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ANNUAL REPORT
MASSACHUSETTS
TURNPIKE AUTHORITY

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MASSACHUSETTS TURNPIKE AUTHORITY

The Massachusetts Turnpike Authority was created by Chapter 354 of the Acts of 1952 as an autonomous instrumentality of the Commonwealth to discharge the public functions which have, from time to time, been delegated to it by the Legislature. The Authority acts through a board of three members, one of whom is designated as Chairman, that are appointed by the Governor for terms of eight years.

The Authority operates two separate and financially distinct facilities, i.e., The Massachusetts Turnpike and The Callahan-Sumner Tunnels. These facilities were financed by means of three revenue bond issues totalling over five hundred million dollars. Neither the faith and credit nor the taxing power of the Commonwealth of Massachusetts or of any political subdivision thereof is pledged to the payment of the principal of or interest on the bonds. The funds providing for the maintenance, operation and policing of these facilities, as well as principal and interest payments on the bond issues, are derived solely from tolls and other revenues generated by users.

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GOVERNMENT DOCUMENTS
COLLECTION

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MASSACHUSETTS TURNPIKE AUTHORITY

BOARD MEMBERS



John T. Driscoll
Chairman



Edward T. Hanley
Vice Chairman



Anne H. McHugh
Member

MASSACHUSETTS TURNPIKE AUTHORITY

STAFF MEMBERS

Top Row

S. J. Britton
Secretary-Treasurer
J. W. Francis
Director of Personnel
R. J. Fontana
Resident Counsel



Second Row

W. P. Driscoll
Superintendent of Tunnels
D. R. Nagle
Director of Real Estate
E. M. King
Director of
Community Relations
A. T. McCann
Equal Employment
Opportunity Officer



Third Row

M. C. Crain
Chief Engineer
J. T. Dias
Maintenance Engineer
H. Finn
Superintendent of
Toll Collection



Bottom Row

J. N. Grim
Assistant Chief Engineer
R. A. Morse, Jr.
Commander, Troop 'E'
Mass. State Police
H. Healy
Secretary to Chairman



Staff Members Not Pictured

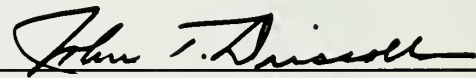
P. F. Byron
Assistant Secretary
Assistant Treasurer
W. M. Coffill
Manager of
Computer Services
K. R. Lewis
Controller
G. F. Coughlin
Secretary to
Retirement Board
William D. Crowther
Assistant Superintendent
of Tunnels

His Excellency Michael S. Dukakis
Governor of the Commonwealth of Massachusetts
and
Members of the Senate and House of Representatives
State House
Boston, Massachusetts 02133

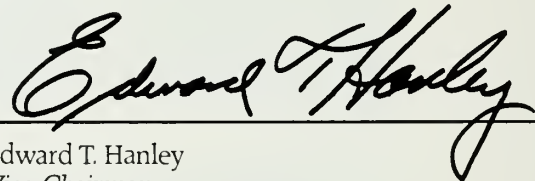
His Excellency and Honorable Members:

In accordance with this Authority's enabling legislation, section 15, Chapter 354, Acts of 1952, as amended, we are pleased to submit herewith the Thirty-First Annual Report of the Massachusetts Turnpike Authority covering the 1984 operation of the Massachusetts Turnpike and the Callahan-Sumner Tunnels.

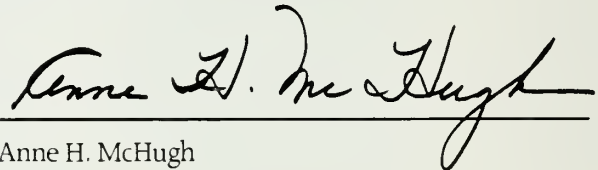
Further, in accordance with the provisions of Chapter 32, section 20, subsection 5, paragraph (i) of the General Laws, we are also submitting herein the report of the financial condition of the Massachusetts Turnpike Authority Employees' Retirement System as of December 31, 1984.



John T. Driscoll
Chairman



Edward T. Hanley
Vice-Chairman



Anne H. McHugh
Member

FINANCIAL HIGHLIGHTS 1984

The year 1984 was one of important and significant financial accomplishments for the Massachusetts Turnpike Authority in terms of debt reduction and a record growth in combined gross revenues.

On December 30, 1983 the Authority called for redemption, effective January 31, 1984, the remaining \$12,489,000 of the \$254,000,000 Initial Turnpike revenue bonds issued in 1954 and 1968 to finance the construction of the Initial Turnpike between the New York State line and Route 128 in Weston, and the widening of the Initial Turnpike between Sturbridge and Framingham. Pursuant to the provisions of the Supplemental Trust Agreement Relating to the Boston Extension, dated as of January 1, 1962, this action fulfilled the definition of the "Retirement Date" as set forth therein and, in turn, triggered the following additional events: (1) defeasance of the Trust Agreement dated as of May 1, 1954 securing the Initial Turnpike bonds effective midnight December 31, 1983; (2) transfer of all monies held in the special funds and accounts created by the 1954 trust agreement to the designated special funds and accounts created by the 1962 supplemental trust agreement; (3) operation of the Boston Extension and the Initial Turnpike as a single turnpike project, known as the Massachusetts Turnpike, effective January 1, 1984; (4) on December 30, 1983, the Authority called for refunding, effective March 1, 1984, the \$80,000,000 Boston Extension Series B 4-5% Revenue Bond issue and authorized in replacement thereof the issuance of \$107,600,000 Boston Extension Series B Revenue Refunding bonds; and (5) effective January 1, 1984, the tolls and other revenues derived from operation of the Massachusetts Turnpike were dedicated to payment of principal and interest on the \$138,000,000 principal amount of Boston Extension Series A Revenue bonds (Series A bonds) outstanding and the \$107,600,000 principal amount of Boston Extension Series B Revenue Refunding bonds (Series B bonds) outstanding.

Pursuant to the provisions of Section 510 of the 1962 supplemental trust agreement, on March 1, 1984 the Trustee transferred from the General Reserve Account to the credit of the Redemption Account, the sum of \$8,823,347, leaving a balance in the General Reserve Account of \$11,707,000, an amount equal to one (1) year's interest on the Series A and Series B bonds then outstanding.

Pursuant to Section 511(b) of the 1962 supplemental trust agreement, effective July 1, 1984, the Trustee called for redemption the sum of \$5,425,000 principal amount of Series B Refunding bonds at the current call price of 106% and for the redemption of all Series B Refunding bonds having a face value of less than \$1,000. In October and November of 1984, in response to formal "Invitation for Tenders" which had been mailed to all Series B bondholders, the Trustee accepted tenders in the total principal amount of \$21,041,000 for settlement in November and December, 1984. Accordingly, as the result of the July 1 call and the acceptance of tenders, a total principal amount of \$27,923,885, or 25.4%, of the Series B bonds were retired in 1984 leaving a balance of \$79,676,115 principal amount outstanding as of December 31, 1984.

A total of \$2,899,000 principal amount of Callahan-Sumner 4¾% Series 1959 Tunnel Revenue Bonds were retired during 1984. Outstanding Callahan-Sumner Tunnel bonds have been reduced from \$54,400,000 to \$13,569,000, or by 75.1%, as of December 31, 1984.

Gross revenues of the Massachusetts Turnpike increased by \$6,117,000 or by 7.8%, i.e., from \$78,331,000 in 1983 to \$84,448,000 in 1984. Gross revenues of the Callahan-Sumner Tunnels increased by \$376,000, or by 4.0%, i.e., from \$9,393,000 in 1983 to \$9,769,000 in 1984. The Authority's total operating expenses increased by \$2,889,923 or by 8.8% over 1983 expenses. Combined net revenues amounting to \$58,647,884 was \$3,602,041, or 6.5%, greater than 1983.

FINANCIAL HIGHLIGHTS 1984

REPLACEMENT RESERVE PROJECTS

Construction contracts for heavy maintenance projects having a total value of \$11 million were awarded in 1984 under the Replacement Reserve Program. Major contracts involved bridge deck reconstruction at a cost of \$4.6 million and roadway improvements at a cost of \$6.3 million.

Bridge Repairs

The deck of the Turnpike westbound roadway was reconstructed on the 837 foot long bridge over the Chicopee River at the Ludlow-Wilbraham town line. The new deck consists of prefabricated prestressed concrete panels similar to those used on the eastbound roadway which was reconstructed in 1983. Innovative precast concrete parapets were bolted to the deck which resulted in a savings in construction time and thereby permitted the new deck to be opened in time for the heavy summer traffic.

The westbound deck was replaced on the Quaboag Valley Bridge which has a total length of 760 feet. This bridge spans the Quaboag River, Railroad, and the Palmer-West Brimfield Road. The westbound deck of the nearby Turnpike bridge over Boston Road (Route 67) was reconstructed under the same contract. The decks were reconstructed in the conventional manner employing on-site concrete placement. The top mats of steel reinforcing were coated with epoxy to prevent corrosion. The decks of the eastbound roadways of these structures were similarly replaced in 1983.

Both the eastbound and westbound decks of the Turnpike bridges over Thorndike Street, in Palmer, were also reconstructed in 1984.

The westbound decks of four Turnpike bridges in Newton and Boston were repaired in 1984, using methyl methacrylate polymer material to replace the deteriorated concrete in a carry-over contract awarded in 1983. The eastbound decks of these bridges that separately span the Railroad, Brooks Street, Parsons Street and North Beacon Street were repaired in 1983. The MMA polymer material which achieved 4,000 pounds per square inch compressive strength in one hour enabled all lanes to be available during peak periods of traffic.

Also in 1984, the entire top portion of the concrete deck was replaced on the relatively short 60 foot span of the bridge that carries eight lanes of Turnpike traffic over the Muddy River in Boston. Here again, the deteriorated concrete was replaced with the MMA polymer material because of its property to obtain high strength quickly and thereby allow the repaired areas to be opened to traffic during the heavy traffic commuter hours daily.

Roadway Improvements

An 11.4 mile section of the Turnpike in Brimfield, Warren, and Sturbridge was resurfaced in 1984. Contract items of work included pavement repairs preparatory to the resurfacing with a 1-1/2 inch thick bituminous concrete overlay, drainage repairs, replacement of the old cable type highway guard with new steel beam, and other safety improvements.

A contract for Turnpike pavement and slope repairs between Sturbridge (Interchange 9) and Millbury (Interchange 11) was awarded in 1984 for 1985 completion. The work consists of pavement repairs with sub-base drainage improvements, stabilizing highly eroded slopes with blankets of free-draining crushed stone and cleaning drainage ditches of silt and vegetative growth.

Prudential-Copley-Hancock Tunnel

With completion of the Copley Place development project in 1984, the Turnpike now passes in a tunnel-like passageway, 3,100 feet in length, under the Prudential Center, including the Hynes Auditorium, Copley Place, and Hancock Garage. For fire protection in this elongated passageway, the dry standpipe system was extended for its entire length. Also, an emergency telephone system was installed in the passageway and covered ramps with call boxes located at regular intervals.

Callahan-Sumner Tunnels

With the inauguration of the one-way toll system at the Callahan-Sumner Tunnels, a contract was awarded in 1983 for the removal of three additional toll booths and the reconstruction of the Callahan Tunnel exit roadway which connects to Route 1A and Porter Street. This work was completed in 1984.

FINANCIAL HIGHLIGHTS 1984

REPLACEMENT RESERVE PROJECTS (CONT.)

Toll Collection Equipment

A contract to provide a new \$8.2 million toll collection system for the Massachusetts Turnpike and Callahan-Sumner Tunnels was awarded in February, 1984. The contract provides for designing, fabricating, programming, testing, installing and maintaining an electronic computerized toll collection system. Some 150 toll lanes will be provided with this new equipment. Each toll plaza will have dual computers for the storage of data. A host computer will be installed in the data processing center to collect the toll plaza data which in turn will be transferred to the main frame computer for audit. The entire system is scheduled for completion in December, 1986.

Copley Place

Following three years of construction, the \$500 million mixed-use Copley Place development was completed in 1984. The project was built on 9.5 acres of Turnpike land over the Turnpike interchange which is centrally located across from Copley Square in Boston.

The development complex includes the 36 story 804 room Westin Hotel opened in 1983; four interconnected seven story buildings with over 800,000 square feet of office space, two levels

of shopping galleries anchored by a Neiman-Marcus specialty department store; the 40 story 1145 room Marriott convention hotel, enclosed garaging with 1400 spaces, and 100 mixed-income housing units.

As provided for in the Authority's air rights lease agreement, 15,300 square feet of retail and office space is set aside for community retail and office space. One half of the community retail and office area will be devoted to minority business enterprises and community development corporations at below market rental rates.

With completion seven years after air-rights negotiations commenced, Copley Place represents the largest private development in Boston's history.

Wang Laboratories Development Project

Construction of the ten story Wang Laboratories building is nearing completion. The 80 by 130 foot building is being constructed on 5.9 acres of land leased from the Authority in 1982 at the eastern terminus of the Turnpike. The development will include manufacturing and office facilities which will provide employment opportunities in the Chinese community of Boston.

CAR POOLING

During 1984, participants in the Authority's C.P.I.D. (Car Pool Program) saved \$180,000 in toll revenue. The total savings to car poolers has

been more than \$1,000,000 since the inception of the program five years ago.

SAFETY RECORD

It is with great pleasure that we announce that 1984 was one of the safest years in the history of the Massachusetts Turnpike.

The 1984 fatality rate was .73 and the fatal accident rate was .57 per one hundred million miles. Since the Massachusetts Turnpike has been in

existence, the next best fatality rate was in 1983 with .60.

This performance is attributed to the strict enforcement of the 55 mph speed limit, enforcement of the trucking regulations, and the high visibility of State Police patrols. The cooperation from all departments and the maintenance of the roadway contributed greatly to this goal.

FINANCIAL HIGHLIGHTS 1984

EMERGENCY SERVICE PATROL

For the patrons of the Massachusetts Turnpike, 1984 marked the 16th Anniversary of the Emergency Service Patrol function. This unique concept was developed by the present Chairman of the Authority, John T. Driscoll as a public service to Turnpike patrons.

With newly purchased vehicles, radio-equipped and fully operational, the 16 member team of the Emergency Service Patrol are prepared to assist those patrons who experience vehicular problems from downtown Boston to the New York line.

Chairman Driscoll stated that "you are never alone on the Mass Pike" and added that the safety of all travelers is the primary concern of all Mass. Turnpike personnel. The Emergency Service Patrol is in addition to the 24 hour coverage provided by Troop 'E' of the Massachusetts State Police and the Maintenance Weather Patrol on the Massachusetts Turnpike. Since the inception of the patrol 16 years ago an average of 30,000 motorists have been assisted each year.

The Emergency Service Patrol unit are employees of the Turnpike Authority under the direction of Captain Robert A. Morse, Commanding Officer, Troop 'E', Massachusetts State Police with headquarters at Weston, Mass.

The Emergency Service Patrol provides gasoline, water, changes flat tires, boost batteries or gives push starts. Additional functions include: assisting the State Police at accident scenes by providing flares to warn other motorists of a disabled vehicle as well as cleaning the debris from the accident scene, checking cone setups at construction sites and extinguishing small grass and brush fires. The goal of the Emergency Service Patrol is to provide prompt, efficient and courteous service and above all to make the Massachusetts Turnpike the safest road in the country.

TOLL COLLECTIONS

1984 was a record breaking year for the Turnpike and Boston Extension, 8,250,000 more vehicles were processed than in 1983.

Interchange 11A in Westboro (connecting with Interstate #495) continues to lead all interchanges in growth, with an increase of 16.4%, representing 1,303,506 vehicles, both entry and exit.

To expedite this increase in traffic new lanes are to be constructed in the spring of 1985; at Interchange #13 in Natick/Framingham, Interchange 11A in Westboro and at Interchange #10 in

Auburn. Also planned for 1985 is the rebuilding and refurbishing of all toll booths including the installation of new counter tops, cash drawers, and an electrical heating system, plus the replacement of all emergency generators.

This program is scheduled for completion in early 1986. At this time the new Toll Collection system will be ready for installation.

The new toll system will incorporate the latest state-of-the-art computerized toll equipment with current computer technology.

AFFIRMATIVE ACTION

EQUAL EMPLOYMENT OPPORTUNITY OFFICE

As of December 29, 1984, there was 11% minority and 17% female representation in the workforce.

The Authority's 1984 Replacement Reserve Construction Program was successful in attaining the prescribed location percentages of the special provisions, i.e., 30%, 15% and 10% minority workforce included in the specific contracts. The minority labor workforce on nine construction contracts in 1984 received \$214,498 representing 15% of the labor portion of these projects.

The Authority's 5% MBE Purchasing Program initiated in 1977 was updated and presented to the Executive Office of Transportation and Construction in October 1984 for review and ultimate approval by the Commonwealth of Massachusetts, Department of Affirmative Action.

In 1984 Minority Business Enterprises shared \$737,903 for goods and construction services.

On April 20, 1984, Copley Place was substantially completed with the opening of the Marriott Hotel which anchored the 9½ acre site containing the Westin Hotel, central office tower and the Mall. Pursuant to the lease language between Urban Investment & Development Inc., and the Massachusetts Turnpike Authority the overall construction goal of 20% minority and 5% MBE participation was attained.

A total of \$18,000,000 was awarded to Minority Business Enterprises during the construction phase.

Highlights of tenant compliance with affirmative action as of June 30, 1984.

	Min.	Female	Total Emp.
Westin	47%	41%	829
Marriott	46%	41%	978
Neiman Marcus	24%	66%	229
UIDC Management	38%	30%	179
Retail Tenants	14%	35%	1315
Total	30%	41%	3530

CREDIT UNION

The Authority is pleased to acknowledge in this annual report that the Turnpike Credit Union observed with great satisfaction its tenth anniversary in 1984.

Due in large part to the diligent efforts of a fifteen-member Board of Directors, the Turnpike Credit Union has grown steadily since being established in February, 1974.

Statistically, total assets increased to \$1,811,919 as of December 31, 1984. At year-end 791

Authority employees were members owning share account deposits of \$770,224, term deposits of \$136,455, and money market deposit accounts of \$430,030. Dividends paid to members increased from \$59,387, in 1983 to \$62,644 in 1984.

The Turnpike Credit Union enters 1985 looking forward to another decade of providing a comprehensive program of savings and loan services to its membership.

SERVICE AWARDS

During 1984, the following personnel received Length of Service Awards:

25 YEARS

John P. DeAngelis
*Security Officer-
Callahan/Sumner Tunnel*
Leo Ladouceur
Toll Collector
Albert J. Litano
*Assistant Section
Supervisor of Tolls*
Angel Martinez
Chauffeur
Edward K. Porter
*Heavy Equipment
Operator*
Donald T. Thurber
*Supervisor of
Maintenance*
Raymond Turner
Senior Toll Collector

Patrick M. Curran
Bridge Repairman
Charles G. Dolan
Chauffeur
John T. Driscoll
Chairman
William P. Driscoll
*Superintendent of
Tunnels*
Paul R. Epstein
Toll Collector
Robert Flaherty
Foreman of Maintenance
Robert A. Kewley
*Light Equipment
Operator*
Harold T. Moore
Contract Administrator
Joseph P. Quinn
Plaza Supervisor

John P. Cioffi
*Acting First Class
Mechanic*
Walter Cooper
*Heavy Equipment
Operator*
Joseph A. Coyne
*Supervisor of Computer
Operations*
James Coughlin, Sr.
Toll Collector
Ronald J. Ditomasso
Bridge Repairman
Anthony J. Giannone
*Senior Motor Equipment
Clerk*
Clayton R. Gile
*Foreman of Motor
Equipment*
James M. Gooding
Plaza Supervisor
Stuart L. Lanza
*Foreman of Building
Maintenance*
Santo C. Laquaglia
Maintenance Worker
Roger H. Lariviere
Maintenance Clerk
Richard A. Manyak
Toll Collector
Richard R. Mayoski
First Class Mechanic

Edward E. McCarthy
Supervisor of Stores
Patricia M. McDonald
*Assistant Manager of
Data Systems*
Mary A. O'Brien
Senior Typist Clerk
Anthony J. Petti
Foreman of Maintenance
Kenneth Pimental
First Class Mechanic
James Quinn
Toll Collector
Edward L. Roads
Electrician
Kenneth F. Sanders
Toll Collector
Veneranda Sciortino
*Assistant Supervisor of
Toll Audit*
Paul M. Sotichack
Courier
Roland L. Theriault
*Emergency Service
Patrolman*
Gilbert Thompson
Toll Collector
Edward T. Young
Foreman of Maintenance

20 YEARS

Patrick J. Buckley
*Section Supervisor
of Tolls*
James F. Cahill
*Assistant Superintendent
of Toll Collection*
Theodore J. Cournoyer, Jr.
Section Safety Inspector

15 YEARS

Albert E. Abdella
*Assistant Division
Engineer*
Richard A. Belair
Toll Collector
Richard J. Cavanaugh
Toll Collector
Dante Cecchi
First Class Mechanic

At a testimonial dinner on December 11, 1984, the following Massachusetts Turnpike Employees were among those selected from throughout the Commonwealth to receive a Performance Recognition Award from Governor Michael S. Dukakis:

William D. Crowther
*Assistant Superintendent
of Tunnels*

Carol A. Latfy
Chief Accountant
Myron Marcoulis
First Class Mechanic

Dale W. Morse
*Building Maintenance
Mechanic-Skilled*
Gregory Ouzounian
First Class Mechanic

Bennie I. Trzcinski
Toll Collector

RETIREES FOR 1984

TOLL COLLECTION:

Mitchell Dune
Toll Collector
John C. Faber
Toll Collector
Boguslaus S. Grzywna
Toll Collector
Abraham Maloof
Toll Collector
James E. Mullen
Toll Collector
George J. Penna
Toll Collector

EMERGENCY SERVICE

PATROL:

Salvatore J. Miano
*Emergency Service
Patrolman*
Philip P. Panzero
*Assistant Manager of
Patron Services*
**ENGINEERING AND
MAINTENANCE:**
Trin J. Astrella
Maintenance Worker
John F. Ayers
*Building Mechanic
Skilled*
Christopher G. Barlas
Assistant Foreman

Anthony J. Cardillo
First Class Mechanic
John M. Madonna, Sr.
Foreman Maintenance
Francis D. McMaster
Senior Storekeeper
Edward S. Olsza
*Heavy Equipment
Operator*
Ernest C. Perikli
*Light Equipment
Operator*
Warren H. Sarty
Maintenance Worker
Joseph A. Hudyka
*Foreman Motor
Equipment Maintenance*

PURCHASING:

Thomas A. Kelley
Purchasing Agent
TUNNELS DIVISION:
Vincent M. Bonaffini
Toll Collector
Orlando Fanti
Security Officer
David J. O'Malley
Supervisor of Tolls

DEATHS - 1984

*Frederick V. King
*Equipment Operator
Loader*
01/03/84
*William J. Corkery
Janitor
01/06/84
*Helen Andronica
Principal Clerk
02/20/84
*Thomas J. Walsh
Toll Collector
02/23/84
*Edward P. DeGeroge
*Building Maintenance
Man Skilled*
02/25/84
*Jeremiah A. Scanlon
Toll Collector
03/08/84

*James A. Peddle
Maintenance Man
03/11/84
*Francis E. Scully
Toll Collector
03/27/84
*Thomas F. Ford
Toll Collector
04/03/84
*Henry E. Daly
Maintenance Man
04/16/84
*John T. McAloon
Maintenance Man
04/21/84
Leslie F. MacNeil
Toll Collector
05/13/84

*Donald A. Foley
Toll Collector
05/21/84
*Gerald J. Cahill
Security Officer
05/23/84
*Donato Cellucci
Toll Collector
06/21/84
*David J. O'Malley
Supervisor of Tolls
07/11/84
*Joseph A. Hudyka
*Foreman Motor
Equipment Maintenance*
08/01/84
*Robert W. Tower
Mechanic
09/06/84

Thomas R. Collins
General Helper
09/15/84
Robert E. Brown
Toll Collector
10/29/84
*Ola Mason
Toll Collector
10/30/84
*Raymond F. Ingraham
Toll Collector
11/04/84
*Frank Rella
Maintenance Man
11/25/84

(*retiree)

February 22, 1985
Charles E. Di Pesa & Co.
Certified Public Accountants
Members of the Board
Massachusetts Turnpike Authority
Boston, Massachusetts 02199

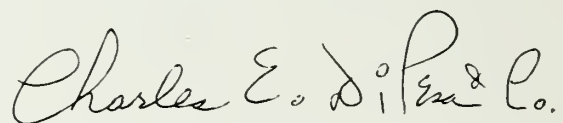
Gentlemen:

We have examined the Combined Statement of Condition of the Massachusetts Turnpike Authority as of December 31, 1984 and the related Combined Statement of Revenues and Expenses for the year ended pursuant to the Trust Agreements. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As more fully described in the footnotes, the Authority's policy is to prepare its financial statements on the basis of accounting practices prescribed by the Trust Agreements. These practices vary in some respects from generally accepted accounting principles but are in accordance with practices followed by similar entities.

In our opinion, the aforementioned financial statements present fairly the financial position of the Massachusetts Turnpike Authority as of December 31, 1984 and the revenues and expenses for the year then ended in conformity with the provisions of the Trust Agreements and is consistent with that of the preceding year. The current year's supplementary data have been subjected to the same auditing tests and procedures and, in our opinion, are stated fairly in all material respects when considered in conjunction with the financial statements taken as a whole.

Respectfully submitted.



Charles E. Di Pesa & Co.
Certified Public Accountants

MASSACHUSETTS TURNPIKE AUTHORITY
COMBINED STATEMENT OF CONDITION
AS OF DECEMBER 31, 1984 and 1983



<i>Assets</i>	1984	1983
Cash	\$ 10,896,381	\$ 14,608,334
Investments	39,283,676	35,775,340
Accrued Interest on Investments	291,429	279,248
Accounts Receivable	2,337,712	2,149,939
Inventories	622,458	481,770
Deposits, Prepaid and Deferred Items	673,614	956,271
Escrow Funds	59,050	59,975
Investments in Annuity Contract (Note 6)	1,206,280	741,715
Cost of Massachusetts Turnpike and Callahan-Sumner Tunnels to Date	554,000,000	526,400,000
Total Assets	\$609,370,600	\$581,452,592

Liabilities and Fund Balances

Accounts Payable	\$ 1,221,848	\$ 512,908
Accrued Expenses and Payroll	2,657,032	3,373,006
Withholding from Employees	28,491	28,009
Deposits and Deferred Income	410,290	371,697
Bond Interest-Unpaid Coupons	22,991	22,991
Deferred Compensation (Note 6)	1,206,280	741,715
Medical Benefits Claims Reserve	166,090	197,534
Retainage	1,030,457	708,068
Revenue Bonds Outstanding	231,245,115	234,468,000
Fund Balances		
Revenue Bonds Retired	322,754,885	291,932,000
Fund Balances	48,627,121	49,096,664
Total Fund Balances	371,382,006	341,028,664
Total Liabilities and Fund Balances	\$609,370,600	\$581,452,592

The Accompanying Footnotes are an Integral Part of these Combined Statements

MASSACHUSETTS TURNPIKE AUTHORITY
COMBINED STATEMENT OF REVENUES AND EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 1984 and 1983



<i>Revenues</i>	1984	1983
Toll Revenue (Net)	\$ 84,376,358	\$ 78,323,442
Restaurant Revenue	1,150,315	1,079,739
Service Station Revenue	1,369,133	1,320,833
Rental Income	1,762,977	1,481,553
Miscellaneous	282,576	519,562
Income from Investments		
Redemption Account	606,498	336,931
Revenue Fund	422,012	365,199
Replacement Reserve Fund	1,772,459	1,203,388
Bond Interest Account	526,715	400,004
Reserve Account	1,947,534	2,693,962
Total Revenues	\$ 94,216,577	\$ 87,724,613

Operating Expenses

Administrative	\$ 5,234,023	\$ 5,331,084
Retirement	3,705,756	2,514,277
Toll Collection	9,733,835	9,041,854
Police Patrol	2,750,348	2,587,722
Maintenance of Highway, Buildings, Tunnels and Equipment	14,144,731	13,203,833
Total Operating Expenses	\$ 35,568,693	\$ 32,678,770
Excess of Revenues Over Operating Expenses	\$ 58,647,884	\$ 55,045,843
Interest Requirements	\$ 11,700,187	\$ 11,283,256

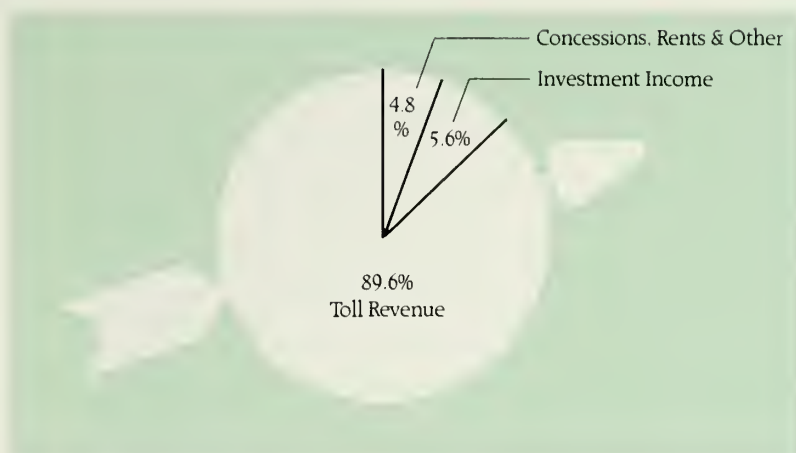
COMBINED ANALYSIS OF FUND BALANCES
FOR THE YEARS DECEMBER 31, 1984 and 1983

	1984	1983
Balances – beginning of year	\$ 49,096,664	\$ 51,178,060
Excess of Revenues Over Operating Expenses for the Years Ended December 31, 1984 and 1983	58,647,884	55,045,843
Totals	\$107,744,548	\$106,223,903

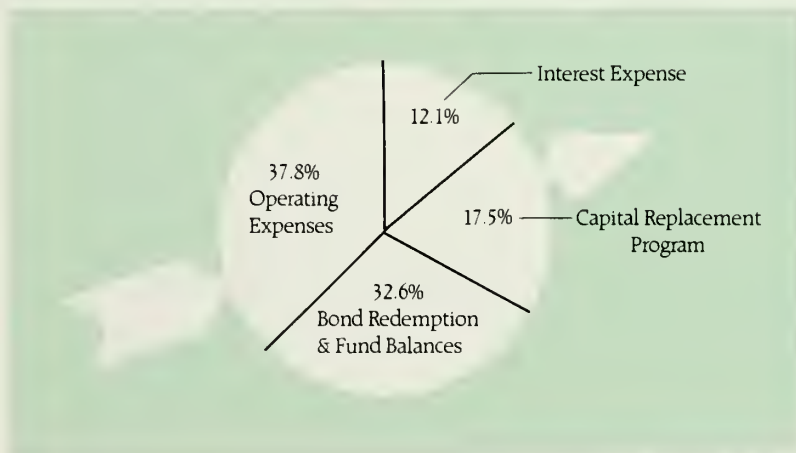
Disbursements

Redemption of Bonds	\$ 30,896,888	\$ 33,528,424
Payment of Bond Interest		
Interest Dates	10,452,166	11,389,170
Retirement Dates	943,675	216,692
Replacement Reserve Expenditures	16,680,989	11,812,181
Bond Call and Issuance Expenditures	143,709	180,772
Total Disbursements	\$ 59,117,427	\$ 57,127,239
Balances – end of year	\$ 48,627,121	\$ 49,096,664

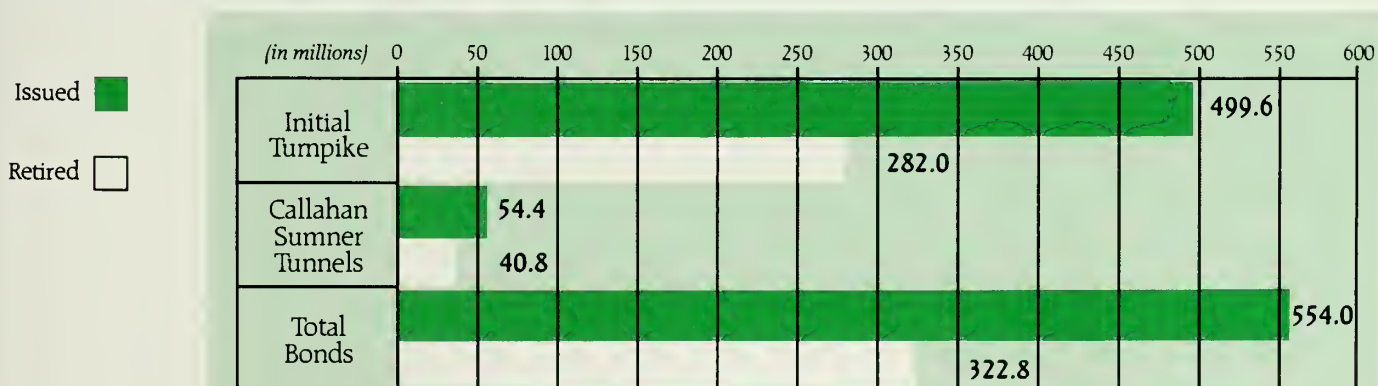
MASSACHUSETTS TURNPIKE AUTHORITY 1984 COMBINED GROSS REVENUES



1984 DISPOSITION OF COMBINED REVENUES



1984 TOTAL BONDS ISSUED AND RETIRED



MASSACHUSETTS TURNPIKE AUTHORITY
MASSACHUSETTS TURNPIKE
STATEMENT OF CONDITION
AS OF DECEMBER 31, 1984 and 1983



<i>Assets</i>	1984	1983
Cash	\$ 10,009,893	\$ 12,870,004
Investments	33,105,450	31,036,543
Accrued Interest on Investments	210,755	212,187
Accounts Receivable	2,224,346	2,077,879
Inventories	621,937	479,129
Deposits, Prepaid and Deferred Items	461,210	562,314
Escrow Funds	59,050	59,975
Investments in Annuity Contract (Note 6)	1,206,280	741,715
Due from Other Funds	905,343	309,160
Cost of Massachusetts Turnpike to Date	499,600,000	472,000,000
Total Assets	\$548,404,264	\$520,348,906

Liabilities and Fund Balances

Accounts Payable	\$ 1,189,907	\$ 452,730
Accrued Expenses and Payroll	1,852,351	2,706,336
Withholding from Employees	28,491	28,009
Deposits and Deferred Income	287,873	264,773
Bond Interest-Unpaid Coupons	21,162	21,162
Deferred Compensation (Note 6)	1,206,280	741,715
Due to Other Funds	918,977	312,050
Retainage	985,334	612,537
Medical Benefits Claims Reserve	166,090	197,534
Revenue Bonds Outstanding		
1962 Revenue Series - Due Jan. 1, 2002		
Series A - 4.75%	100,000,000	100,000,000
Series A - 4.15%	38,000,000	38,000,000
Series B - 4%-5%		80,000,000
1984 Refunding Bonds - Due Jan. 1, 2002		
Series B - 5%	79,676,115	
Fund Balances		
Revenue Bonds Retired	281,923,885	254,000,000
Fund Balances	42,147,799	43,012,060
Total Fund Balances	\$324,071,684	\$297,012,060
Total Liabilities and Fund Balances	\$548,404,264	\$520,348,906

The Accompanying Footnotes are an Integral Part of these Combined Statements

MASSACHUSETTS TURNPIKE AUTHORITY
MASSACHUSETTS TURNPIKE
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 1984 and 1983



<i>Revenues</i>	1984	1983
Toll Revenue (Net)	\$75,403,783	\$69,757,098
Restaurant Revenue	1,150,315	1,079,739
Service Station Revenue	1,369,133	1,320,833
Rental Income	1,694,090	1,409,113
Miscellaneous	282,574	519,110
Income from Investments		
Redemption Account	606,498	336,931
Revenue Fund	379,271	330,859
Replacement Reserve Fund	1,604,447	1,001,382
Bond Interest Account	492,236	363,513
Reserve Account	1,465,840	2,213,119
Total Revenues	\$84,448,187	\$78,331,697
<i>Operating Expenses</i>		
Administrative	\$ 4,527,806	\$ 4,645,785
Retirement	3,019,838	1,948,255
Toll Collection	8,142,427	7,421,783
Police Patrol	2,611,014	2,471,162
Engineering and Maintenance	12,317,039	11,496,307
Total Operating Expenses	\$30,618,124	\$27,983,292
Excess of Revenues Over Operating Expenses	\$53,830,063	\$50,348,405
Interest Requirements	\$10,970,310	\$10,413,435
Percentage of Interest Earned	490.69	483.49

The Accompanying Footnotes are an Integral Part of these Combined Statements

MASSACHUSETTS TURNPIKE AUTHORITY
MASSACHUSETTS TURNPIKE
ANALYSIS OF FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 1984 and 1983



	1984	1983
<i>Balances – beginning of year</i>	\$43,012,060	\$43,440,487
Excess of Revenues Over Operating Expenses for the Years Ended December 31, 1984 and 1983	53,830,063	50,348,405
<i>Totals</i>	\$96,842,123	\$93,788,892

Disbursements

Redemption of Bonds	\$28,118,913	\$30,592,829
Payment of Bond Interest		9,527,000
Interest Dates	9,720,333	990,259
Retirement Dates	904,382	175,704
Replacement Reserve Expenditures	15,806,987	9,310,268
Bond Call and Issuance Expenditures	143,709	180,772
<i>Total Disbursements</i>	\$54,694,324	\$50,776,832
<i>Balances – end of year</i>	\$42,147,799	\$43,012,060

The Accompanying Footnotes are an Integral Part of these Combined Statements

MASSACHUSETTS TURNPIKE AUTHORITY
CALLAHAN-SUMNER TUNNELS
STATEMENT OF CONDITION
FOR THE YEARS ENDED DECEMBER 31, 1984 and 1983



<i>Assets</i>	1984	1983
Cash	\$ 886,488	\$ 1,738,330
Investments	6,178,226	4,738,797
Accrued Interest on Investments	80,674	67,061
Accounts Receivable	113,366	72,060
Inventories	521	2,641
Deposits, Prepaid and Deferred Items	212,404	393,957
Due from Other Funds	93,842	49,783
Cost of Tunnel to Date	54,400,000	54,400,000
Total Assets	\$61,965,521	\$61,462,629

Liabilities and Fund Balances

Accounts Payable	\$ 31,941	\$ 60,178
Accrued Expenses and Payroll	804,681	666,670
Deposits and Deferred Income	122,417	106,924
Bond Interest-Unpaid Coupons	1,829	1,829
Due to Other Funds	80,208	46,893
Retainage	45,123	95,531
Revenue Bonds Outstanding		
1959 Revenue Series - Due April 1, 1999		
4.75%	13,569,000	16,468,000
Fund Balances		
Revenue Bonds Retired	40,831,000	37,932,000
Fund Balances	6,479,322	6,084,604
Total Fund Balances	\$47,310,322	\$44,016,604
Total Liabilities and Fund Balances	\$61,965,521	\$61,462,629

The Accompanying Footnotes are an Integral Part of these Combined Statements

MASSACHUSETTS TURNPIKE AUTHORITY
CALLAHAN-SUMNER TUNNELS
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 1984 and 1983



<i>Revenues</i>	1984	1983
Toll Revenue (Net)	\$ 8,972,575	\$ 8,566,344
Rental Income	68,887	72,440
Miscellaneous	2	452
Income from Investments		
Revenue Fund	42,741	34,340
Replacement Reserve Fund	168,012	202,006
Bond Interest Account	34,479	36,491
Reserve Account	481,694	480,843
Total Revenues	\$ 9,768,390	\$ 9,392,916
<i>Operating Expenses</i>		
Administrative	\$ 706,217	\$ 685,299
Retirement	685,918	566,022
Toll Collection	1,591,408	1,620,071
Police Patrol	139,334	116,560
Maintenance and Operation of Tunnels	1,827,692	1,707,526
Total Operating Expenses	\$ 4,950,569	\$ 4,695,478
<i>Excess of Revenues Over Operating Expenses</i>	\$ 4,817,821	\$ 4,697,438
<i>Interest Requirements</i>	\$ 729,877	\$ 869,821
<i>Percentage of Interest Earned</i>	660.09	540.05

CALLAHAN-SUMNER TUNNELS
ANALYSIS OF FUND BALANCES
FOR THE YEARS DECEMBER 31, 1984 and 1983

	1984	1983
<i>Balances - beginning of year</i>	\$ 6,084,604	\$ 7,737,573
Excess of Revenues Over Operating Expenses for the Years Ended December 31, 1984 and 1983	4,817,821	4,697,438
Totals	\$10,902,425	\$12,435,011

Disbursements

Redemption of Bonds	\$ 2,777,975	\$ 2,935,595
Payment of Bond Interest		
Interest Dates	731,833	871,911
Retirement Dates	39,293	40,988
Replacement Reserve Expenditures	874,002	2,501,913
Total Disbursements	\$ 4,423,103	\$ 6,350,407
<i>Balances - end of year</i>	\$ 6,479,322	\$ 6,084,604

MASSACHUSETTS TURNPIKE AUTHORITY
SUMMARY OF REVENUE BONDS ISSUED, RETIRED AND OUTSTANDING
FISCAL YEAR ENDED DECEMBER 31, 1984



Schedule A

	Original Amount Authorized And Issued Prior to 1984	Acquired and Cancelled in Prior Years	Amount Outstanding 1/1/84	Issuance of Series B Refunding Bonds (Note 10)	Revenue Bonds Retired in 1984	Amount Outstanding 12/31/84
Massachusetts Turnpike						
1954 Revenue Bonds						
Due 01/01/2002						
3.3%	\$239,000,000	\$239,000,000	\$	\$	\$	\$
1962 Revenue Bonds						
Due 01/01/2002						
Series A - 4.75%	100,000,000		100,000,000			100,000,000
Series A - 4.15%	38,000,000		38,000,000			38,000,000
Series B - 4%-5%	80,000,000		80,000,000	(80,000,000)		
1968 Revenue Bonds						
Due 05/01/2008						
5.25%	15,000,000	15,000,000				
1984 Refunding Bonds						
Due 01/01/2002						
Series B - 5.0%				107,600,000	27,923,885	79,676,115
Total Massachusetts Turnpike	\$472,000,000	\$254,000,000	\$218,000,000	\$27,600,000	\$27,923,885	\$217,676,115
Callahan-Sumner Tunnels						
1959 Revenue Bonds						
Due 04/01/1999						
4.75%	\$52,800,000	\$36,332,000	\$16,468,000		\$2,899,000	\$13,569,000
4.25%	1,600,000	1,600,000				
Total Callahan-Sumner Tunnels	\$54,400,000	\$37,932,000	\$16,468,000		\$2,899,000	\$13,569,000
Total Authority	\$526,400,000	\$291,932,000	\$234,468,000	\$27,600,000	\$30,822,885	\$231,245,115

The Accompanying Footnotes are an Integral Part of these Combined Statements

MASSACHUSETTS TURNPIKE AUTHORITY
COMBINED REVENUES, OPERATING EXPENSES
AND BOND INTEREST REQUIREMENTS
FOR THE YEARS ENDED DECEMBER 31, 1984 and 1983



Revenues, Operating Expenses, and Net Revenues

	Gross Revenues		Operating Expenses		Net Revenues	
	1984	1983	1984	1983	1984	1983
Massachusetts Turnpike	\$84,448,187	\$78,331,697	\$30,618,124	\$27,983,292	\$53,830,063	\$50,348,405
Callahan-Sumner Tunnels	9,768,390	9,392,916	4,950,569	4,695,478	4,817,821	4,697,438
Totals	\$94,216,577	\$87,724,613	\$35,568,693	\$32,678,770	\$58,647,884	\$55,045,843

	Net Revenues		Interest Requirement		Percentage of Interest Earned	
	1984	1983	1984	1983	1984	1983
Massachusetts Turnpike	\$53,830,063	\$50,348,405	\$10,970,310	\$10,413,435	490.69	483.49
Callahan-Sumner Tunnels	4,817,821	4,697,438	729,877	869,821	660.09	540.05
Totals	\$58,647,884	\$55,045,843	\$11,700,187	\$11,283,256	501.26	487.85

The Accompanying Footnotes are an Integral Part of these Combined Statements

NOTES TO COMBINED FINANCIAL STATEMENTS

1 - General

In fiscal year 1984 the Authority operated two separate and financially distinct facilities, i.e., the Massachusetts Turnpike and the Callahan-Sumner Tunnels. These facilities were financed by means of revenue bond issues totalling \$554,000,000. Neither the faith and credit nor the taxing power of the Commonwealth of Massachusetts or of any political subdivision thereof was pledged to the payment of the principal or interest on the bonds. The funds providing for the maintenance, operation and policing of these facilities, as well as principal and interest payments on bond issues, were derived from tolls and other revenues.

2 - The Enabling Act

By Chapter 354 of the Acts of 1952 of the Commonwealth of Massachusetts, the Massachusetts Turnpike Authority was duly created a body politic and corporate and a public instrumentality of the Commonwealth of Massachusetts and was authorized and empowered to construct, maintain, repair and operate a toll express highway, known as the "Massachusetts Turnpike." Chapter 598 of the Acts of 1958 authorized and empowered the Massachusetts Turnpike Authority to acquire from the city of Boston the Sumner Tunnel and to construct and operate an additional vehicular tunnel between Boston proper and East Boston (known as the Callahan Tunnel).

3 - Summary of Significant Accounting Policies

a) General Accounting Practices

All accounts and records of the Authority are maintained in accordance with accounting practices consistent with the provisions of the following trust agreements: The Supplemental Trust Agreement dated as of January 1, 1962 relating to the Massachusetts Turnpike and Trust Agreement dated as of April 1, 1959, relating to the Callahan-Sumner Tunnels. As a result of the terms of the bond resolutions and the related interpretation thereof, the Authority's accounting practices differ in certain respects from generally accepted accounting principles but are in accordance with accounting practices followed by similar entities.

b) Combined Financial Statements

In addition to the financial statements presented for each of the two financially distinct facilities, the Authority, as a matter of policy and public information, also presents in its Annual Report financial statements reflecting the combined financial condition of the Massachusetts Turnpike and the Callahan-Sumner Tunnels.

c) The Fiscal Year

The Authority's fiscal year is the calendar year.

d) Method of Accounting

The funds and accounts of the Authority are maintained on the accrual basis except for payments of bond interest paid out of the Sinking Fund Bond Interest Account on the cash basis.

e) Inventories

Inventories consist primarily of sodium chloride, calcium chloride, sand, bulk gasoline, and highway guardrail. Inventories are valued at cost utilizing the FIFO method.

f) Cost of Projects

The cost of Authority projects includes all costs for acquisition and construction, legal expenses and fees, financing charges, preparation and issuance of bonds, and all other items of expense defined and authorized in the trust agreements.

g) Revenues

All revenues received by the Authority are deposited with the First National Bank of Boston, Trustee (Bank of Boston) or other authorized bank depositories, and are held in trust and applied in accordance with the provisions of the trust agreements. All revenues deposited with the Trustee, or any other depository, are continuously secured for the benefit of the Authority and bondholders by marketable securities eligible as security for the deposit of trust funds and are approved and held by the Bank of Boston, Trustee. On or before the fifteenth day of each month, all monies held for the credit of the revenue funds on the last day of the preceding month, less an amount held for reserve for current expenses, are transferred by the Trustee and credited to the following accounts or funds:

1) To the Sinking Fund Bond Interest Accounts, such amounts, if any, as may be required to make the balances therein equal to the amount of interest which will become payable within the next ensuing six months on all bonds then outstanding;

NOTES TO COMBINED FINANCIAL STATEMENTS (CONT.)

2) To the Replacement Reserve Funds, such amounts, if any, as may be required to make the amount deposited in each fiscal year equal to the amounts recommended by the Consulting Engineers:

3) To the Sinking Fund Reserve Accounts, such amounts, if any, as may be required to make the amount equal to the interest reserve requirements specified in the Trust agreements:

4) To the Redemption Accounts the balance, if any, remaining after deposits made under clauses 1, 2, and 3 above.

h) Operating Expenses

The term "current expenses" (operating expenses) as defined in the trust agreements excludes any extraordinary maintenance or repair, allowance for depreciation, or debt service. The trust agreements provide that the Authority will on or before the first day of each fiscal year adopt annual budgets. The annual budgets of operating expenses for fiscal year 1984 for the two facilities totaled \$35,569,700 as compared to actual expenses of \$35,568,693.

i) Replacement Reserve Funds

These funds are held for the purpose of paying for the cost of resurfacing, replacement or reconstruction, usual or extraordinary maintenance or repairs, renewals and replacements, the cost of replacing equipment, engineering expenses and premiums on insurance carried under the provisions of the trust agreements. As provided in the trust agreements, the Consulting Engineers are required annually to inspect the Authority's facilities and report to the Authority their findings and recommendations as to: a) estimate of the amount necessary for proper maintenance, repair and operation during the ensuing fiscal year, b) insurance to be carried under the provisions of the trust agreements and c) amounts to be deposited during the ensuing fiscal year to the credit of the replacement reserve funds. For fiscal year 1984, the Consulting Engineers recommended the following amounts be deposited to the two replacement funds, and such amounts were so deposited: Massachusetts Turnpike \$15,500,000, and the Callahan-Sumner Tunnels \$1,000,000.

The estimated value of contracts outstanding as of December 31, 1984 for major repairs, renewals, and replacement programs is \$11,677,612.

4 - Net Revenues and Sinking Fund Requirements

In fiscal year 1984 the Authority met the net revenue and sinking fund requirements referred to in Section 501 of the respective trust agreements.

5 - Pension Costs

By the enactment of Chapter 597 of the Acts of 1967, and acceptance thereof by the Authority, the Massachusetts Turnpike Authority Employees' Retirement System was created. Accordingly, effective July 1, 1968, employees of the Authority are entitled to retirement benefits in accordance with the provisions of the Massachusetts Contributory Retirement Law (Chapter 32 of the General Laws, Sections 1-28). Pursuant to Section 22 (7) (e) as amended, the Authority is required to pay annually to the Massachusetts Turnpike Authority Employees' Retirement System, amounts certified by the Division of Public Employees' Retirement administration (PERA) as necessary for payment of pension benefits to retired employees of the Authority and their beneficiaries and for the expenses of said system.

As of January 1, 1983 the Authority's actuarial consultant estimated the unfunded frozen actuarial liability to be \$25,846,300. By the enactment of Chapter 566 of the Acts of 1978, amending Chapter 32 of the General Laws, provision was made for the funding of the Massachusetts Turnpike Authority Employees' Retirement System. Under this Amendment, the Authority is required to fund the sum of (a) the normal pension cost for the current year, and (b) an amount sufficient to amortize unfunded past service liability prior to dissolution of the Authority.

During fiscal year 1984 \$1,944,475 was expensed to the Retirement System for the Pension and Expense Funds, and \$1,517,400 to the Pension Reserve Fund for past service liability.

NOTES TO COMBINED FINANCIAL STATEMENT (CONT.)

6 - Deferred Compensation Plan

In 1981, the Authority adopted the Massachusetts Turnpike Authority Deferred Compensation Plan (Plan), whereby an employee who elects to participate may defer the receipt of a specified amount of compensation. Such deferred compensation is payable to the participant on retirement, death, disability or financial hardship. In 1981, the Authority entered into an agreement with Aetna Life Insurance and Annuity Company to perform for the Authority certain functions in the implementation and continuing operation of the plan.

For accounting purposes the assets and liabilities of the plan are recorded at market value. As of December 31, 1984 value of the plan was \$1,206,280.

7 - Lease and Installment Purchase Commitments

The Authority has entered into the following lease and installment purchase agreements which were in full force and effect as of December 31, 1984.

a) Rental of Administrative Offices in the city of Boston for the four year period terminating June 13, 1988.

b) Installment purchases for data processing equipment - During 1978, the Authority executed amendments to the original 1971 agreement providing for certain enhancements and additions to the existing Burroughs data processing equipment, with payments amortized over a seven year period. Additionally, on December 23, 1982, the Authority entered into a five year lease purchase agreement to acquire a Sperry Univac System 80 Computer System.

c) Lease agreement providing for the rental of automatic toll collection equipment located at the Massachusetts Turnpike and the Callahan-Sumner Tunnels - The original lease agreements have been extended for a period terminating February 28, 1986 for the Massachusetts Turnpike, and May 21, 1989 for the Callahan-Sumner Tunnels.

d) On January 31, 1980, Urban Investment and Development Company entered into a lease with the Authority for ninety-nine years for the air rights over property located in the Copley Square area of Boston. The Company has constructed on the site, two hotels, retail offices, and a residential complex. The lease provides for rental payments of \$1,200,000 annually through February 15, 2002. After dissolution of the Authority any subsequent lease payments will revert to the Commonwealth of Massachusetts.

8 - Defeasance of Initial Turnpike Trust Agreement

Pursuant to and in accordance with Section 1201 of the Trust Agreement dated as of May 1, 1954, and Section 101 of the Supplemental Trust Agreement, dated as of January 1, 1962, the Bank of Boston, Trustee, on December 31, 1983, held sufficient monies in trust for payment of principal, premiums and interest on all remaining outstanding Initial Turnpike Revenue Bonds.

Also, pursuant to and in accordance with Section 1201 of the 1954 Trust Agreement, The Massachusetts Turnpike Authority issued irrevocable instructions to the Trustee to call all remaining Initial Turnpike Revenue bonds Series 1954 (3.30%) and Series 1968 (5.25%) secured by said trust agreement, effective January 31, 1984.

Having complied with the provisions of Section 1201 of the trust agreement and Section 103 of the supplemental trust agreement, the Bank of Boston, Trustee released the 1954 Trust Agreement effective December 31, 1983.

NOTES TO COMBINED FINANCIAL STATEMENT (CONT.)

9 - Restatement

Pursuant to Section 103 and 515 of the supplemental trust agreement, after the aforementioned release of the Trust Agreement dated as of May 1, 1954, effective January 1, 1984 the Boston Extension and the Initial Turnpike were combined as a single turnpike project, known as the Massachusetts Turnpike. The financial statements for fiscal year 1983 have been combined and restated to reflect the single project known as the Massachusetts Turnpike.

10 - Massachusetts Turnpike Revenue Refunding Bonds

Pursuant to Section 210 of the supplemental trust agreement, on December 30, 1983, the Authority called for refunding, effective March 1, 1984, the \$80,000,000 series B 4-5% Revenue Bonds and Authorized in replacement thereof the issuance of \$107,600,000 Series B 5% Revenue Refunding Bonds.

11 - Contingent Liabilities

The Authority is contingently liable under pending litigation and/or claims in which the Authority is the defendant. In the opinion of the Authority, the total potential liability of such actions would not materially affect its financial statements.

MASSACHUSETTS TURNPIKE AUTHORITY
MASSACHUSETTS TURNPIKE
FINANCIAL RESULTS OF OPERATION 1978-1984



	1978	1979	1980	1981	1982	1983	1984
<i>(Dollars in Thousands)</i>							
Gross Toll Revenue	\$ 46.468	\$ 46.935	\$ 58.946	\$ 62.707	\$ 65.552	\$ 70.247	\$ 75.946
Less Volume Discounts	(351)	(381)	(475)	(488)	(467)	(490)	(542)
Net Toll Revenue	\$ 46.117	\$ 46.554	\$ 58.471	\$ 62.219	\$ 65.085	\$ 69.757	\$ 75.404
Restaurant Revenue	863	870	925	963	1,018	1,080	1,150
Service Station Revenue	1,726	1,873	1,670	1,347	1,248	1,321	1,369
Miscellaneous	353	516	574	1,607	1,758	1,927	283
Income from Investments	2,548	3,166	3,484	4,632	4,274	4,246	4,548
Gross Revenues	\$ 51.607	\$ 52.979	\$ 65.124	\$ 70.768	\$ 73.383	\$ 78.331	\$ 84,448
Operating Expenses	\$ 16.747	\$ 18.166	\$ 20.496	\$ 22.977	\$ 25.835	\$ 27.983	\$ 30,618
Net Revenues	\$ 34.860	\$ 34.812	\$ 44.628	\$ 47.791	\$ 47.548	\$ 50.348	\$ 53,830
Bond Interest	\$ 13.791	\$ 13.372	\$ 12.860	\$ 12.011	\$ 11.166	\$ 10.413	\$ 10,970
Per Cent of Interest Earned	252.78	260.34	347.03	397.88	425.83	483.49	490.69
Deposits to Replacement Reserve	\$ 8.300	\$ 9.300	\$ 9.500	\$ 8.500	\$ 11,500	\$ 11,500	\$ 15,500
Balance in General Fund	\$ 20.778	\$ 21.101	\$ 20.822	\$ 20.376	\$ 20.654	\$ 20,474	\$ 10,370
Revenue Bonds							
Retired During Year	\$ 12.651	\$ 11.804	\$ 22.219	\$ 28.429	\$ 21.682	\$ 30.332	\$ 27,924
Average Price Paid	\$ 92.44	\$ 86.35	\$ 91.03	\$ 94.77	\$ 99.48	\$ 100.86	\$ 100.70
Retired to Date	\$139,534	\$151,338	\$173,557	\$201,986	\$223,668	\$254,000	\$281,924
Per Cent Retired to Date	29.6	32.1	36.8	42.8	47.4	53.8	56.4
Bonds Outstanding	\$332,466	\$320,662	\$298,443	\$270,014	\$248,332	\$218,000	\$217,676

MASSACHUSETTS TURNPIKE AUTHORITY
CLASS COMPARISON - MASSACHUSETTS TURNPIKE
JANUARY-DECEMBER 1984 VS JANUARY-DECEMBER 1983

Class Description	Transactions		Increase or (Decrease)	%	Revenue		Increase or (Decrease)	%
	1984	1983			1984	1983		
1. Passenger Vehicle or Light Truck (Taxis, Suburbans, Ambulances, Motorcycles, Hearses)	100,951,103	93,361,468	7,589,635	8.1	\$57,499,445	\$53,377,224	\$4,122,221	7.7
2. Passenger Vehicle or Light Truck with One or Two Axle Trailers	296,807	288,978	7,829	2.7	402,930	390,909	12,021	3.1
3. Trucks - Five or More Axles	3,569,745	3,179,666	390,079	12.3	10,667,243	9,563,251	1,103,992	11.5
5. Medium Trucks - Dual Tires with Two Axles	2,211,302	2,013,766	197,536	9.8	2,151,481	1,950,685	200,796	10.3
6. Trucks - Three Axles	471,604	456,805	14,799	3.2	600,173	558,917	41,256	7.4
7. Trucks - Four Axles	1,129,731	1,106,359	23,372	2.1	2,491,273	2,435,483	55,790	2.3
8. Buses	772,051	768,972	3,079	.4	766,902	776,954	(10,052)	(1.3)
9. Tandem Trailer - Units	117,238	104,523	12,715	12.2	1,366,029	1,207,068	158,961	13.2
10. Non-Revenue	475,456	464,643	10,813	2.3				.0
Totals	109,995,037	101,745,180	8,249,857	8.1	\$75,945,476	\$70,260,491	\$5,684,985	8.1

MASSACHUSETTS TURNPIKE AUTHORITY
CALLAHAN-SUMNER TUNNELS
FINANCIAL RESULTS OF OPERATION 1978-1984



	1978	1979	1980	1981	1982	1983	1984
<i>(Dollars in Thousands)</i>							
Net Toll Revenue	\$ 6,575	\$ 7,044	\$ 7,894	\$ 8,215	\$ 8,293	\$ 8,566	\$ 8,973
Rental & Miscellaneous Income	61	66	61	81	83	73	69
Income from Investments	331	481	510	650	788	754	727
Gross Revenues	\$ 6,967	\$ 7,591	\$ 8,465	\$ 8,946	\$ 9,164	\$ 9,393	\$ 9,769
Operating Expenses	\$ 2,961	\$ 3,037	\$ 3,573	\$ 4,056	\$ 4,586	\$ 4,695	\$ 4,951
Net Revenues	\$ 4,006	\$ 4,554	\$ 4,892	\$ 4,890	\$ 4,579	\$ 4,698	\$ 4,818
Bond Interest	\$ 1,524	\$ 1,407	\$ 1,270	\$ 1,102	\$ 979	\$ 870	\$ 730
Per Cent of Interest Earned	262.83	323.70	385.27	443.91	467.86	540.05	660.09
Deposits to Replacement Reserve	\$ 400	\$ 500	\$ 600	\$ 500	\$ 2,000	\$ 900	\$ 1,000
Revenue Bonds							
Retired During Year	\$ 2,288	\$ 2,570	\$ 3,517	\$ 3,748	\$ 1,529	\$ 3,095	\$ 2,899
Average Price Paid	\$ 94.19	\$ 92.95	\$ 83.44	\$ 83.99	\$ 88.65	\$ 95.37	\$ 95.83
Retired to Date	\$23,473	\$26,043	\$29,560	\$33,308	\$34,837	\$37,932	\$40,831
Per Cent Retired to Date	43.1	47.9	54.3	61.2	64.0	70.0	75.1
Bonds Outstanding	\$30,927	\$28,357	\$24,840	\$21,092	\$19,563	\$16,468	\$13,569

MASSACHUSETTS TURNPIKE AUTHORITY
CLASS COMPARISON - CALLAHAN-SUMNER TUNNELS
JANUARY-DECEMBER 1984 VS JANUARY-DECEMBER 1983



Class Description	Transactions		Increase or (Decrease)	%	Revenue		Increase or (Decrease)	%
	1984	1983			1984	1983		
1. Passenger Car, Taxi, Light Truck, Ambulance, Motorcycle, Hearse, Car Pools	13,717,170	13,238,832	478,338	3.6	\$8,224,762	\$7,876,185	\$348,577	4.4
2. Passenger Car with Single Axle Trailer, Two Axle Single Tire Truck with Single-Axle Trailer	3,976	3,955	21	.5	3,181	3,169	12	.4
4. Trucks - Five or More Axles	15,091	10,615	4,476	42.2	16,600	11,759	4,841	41.2
5. Two Axle Dual-Tire Truck	203,914	190,130	13,784	7.2	163,131	150,332	12,799	8.5
6. Three Axle Truck, Two Axle Dual-Tire Truck with Single Axle Trailer	19,508	22,773	(3,265)	(14.3)	17,557	20,526	(2,969)	(14.5)
7. Four Axle Truck with or without Trailer, Class 1 Vehicle with Two-Axle Trailer	35,966	35,868	98	.3	35,966	35,835	131	.4
8. Bus	137,516	124,586	12,930	10.4	82,513	74,052	8,461	11.4
9. Commuter	1,119,425	1,009,518	109,907	10.9	447,770	399,136	48,634	12.2
10. Non-Revenue	101,306	101,308	(2)	.0				.0
Totals	15,353,872	14,737,585	616,287	4.2	\$8,991,480	\$8,570,994	\$420,486	4.9

Note: On May 2, 1983, the Authority instituted a one way toll collection system for the Callahan and Sumner Tunnels. Therefore, the 1983 transactions have been restated for comparative purposes.

MASSACHUSETTS TURNPIKE AUTHORITY
COMPARISON OF INTERCHANGE TRANSACTIONS
JANUARY-DECEMBER 1984 VS JANUARY-DECEMBER 1983



Ticket Controlled Section Interchange	No.	Entrance		Increase or (Decrease)	%	Exit		Increase or (Decrease)	%
		1984	1983			1984	1983		
W. Stockbridge	1.	2,290,968	2,121,405	169,563	8.0	2,249,907	2,085,053	164,854	7.9
Lee	2.	1,167,134	1,055,798	111,336	10.5	1,199,841	1,090,880	108,961	10.0
Westfield	3.	1,619,368	1,473,368	146,000	9.9	1,649,900	1,499,467	150,433	10.0
W. Springfield	4.	2,848,172	2,640,402	207,770	7.9	2,911,615	2,696,095	215,520	8.0
Chicopee	5.	1,470,176	1,338,343	131,833	9.9	1,383,203	1,249,709	133,494	10.7
Springfield	6.	2,263,672	2,108,596	155,076	7.4	2,335,877	2,156,947	178,930	8.3
Ludlow	7.	1,246,354	1,129,534	116,820	10.3	1,190,876	1,083,076	107,800	10.0
Palmer	8.	1,492,808	1,378,211	114,597	8.3	1,448,365	1,340,143	108,222	8.1
Sturbridge	9.	5,524,355	5,260,181	264,174	5.0	5,538,432	5,274,982	263,450	5.0
Auburn	10.	4,512,735	4,189,042	323,693	7.7	4,424,807	4,125,971	298,836	7.2
Millbury	11.	1,244,575	1,092,204	152,371	14.0	1,375,746	1,213,376	162,370	13.4
Westborough	11.A	4,725,970	4,070,057	655,913	16.1	4,542,128	3,894,541	647,587	16.6
Framingham	12.	3,213,291	2,950,884	262,407	8.9	3,408,659	3,138,089	270,570	8.6
Natick	13.	5,825,287	5,442,653	382,634	7.0	5,906,112	5,479,150	426,962	7.8
Weston	14.	7,045,028	6,533,678	511,350	7.8	6,755,402	6,328,281	427,121	6.7
Newton	15.	7,230,122	6,699,451	530,671	7.9	7,399,145	6,828,047	571,098	8.4
Total Ticket Controlled Section		53,720,015	49,483,807	4,236,208	8.6	53,720,015	49,483,807	4,236,208	8.6
Barrier Controlled Section									
Newton - 128	15.					13,049,313	11,834,219	1,215,094	10.3
West Newton	16.					3,176,342	2,931,170	245,172	8.4
Allston									
Off East - On West	18.					9,247,254	8,600,100	647,154	7.5
Thru Traffic	19.					22,744,487	21,037,177	1,707,310	8.1
Off West - On East	20.					8,057,626	7,858,707	198,919	2.5
Total Barrier Controlled Section						56,275,022	52,261,373	4,013,649	7.7
Totals Massachusetts Turnpike						109,995,037	101,745,180	8,249,857	8.1

MASSACHUSETTS TURNPIKE AUTHORITY
COMPARISON OF INTERCHANGE REVENUE
JANUARY-DECEMBER 1984 VS JANUARY-DECEMBER 1983



Ticket Controlled Section Interchange	No.	Revenue		Increase or (Decrease)	%
		1984	1983		
W. Stockbridge	1.	\$6,794,289	\$6,283,186	\$511,103	8.1
Lee	2.	1,857,657	1,666,402	191,255	11.5
Westfield	3.	1,039,738	955,342	84,396	8.8
W. Springfield	4.	2,926,746	2,707,890	218,856	8.1
Chicopee	5.	842,402	749,222	93,180	12.4
Springfield	6.	2,909,013	2,690,744	218,269	8.1
Ludlow	7.	841,652	783,810	57,842	7.4
Palmer	8.	1,114,679	1,032,737	81,942	7.9
Sturbridge	9.	6,707,475	6,423,411	284,064	4.4
Auburn	10.	5,035,108	4,663,056	372,052	8.0
Millbury	11.	1,328,699	1,159,179	169,520	14.6
Westborough	11.A	4,795,625	4,109,085	686,540	16.7
Framingham	12.	1,953,949	1,776,056	177,893	10.0
Natick	13.	2,811,369	2,610,266	201,103	7.7
Weston	14.	6,768,838	6,376,195	392,643	6.2
Newton	15.	8,055,006	7,557,923	497,083	6.6
Total Ticket Controlled Section		\$55,782,245	\$51,544,504	\$4,237,741	8.2
Barrier Controlled Section					
Newton - 128	15.	\$4,642,169	\$4,201,387	\$440,782	10.5
West Newton Allston	16.	631,988	582,290	49,698	8.5
Off East - On West	18.	2,430,271	2,255,772	174,499	7.7
Thru Traffic	19.	9,503,371	8,787,264	716,107	8.1
Off West - On East	20.	2,904,081	2,839,023	65,058	2.3
Total Barrier Controlled Section		\$20,111,880	\$18,665,736	\$1,446,144	7.7
Car Pool Program		\$ 51,351	\$50,251	\$ 1,100	2.2
Totals Massachusetts Turnpike		\$75,945,476	\$70,260,491	\$5,684,985	8.1

February 28, 1985

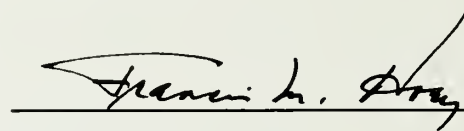
In accordance with the provisions of section 20, subsection 5, paragraph (i) of Chapter 32 of the General Laws, we are pleased to submit herewith, for publication in the Massachusetts Turnpike Authority Annual Report to the Governor and General Court, a copy of the report of the financial condition of the Massachusetts Turnpike Authority Employees' Retirement System as of December 31, 1984.



S. J. Britton
Ex-officio-Chairman



J. Joseph Maloney
Appointed Member



Francis M. Hoey
Elected Member

MASSACHUSETTS TURNPIKE AUTHORITY
EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF CONDITION
AS OF DECEMBER 31, 1984



Assets		1984	1983
<i>(unaudited)*</i>			
Cash in Bank		\$ 1,086	\$ 1,191
Investments:			
Government bonds		4,400,506	4,296,842
Railroad equipment trust certificates		2,101,338	1,484,723
Public Utility bonds		2,805,716	2,255,413
Bank & industrial notes and bonds		3,105,216	2,841,024
Telephone bonds		7,265,319	5,505,886
Mortgage loan pass-thru certificates		211,038	293,265
Bank stocks		307,390	100,000
Short-term investments		4,650,547	3,671,347
Term deposits			20,000
Guaranteed interest annuity contracts		1,000,000	
Accrued interest on investments		682,607	526,685
Due for deductions other sources		112	
Due for Workers' compensation credits		5,762	
Total Assets		\$26,536,637	\$20,996,376
Funds and Liabilities			
Annuity Savings Fund		\$ 8,560,515	\$ 7,495,456
Annuity Reserve Fund		1,874,332	1,736,044
Pension Fund		4,540,071	4,432,573
Expense Fund		73,321	80,083
Pension Reserve Fund		11,488,378	7,252,220
Re-deposit of regular deductions		20	
Total Funds and Liabilities		\$26,536,637	\$20,996,376

**See Notes To Financial Statements*

MASSACHUSETTS TURNPIKE AUTHORITY
EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF CASH
AS OF DECEMBER 31, 1984



<i>Assets</i>		1984	1983
(unaudited)*	Cash in Bank, January 1	\$ 1,191	\$ 655
	Short-term investments, available cash	3,671,347	2,489,748
	Total cash available, January 1	\$3,672,538	\$2,490,403
<i>Receipts</i>			
	Members' contributions	\$1,038,939	\$ 991,089
	Transfers of members' accounts from other systems	3,617	11,984
	Pension reimbursements from other systems	70,637	57,625
	Massachusetts Turnpike Authority:		
	Pension Fund appropriation	1,857,570	1,650,000
	Expense Fund appropriation	84,700	89,500
	Pension Reserve Fund appropriation	1,872,400	540,000
	Workers' Compensation credits	2,205	215
	Redeposit of retirement allowance	468	655
	Sale or maturity of investments	751,210	1,242,465
	Net gain on sale or maturity of investments	16,849	5,143
	Return of principal on mortgage		
	loan pass-through certificates	82,228	206,679
	Investment income	2,501,888	1,959,623
	Total Receipts	\$8,282,711	\$6,754,978
<i>Disbursements</i>			
	Annuity payments	\$ 165,035	\$ 151,887
	Pension payments	1,804,565	1,718,897
	Pension reimbursements to other systems	5,723	9,272
	Refunds to beneficiaries:		
	Option (b) annuity payments	28,654	24,964
	Contributions of deceased employees		19,560
	Refunds to members inactive	109,569	60,119
	Transfers of members' accounts to other systems	5,887	28,208
	Administrative expenses	91,387	79,912
	Investments	4,998,616	3,434,469
	Accrued interest purchased	94,180	45,555
	Total Disbursements	\$7,303,616	\$5,572,843
	Balance, December 31, 1984 and 1983	\$4,651,633	\$3,672,538
	Cash in bank, December 31, 1984 and 1983	\$ 1,086	\$ 1,191
	Short-term investments, available cash	\$4,650,547	\$3,671,347
	Balance December 31, 1984 and 1983	\$4,651,633	\$3,672,538

*See Notes To Financial Statements

EMPLOYEE'S RETIREMENT SYSTEM

The Massachusetts Turnpike Authority Employees' Retirement System (the System) was established as a contributory retirement system subject to the provisions of Massachusetts General Laws, Chapter 32, sections 1-28, by the enactment of Chapter 597 of the Acts of 1967 and its acceptance by the Massachusetts Turnpike Authority. The operative date was July 1, 1968.

The System is managed by a board of three members, viz: S.J. Britton, secretary-treasurer of the Authority, who is a member ex-officio and Chairman; Attorney J. Joseph Maloney, appointed member; and Francis M. Hoey, elected member, who is serving his sixth consecutive term following re-election by the membership in 1982.

Provision was made for funding of past service liability of the System by the enactment of Chapter 566 of the Acts of 1978. Under this amendment, the Massachusetts Turnpike Authority is required to fund and pay to the System the sum of (a) the normal pension cost for the current year, and (b) an amount sufficient to amortize unfunded past service liability prior to dissolution of the Authority. All such required payments for the first statutory period 1978 through 1983 were transferred and credited to the System.

The enactment in December, 1983 of Chapter 661 of the Acts of 1983 significantly amended the provisions of Chapter 32, sections 1-28, relative to the administration, funding and investment policies of the public employee retirement systems in the Commonwealth of Massachusetts. The following is a brief summary of some of the major provisions in this new law: 1.) established a Pension Investment Advisory unit within the Division of Public Employee Retirement Administration; 2.) established the Pension Reserve Investment Management (PRIM) Board and the Pension Reserve Investment Trust (PRIT) Fund; 3.) limited the interest paid to members of a retirement system who voluntarily withdraw from service and who seek a return of accumulated total deductions; and 4.) required deduction of 8% from regular compensation for employees who commence service on or after January 1, 1984.

In addition to the foregoing, Chapter 661 of the Acts of 1983 requires each retirement system to establish a pension reserve fund for the purpose of meeting unfunded pension liabilities and, by various changes in existing law, made provision for certain internal transfers to the fund in addition to any direct appropriations by applicable legislative body. In accordance with this statutory requirement, the Board dissolved the Past Service Liability Fund, which was established on the books of the System on October 19, 1978, and transferred fund assets to the System's newly-established Pension Reserve Fund.

ACCOUNTING POLICIES

The accounting policies of the System follow the principles and practices for public employee contributory retirement systems promulgated by the Commonwealth of Massachusetts, Division of Insurance, pursuant to Chapter 32, section 21 of the Massachusetts General Laws.

Prior to January 1, 1983, records of the System had been audited periodically by the Commonwealth of Massachusetts, Division of Insurance. Pursuant to Chapter 630 of the Acts of 1982, supervision of the public employee retirement systems in the Commonwealth subject to Chapter 32, including the conduct of audits, was transferred from the Division of Insurance to the Division of Public Employee Retirement Administration (PERA). The last such audit of the records of the System for the year 1983 was conducted by PERA in October, 1984. Additionally, in August, 1978, the Board authorized an audit

by an independent accounting firm of refunds of retirement contributions to former employees of the Authority. This audit was completed in January, 1979 and included the ten-year period from July 1, 1968 through June 30, 1978.

In 1978, a procedure was established by the Board to periodically verify that persons entitled to receive retirement and survivorship allowances are living and that payments are being made properly. The fourth such verification was completed in 1983.

Direct deposit of retirement allowance payments to individual bank accounts of retirees and beneficiaries numbered 153 in December, 1984, representing 35% of the total number of recipients.

INVESTMENTS

Assets of the System are invested pursuant to the provisions and limitations of Chapter 32, section 23. Investment earnings for the year 1984 totalled \$2,781,818 representing a rate of return of 11.70% of the mean ledger assets of the System. Of this amount, \$952,852 was attributable to investments of the Pension Reserve Fund (formerly the Past Service Liability Fund), and such amount was credited to that fund on December 31, 1984. The balance of \$1,828,966 investment earnings was applied to the funds of the System in accordance with the statute as follows:

Annuity Savings Fund	\$ 400,454
Annuity Reserve Fund	52,796
Pension Reserve Fund	1,375,716
<i>Total</i>	<i>\$1,828,966</i>

In 1982, the Board voted to participate to the extent of \$500,000 with other public retirement systems in Massachusetts in a mortgage loan pass-through certificate program, yielding 15.25% to the system. The program made funds available to Massachusetts residents for home mortgages at a fixed rate through participating local banks throughout the Commonwealth.

BENEFITS

During 1984, 20 employees were retired by the Board, bringing to 509 the number of employees who have been retired since the inception of the System in 1968. Retirement allowances totalling \$1,969,600 were paid in 1984 to retirees and beneficiaries of deceased members of the System. Of this amount, \$165,035 were annuity payments (employee contributions and investment

earnings thereon), and \$1,804,565 were pension payments (contributions by the Massachusetts Turnpike Authority). Pension reimbursements totalling \$70,637 were received from other systems and reimbursements of \$5,723 were paid to other systems. Recipients of retirement benefits as of December 31, 1984 numbered 345 retirees and 92 survivors and beneficiaries.



