

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Concerning the Financial Condition of the Ohio Turnpike and Infrastructure Commission to Meet the Requirements of §4.04(a) of the Master Trust Agreements

WHEREAS, §4.04(b) of the Master Trust Agreement, as amended and restated dated April 8, 2013, and the Junior Lien Master Trust Agreement, dated August 1, 2013, (the “Trust Agreements”), both of which are between the Ohio Turnpike and Infrastructure Commission (“Commission”) and The Huntington National Bank, as Trustee, require that, on or before July 31 of each year, the Commission shall complete a review of its financial condition for the purpose of estimating whether the Gross Revenues for such Fiscal Year will be sufficient to provide, together with Series Payments, Additional System Payments and Supplemental Payments, the amounts specified in §4.04(a) of the Trust Agreements; and

WHEREAS, the Commission’s Deputy Executive Director/CFO/Comptroller has analyzed the Commission’s financial condition and has advised the Commission that, on the basis of his analysis, the Commission’s revenues for fiscal year 2018 will be sufficient to meet the requirements of §4.04(a) of the Trust Agreements, and he has set forth a detailed statement of the actual and estimated Gross Revenues, Series Payments, Additional System Payments and Supplemental Payments; and

WHEREAS, a certification of same is before the Commission.

NOW, THEREFORE, BE IT

RESOLVED that the Ohio Turnpike and Infrastructure Commission, having reviewed the analysis prepared by the Deputy Executive Director/CFO/Comptroller, determines that there will be sufficient Gross Revenues for fiscal year 2018 together with Series Payments, Additional System Payments and Supplemental Payments to meet the requirements of §4.04(a) of the Trust Agreements, and hereby authorizes and directs the Deputy Executive Director/CFO/Comptroller to issue the certificate required by §4.04(b) of the Trust Agreements; and

FURTHER RESOLVED that copies of such certification and a certified copy of this Resolution shall be transmitted to the Trustee and the rating agencies, and shall be available to any interested party.

(Resolution No. 41-2018 adopted June 18, 2018)

**OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
TRUST AGREEMENTS SECTION 4.04
ESTIMATED CALCULATIONS FOR YEAR ENDING DECEMBER 31, 2018**

REQUIREMENT I

GROSS PLEDGED REVENUES:		
ACTUAL FOR 1ST FIVE MONTHS OF YEAR	\$ 128,695,978	
ESTIMATE FOR LAST SEVEN MONTHS OF YEAR	<u>208,295,196</u>	
ESTIMATED GROSS PLEDGED REVENUES	\$ 336,991,174	Section 4.04 (a) (i) and 4.04 (b)
OPERATING, MAINTENANCE & ADMINISTRATION COSTS	\$ 120,689,659	Section 4.04 (a) (i) (1)
REQUIRED DEPOSIT TO EXPENSE RESERVE	<u>150,800</u>	Section 4.04 (a) (i) (2)
NET/SYSTEM PLEDGED REVENUES	\$ 216,150,715	Required to be positive

REQUIREMENT II

NET/SYSTEM PLEDGED REVENUES	\$ 216,150,715	Section 4.04 (a) (ii)
ANNUAL SENIOR LIEN DEBT SERVICE REQUIREMENT:		
PRINCIPAL	36,693,333	
INTEREST	26,120,055	
LESS: ESTIMATED INVESTMENT EARNINGS	<u>(1,067,926)</u>	
NET ANNUAL SENIOR DEBT SERVICE REQUIREMENT	\$ 61,745,462	Section 4.04 (a) (ii)
ANNUAL JUNIOR LIEN DEBT SERVICE REQUIREMENT:		
PRINCIPAL	6,725,000	
INTEREST	52,790,063	
LESS ESTIMATED INVESTMENT EARNINGS	(1,652,306)	
LESS INTEREST INCOME TRANSFERRED FROM INFRASTRUCTURE FUND	<u>(5,400,000)</u>	
NET ANNUAL JUNIOR DEBT SERVICE REQUIREMENT	\$ 52,462,757	
NET ANNUAL COMPOSITE DEBT SERVICE REQUIREMENT	\$ 114,208,219	
RENEWAL & REPLACEMENT (R&R) REQUIREMENT	<u>10,000,000</u>	Section 4.04 (a) (ii)
NET/SYSTEM PLEDGED REVENUES LESS DEBT SERVICE AND R & R REQUIREMENTS	<u>\$ 91,942,496</u>	Required to be positive

REQUIREMENT III

NET/SYSTEM PLEDGED REVENUES AS A % OF NET ANNUAL SENIOR DEBT SERVICE REQUIREMENT	<u>350%</u>	Senior Lien Section 4.04 (a) (iii) Required to equal 120% or more *
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REQUIREMENT IV

NET/SYSTEM PLEDGED REVENUES AS A % OF NET ANNUAL COMPOSITE DEBT SERVICE REQUIREMENT	<u>189%</u>	Junior Lien Section 4.04 (a) (iii) Required to equal 120% or more
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* Required to be 150% or more during the Fiscal Year immediately preceding the issuance of additional bonds, or during any twelve (12) consecutive calendar months selected by the Commission out of the fifteen (15) consecutive calendar months immediately preceding such issuance, calculated using the maximum annual debt service on the bonds then outstanding and the bonds proposed to be issued. Also, the projected ratio must be 150% for each year bonds are scheduled to be outstanding in the event that the Commission implements a non-temporary toll rate reduction. In addition, the Commission has, by resolution, declared its intention as a matter of policy to maintain Sr. debt service coverage levels at a target of 200% of annual debt service. Other than in connection with the issuance of additional bonds, or the implementation of a toll rate reduction, the Commission has no obligation to meet such coverage levels, or to maintain a policy of doing so, and the Commission may rescind that policy at any time.

**OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
ESTIMATED GROSS PLEDGED REVENUES
FOR THE YEAR ENDING DECEMBER 31, 2018**

	January - May	June - December	Total
<u>Year Ending December 31, 2017:</u>			
Toll Revenue	\$ 113,163,930	\$ 182,635,320	\$ 295,799,250
Special Toll Permits	1,411,592	2,011,418	3,423,010
Concession & Miscellaneous Revenues	8,008,910	13,983,425	21,992,335
Investment Revenue:			
Revenue Fund	268,883	538,425	807,308
Renewal & Replacement Fund	29,648	49,037	78,685
System Projects Fund	193,320	433,027	626,347
Total Gross Pledged Revenues	<u>\$ 123,076,283</u>	<u>\$ 199,650,652</u>	<u>\$ 322,726,935</u>

	Actual January - May	Estimated June - December	Estimated Total
<u>Year Ending December 31, 2018:</u>			
Toll Revenue	\$ 117,809,284	\$ 190,194,716	\$ 308,004,000 *
Special Toll Permits	1,434,686	2,044,325	3,479,011
Concession & Miscellaneous Revenues	8,500,613	14,541,656	23,042,269
Investment Revenue:			
Revenue Fund	530,067	742,094	1,272,161
Renewal & Replacement Fund	51,718	72,405	124,123
System Projects and Construction Funds	369,610	700,000	1,069,610
Total Gross Pledged Revenues	<u>\$ 128,695,978</u>	<u>\$ 208,295,196</u>	<u>\$ 336,991,174</u>

I hereby certify the calculations above to be a fair and honest estimation of the Gross Revenues for the year ending December 31, 2018 in accordance with Section 4.04b of the Master Trust Agreement.



CFO/Comptroller

6/11/2018

Date

* Estimated toll revenue for the year ending December 31, 2018 was projected by Traffic Consultant, Jacobs Engineering Group