

KANSAS TURNPIKE AUTHORITY

SUPPLEMENTAL REPORTS
JULY 1, 2017 - JUNE 30, 2018

KANSAS TURNPIKE AUTHORITY
(A COMPONENT UNIT OF THE STATE OF KANSAS)

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Turnpike's Balance Sheet

The Turnpike's net position is the difference between its assets, deferred outflows of resources, liabilities and deferred inflows of resources reported in the Balance Sheet. The Turnpike's net position increased for the year ended June 30, 2018 by approximately \$45.9 million (7.7%).

ASSETS

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Cash and cash equivalents	\$ 60,763,372	\$ 48,247,461	\$ 86,444,950
Short-term investments	51,215,669	62,303,372	64,468,181
Intergovernmental receivables	2,345,975	1,072,595	3,821,526
Accounts receivable	6,921,385	8,773,607	1,566,145
Other current assets	3,779,702	3,131,546	2,856,393
Capital assets	663,138,742	623,512,363	594,504,905
Other noncurrent assets	67,228,124	73,770,646	28,415,280
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Total assets	855,392,969	820,811,590	782,077,380

DEFERRED OUTFLOWS OF RESOURCES

Deferred refunding	1,804,870	2,544,616	3,664,396
Deferred outflows - pensions	2,925,645	3,702,583	1,731,011
Deferred outflows - OPEB	374,138	--	--
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Total deferred outflows of resources	5,104,653	6,247,199	5,395,407

LIABILITIES

Current liabilities	27,631,888	32,270,587	26,142,717
Long-term debt outstanding	155,150,000	167,795,000	181,415,000
Bond premium	5,850,314	7,269,785	8,689,256
Net pension liability	15,629,194	16,732,544	14,751,631
Total OPEB liability	7,383,280	--	--
Other long-term liabilities	2,194,000	2,258,301	1,512,042
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Total liabilities	213,838,676	226,326,217	232,510,646

DEFERRED INFLOWS OF RESOURCES

Deferred inflows - pensions	1,435,136	1,462,003	1,859,272
Deferred inflows - OPEB	16,483	--	--
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Total deferred inflows of resources	1,451,619	1,462,003	1,859,272

NET POSITION

Net investment in capital assets	491,297,492	437,371,388	394,989,239
Restricted - expendable for debt service	33,216,034	34,041,477	33,529,100
Unrestricted	120,693,801	127,857,704	124,584,530
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Total net position	\$ 645,207,327	\$ 599,270,569	\$ 553,102,869

Net position may serve, over time, as a useful indicator of an organization's financial position. In the case of the Turnpike, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$645,207,327 at the close of the most recent year.

KANSAS TURNPIKE AUTHORITY
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COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

Year Ended June 30, 2018

	<u>Total</u>	<u>Construction Fund</u>	<u>Revenue Fund And Operations Fund</u>
Operating Revenues			
Tolls	\$ 118,188,895	\$ --	\$ 118,188,895
Concessionaire rentals	5,429,610	--	5,429,610
Miscellaneous	1,267,459	--	1,267,459
	<u>124,885,964</u>	<u>--</u>	<u>124,885,964</u>
Operating Expenses			
Administration	18,105,556	--	18,105,556
Insurance	6,235,320	--	6,235,320
Toll collection	7,813,430	--	7,813,430
Patrol	6,187,183	--	6,187,183
Maintenance	8,909,305	--	8,909,305
Depreciation	3,616,997	--	3,233
Cost of repairs and improvements	16,054,584	--	--
	<u>66,922,375</u>	<u>--</u>	<u>47,254,027</u>
Operating Income (Loss)	<u>57,963,589</u>	<u>--</u>	<u>77,631,937</u>
Nonoperating Revenues (Expenses)			
Transfers between funds	--	13,620,000	(107,589,169)
Investment revenue	1,436,321	--	2,079,445
Interest subsidy - federal	1,696,131	--	1,696,131
Interest on long-term debt	(8,463,489)	1,419,471	--
Gain on disposal of assets	585,927	--	836,638
	<u>(4,745,110)</u>	<u>15,039,471</u>	<u>(102,976,955)</u>
Change in net position	53,218,479	15,039,471	(25,345,018)
Net position, beginning of year	<u>599,270,569</u>	<u>271,720,682</u>	<u>(15,965,383)</u>
Prior period adjustment	<u>(7,281,721)</u>	<u>--</u>	<u>(7,281,721)</u>
Net position, end of year	<u>\$ 645,207,327</u>	<u>\$ 286,760,153</u>	<u>\$ (48,592,122)</u>

**KANSAS TURNPIKE AUTHORITY
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OPERATING SUMMARIES - VEHICLES, MILEAGE AND REVENUE

Fiscal Years Ended June 30, 2018 and 2017
(Unaudited)

	2018	2017	2018 Increase (Decrease) as a Percent of 2017
Number of Vehicles:			
Passenger cars	34,277,782	35,214,044	
Commercial vehicles	4,853,523	4,578,505	
Discounts and adjustments	376,582	402,022	
Total	39,507,887	40,194,571	-1.71%
Number of Miles:			
Passenger cars	1,382,625,436	1,409,794,953	
Commercial vehicles	335,744,291	313,152,610	
Total	1,718,369,727	1,722,947,563	-0.27%
Toll Revenue (Gross):			
Passenger cars	\$ 83,642,539	\$ 82,925,282	
Commercial vehicles	54,136,482	48,017,316	
Discounts and adjustments	(19,590,126)	(18,417,486)	
Total	\$ 118,188,895	\$ 112,525,112	5.03%

**KANSAS TURNPIKE AUTHORITY
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SCHEDULE OF SERVICE AREA TRAFFIC AND SALES

Fiscal Years Ended June 30, 2018 and 2017
(Unaudited)

Service Area	2018			Per Vehicle Passing Area	
	Vehicles Passing Area	Gallons Motor Fuel Sold	Restaurant Gross Sales	Gallons Motor Fuel	Restaurant Sales
Belle Plaine	7,919,935	8,046,941	\$ 3,091,182	1.02	\$ 0.39
Towanda	5,808,864	4,340,246	1,931,113	0.75	\$ 0.33
Matfield Green	5,644,632	5,062,386	2,289,561	0.90	\$ 0.41
Emporia	3,313,460	3,297,712	1,778,081	1.00	\$ 0.54
Topeka	15,988,525	8,104,711	4,768,900	0.51	\$ 0.30
Lawrence	12,486,665	7,470,085	3,818,427	0.60	\$ 0.31
	<u>51,162,081</u>	<u>36,322,081</u>	<u>\$ 17,677,264</u>		
	2017				
Belle Plaine	7,680,476	8,074,919	\$ 3,040,671	1.05	\$ 0.40
Towanda	5,864,251	4,443,498	2,072,329	0.76	\$ 0.35
Matfield Green	5,455,007	4,763,075	2,166,644	0.87	\$ 0.40
Emporia	3,104,755	3,044,936	1,769,438	0.98	\$ 0.57
Topeka	15,777,577	8,072,194	4,731,534	0.51	\$ 0.30
Lawrence	13,519,673	7,804,341	3,934,887	0.58	\$ 0.29
	<u>51,401,739</u>	<u>36,202,963</u>	<u>\$ 17,715,503</u>		

**KANSAS TURNPIKE AUTHORITY
(A COMPONENT UNIT OF THE STATE OF KANSAS)**

SCHEDULE OF ACTIVITY BY INTERCHANGE

Fiscal Year Ended June 30, 2018
(Unaudited)

Interchange		2018		
No.	Location	Entering Vehicles	Exiting Vehicles	Total Vehicles
004	Southern Terminal	3,372,043	3,196,946	6,568,989
019	Wellington: US 160	849,198	803,772	1,652,970
032	Mulvane: Casino	862,773	1,026,640	1,889,413
033	Mulvane: K-53	515,797	371,546	887,343
039	Haysville-Derby: 71 st St.	774,459	730,080	1,504,539
042	Wichita: I-135, I-235, 47 th St.	3,846,966	3,907,433	7,754,399
045	Wichita: K-15	783,993	848,119	1,632,112
050	Wichita: US 54/400, Kellogg Ave.	663,853	1,029,546	1,693,399
053	Wichita: K-96	1,659,971	1,299,869	2,959,840
057	Andover: 21 st St.	599,467	574,859	1,174,326
071	El Dorado: US 254	1,135,691	1,138,241	2,273,932
076	El Dorado: US 77	276,302	268,483	544,785
092	Cassoday: K-177	93,873	102,212	196,085
127	Emporia: I-35N	2,060,832	2,041,566	4,102,398
147	Council Grove, Osage City: US 56	138,177	140,763	278,940
177	Topeka: I-470W, US 75, Topeka Blvd.	2,716,944	2,837,464	5,554,408
182	Topeka: Valley Falls: K-4/I-70W	512,091	431,668	943,759
183	Topeka: I-70	5,490,293	5,530,111	11,020,404
197	Lecompton, Lawrence: K-10	2,928,219	2,878,878	5,807,097
202	Lawrence: US 59, S. Iowa St.	1,965,277	1,943,102	3,908,379
204	Lawrence: US 59, US40	1,192,968	1,246,084	2,439,052
212	Tonganoxie/Eudora	429,505	445,075	874,580
236	Eastern Terminal	6,086,168	6,162,403	12,248,571

**KANSAS TURNPIKE AUTHORITY
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SCHEDULE OF MONTHLY VEHICLES, MILEAGE AND TOLL REVENUE

Fiscal Year Ended June 30, 2018
(Unaudited)

Month	Vehicles	Mileage	Gross Revenue		Average Miles Per Vehicle	Average Revenue Per Vehicle
			Passenger	Commercial		
July	3,467,408	155,815,086	\$ 7,591,047	\$ 4,215,157	44.94	\$ 3.40
August	3,455,777	151,985,918	7,231,184	4,652,777	43.98	3.44
September	3,319,581	142,478,462	6,801,914	4,363,637	42.92	3.36
October	3,387,721	146,015,869	6,933,011	4,602,216	43.10	3.41
November	3,260,697	143,663,667	7,096,804	4,461,582	44.06	3.54
December	3,176,880	142,775,218	7,152,648	4,249,016	44.94	3.59
January	2,858,611	122,255,967	5,916,412	4,345,923	42.77	3.59
February	2,679,664	113,828,316	5,485,725	4,099,370	42.48	3.58
March	3,394,771	151,571,409	7,468,274	4,780,572	44.65	3.61
April	3,179,079	137,345,484	6,697,811	4,612,954	43.20	3.56
May	3,520,809	156,476,924	7,709,153	4,920,421	44.44	3.59
June	3,430,307	154,157,407	7,558,556	4,832,857	44.94	3.61
	<u>39,131,305</u>	<u>1,718,369,727</u>	<u>\$ 83,642,539</u>	<u>\$ 54,136,482</u>	43.91	\$ 3.52
Total Gross Toll Revenue				\$ 137,779,021		
Discounts and Adjustments				<u>\$ (19,590,126)</u>		
Total Adjusted Revenue				<u>\$ 118,188,895</u>		