaction.

1.3.1 TURNPIKE AND OTHER FLORIDA INTERSTATE TRAFFIC

Four of Florida's five major interstate highways connect with the Turnpike: I-595, I-75, I-95 and I-4. In addition to being one of the primary north-south corridors in Florida that provides a toll-free alternative, I-95 (unlike I-595, I-4, and most of I-75) runs parallel to (and mostly east of) the Turnpike for a distance of 109 miles in southeast Florida. During the past sev-

**July
2007**

The Florida legislature passed House Bill 985 in June 2007, which took effect on July 1, 2007. The Bill requires the Turnpike to index toll rates on existing toll facilities to the annual Consumer Price Index or similar inflation indicator. Additionally, it provides for various toll enforcement requirements.

A new SunPass-only partial interchange at Jog Road in southern Palm Beach County opened to traffic in September 2007, reducing congestion at nearby Okeechobee Boulevard.

As a result of agreements signed with private service providers, rental car customers without SunPass transponders are now able to use Turnpike facilities without stopping to pay at toll plazas. Under this innovative program, license plate information is used to identify rental vehicles and tolls are collected electronically from the service providers.

**September
2007**

**November
2007**

Mainline toll plazas on commuter facilities with higher SunPass participation are being converted to Open Road Rolling (ORT). This allows SunPass customers to pay tolls electronically at highway speeds. The converted northbound Bird Road Toll Plaza was the first to open in time for Thanksgiving travel. Subsequently, toll plazas at southbound Bird Road, Sunrise, Homestead, Cypress Creek and Lantana were converted to ORT in FY 2008. More conversions are planned in the future.

Additionally, several key widening projects were completed in FY 2008. They include the segment from Atlantic Avenue to Lantana Toll Plaza on the Southern Coin System; from Beachline West to I-4 interchange on the Northern Coin System and from Atlantic Boulevard to the Mainline on the Sawgrass Expressway.

To boost SunPass participation, Turnpike introduced the SunPass Mini sticker tag priced at only \$4.99. Customers who register with the SunPass program receive an equivalent amount in toll credits, making the purchase essentially free.

**July
2008**

**August -
September
2008**

In response to the threat from Tropical Storm Fay and Hurricane Ike, tolls were suspended on select Turnpike facilities in August and September, respectively, to facilitate evacuation and recovery efforts. The revenue loss from this suspension for Tropical Storm Fay was over \$3 million and nearly \$2 million for Hurricane Ike.

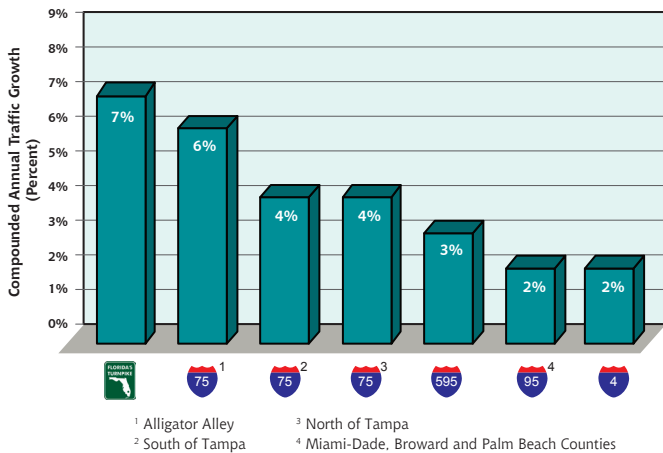
eral years, traffic on the Mainline in southeast Florida increased largely due to major population and economic growth west of the Turnpike. This overview analyzes the traffic trend on these two respective roadways and provides growth rate comparisons for the Turnpike and other Florida interstates.

Despite the fact that the Turnpike and I-95 run parallel to each other in Palm Beach and Broward counties, these two facilities serve different travel patterns. Travelers choose either the Turnpike or I-95 depending primarily on which facility provides the best route for the origin and destination of their trip.

Traffic volumes on I-95 are significantly higher than the Turnpike. For example, daily traffic along a typical segment in Broward County is approximately 272 thousand vehicles on I-95, but the parallel Turnpike segment is only 109 thousand. The traffic volumes may vary; however, due to capacity constraints, traffic growth rates on I-95 are much lower than the Turnpike.

A comparison of the annual traffic growth rates for the Turnpike and four other Florida interstate highways from 1995 to 2007 is shown in **Graph 1.2**. Traffic comparisons were made in the geographic proximity to where the interstate highway connected with the Turnpike. For this reason, I-75 was examined in three distinct regions within the state. The first region represents the tolled section of I-75 through Collier and Broward counties (Alligator Alley). The other two regions represent traffic on I-75 in the areas south

Graph 1.2
Turnpike and Interstate Traffic
Compounded Annual Growth
1995-2007



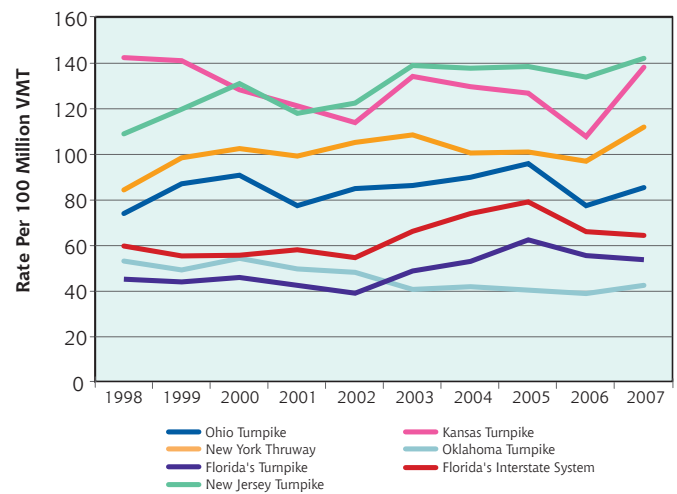
and north of Tampa. Turnpike data reflect growth on the Mainline only.

As depicted in the graph, annual traffic growth was the highest on the Turnpike at approximately 7 percent, while the growth on I-95 and I-4 was both limited to 2 percent. The second highest growth of 6 percent was reported on Alligator Alley.

1.3.2 TURNPIKE SAFETY AND MAINTENANCE RECORD

Florida's Turnpike has one of the lowest accident rates on toll roads in the United States. **Graph 1.3** provides the accident rates for Florida's Turnpike, in addition to five of the largest national toll facilities and Florida's Interstate System for the ten-year period from 1998 to 2007. As indicated in the graph, Florida's Turnpike accident rate fluctuated minimally within a range from 39 to 62 accidents per every 100 million vehicle-miles-of-travel (VMT). This range is lower than Florida's interstates, which ranged from 54 to 79 accidents per every 100 million VMT during the same period. The accident rate for the other toll facilities ranged from a low of 38 in Oklahoma in 2006 to a high of 142 in Kansas in 1998.

Graph 1.3
Comparison of National Toll Facility
Accident Rates
1998-2007



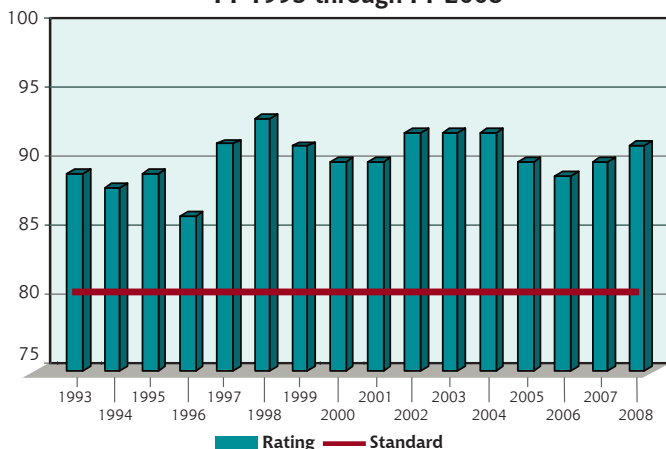
The low accident rate on Florida's Turnpike is attributed to traffic enforcement provided by the Florida Highway Patrol (FHP) and the various safety features which have been placed along the Turnpike to help prevent accidents. These safety features include,

but are not limited to, median guardrail, cable barrier protection along canals, rumble strips that alert drowsy drivers, Jersey barriers and wide medians to help prevent head-on collisions, Road Ranger patrols and attenuators at toll plazas that collapse upon impact to slow down vehicles. The Turnpike is continually striving to enhance safety features with the upgrade, replacement and installation of technological and structural advances in this area.

As an added safety measure, a program to install safety cable barriers along the canals in south Florida was launched in FY 2006. Upon completion of this program, 264 miles of canals will have cable barriers or guardrails. This barrier protection is designed to prevent out-of-control vehicles from crashing into the canals and deep retention ponds adjacent to the Turnpike roadways.

Also, as part of the Turnpike's ongoing commitment to safety, the Turnpike conducts an annual independent inspection of its roadway facilities. This inspection program ensures that facilities of high safety and functional standards are provided to patrons. During FY 2008, the Turnpike received one of the State's highest roadway facilities maintenance ratings with an overall rating of 91 (on a scale of 1 to 100). As depicted in **Graph 1.4**, the Turnpike has consistently scored well above the required minimum standard maintenance rating score of 80.

Graph 1.4
Florida's Turnpike System
Maintenance Rating
FY 1993 through FY 2008

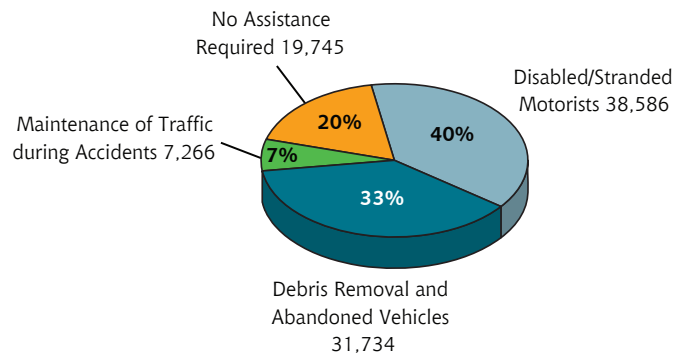


Starting in 2000, the Turnpike began offering assistance to customers through the "Road Ranger"

Program. This program utilizes specially equipped vehicles to provide services to stranded motorists and disabled vehicles, to assist at accident scenes and to remove debris from the roadway. Road Rangers patrol the southern terminus of the Turnpike in Homestead (milepost 0) to the northern terminus at I-75 (milepost 309). Martin Petroleum Corporation of Florida provides the vehicles, equipment and employees as part of its contract for service station operations. Vehicles are equipped with radio communications, cellular telephones, emergency lights, an arrow board, safety cones and flares. In addition to providing Road Ranger services on the Mainline, the Turnpike partnered with OOCEA and District 7 to provide similar services for the Seminole Expressway, Southern Connector Extension, Veterans Expressway and Western Beltway, Part C.

Customers are not charged for the use of the Road Ranger services but the costs are borne by the Turnpike. The cost of the program to the Turnpike was approximately \$4.1 million for FY 2008. **Graph 1.5** shows the breakdown of service calls by type provided by the Road Ranger Program during FY 2008. Debris removal, stops at abandoned vehicles, and assistance to stranded or disabled motorists, including gasoline, tire service and minor repairs, accounted for 73 percent of all services provided. The majority of the Road Ranger truck routes have been patrolling the Mainline 24 hours a day since September 2006. Road Rangers responded to total service calls of over 97 thousand in FY 2008. However, due to state budget cuts, starting in July 2008, Road Ranger routes have been consolidated with daily patrol hours ceasing at 8:00 pm.

Graph 1.5
Road Ranger Program
Service Calls by Type
FY 2008



Working in conjunction with the Road Rangers is the Traffic Management Center (TMC). TMC currently operates from two facilities; one at the Turnpike Headquarters at Turkey Lake and the other at the Pompano Beach Operations Center. A new TMC facility was completed in December 2007 at Lake Worth-West Palm Beach Service Plaza. TMC is the central facility for the control, monitoring, operation and management of Turnpike traffic. TMC provides information to Troop K of the Florida Highway Patrol, construction and maintenance personnel, the Public Information Office and the Road Rangers. An example of this is the utilization of the Automated Vehicle Location (AVL) device in South Florida. The AVL communicates with the TMC and provides location information of customers requiring Road Ranger assistance. Consequently, Road Ranger response times are reduced, thereby enhancing customer service.

The Turnpike also initiated the Rapid Incident Scene Clearance (RISC) program to improve roadway safety and customer service. Under this program, all traffic incidents are to be cleared from the roadway within 90 minutes of the arrival of the first responding officer. During FY 2008, 90 percent of the incidents were cleared within the 90-minute time limit. Most of the Turnpike System (90 percent) is served by the RISC program.

As part of the SunNav Intelligent Transportation System project, the Turnpike is expanding the installation of fiber-optic cable closed circuit cameras, overhead dynamic message signs and vehicle detection system along the Mainline and Sawgrass Expressway. The system installation of the fiber-optic backbone and the pan-tilt zoom cameras (one camera every mile) from the Tolls Data Center in Boca Raton to Wildwood is already complete. Similar installation on other Turnpike facilities is ongoing. These improvements facilitate the monitoring of roadway incidents and congestion by providing near real-time images to TMC, as well as enhance travel experience of the customers.

1.4 FINANCE

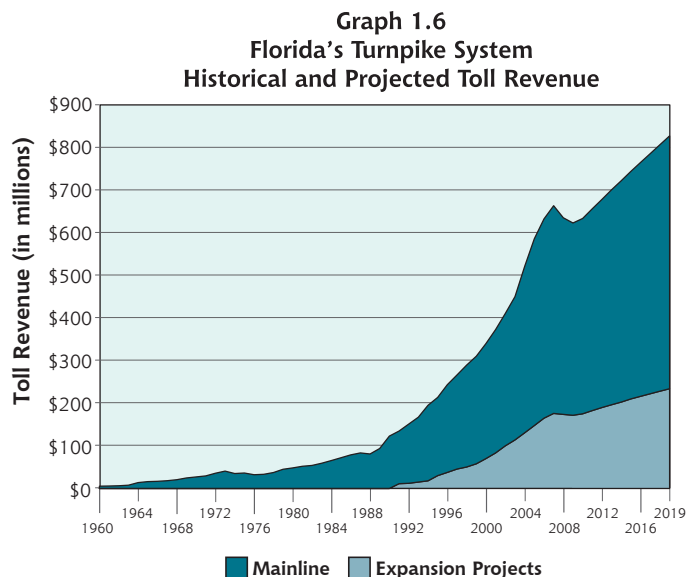
Since its opening in 1957, the Turnpike Program has been primarily self-financed. In lieu of spending gas-tax dollars for its improvements and expansion, the

Turnpike Program has generally used a combination of toll and concession revenues along with revenue bonds backed by the entire Turnpike System. This overview provides information on current and projected toll revenues. Also provided is a comparison of Florida's Turnpike System to other toll facilities within and outside of Florida.

1.4.1 TOLL REVENUE

From its inception, toll revenues on the Turnpike have increased significantly. In fact, toll revenues tripled during the 1990 decade. Additionally, the proportion of toll revenue earned on the expansion projects has increased steadily from eight percent of the system total in FY 1991 to 27 percent in FY 2008. However, due to the dramatic slowdown in the economy triggered by the housing correction and the rising fuel prices, the Turnpike experienced a decline in traffic and revenue in FY 2008 for the first time since the oil embargo of 1973-74. In FY 2008, toll revenue was \$636 million, or 4 percent less than the preceding fiscal year.

Graph 1.6 provides actual toll revenue since 1960 and projected toll revenue through FY 2019 for all components of the Turnpike System. Historically, toll revenues have significantly increased due to numerous factors. These factors include the opening of new expansion projects, increased traffic volumes, acquisitions of roadways and increases in toll rates.



1.4.2 REVENUE SUFFICIENCY

Construction of the Turnpike System has been financed by bond sales in 1955, 1961, 1970, 1973, 1989, 1991, 1992 and 1995 (all of which have been retired or defeased) and by the current outstanding Series 1998A, 1999A, 2000 (A and B), 2003 (A, B and C), 2004A, 2005A, 2006A, 2007A and 2008A Bonds. Revenue refunding bonds were issued in 1993, 1997, 2003, 2005, 2006 and 2008 to refinance portions of the 1997A, 1989A, 1991A, 1992A, 1993A, 1995A, 1998B and 2000A Bonds. Turnpike bonds are revenue bonds guaranteed by the revenues from the Turnpike System and are not a general obligation of the State of Florida. Since 1989, bonds totaling approximately \$2.5 billion have been issued or assumed to fund Turnpike System improvements and expansion.

Institutional investors account for the largest group of investors of Turnpike bonds. However, many individual Floridians invest in bonds for income as well as retirement savings. Effective July 1, 2007, the Florida legislature passed House Bill 985 which increased the Turnpike's maximum revenue bonds that can be issued from the current \$4.5 billion debt issued to \$10 billion debt outstanding. This change provides additional funds towards various capital improvement projects for the Turnpike.

In order to measure the revenue sufficiency of a system to meet future debt requirements, debt service coverage is computed representing the ratio

of annual net revenues to the annual debt service requirement. For example, a debt service coverage ratio of 2.0 indicates that for every \$1 of debt service, \$2 of net revenue is available to satisfy the debt service. Net revenues are generally defined as gross revenues less operating and maintenance (O&M) expenses. Tolls collected from customers are the primary source of gross revenues. Annual payments of bond principal and interest represent the annual debt service requirement. Historically, Florida's Turnpike has maintained a debt service coverage ratio well above the 1.2 coverage required by bond covenants.

As shown in **Table 1.1**, and based on proposed debt levels included in the five-year capital improvement program, the senior debt service coverage on the Turnpike System (including the Sawgrass Expressway) will be maintained well in excess of the Trust Indenture requirement of 1.2. Comprehensive debt service coverage, which includes other long term debt obligations of the Turnpike, is lower and ranges from a projected low of 1.4 to a high of 2.0 between FY 2009 and FY 2019. This table does not include expenses for other obligations that are paid subsequent to debt service (i.e., improvements, resurfacing, renewals, widenings, etc.).

1.4.3 TOLL MODIFICATIONS

On March 7, 2004, tolls were increased on the Mainline, Sawgrass Expressway, Seminole Expressway,

Table 1.1
Turnpike System
Projected Debt Service Coverage Ratio (\$000)*

Fiscal Year	Toll Revenues	Concession Revenues	Total Gross Revenues	O&M Expenses	Net Revenues	Existing Annual Senior Debt Service Requirement	Senior Debt Service Coverage Ratio	Proposed Annual Senior Debt Service Requirement	Senior Debt Service Coverage Ratio	Comprehensive Debt Service Coverage Ratio**
2009	\$623,327	\$10,456	\$633,783	\$207,042	\$426,741	\$203,145	2.1	\$209,718	2.0	2.0
2010	633,912	10,575	644,487	211,799	432,688	203,274	2.1	243,519	1.8	1.8
2011	656,751	10,852	667,603	212,102	455,501	203,088	2.2	272,265	1.7	1.7
2012	678,778	11,139	689,917	215,332	474,585	203,006	2.3	296,047	1.6	1.6
2013	701,464	11,376	712,840	221,411	491,429	203,012	2.4	317,157	1.5	1.5
2014	722,673	11,619	734,292	227,764	506,528	203,018	2.5	331,290	1.5	1.5
2015	744,695	11,868	756,563	231,118	525,445	200,917	2.6	336,650	1.6	1.5
2016	765,633	12,073	777,706	238,051	539,655	200,997	2.7	342,300	1.6	1.5
2017	786,296	12,281	798,577	245,193	553,384	201,066	2.8	350,814	1.6	1.5
2018	807,135	12,493	819,628	252,548	567,080	202,229	2.8	367,427	1.5	1.4
2019	827,818	12,711	840,529	260,125	580,404	201,192	2.9	373,190	1.6	1.5

Source: Turnpike Enterprise Finance Office and Traffic Engineer's FY 2008 Revenue Forecast

* This does not include other revenues, such as interest, which increase the debt service coverage ratio.

** Comprehensive Debt Service Coverage includes all long term debt obligations of the Turnpike (e.g. bond repayments, SIB loans, etc.).

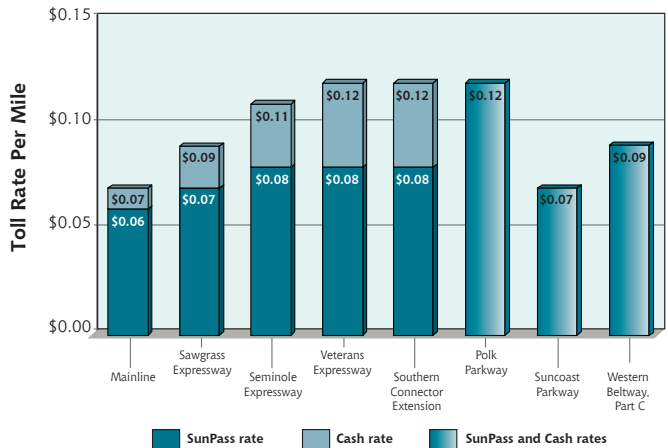
Veterans Expressway and Southern Connector Extension. This toll rate increase was for cash customers only, at 25 percent rounded to the quarter. The toll for SunPass customers remained the same, effectively giving these customers a discount of 25 percent or more and contributing to an increase in SunPass participation levels. For example, the two-axle toll at the Golden Glades barrier plaza for the cash customers increased from \$0.75 to \$1.00, representing the 25 percent increase rounded to the quarter (i.e., effectively a 33 percent increase). Conversely, SunPass customers at this location continue to pay a \$0.75 toll. Some ramp tolls did not increase due to "per-mile constraints." For instance, customers entering the HEFT from SR 836 do not pay a toll initially, but pay 25 cents if they exit one mile south (i.e., 25 cents-per-mile) at US 41. As such, tolls collected at this ramp were already significantly higher than the average rate of approximately 7 cents-per-mile for cash customers, and therefore, were not increased.

The relatively newer expansion projects, Polk and Suncoast Parkway, were not programmed with a toll rate increase in order to allow traffic to ramp-up on these facilities. Considering the reduced toll rates for SunPass transactions as compared to cash transactions, beginning with the toll increase in March 2004, the ten percent discount program was discontinued on all sections of the Turnpike System.

Since its inception in 1957, the Turnpike implemented only two toll rate increases prior to FY 2004. The first toll increase was in 1979. In 1989, in an effort to equalize the toll structure on the Mainline so that the per-mile toll is approximately the same throughout the System as mandated by Section 338.231(1) of Florida Statutes (see **Appendix D**), the Turnpike adopted a three-stage toll rate increase which was completed by 1995.

Graph 1.7 shows the current per-mile toll for 2-axle vehicles for the expansion projects and the Mainline. As reflected in the graph, per-mile tolls on the expansion projects are higher in accordance with statutorily required tests of economic feasibility. Per-mile tolls on expansion projects range from a low of seven cents for SunPass customers on the Sawgrass Expressway and all users of the Suncoast Parkway to a high of approximately 12 cents on Veterans Expressway, Southern Connector Extension and Polk

Graph 1.7
Mainline and Completed Expansion Projects
Per-Mile Toll - 2 Axle Vehicles
FY 2008



Parkway. These per-mile rates are comparable to those already established on other nearby facilities.

A comparison of toll increases to increases in the cost of living, as measured by the Consumer Price Index (CPI), shows that inflation has far outpaced toll rate increases. **Table 1.2** illustrates this impact, which shows the Golden Glades (milepost 0X) to Fort Pierce (milepost 152) passenger tolls in 1957. Toll adjustments implemented in 1979, the three-staged tolls implemented under the toll increase program initiated in 1989 and completed in 1995, and the 2004 toll rate increase, as well as the current 2-axle toll rates for SunPass and cash customers are reflected in this table. The CPI for the United States for each year is

Table 1.2
Illustrative Tolls vs. CPI

Year	Golden Glades-Ft. Pierce Toll	CPI	Toll in 2008 Dollars
1957	\$2.40	28.1	\$18.31
1979	2.65	72.6	7.83
1984	2.65	100.0	5.68
1989	4.10	124.0	7.09
1991	5.00	136.2	7.87
1993	5.90	144.5	8.75
1995	5.90	149.8	8.44
2004	5.90 (S), 7.70 (C)	188.9	6.70 (S), 8.74 (C)
2008	5.90 (S), 7.70 (C)	205.7	5.90 (S), 7.70 (C)

Source: U.S. Bureau of Labor Statistics
 Note: CPI Base Year is 1984. 2008 CPI is estimated.
 S: SunPass toll
 C: Cash toll

provided along with a calculation of the change in CPI to the toll rate. This calculation places them all on a uniform basis for comparative purposes.

Although toll increases resulted in substantial additional revenue, they were quite modest when compared to the rate of inflation. In fact, if the original \$2.40 toll for a passenger car trip along the original 110-mile section of Florida's Turnpike had been increased at the same rate of CPI, the toll today would be \$18.31, as compared to the current SunPass toll of \$5.90 and cash toll of \$7.70. As a result, with the Turnpike becoming a better "buy" over time, traffic has typically grown more quickly than Florida's increase in population, employment, commerce and tourism.

As previously stated, the Florida legislature passed House Bill 985 (effective July 1, 2007) which requires the Turnpike to index toll rates on existing facilities to the annual Consumer Price Index or similar inflation indicator. Toll rate adjustments for inflation may be made no more frequently than once a year and must be made no less frequently than once every five years as necessary to accommodate cash toll rate schedules. Toll rates may be increased beyond these limits as directed by bond documents, covenants, or governing body authorization or pursuant to Department administrative rule. Turnpike management is presently developing an implementation plan for indexing toll rates on its facilities in accor-

dance with the statutory requirements. As such, toll rate increases are not included in the forecast presented in this report.

1.4.4 TOLL ROAD COMPARISONS

In assessing the overall performance of the Turnpike for the current year, it is useful to analyze trends from the prior year as well as to compare operating results to other toll facilities both on a national level and within Florida. Turnpike management utilizes these benchmarks on an ongoing basis to ensure that the Turnpike is operating at the level necessary to achieve its financial and operational goals.

1.4.4.1 OTHER NATIONAL TOLL ROADS

Selected financial data for 10 of the largest national toll facilities are presented in **Table 1.3**. The table provides comparative information on gross revenues, operations and maintenance (O&M) expenses and debt service.

With regards to the annual costs incurred to operate and maintain the respective toll facilities, Florida's Turnpike O&M expenses, as a percentage of gross operating revenues, are significantly lower than all the others. This is largely attributed to the absence of snow-removal expenses, operational efficiencies and the lower labor costs associated with collecting tolls in Florida. A combination of the Turnpike's

Table 1.3
Comparison to Other National Toll Facilities
Key Financial Data (\$000)

Facility	Miles	Gross Operating Revenues*	O&M Expenses	O&M as a Percent of Gross Revenues	Net Revenues	Debt Service	Debt Service per Net Revenue*
New York State Thruway	641	\$570,762	\$338,967	59%	\$231,795	\$137,140	1.7
Oklahoma Turnpike	605	198,090	70,197	35	127,893	89,746	1.4
Pennsylvania Turnpike	537	608,444	369,855	61	238,589	179,032	1.3
Florida's Turnpike (FY 2008)	460	650,743	184,218	28	466,525	191,322	2.4
New Jersey Turnpike Authority	321	842,571	471,401	56	371,170	297,314	1.2
Illinois State Toll Highway	287	608,439	252,529	42	355,910	184,690	1.9
Ohio Turnpike	241	215,926	111,171	51	104,755	55,299	1.9
Kansas Turnpike Authority	236	82,910	40,213	49	42,697	20,667	2.1
Massachusetts Turnpike (2006)	138	304,964	202,997	67	101,967	137,861	0.7
New Hampshire Turnpike	93	85,718	44,710	52	41,008	31,877	1.3

Source: 2007 Audited Annual Financial Reports (unless a different year is stated)

* For comparative purposes, only operating revenues have been included in gross revenues in order to calculate a debt service per net revenue. Other revenues and expenditures may be included by bond documents in determining a required debt service coverage ratio. For example, some facilities may have other pledged revenues that may increase the debt service ratio if included.

significant toll revenues and the industry low O&M expenses (as a percentage of gross revenues) translates into the highest debt service per net revenue ratio among the 10 largest national toll facilities. As discussed earlier, this ratio indicates the facilities' ability to meet annual debt service requirements with net operating revenues.

Several key financial ratios are presented in **Table 1.4** for the same 10 national toll facilities. Florida's Turnpike has one of the highest net revenue-per-mile and net revenue after debt service-per-mile ratios at \$1 million and \$598 thousand, respectively. The

numerous toll bridges including the Sunshine Skyway, Garcon Point, and Mid-Bay Bridges.

Those toll facilities that feed traffic to the Turnpike System include: I-75/Alligator Alley in Broward County operated by Florida's Turnpike Enterprise; the Don Shula and Dolphin Expressways in Miami-Dade County, which are operated by Miami-Dade Expressway Authority; and the Beachline Expressway, East-West Expressway, Central Florida GreeneWay and Western Beltway in Orange County, which are operated by Orlando-Orange County Expressway Authority.

Table 1.4
Comparison to Other National Toll Facilities
Key Ratios (\$000)

Facility	Miles	Net Revenue/Mile	Debt Outstanding	Outstanding Debt/Mile	Net Revenue after Debt Service/Mile	Current Rating Category*
New York State Thruway	641	\$362	\$2,379,840	\$3,713	\$148	Double A
Oklahoma Turnpike	605	211	1,160,720	1,919	63	Double A
Pennsylvania Turnpike	537	444	2,708,750	5,044	111	Single A
Florida's Turnpike (FY 2008)	460	1,014	2,525,180	5,490	598	Double A
New Jersey Turnpike Authority	321	1,156	4,905,609	15,282	230	Single A
Illinois State Toll Highway	287	1,240	3,035,060	10,575	597	Double A
Ohio Turnpike	241	435	681,730	2,829	205	Double A
Kansas Turnpike Authority	236	181	246,380	1,044	93	Single A
Massachusetts Turnpike (2006)	138	739	2,436,378	17,655	N/A	Triple B
New Hampshire Turnpike	93	441	276,681	2,975	98	Single A

Source: 2007 Audited Annual Financial Reports (unless a different year is stated)

NA: This does not apply since the debt service payment is greater than the net revenues.

* Florida's Turnpike includes the bond ratings from Fitch, Moody's and Standard and Poor's. Other toll facilities are per Standard and Poor's, except Massachusetts whose rating is from Fitch and Moody's.

outstanding debt-per-mile ratio is also provided for each of these toll facilities. Generally, a high debt-per-mile ratio indicates that a facility is undergoing significant expansion or improvements. With a few exceptions, the debt-per-mile as shown in the table typically ranges between \$1 million and \$5.5 million. Florida's Turnpike falls within this range.

1.4.4.2 OTHER FLORIDA TOLL ROADS

In addition to the Turnpike System, the Florida Department of Transportation operates numerous other toll facilities throughout the state, either directly or through lease-purchase agreements or other agreements with local expressway authorities. These facilities are located primarily in central and southern Florida. The Department also owns or operates

Table 1.5 compares the Turnpike with other Florida expressway authorities. As depicted in the table, two of the facilities experienced a substantial growth largely due to toll rate increases. The Miami-Dade Expressway Authority, in particular, experienced a substantial growth of approximately 41 percent due to the extension of one of its facilities and the addition of two tolling locations since the start of the fiscal year. Similarly, the Tampa-Hillsborough Expressway Authority experienced a growth of 11 percent since FY 2008 revenues reflects the first full year of toll rate increase.

1.4.5 TOLL PAYMENT METHODS

Two methods are available to Turnpike patrons to pay tolls: cash or electronic toll collection (ETC).

**Table 1.5
Comparative Revenue and Passenger Car Tolls
Florida Toll Roads
FY 2008**

Facility	Length (Miles)	Gross Toll Revenues (\$000)			Toll Rate Per-Mile
		FY 2008	FY 2007	Change	
Florida's Turnpike	460	\$635,571	\$633,943	(4.3%)	\$0.06 to \$0.12
Orlando-Orange County Expressway Authority	100	213,800	210,825	1.4	0.09 to 0.11
Miami-Dade Expressway Authority*	33	115,799	82,030	41.2	0.13 to 0.31**
Tampa-Hillsborough County Expressway Authority***	15	41,455	37,308	11.1	0.17 to 0.20

Sources: Orlando-Orange County Expressway Authority, Miami-Dade Expressway Authority and Tampa Hillsborough Expressway Authority

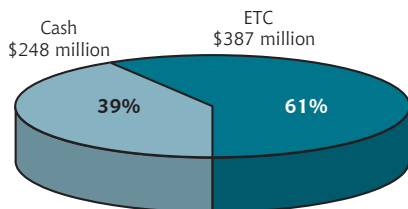
* On July 1, 2007, three center line miles and two additional tolling locations were added, contributing significant revenue increase.

** Per mile rate based on one-way eastbound travel.

*** FY 2008 revenue reflects full year of toll rate increase that took effect on January 1, 2007.

Graph 1.8 provides a summary of FY 2008 toll revenue by collection method. The graph indicates that ETC toll revenues comprise a larger percentage of toll revenues at 61 percent, with cash revenues at 39 percent. FY 2008 ETC toll revenue of \$387 million increased by nearly 2 percent over FY 2007 ETC toll revenue of \$380 million. With marketing efforts and System improvements focused on increasing SunPass participation, ETC revenues will continue to grow.

**Graph 1.8
Florida's Turnpike System
Toll Revenue by Payment Method (\$000)
FY 2008**



1.5 FUTURE TRANSPORTATION FACTORS

Traffic and revenue are also influenced by highway improvements and local area road networks. They can also be influenced by changes in the timing of widening projects, parallel road improvements or new interchange openings, as well as changes in land development plans and schedules. This section discusses the internal and external transportation factors that could have an impact on Turnpike traffic.

1.5.1 PLANNED TURNPIKE PROJECTS

Two types of highway improvements that influence Turnpike traffic and revenue are:

- (1) Improvements to the Turnpike System facilities that result in a higher level of service.
- (2) Improvements to other facilities that either compete with the Turnpike or feed traffic to the Turnpike.

Turnpike improvements in the form of planned access and improvement projects are summarized in **Table 1.6**. Scheduled and planned Turnpike widenings that will provide an increased level of service are shown in **Table 1.7**.

Historically, construction projects on non-Turnpike highways only had a short-term favorable impact on Turnpike traffic and revenue as motorists shift to the Turnpike to avoid construction activities. After construction, the improvements typically result in a decrease in Turnpike traffic and revenue or a reduction in the rate of growth. These potential impacts have been taken into consideration in the traffic and revenue forecasts through the use of conservative growth rates in these areas.

1.5.2 FLORIDA TRANSPORTATION PLAN

Transportation trends show that future transportation needs will outpace population growth in Florida. As a result, the Department of Transportation has developed a 2025 Florida Transportation Plan (FTP) which identifies five goals and objectives, as well as strategies to guide transportation decisions in Florida over the next 17 years. The plan is designed to address how the State can meet mobility needs, ensure a safe and secure transportation system and provide guidance on the use of funding, including public

Table 1.6
Florida's Turnpike System
Access and Improvement Projects

Project	Work Program FY 2009 - FY 2014 Planned Completion/Status	Planned Projects FY 2015 - FY 2019 Status
HEFT:		
N.W. 74th Street Interchange	Completion - FY 2010	
Express Lanes at Okeechobee Mainline Toll Plaza	Completion - FY 2010	
Resurface HEFT Miami-Dade County MP 0-9	Completion - FY 2010	
Resurface HEFT Miami-Dade County MP 12-16 and 20-23	Completion - FY 2010	
HEFT All Electronic Tolling Conversion - Phase 1	Completion - FY 2011	
Resurface HEFT Broward County MP 39-44	Completion - FY 2011	
HEFT All Electronic Tolling Conversion - Phases 2 and 3	Completion - FY 2012	
Southern Coin:		
Atlantic Avenue (Delray Beach) Interchange	Completion - FY 2009	
Resurface Mainline Spur Miami-Dade County MP 0-3	Completion - FY 2011	
Resurface Broward County MP 47-50	Completion - FY 2011	
Resurface Broward County MP 66-71	Completion - FY 2013	
All-Electronic Tolling Conversion - Phase 4	Completion - FY 2013	
Hollywood Boulevard Interchange Modification		Construction - FY 2018
Sunrise Boulevard Interchange Modification		Construction - FY 2019
Ticket System:		
Resurface Northbound Fort Pierce Exit Ramp	Completion - FY 2010	
St. Lucie Interchange Modification	Completion - FY 2010	
Resurface St. Lucie County MP 169-173	Completion - FY 2011	
Resurface Indian River County MP 173-178	Completion - FY 2011	
Lake Worth Interchange Modification	Completion - FY 2011	
Northern Coin:		
Resurface Orange County MP 249-255 (Northbound)	Completion - FY 2010	
SR 50 Interchange Modification - Northbound Entrance Ramp	Completion - FY 2012	
Resurface Lake County MP 282-298 (Southbound)	Completion - FY 2013	
New Interchange, Turnpike/S.R. 417 (MP 251)		Construction - FY 2018
Beachline West:		
Express Lanes at Beachline West Toll Plaza	Completion - FY 2009	
Seminole:		
Resurface MP 46-50	Completion - FY 2011	
Express Lanes at Lake Jesup Toll Plaza	Completion - FY 2011	
Southern Connector:		
Resurface MP 1-6	Completion - FY 2012	
Polk:		
New Pace Road Interchange	Completion - FY 2011	
Resurface from MP 8-17	Completion - FY 2013	
Suncoast:		
New Lutz-Lake Fern Road Interchange	Completion - FY 2010	
Resurface Suncoast Parkway (Approx. 80 Lane-Miles)	Completion - FY 2013	
New Ridge Road Interchange		Construction - FY 2018
Sawgrass:		
Deerfield Mainline Plaza Conversion to ORT	Completion - FY 2009	
Systemwide:		
South Florida Part A ITS Improvements	Completion - FY 2009	
Incident Detection System Project	Completion - FY 2009	
Dynamic Message Sign Project	Completion - FY 2009	
South Florida Part B ITS Improvements	Completion - FY 2010	
Service Plaza Improvements	Completion - FY 2013	

and private partnerships. The five goals of the FTP are listed below:

- A safer and more secure transportation system for residents, business and visitors
- Enriched quality of life and responsible environmental stewardship
- Adequate and cost efficient maintenance and preservation of Florida's Transportation assets
- A stronger economy through enhanced mobility for people and freight
- Sustainable transportation investments for Florida's future

Within the FTP is Florida's Strategic Intermodal System (SIS). The SIS was established by the Florida Legislature in 2003 to link Florida's transportation policies and investments to the State's economic development strategy, environmental stewardship and quality of life. The SIS is made up of statewide and regionally significant facilities and services and contains all forms of transportation for moving both people and freight. Florida's Turnpike System, as well as several Department-owned and Department-operated toll facilities are included in the SIS.

In parallel with the FTP, the Turnpike Enterprise published its long-range Master Plan for

Source: Turnpike Tentative Work Program, FY 2009 - FY 2019 Finance Plan as of November 5, 2008
 Project completion date based on Construction Summary Schedule as of December 5, 2008.

the period 2005-2025 in December 2004. In March 2008, the Turnpike Enterprise published an update to its long-range Master Plan for the period 2008-2030. The Master Plan is updated annually to respond to continually changing demands and to balance needs against available funding. The next update to the Master Plan will be completed during 2009.

The Master Plan includes an Investment Plan for improvements to the existing Turnpike System; an expansion Plan for the construction of new facilities; and a Systems Management Plan for improvements and investments in toll operations, intelligent transportation systems, and concessions.

The Investment Plan includes a 5-year program for widening projects, interchange improvements and additions, and toll plaza upgrades, as summarized in **Tables 1.6** and **1.7**. A number of expansion Projects are currently in some stage of development or evaluation.

The System Management Plan component of the overall Master Plan is produced by Enterprise Toll Operations, Highway Operations, and Business Development and Concession Management. Toll Operations is upgrading toll collection equipment and software systemwide. Highway Operations is planning for the expanded use and continued development of Intelligent Transportation Systems (ITS), while Business Development and Concession Management is planning service plaza improvements and upgraded traveler services.

The Turnpike Enterprise Master Plan, in conjunction with the Department's Florida Transportation Plan, will help to guide and determine future improvements to Florida's transportation system to benefit the mobility of both people and freight and to improve the competitiveness of Florida's economy.

Table 1.7
Florida's Turnpike System
Widening Projects

Widening Project	Lanes	Work Program FY 2009 - FY 2014 Planned Completion/Status	Planned Projects FY 2015 - FY 2019 Status
HEFT: North of Eureka Drive to South of Kendall Drive	10 to 12+aux./6 to 8	Completion - FY 2013	
Southern Coin: North of Sunrise Boulevard to Atlantic Boulevard (Southbound) Griffin Road to North of Sunrise Boulevard (Southbound) Peters Road to North of Sunrise Boulevard (Northbound) North of Sunrise Boulevard to Atlantic Boulevard (Northbound) HEFT to North of Johnson Street North of Johnson Street to Griffin Road Atlantic Boulevard to North of Sawgrass Expressway	3 to 4 3 to 4 3 to 4 3 to 4 6 to 8 6 to 8 6 to 8	Completion - FY 2010 Completion - FY 2011 Completion - FY 2012 Completion - FY 2013	Construction - FY 2017 Construction - FY 2017 Construction - FY 2018
Ticket System: North of Boynton Beach Boulevard to Lake Worth Road Lake Worth Road to Okeechobee Boulevard	4 to 8 4 to 8		Construction - FY 2016 Construction - FY 2018
Northern Coin: Interstate 4 to Gotha Road S.R. 408 to North of Beulah Road Beulah Road to SR 50	4 to 8/10+aux. 4 to 8 4 to 8	Completion - FY 2011 Completion - FY 2011 Completion - FY 2013	
Beachline West Expressway: Turnpike Mainline to Sand Lake Road	4 to 6	Completion - FY 2011	
Veterans Expressway: Memorial Highway to South of Gunn Highway	4 to 8	Construction - FY 2012	Completion - FY 2017
Polk Parkway: CR 546 to I-4	2 to 4	Completion - FY 2012	

Source: Turnpike Tentative Work Program, FY 2009 - FY 2019 Finance Plan as of November 5, 2008.
Project completion date based on Construction Summary Schedule as of December 5, 2008.

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