



2014 Budget Analysis

(Unaudited)

Quarterly Financial Review

April 1 – June 30, 2014

Quarterly Financial Review June 30, 2014

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INTRODUCTION

In December 2013, the Tollway Board of Directors adopted the annual budget for 2014. To monitor performance against this budget, each quarter the Finance Department reviews and compares actual revenue and expenditures of the Tollway to the budget and presents the resulting analysis in this quarterly report to the Finance, Administration and Operations Committee.

The annual budget is prepared in conformance with provisions of the Tollway's Trust Indenture. This quarterly financial report is unaudited and is prepared on a basis of accounting that comports with the Trust Indenture, which is a basis of accounting other than generally accepted accounting principles. Revenue and expenditures are reported on an accrual basis net of certain allowances for bad debt. Capital expenditures are expensed in the period incurred, and no accommodation is made for depreciation of capital assets.

Tollway revenue sources include toll revenue and evasion recovery, concessions, investment income and miscellaneous income.

- Toll revenue is collected from Tollway users either by cash or electronic toll collection for users of I-PASS.
- Evasion recovery revenue includes fines, fees and tolls collected from toll violators.
- Concessions revenue is generated from the Tollway's oases, where third-party vendors provide fuel, food and other conveniences to users of the Tollway.
- Investment income is primarily interest earned on Tollway funds and I-PASS escrow accounts.
- Miscellaneous revenue includes revenue from overweight truck fines, rental and easement income, tower co-location fees, rental income from fiber optic lines and other miscellaneous receipts.

This report provides an analysis of actual revenue and expenditures through the second quarter of fiscal year 2014. The purpose of this analysis is to assess the actual financial performance of the Tollway relative to the 2014 Budget. The report indicates variances from budgeted amounts. A favorable variance contributes to a higher fund balance, while an unfavorable variance reduces the fund balance.

In April 2014, in advance of the sale of Illinois State Toll Highway Authority 2014 Series B Bonds, the Tollway revised downward the 2014 capital program budget projection by \$119 million.

Analysis for the Capital Program for this report compares actual expenditures to the original budget adopted by the Tollway Board of Directors in December 2013.

All figures contained in this report are preliminary and unaudited and should be used for informational purposes only.

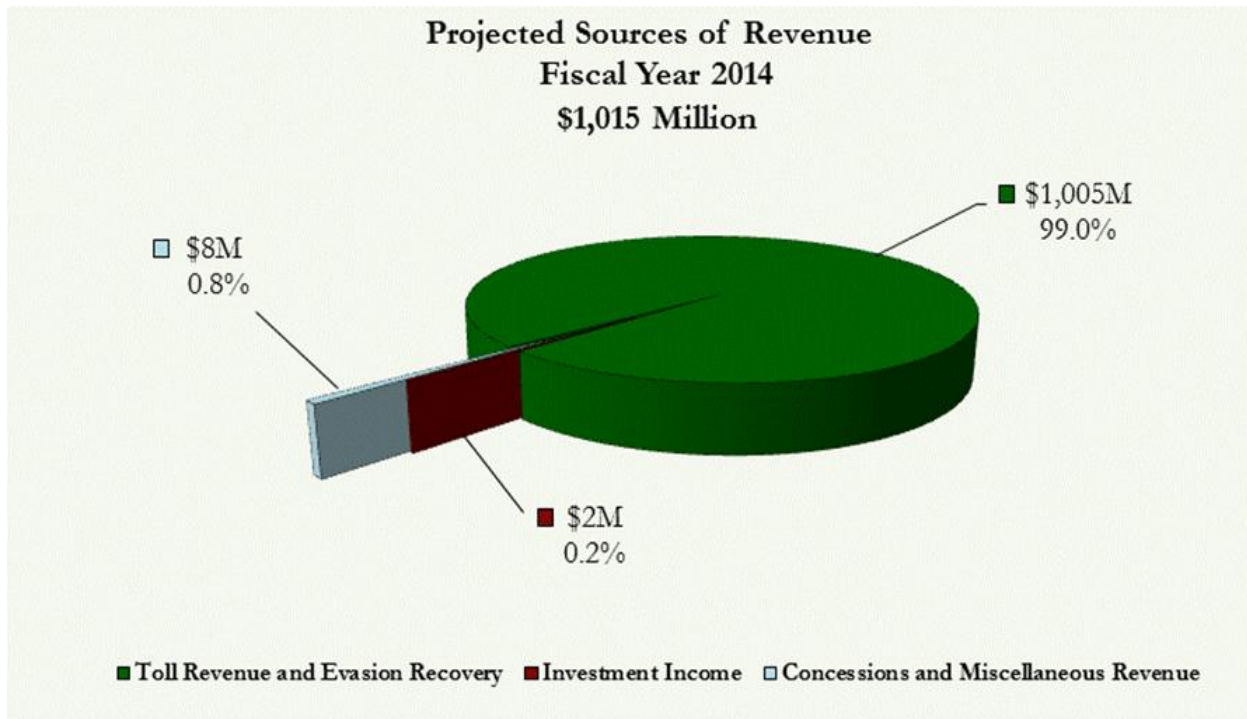
BUDGET SUMMARY

Introduction

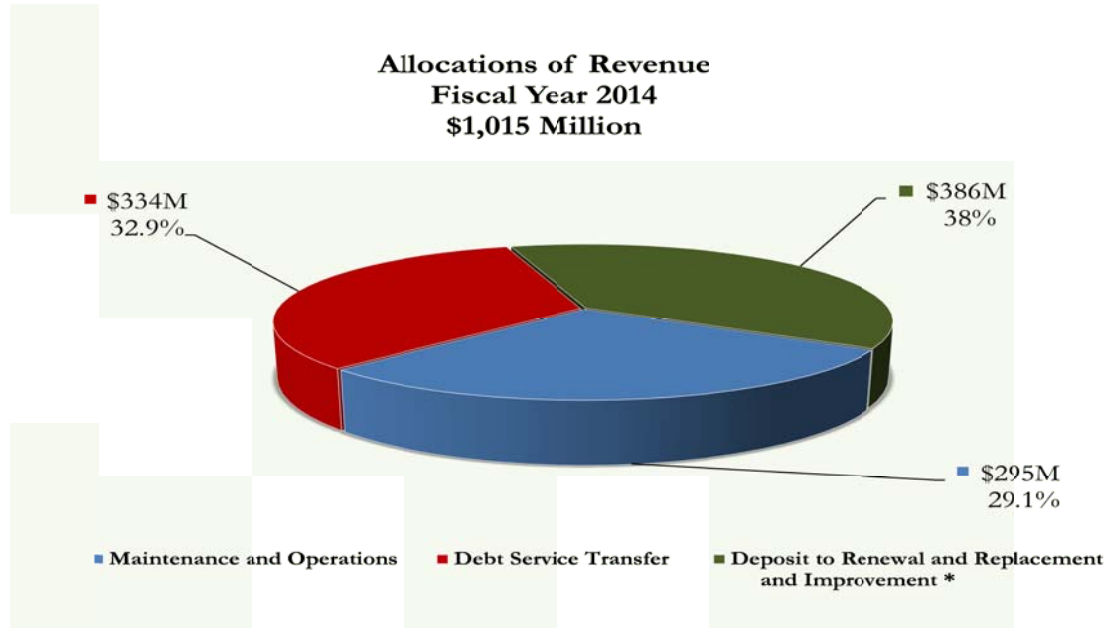
The Illinois Tollway Board of Directors on August 25, 2011, adopted the 15-year, \$12 billion capital program, *Move Illinois: The Illinois Tollway Driving the Future*, funded by bonds, and toll revenue generated through a toll rate increase for passenger vehicles in 2012 and previously approved increases for commercial vehicles beginning in 2015. The 2014 Budget, approved by the Board of Directors in December 2013, includes the maintenance and operations budget, debt service transfers and capital budget in support of the third year of the *Move Illinois* Program.

Budgeted Revenue 2014

The 2014 budget estimates annual revenue totaling \$1,015 million, including \$1,005 million from toll revenue and evasion recovery, \$2 million from investment income and \$8 million from concessions revenue and miscellaneous income.



The Tollway's 2014 budget allocates \$295 million for maintenance and operations expenses, \$334 million for debt service transfers and \$386 million for the *Move Illinois* and Congestion-Relief programs and other non-roadway capital investments (deposits to the renewal/replacement and improvement accounts).



SECOND QUARTER RESULTS SUMMARY

Revenue

Revenue for the second quarter 2014 totaled \$266.9 million, and was \$6.4 million more than budgeted. Toll and evasion recovery revenue totaled \$263.2 million. Concessions, investment and miscellaneous revenue totaled \$3.7 million.

Revenue through June 30, 2014 totaled \$492.9 million, and comprised 48.6 percent of the \$1,015 million annual revenue budget. Toll and evasion recovery revenue totaled \$485.9 million. Concessions, investment and miscellaneous revenue totaled \$7 million through the second quarter.

Expenditures

Second quarter operating expenditures totaled \$67.6 million, a \$1.8 million favorable variance compared to budget. Operating expenditures through June 30 totaled \$141.3 million, and comprised 47.8 percent of the \$295 million annual budget.

Debt service transfers for the second quarter totaled \$73 million, and were \$9.5 million less than budget. Debt service transfers through the first half of 2014 totaled \$148.9 million, and comprised 44.6 percent of the \$334 million annual budget.

Second quarter capital program expenditures totaled \$277 million compared to the budget projection of \$369.2 million. The second quarter capital expenditures included \$269.1 million for the *Move Illinois* Program and the Congestion-Relief Program, and \$12.5 million for other capital projects. Intergovernmental agreement (IGA) reimbursements for work performed in prior and current periods and other adjustments reduced second quarter expenses by \$4.6 million.

Capital program expenditures through June 30 totaled \$422.6 million. *Move Illinois* Program and Congestion-Relief Program expenses totaled \$403.5 million, other capital projects totaled \$23.6 million and IGA reimbursements and other adjustments reduced year-to-date expenses by \$4.5 million.

Outlook

Toll revenue and transaction results for the second quarter stayed on a steady upward trend as the economy started to show signs of recovery and weather conditions improved. These strong quarter results provided a partial offset to the severe winter weather impact of the first quarter.

The Tollway anticipates meeting revenue projections for the remainder of the year and will continue to monitor external factors and their impact on revenue.

Maintenance and operations expenses were under budget through the first half of 2014 due to slower spending for contractual services, group insurance, materials/operational supplies and equipment/office rental and maintenance, partially offset by greater expenses for parts/fuel, utilities and personnel costs that resulted from the severe weather during the first quarter.

Winter materials, parts and fuel costs are expected to exceed amounts budgeted for 2014. However, funding could be accommodated through transfers from other accounts within the operating budget and lower than budgeted debt service costs. The Tollway will continue to monitor payroll/related costs and vacancies, as well as other categories that are sensitive to price and quantity fluctuations including fuels, utilities and roadway materials.

Capital program expenditures through June 30 were lower than projected mainly due to schedule changes and project cost savings. As favorable weather conditions continue for the rest of the 2014 construction season, the Tollway anticipates that capital program expenditures to track closer to projection for the remainder of the year.

Revised Estimate 2014

In April, in advance of the sale of Illinois State Toll Highway Authority 2014 Series B Bonds, the Tollway revised downward the 2014 capital program budget projection by \$119 million.

REVENUE SUMMARY

Budget vs. Unaudited Actual

Second Quarter 2014

(\$ thousands)

	2nd Qtr		Variance	
	Budget	Actual	\$	%
Toll Revenue and Evasion Recovery	\$258,035	\$263,150	\$5,115	2.0%
Concessions	553	529	(24)	-4.3%
Investment Income	500	203	(297)	-59.5%
Miscellaneous	1,386	3,009	1,623	117.1%
Total Revenue	\$260,474	\$266,891	\$6,417	2.5%

Note: Numbers may not add to totals due to rounding.

Budget vs. Unaudited Actual

Year-To-Date June 30, 2014

(\$ thousands)

	YTD		Variance	
	Budget	Actual	\$	%
Toll Revenue and Evasion Recovery	\$486,457	\$485,884	(\$573)	-0.1%
Concessions	1,082	1,060	(22)	-2.0%
Investment Income	1,000	327	(673)	-67.3%
Miscellaneous	2,682	5,594	2,912	108.6%
Total Revenue	\$491,221	\$492,864	\$1,643	0.3%

Note: Numbers may not add to totals due to rounding.

Analysis

Revenue for the second quarter 2014 totaled \$266.9 million, \$6.4 million more than budgeted for the period.

Toll and evasion recovery revenue were \$5.1 million more than projected for the second quarter.

Toll transactions for the second quarter for all vehicle classes grew 3.9 percent compared to the same period in 2013 and 1.3 percent higher than the 2014 projection for the quarter. Passenger vehicle transactions grew 3.5 percent from second quarter 2013 and one percent higher than the 2014 projection for the quarter. Commercial vehicle transactions grew 6.6 percent compared to second quarter 2013 and 3.5 percent greater than the 2014 projection for the quarter.

For the second quarter, concessions revenue totaled \$529 thousand and tracked slightly below budget. Investment income totaled \$203 thousand, or \$297 thousand less than budget due to continued low short-term interest rate environment. Miscellaneous income totaled \$3 million, or \$1.6 million more than budget, primarily the result of funds received from a legal settlement.

MAINTENANCE AND OPERATIONS SUMMARY

Budget vs. Unaudited Actual Second Quarter 2014

(\$ thousands)

	2nd Qtr		Variance	
	Budget	Actual	\$	%
Payroll and Related Costs	\$38,656	\$37,896	\$760	2.0%
Group Insurance	7,390	7,377	13	0.2%
Contractual Services	13,313	13,236	77	0.6%
Materials/Operational Supplies/Other Expenses	1,565	997	568	36.3%
Utilities	1,313	1,613	(299)	-22.8%
All Other Insurance	2,584	2,425	159	6.2%
Parts and Fuel	1,470	1,618	(148)	-10.1%
Equipment/Office Rental and Maintenance	3,502	2,989	513	14.6%
Professional Development	300	157	143	47.6%
Recovery of Expenses	(646)	(708)	62	9.6%
Total Maintenance and Operations Expenditures	\$69,448	\$67,600	\$1,848	2.7%

Notes:

1. Positive variance indicates lower than budget, while negative variance indicates higher than budget.
2. Numbers may not add to totals due to rounding.

Budget vs. Unaudited Actual Year-To-Date June 30, 2014

(\$ thousands)

	YTD		Variance	
	Budget	Actual	\$	%
Payroll and Related Costs	\$79,897	\$80,109	(\$212)	-0.3%
Group Insurance	14,964	14,425	540	3.6%
Contractual Services	25,898	25,001	896	3.5%
Materials/Operational Supplies/Other Expenses	3,463	3,043	420	12.1%
Utilities	2,859	3,099	(239)	-8.4%
All Other Insurance	5,149	4,994	156	3.0%
Parts and Fuel	2,678	3,853	(1,175)	-43.9%
Equipment/Office Rental and Maintenance	8,105	7,799	306	3.8%
Professional Development	601	381	220	36.6%
Recovery of Expenses	(1,330)	(1,440)	110	8.3%
Total Maintenance and Operations Expenditures	\$142,285	\$141,264	\$1,022	0.7%

Note: Numbers may not add to totals due to rounding.

Analysis

The Tollway's 2014 second quarter operating expenditures totaled \$67.6 million, representing a favorable variance of \$1.8 million. The second quarter year-to-date expenditures comprise 47.8 percent of the \$295 million annual maintenance and operations budget.

The variances to budget during the second quarter of 2014 are explained below:

Payroll and related costs for the second quarter totaled \$37.9 million, \$760 thousand under budget. This favorable variance is attributable to vacancies and a reduction in overtime during the second quarter as compared to first quarter. The second quarter year-to-date variance is \$212 thousand over budget.

Group insurance totaled \$7.4 million during the second quarter, \$13 thousand under budget. Group insurance for Tollway employees was \$170 thousand under budget due to vacancies as well as lower cost of retiree health insurance. State Police group insurance was \$157 thousand over budget due to timing of the arrival of new cadets.

Contractual services for the second quarter totaled \$13.2 million, \$77 thousand under budget. The favorable variance is attributable to reduced expenses in both the Customer Service Call Center and building maintenance categories partially offset by an increase in credit card fees over budget due to increased revenues.

Materials/operational supplies/other expense totaled \$997 thousand during the second quarter, \$568 thousand under budget. Salt deliveries were expected during the second quarter but were actually received in July.

Utilities, which include electricity, natural gas, water and telephone expenses, totaled \$1.6 million, \$299 thousand over budget for the second quarter. This negative variance was due to a rate increase for electricity during the second quarter as well as increased costs for telephone/PBX maintenance.

All other insurance expenses totaled \$2.4 million, \$159 thousand under the second quarter budget. This category includes expenses for property and liability insurance as well as amounts allocated to the workers' compensation claim fund. Workers' compensation insurance is projected to increase during the second half of the year.

Parts and fuel expenses totaled \$1.6 million, \$148 thousand over the second quarter budget. This unfavorable variance is attributable to the severe winter that resulted in increased consumption of diesel fuel by snowplow trucks and gasoline usage by other Tollway vehicles including State Police squad cars. The depleted fuel storage tanks continued to be resupplied during the second quarter. In addition, plow blades were restocked in anticipation of winter.

Equipment/office rental and maintenance expenditures totaled \$3.0 million during the second quarter, \$513 thousand under budget. This favorable variance is evenly split between expenditures for IT software maintenance/licensing and traffic operations software maintenance.

Professional development expenses totaled \$157 thousand, \$143 thousand under the second quarter budget. This cost category includes travel, training, dues, books, subscriptions, uniforms and accessories. This favorable variance was due to reduced expenditures for uniforms, accessories, dues and subscriptions.

Recovery of expenses totaled \$708 thousand, a \$62 thousand favorable variance in comparison to budget. This category includes reimbursement for services (ambulances or fire department) or damage to Tollway property caused by others.

Budget Transfers

Budget to actual comparisons in this analysis are based on the original 2014 maintenance and operations budget adopted by the Tollway Board in December 2013. During the budget year, management approves transfers from accounts that incur surpluses to those requiring additional funds due to shortfalls. These transfers do not change the total dollar amount of the 2014 maintenance and operations budget.

DEBT SERVICE SUMMARY

For annual budgeting and quarterly reporting purposes, debt service consists of the sum of monthly transfers from the Revenue Account to the Trustee-held Debt Service Account, in accordance with the Indenture, to provide for payment of:

- (i) Interest due on outstanding bonds
- (ii) The retirement of bond principal at maturity or sinking fund redemption
- (iii) Net payments on interest rate exchange (“swap”) agreements
- (iv) Costs related to bond credit/liquidity agreements, bond remarketing agreements and bond ratings

For 2014, the Tollway budgeted \$333.9 million for transfers from the Revenue Account to the Debt Service Account to provide for these payments. That budgeted amount assumed an additional source of funds of \$15.1 million from federal subsidies associated with the Tollway’s Series 2009A and Series 2009B Build America Bonds.

Following are unaudited quarterly results through June 30, 2014, with comparisons to budget.

Budget vs. Unaudited Actual (\$ thousands)

	Budget	Actual	Variance	
			\$	%
Debt Service Transfers – 1 st Quarter	\$78,778	\$75,851	\$2,926	3.7%
Debt Service Transfers – 2 nd Quarter	\$82,528	\$73,023	\$9,504	11.5%
Debt Service Transfers - YTD June 30, 2014	\$161,305	\$148,874	\$12,430	7.7%

Note: Numbers may not add to totals due to rounding.

% of Budget Realized (Unaudited) (\$ thousands)

	Annual Budget	YTD Actual	Realized
Debt Service Transfers	\$333,860	\$148,874	44.6%

Analysis

The primary contributor to the favorable variances of \$12.4 million year-to-date and \$9.5 million second quarter was assumed interest expense on new money bonds that did not materialize because the new money bonds were issued later than anticipated. The Tollway issued \$500 million of Series 2014B new money bonds on June 4, 2014, with a first interest payment date of January 1, 2015, requiring monthly debt service transfers beginning in July 2014. The absence of any required monthly debt service transfers for these new money bonds during the first six months of 2014 accounted for \$7.5 million of year-to-date favorable variance and \$5.6 million of second quarter favorable variance.

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Other contributors to favorable variance were: an unrealized provision for additional debt service resulting from refunding synthetic fixed rate bonds and/or incurring variable bond interest in excess of variable swap receipts, reduced debt service from refunding a portion of the Tollway's Series 2005A Bonds, reduced costs of credit/liquidity facilities supporting variable rate bonds and favorable variances related to the timing of monthly transfers for debt service for the Series 2007A and 2008A synthetic fixed rate bonds.

DERIVATIVES

The Tollway employed the use of interest rate exchange (swap) agreements and forward-starting interest rate exchange agreements (forward agreements) to hedge against increases in interest rates by providing synthetic fixed rates associated with the Tollway's variable rate bonds. The following chart presents the Tollway's swap portfolio as of quarter-end June 30, 2014. The four swap agreements related to the Series 2007A Bonds were originally entered into as forward agreements in September 2005, and became effective upon the closing of the Series 2007A Bonds on November 1, 2007. The three swap agreements related to the Series 2008A Bonds were originally entered into in December 2007 and became effective upon the closing of the Series 2008A Bonds on February 7, 2008.

The Illinois State Toll Highway Authority						
Swap Portfolio as of June 30, 2014						
(Note: Valuations are net of accrued interest.)						
(\$ thousands)						
Series	Provider	Notional Amount	Fixed Rate Paid	Variable Rate Rec'd	Maturity	Valuation
1998 SERIES B	Goldman Sachs Mitsui Marine	67,705	4.3250%	Actual	1/1/2017	(5,399)
1998 SERIES B	JP Morgan Chase Bank*	55,395	4.3250%	Actual	1/1/2017	(4,417)
1998 SERIES B TOTAL		\$123,100				(\$9,816)
2007 SERIES A-1	Citibank N.A., New York	175,000	3.9720%	SIFMA	7/1/2030	(\$29,944)
2007 SERIES A-1	Goldman Sachs Bank USA	175,000	3.9720%	SIFMA	7/1/2030	(\$29,944)
2007 SERIES A-1 TOTAL		\$350,000				(\$59,888)
2007 SERIES A-2	Bank of America, N.A.	262,500	3.9925%	SIFMA	7/1/2030	(\$45,533)
2007 SERIES A-2	Wells Fargo Bank**	87,500	3.9925%	SIFMA	7/1/2030	(\$15,178)
2007 SERIES A-2 TOTAL		\$350,000				(\$60,710)
2008 SERIES A-1	The Bank of New York	191,550	3.7740%	SIFMA	1/1/2031	(\$28,807)
2008 SERIES A-1	Deutsche Bank AG, New York Branch	191,550	3.7740%	SIFMA	1/1/2031	(\$28,807)
2008 SERIES A-1 TOTAL		\$383,100				(\$57,614)
2008 SERIES A-2	Bank of America, N.A.***	95,775	3.7640%	SIFMA	1/1/2031	(\$14,296)
2008 SERIES A-2 TOTAL		\$95,775				(\$14,296)
TOTAL		\$1,301,975				(\$202,325)

NOTE: 1998B swaps are valued assuming the receipt of SIFMA+8bp, as an approximation of the valuation of these actual-bond-rate swaps.

* Originally Bear Stearns Financial Products; novated to JP Morgan Chase Bank in May 2009.

** Originally Wachovia Bank, N.A.; acquired by Wells Fargo in December 2008; name changed in March 2010.

*** Originally Merrill Lynch Capital Services, Inc.; Bank of America acquired Merrill Lynch in December 2008; swap novated to Bank of America, N.A. in October 2011.

Mark-to-market valuations of the Tollway's swap agreements typically decline in value (from the Tollway's perspective) when interest rates decline and increase in value when interest rates increase. To the extent any negative valuation of the Tollway's derivatives were to become realized by a swap agreement termination, it is possible (although not certain) that such a realized loss might be mitigated by a lower cost of capital expected to be available in that lower-interest rate market.

CAPITAL PROGRAM SUMMARY

Capital Budget 2014

The majority of the expenditures for the capital program are for major capital renewal or repair projects and for improvements made to the system. Variances from year to year are due to the schedule of work and the differing values for projects included in the overall capital program.

The capital budget is comprised of two major programs. The newest program, *Move Illinois: The Illinois Tollway Driving the Future*, was approved by the Board of Directors on August 25, 2011. The *Move Illinois* Program is a 15-year program which extends from 2012 through 2026 and includes anticipated capital investments totaling an estimated \$12 billion. The fiscal year 2014 Capital Budget allocates \$1,135.7 million to fund the third year of the *Move Illinois* Program.

The second program is the Congestion-Relief Program (CRP). The 12-year Congestion-Relief Program, which began in 2005 and will be completed by 2016, is currently estimated at \$5.7 billion. The fiscal year 2014 Capital Budget allocates \$244.7 million to fund the 10th year of the CRP. Additionally, the fiscal year 2014 Capital Budget allocates approximately \$55 million to fund "other" capital projects to support ongoing operations of the Tollway.

2014 Approved Budget (\$ millions)

	Approved Budget
Tri-State Tollway (I-94/I-294/I-80)	\$9.4
Reagan Memorial Tollway (I-88)	10.6
Jane Addams Memorial Tollway (I-90)	729.2
Veterans Memorial Tollway (I-355)	10.2
Open Road Tolling (ORT)	4.0
Systemwide Improvements	249.2
Tri-State Tollway (I-294/I-57) Interchange	80.1
Elgin O'Hare Western Access	282.8
Illinois Route 53/120/Other Planning Studies	5.0
Move Illinois and CRP Subtotal	\$1,380.4
Other Capital Projects	55.0
Capital Program Subtotal	\$1,435.4
Intergovernmental Agreement Reimbursements	-
Total Capital Program	\$1,435.4

Note: Numbers may not add to totals due to rounding.

Revised Estimate 2014

Revisions to expenditure projections are made during the course of the year. In advance of the sale of Illinois State Toll Highway Authority 2014 Series B Bonds, the Tollway revised the 2014 *Move Illinois* and CRP portion of the capital program downward from \$1,380 million to \$1,261 million. The other capital projects estimate remains at \$55 million.

For the purpose of the second quarter 2014 review, the capital program actual expenditures are compared to the original budget approved at the December 2013 Board meeting.

Allocation of Capital Budget 2014

CORRIDOR

2014 Budget

The Tri-State Tollway (I-94/I-294/I-80)

\$9.5 Million

The *Move Illinois* Program capital budget for the Tri-State Tollway corridor is \$3.7 million which entails ramp reconstruction, as well as utilities/right-of-way support throughout the corridor.

The CRP budget for the Tri-State Tollway corridor is \$5.8 million to complete the right-of-way acquisitions for the new I-294/I-57 Interchange that is being constructed under *Move Illinois*.

The Reagan Memorial Tollway (I-88)

\$10.6 Million

The 2014 budget of \$3.5 million for this corridor is for design work for roadway reconstruction east of York Road, both on the connector road to the Tri-State Tollway (I-294) and the east segment ending at I-290, as well as to complete the ramp reconstruction at York Road, Spring Road and Highland Avenue along with various utility relocations.

The CRP budget allocates \$7.1 million to design the resurfacing between Illinois Route 251 and U.S. Route 30.

The Jane Addams Memorial Tollway (I-90)

\$729.2 Million

The *Move Illinois* Program budget allocates \$593 million to rebuild and widen the westbound section from Mill Road to the Elgin Toll Plaza (Plaza 9), including several mainline bridges. In advance of mainline rebuilding and widening the east section from the Elgin Toll Plaza to the Tri-State Tollway (I-294), retaining wall and noisewall installation will begin in 2014. Construction will begin on interchange improvements at Lee Street, bridge reconstruction will occur at Meacham Road and Bartlett Road along with bridge and ramp reconstruction at Illinois Route 25. The budget will also fund multi-year bridge reconstruction projects at Barrington Road, Higgins Road, Roselle Road and the Fox River Bridge, as well as wetland mitigation efforts, intelligent transportation system (ITS) equipment relocations and advanced ramp toll plaza modifications at I-290/Illinois Route 53 (Plaza 15A) and Arlington Heights Road (Plaza 18). Right-of-way acquisition efforts will continue in anticipation of mainline reconstruction and widening to begin in 2015. Utility relocations will also be critical work ahead of the mainline.

The CRP budget of \$136.2 million for this corridor is required for the first year of reconstruction and widening from I-294 to the Elgin Toll Plaza, including retaining wall and noisewall installation from I-294 to Illinois Route 53.

The Veterans Memorial Tollway (I-355)

\$10.2 Million

The *Move Illinois* Program capital budget for this corridor is \$9.2 million to complete the pavement resurfacing from I-55 to Army Trail Road.

The CRP budget for this corridor is \$933 thousand, mainly to fund the southbound resurfacing and widening from 71st Street to 75th Street.

Open Road Tolling

\$4 Million

The 2014 Capital Budget allocates \$4 million for upgrades and enhancement for the Tollway's electronic toll collection equipment - Traffic Revenue Management and Maintenance Project (TRMMP).

Systemwide

\$249.2 Million

The *Move Illinois* Program capital budget allocates \$158.4 million on systemwide improvements, including bridge, pavement and safety improvements; toll collection and IT related projects; maintenance facility upgrades, which includes the reconstruction of the (M-1) maintenance site in Alsip; and to close-out the construction of the interchange at the Jane Addams Memorial Tollway (I-90) and Illinois Route 47. Additionally, funds will be spent on program support activities, including support staff, project management, materials, engineering and land acquisition support services.

The CRP budget allocates \$90.8 million for systemwide improvements including pavement improvements to ensure the integrity of the system, bridge improvements and environmental projects, landscaping, program management and other related projects.

Tri-State Tollway (I-294/I-57) Interchange

\$80.1 Million

The budget for this corridor is \$80.1 million to complete the first phase of construction of a new interchange at the Tri-State Tollway (I-294) and I-57, allowing movements from northbound I-57 to I-294 and from I-294 to southbound I-57, as well as a new access to 147th Street from I-294. In addition, construction will continue of a new flyover ramp from northbound I-57 to northbound I-294 and a new ramp from southbound I-294 to southbound I-57.

Elgin O'Hare Western Access Project

\$282.8 Million

The 2014 budget for this corridor will fund the final design services for the I-290 Interchange, as well as construction for the lane widening west of Meacham Road to Irving Park Road, completion of the noisewalls east of Roselle Road to Plum Grove Road, start of construction of the I-290 Interchange, new bridges at the Elmhurst Road Interchange at I-90 and advance construction work from Arlington Heights Road to Illinois Route 83. Tolling facilities costs have been included in the corresponding construction packages for each project. Also included in the budget is funding for a number of right-of-way land purchases along the corridor and utility relocations to support future construction.

Illinois Route 53/120 Project/Other Planning Studies

\$5.0 Million

The 2014 budget for this corridor will fund feasibility and planning studies for the Illinois Route 53/120 Project into Lake County and other planning studies.

Other Capital Projects

\$55 Million

In addition to the *Move Illinois* and CRP, other projects are needed to support ongoing operations of the Tollway and to ensure that the existing roadway network is maintained and safe for travel. While the *Move Illinois* and CRP are the major components of the Tollway's capital program, other elements include new technologies to manage congestion, reduce travel

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times and provide enhanced customer service, improvements to maintenance buildings and other structures to maintain Tollway assets and additional equipment for the Illinois State Police District 15 and maintenance staff to improve efficiency and enhance public safety. The 2014 budget anticipates spending \$55 million for other capital projects.

Capital Program Expenditures

Projection vs. Unaudited Actual
Second Quarter 2014

(\$ thousands)

	2nd Qtr		Variance	
	Projection	Actual ⁽¹⁾	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$3,489	\$1,286	\$2,203	63.1%
Reagan Memorial Tollway (I-88)	2,978	4,769	(1,791)	-60.1%
Jane Addams Memorial Tollway (I-90)	192,536	158,593	33,943	17.6%
Veterans Memorial Tollway (I-355)	5,701	1,444	4,256	74.7%
Open Road Tolling (ORT)	1,322	421	901	68.2%
Systemwide Improvements	63,082	39,100	23,982	38.0%
Tri-State Tollway (I-294)/I-57 Interchange	29,068	10,786	18,282	62.9%
Elgin O'Hare Western Access	57,114	52,419	4,695	8.2%
Illinois Route 53/120/Other Planning Studies	1,267	324	942	74.4%
Move Illinois and CRP Subtotal	\$356,557	\$269,142	\$87,415	24.5%
"Other" Capital Projects	12,650	12,460	190	1.5%
Capital Program Subtotal	\$369,207	\$281,603	\$87,604	23.7%
Intergovernmental Agreements Reimbursement and Other Adjustments ⁽²⁾	-	(4,584)	4,584	N/A
Total Capital Program Expenditures	\$369,207	\$277,019	\$92,188	25.0%

⁽¹⁾ Capital Program Actual included accrued expenses for which payments have not been made as of June 30, 2014.

⁽²⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods.

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Projection vs. Unaudited Actual
Year-to-Date
(\$ thousands)

	YTD		Variance	
	Projection	Actual ⁽¹⁾	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$7,766	\$3,509	\$4,257	54.8%
Reagan Memorial Tollway (I-88)	5,239	4,945	293	5.6%
Jane Addams Memorial Tollway (I-90)	277,186	223,395	53,791	19.4%
Veterans Memorial Tollway (I-355)	9,170	1,471	7,699	84.0%
Open Road Tolling (ORT)	1,968	433	1,535	78.0%
Systemwide Improvements	95,236	59,140	36,095	37.9%
Tri-State Tollway (I-294)/I-57 Interchange	43,643	17,232	26,411	60.5%
Elgin O'Hare Western Access	82,237	92,773	(10,535)	-12.8%
Illinois Route 53/120/Other Planning Studies	2,514	639	1,876	74.6%
Move Illinois and CRP Subtotal	\$524,959	\$403,537	\$121,422	23.1%
"Other" Capital Projects	24,750	23,641	1,109	4.5%
Capital Program Subtotal	\$549,709	\$427,177	\$122,532	22.3%
Intergovernmental Agreement Reimbursements and Other Adjustments ⁽²⁾	-	(4,543)	4,543	N/A
Total Capital Program Expenditures	\$549,709	\$422,634	\$127,075	23.1%

⁽¹⁾ Capital Program Actual included accrued expenses for which payments have not been made as of June 30, 2014.

⁽²⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods.

Analysis

Capital program expenditures are reported on an accrual basis. For the quarter ending June 30, 2014, unaudited capital program expenditures totaled \$277 million. This amount included expenses paid during the second quarter, as well as \$149.9 million of work completed during the quarter and/or in prior periods for which payments have not been made as of June 30, 2014. *Move Illinois* and CRP expenditures totaled \$269.1 million and other capital project expenditures totaled \$12.5 million. In addition, other adjustments made during the quarter reduced second quarter expenses by \$4.6 million.

The second quarter favorable variance of \$92.2 million for the capital program can be attributed to:

- Schedule changes – an estimated \$52.6 million
- Savings/lower cost of construction – an estimated \$37.2 million
- Project scope changes – an estimated (\$2.2) million
- IGA reimbursements and other adjustments – \$4.6 million

CORRIDOR

2014 Second Quarter Expenditures

The Tri-State Tollway (I-94/I-294/I-80)

\$1.3 million

During the second quarter, closeout efforts continued for ramp reconstruction at I-55, I-90/I-190/River Road, U.S. Route 20/Lake Street and Illinois Route 120 (Belvidere Road).

The favorable variance of \$2.2 million is attributed to awaiting final right-of-way payments associated with closeout for the I-294/I-57 Interchange.

The Reagan Memorial Tollway

\$4.8 million

During the second quarter, design continued for roadway resurfacing from U.S. Route 30 to Illinois Route 251. Design efforts also began on the east end from York Road to I-290 and the connector ramps to I-294. Diamond grinding pavement improvements began from Illinois Route 25 to Illinois Route 59.

The unfavorable variance of \$1.8 million was due to accelerated design efforts on three contracts, as well as the acceleration of the diamond grinding pavement improvement project.

The Jane Addams Memorial Tollway (I-90)

\$158.6 million

Rebuilding and widening along the western segment from Mill Road to Elgin Toll Plaza (Plaza 9) continued in the westbound lanes while closeout began on the eastbound lanes. Bridge reconstruction continued at U.S. Route 20, the Kishwaukee River and several local crossroads. Construction began at Irene Road for an eastbound entrance ramp. Installation of an intermediate power distribution system began that will provide power for corridor lighting and ITS equipment.

Construction of retaining walls and noisewalls in advance of mainline rebuilding and widening began on the eastern segment from Elgin Toll Plaza (Plaza 9) to the Tri-State Tollway (I-294). Reconstruction of the westbound lanes between the Kennedy Expressway and the Tri-State Tollway (I-294) started. Construction continued on interchange improvements at Lee Street. Multi-year bridge reconstruction contracts continued at Higgins Road and started at the Fox River. Bridge reconstruction also began at Illinois Route 25, Bartlett Road, Barrington Road, Meacham Road, and Roselle Road. Right-of-way acquisition and utility and fiber optic relocation efforts have continued.

The favorable variance of \$33.9 million for this corridor was due in large part to \$35.5 million in bid savings for the westbound contracts from Mill Road to the Elgin Toll Plaza, retaining wall and noisewall contracts from Elgin Toll Plaza to the Kennedy Expressway and several mainline and local crossroad bridges. Later construction starts representing \$8.9 million, primarily the Northwest Suburban Municipal Joint Action Water Agency (NSMJAWA) water main relocation west of Roselle Road to Elmhurst Road, as well as timing of right-of-way acquisitions of \$3.8 million and \$2.2 million in utility payments added to the favorable variance.

This underspending was offset by accelerated construction spending of \$7.6 million related to mitigation efforts, continuing design contracts representing \$3.5 million and early construction starts of \$3.2 million on several crossroad bridges and Lee Street.

The Veterans Memorial Tollway (I-355)

\$1.4 million

During the second quarter, closeout efforts began on the resurfacing from I-55 to Army Trail Road. Design also began for resurfacing and widening the southbound lanes from 71st Street to 75th Street.

The favorable variance of \$4.3 million can largely be attributed to the closeout process of the resurfacing project.

Open Road Tolling (ORT)

\$421 thousand

The favorable variance of \$901 thousand was primarily due to slower spending than projected on the Traffic Revenue Management and Maintenance Project (TRMMP).

Systemwide **\$39.1 million**

During the second quarter, the interchange construction contract for the Jane Addams Memorial Tollway (I-90) and Illinois Route 47 closed out, while work started on the Tri-State Tollway (I-94) Grand Avenue Interchange ramp reconstruction. Design efforts on the maintenance facilities program progressed to provide updated master plans for future facility improvements, with the reconstruction of the M-1 facility in Alsip was slated to begin later in 2014. Various pavement, bridge, and ramp repair contracts also progressed.

The favorable variance of \$24.0 million for this corridor was primarily due to slower spending than anticipated on various construction and program management contracts, including \$13 million in Business Systems and IT projects, \$4.3 million for the delayed start of reconstruction at M-1 and \$1.7 million for the delayed start of Tri-State Tollway (I-94/I-294) ramp and pavement improvements. Several other pavement improvement contracts realized \$4.7 million in accelerated spending this quarter as a result of mitigation efforts.

The Tri-State Tollway (I-294/I-57) Interchange **\$10.8 million**

During the second quarter, progress continued on ramp construction from northbound I-57 to northbound I-294 and from southbound I-294 to southbound I-57. Reconstruction efforts along 147th Street also continued.

The favorable variance of \$18.3 million can be mostly attributed to \$12.9 million in construction rephrasing, as well as \$3.2 million in changes in expenditures from projections for utility and fiber optic work.

The Elgin O'Hare Western Access Project **\$52.4 million**

The first quarter momentum carried into the second quarter with the Elmhurst Road Interchange bridge construction over the Jane Addams Memorial Tollway (I-90) and noisewall contracts between Roselle Road and Meacham Road achieving substantial completion. Work is well underway to rehabilitate and widen the existing Illinois Route 390 (formerly known as the Elgin-O'Hare Expressway) and perform interchange improvements. Girder erection began for the northbound I-290 to westbound Illinois Route 390 flyover ramp and Rohlwing Road bridges over Illinois Route 390. Paving began for the new lane widening of Illinois Route 390 between Roselle and Meacham Roads. Four new construction contracts were awarded and work for the Illinois Route 390 extension east of I-290 Interchange has begun.

The favorable variance of \$4.7 million was primarily due to less than anticipated right-of-way land acquisition during the second quarter. Construction and engineering exhibited a minor variance of less than \$0.8 million or 1.7 percent for the \$46.0 million anticipated for design, construction and construction management work.

Illinois Route 53/120 Project/Other Planning Studies **\$324 thousand**

Feasibility studies continued in the second quarter for the possible extension of Illinois Route 53 north of Lake Cook Road. The favorable variance of \$942 thousand was due to slower than anticipated spending.

Other Capital Projects **\$12.5 million**

Expenditures in this corridor included purchases for fleet, transponders, police equipment, production printer and other small capital equipment. In addition, second quarter expenditures funded other projects including general engineering, traffic consultant and other consulting services, traffic and incident management system (TIMS), intelligent transportation systems (ITS), systemwide signage, roof replacement, computer infrastructure upgrades and various

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engineering research/studies. The second quarter favorable variance of \$190 thousand is mainly attributed to project schedule modifications.

Financial Summaries

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ILLINOIS TOLLWAY				
BUDGET vs. UNAUDITED ACTUAL				
Second Quarter Ending June 30, 2014				
	Budget	2nd Quarter Actual	Variance	
			\$	%
REVENUE				
Toll Revenue and Evasion Recovery	\$258,035,000	\$263,150,379	\$5,115,379	2.0%
Concessions	553,000	528,988	(24,012)	-4.3%
Investment Income	500,000	202,577	(297,423)	-59.5%
Miscellaneous	1,386,000	3,008,884	1,622,884	117.1%
Total Revenue	\$260,474,000	\$266,890,828	\$6,416,828	2.5%
Maintenance and Operations (M and O) Expenditures				
Payroll and Related Costs	\$38,656,437	\$37,896,402	\$760,035	2.0%
Group Insurance	7,389,698	7,376,748	12,950	0.2%
Contractual Services	13,313,274	13,235,868	77,406	0.6%
Materials/Operational Supplies/Other Expenses	1,565,492	997,302	568,190	36.3%
Utilities	1,313,419	1,612,800	(299,381)	-22.8%
All Other Insurance	2,584,244	2,425,228	159,016	6.2%
Parts and Fuel	1,469,619	1,617,700	(148,081)	-10.1%
Equipment/Office Rental and Maintenance	3,501,930	2,989,012	512,918	14.6%
Professional Development	300,150	157,209	142,941	47.6%
Recovery of Expenses	(645,978)	(708,017)	62,039	9.6%
Total Maintenance and Operations Expenditures	\$69,448,285	\$67,600,251	\$1,848,034	2.7%
Net Revenue				
Revenue Less M and O Expenditures	\$191,025,715	\$199,290,576	\$8,264,861	4.3%
Debt Service Transfers				
Existing Debt	\$76,902,500	\$73,023,069	\$3,879,431	5.0%
New Debt	5,625,000	-	5,625,000	100.0%
Total Debt Service Transfers	\$82,527,500	\$73,023,069	\$9,504,431	11.5%
Net Revenue Less Debt Service Transfers	\$108,498,215	\$126,267,507	\$17,769,292	16.4%

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ILLINOIS TOLLWAY				
ORIGINAL PROJECTION vs. UNAUDITED ACTUAL				
Second Quarter Ending June 30, 2014				
	Second Quarter		Variance	
	Projection	Actual ⁽²⁾	\$	%
Capital Program ⁽¹⁾				
Tri-State Tollway (I-94/I-294/I-80)	\$3,489,124	\$1,285,846	\$2,203,278	63.1%
Reagan Memorial Tollway (I-88)	2,978,183	4,768,988	(1,790,805)	-60.1%
Jane Addams Memorial Tollway (I-90)	192,535,881	158,592,874	33,943,007	17.6%
Veterans Memorial Tollway (I-355)	5,700,553	1,444,249	4,256,304	74.7%
Open Road Tolling (ORT)	1,322,069	420,800	901,269	68.2%
Systemwide Improvements	63,082,131	39,099,673	23,982,457	38.0%
Tri-State Tollway (I-294)/I-57 Interchange	29,068,302	10,786,198	18,282,104	62.9%
Elgin O'Hare Western Access	57,113,783	52,419,176	4,694,607	8.2%
Illinois Route 53/120/Other Planning Studies	1,266,786	324,462	942,324	74.4%
Move Illinois and CRP Subtotal	\$356,556,812	\$269,142,266	\$87,414,546	24.5%
"Other" Capital Projects	12,650,000	12,460,404	189,596	1.5%
Capital Program Subtotal	\$369,206,812	\$281,602,670	\$87,604,142	23.7%
Intergovernmental Agreement Reimbursements ⁽³⁾ and Other Adjustments	-	(4,583,853)	4,583,853	N/A
Total Capital Program Expenditures	\$369,206,812	\$277,018,817	\$92,187,995	25.0%

⁽¹⁾ Capital Program expenses are financed by funds available in the Renewal/ Replacement and Improvement accounts.

⁽²⁾ Capital Program Actual included accrued expenses for which payments have not been made as of June 30, 2014.

⁽³⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods.

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ILLINOIS TOLLWAY				
BUDGET vs. UNAUDITED ACTUAL				
Year-To-Date June 30, 2014				
	YTD		Variance	
	Budget	Actual	\$	%
REVENUE				
Toll Revenue and Evasion Recovery	\$486,457,000	\$485,883,505	(\$573,495)	-0.1%
Concessions	1,082,000	1,060,112	(21,888)	-2.0%
Investment Income	1,000,000	326,801	(673,199)	-67.3%
Miscellaneous	2,682,000	5,594,034	2,912,034	108.6%
Total Revenue	\$491,221,000	\$492,864,452	\$1,643,452	0.3%
Maintenance and Operations (M and O) Expenditures				
Payroll and Related Costs	\$79,897,472	\$80,109,339	(\$211,867)	-0.3%
Group Insurance	14,964,415	14,424,834	539,581	3.6%
Contractual Services	25,897,727	25,001,255	896,472	3.5%
Materials/Operational Supplies/Other Expenses	3,462,695	3,042,732	419,963	12.1%
Utilities	2,859,326	3,098,567	(239,241)	-8.4%
All Other Insurance	5,149,267	4,993,545	155,722	3.0%
Parts and Fuel	2,678,461	3,853,193	(1,174,732)	-43.9%
Equipment/Office Rental and Maintenance	8,105,076	7,799,128	305,948	3.8%
Professional Development	600,871	381,138	219,733	36.6%
Recovery of Expenses	(1,329,943)	(1,439,897)	109,954	8.3%
Total Maintenance and Operations Expenditures	\$142,285,367	\$141,263,833	\$1,021,534	0.7%
Net Revenue				
Revenue Less M and O Expenditures	\$348,935,633	\$351,600,618	\$2,664,985	0.8%
Debt Service Transfers				
Existing Debt	\$153,805,000	\$148,874,365	\$4,930,635	3.2%
New Debt	7,500,000	-	7,500,000	100.0%
Total Debt Service Transfers	\$161,305,000	\$148,874,365	\$12,430,635	7.7%
Net Revenue Less Debt Service (Coverage)				
	\$187,630,633	\$202,726,253	\$15,095,620	8.0%

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ILLINOIS TOLLWAY				
ORIGINAL PROJECTION vs. UNAUDITED ACTUAL				
Year-To-Date June 30, 2014				
	YTD		Variance	
	Projection	Actual ⁽²⁾	\$	%
Capital Program ⁽¹⁾				
Tri-State Tollway (I-94/I-294/I-80)	\$7,766,288	\$3,508,968	\$4,257,320	54.8%
Reagan Memorial Tollway (I-88)	5,238,687	4,945,329	293,358	5.6%
Jane Addams Memorial Tollway (I-90)	277,185,562	223,394,941	53,790,621	19.4%
Veterans Memorial Tollway (I-355)	9,169,995	1,471,362	7,698,634	84.0%
Open Road Tolling (ORT)	1,968,199	432,741	1,535,458	78.0%
Systemwide Improvements	95,235,615	59,140,265	36,095,349	37.9%
Tri-State Tollway (I-294)/I-57 Interchange	43,642,985	17,231,803	26,411,182	60.5%
Elgin O'Hare Western Access	82,237,356	92,772,543	(10,535,187)	-12.8%
Illinois Route 53/120/Other Planning Studies	2,514,083	638,574	1,875,509	74.6%
Move Illinois and CRP Subtotal	\$524,958,770	\$403,536,524	\$121,422,246	23.1%
"Other" Capital Projects	24,750,000	23,640,531	1,109,469	4.5%
Capital Program Subtotal	\$549,708,770	\$427,177,056	\$122,531,714	22.3%
Intergovernmental Agreement Reimbursements and Other Adjustments ⁽³⁾	-	(4,542,866)	4,542,866	N/A
Total Capital Program Expenditures	\$549,708,770	\$422,634,190	\$127,074,581	23.1%

⁽¹⁾ Capital Program expenses are financed by funds available in the Renewal/ Replacement and Improvement accounts.

⁽²⁾ Capital Program Actual included accrued expenses for which payments have not been made as of June 30, 2014.

⁽³⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods.

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ILLINOIS TOLLWAY			
% of BUDGET REALIZED (UNAUDITED)			
	2014 Budget	YTD Actual	% Budget Realized
REVENUE			
Toll Revenue and Evasion Recovery	\$1,005,000,000	\$485,883,505	48.3%
Concessions	2,200,000	1,060,112	48.2%
Investment Income	2,000,000	326,801	16.3%
Miscellaneous	5,800,000	5,594,034	96.4%
Total Revenue	\$1,015,000,000	\$492,864,452	48.6%
Maintenance and Operations (M and O) Expenditures			
Payroll and Related Costs	\$160,591,779	\$80,109,339	49.9%
Group Insurance	30,058,400	14,424,834	48.0%
Contractual Services	59,985,904	25,001,255	41.7%
Materials/Operational Supplies/Other Expenses	7,535,815	3,042,732	40.4%
Utilities	5,950,085	3,098,567	52.1%
All Other Insurance	10,482,500	4,993,545	47.6%
Parts and Fuel	6,492,308	3,853,193	59.4%
Equipment/Office Rental and Maintenance	15,691,205	7,799,128	49.7%
Professional Development	1,078,700	381,138	35.3%
Recovery of Expenses	(2,411,000)	(1,439,897)	59.7%
Total Maintenance and Operations Expenditures	\$295,455,696	\$141,263,833	47.8%
Net Revenue			
Revenue Less M and O Expenditures	\$719,544,304	\$351,600,618	48.9%
Debt Service Transfers			
Existing Debt	\$307,610,000	\$148,874,365	48.4%
New Debt	26,250,000	-	0.0%
Total Debt Service Transfers	\$333,860,000	\$148,874,365	44.6%
Net Revenue Less Debt Service Transfers	\$385,684,304	\$202,726,253	52.6%

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ILLINOIS TOLLWAY			
% of PROJECTION REALIZED (UNAUDITED)			
	2014 Projection	YTD Actual ⁽²⁾	% Projection Realized
Capital Program ⁽¹⁾			
Tri-State Tollway (I-94/I-294/I-80)	\$9,448,266	\$3,508,968	37.1%
Reagan Memorial Tollway (I-88)	10,569,435	4,945,329	46.8%
Jane Addams Memorial Tollway (I-90)	729,153,338	223,394,941	30.6%
Veterans Memorial Tollway (I-355)	10,163,536	1,471,362	14.5%
Open Road Tolling (ORT)	3,977,221	432,741	10.9%
Systemwide Improvements	249,167,001	59,140,265	23.7%
Tri-State Tollway (I-294)/I-57 Interchange	80,107,849	17,231,803	21.5%
Elgin O'Hare Western Access	282,786,234	92,772,543	32.8%
Illinois Route 53/120/Other Planning Studies	5,000,191	638,574	12.8%
Move Illinois and CRP Subtotal	\$1,380,373,070	\$403,536,524	29.2%
"Other" Capital Projects	55,000,000	23,640,531	43.0%
Capital Program Subtotal	\$1,435,373,070	\$427,177,056	29.8%
Intergovernmental Agreement Reimbursements and Other Adjustments ⁽³⁾	-	(4,542,866)	N/A
Total Capital Program Expenditures	\$1,435,373,070	\$422,634,190	29.4%

⁽¹⁾ Capital Program expenses are financed by funds available in the Renewal/ Replacement and Improvement accounts.

⁽²⁾ Capital Program Actual included accrued expenses or which payments have not been made as of June 30, 2014.

⁽³⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods.

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ILLINOIS TOLLWAY				
2014 vs. 2013 Unaudited Actual				
Second Quarter Ending June 30th				
	Second Quarter		Variance	
	2013	2014	\$	%
REVENUE				
Toll Revenue and Evasion Recovery	\$253,779,507	\$263,150,379	\$9,370,872	3.7%
Concessions	580,452	528,988	(51,464)	-8.9%
Investment Income	223,125	202,577	(20,548)	-9.2%
Miscellaneous	1,151,417	3,008,884	1,857,466	161.3%
Total Revenue	\$255,734,501	\$266,890,828	\$11,156,326	4.4%
Maintenance and Operations (M and O) Expenditures				
Payroll and Related Costs	\$36,129,057	\$37,896,402	(\$1,767,345)	-4.9%
Group Insurance	6,863,805	7,376,748	(\$512,943)	-7.5%
Contractual Services	11,276,543	13,235,868	(\$1,959,325)	-17.4%
Materials/Operational Supplies/Other Expenses	764,864	997,302	(\$232,438)	-30.4%
Utilities	1,961,401	1,612,800	\$348,602	17.8%
All Other Insurance	2,280,248	2,425,228	(\$144,979)	-6.4%
Parts and Fuel	1,769,153	1,617,700	\$151,454	8.6%
Equipment/Office Rental and Maintenance	3,150,980	2,989,012	\$161,968	5.1%
Professional Development	240,086	157,209	\$82,877	34.5%
Recovery of Expenses	(580,581)	(708,017)	\$127,436	21.9%
Total Maintenance and Operations Expenditures	\$63,855,558	\$67,600,251	(\$3,744,694)	-5.9%
Net Revenue				
Revenue Less M and O Expenditures	\$191,878,943	\$199,290,576	\$7,411,633	3.9%
Debt Service Transfers				
Existing Debt	\$68,666,573	\$75,851,296	(\$7,184,723)	-10.5%
New Debt	-	-	-	N/A
Total Debt Service Transfers	\$68,666,573	\$75,851,296	(\$7,184,723)	-10.5%
Net Revenue Less Debt Service Transfers	\$123,212,370	\$123,439,280	\$226,909	0.2%

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ILLINOIS TOLLWAY				
2014 Actual vs. 2013 Unaudited Actual				
Second Quarter Ending June 30th				
	2nd Quarter		Variance	
	2013	2014	\$	%
Capital Program				
Tri-State Tollway (I-94/I-294/I-80)	\$7,910,089	\$1,285,846	\$6,624,243	84%
Reagan Memorial Tollway (I-88)	2,580,056	4,768,988	(2,188,932)	-85%
Jane Addams Memorial Tollway (I-90)	59,938,908	158,592,874	(98,653,966)	-165%
Veterans Memorial Tollway (I-355)	3,076,076	1,444,249	1,631,827	53%
Open Road Tolling (ORT)	2,247,328	420,800	1,826,528	81%
Systemwide Improvements	23,093,027	39,099,673	(16,006,646)	-69%
Tri-State Tollway (I-294)/I-57 Interchange	9,356,812	10,786,198	(1,429,386)	-15%
Elgin O'Hare Western Access	11,322,795	52,419,176	(41,096,381)	-363%
Illinois Route 53/120/Other Planning Studies	24,191	324,462	(300,271)	-1241%
Move Illinois and CRP Subtotal	\$119,549,283	\$269,142,266	(\$149,592,983)	-125%
"Other" Capital Projects	6,245,931	12,460,404	(6,214,472)	-99%
Capital Program Subtotal	\$125,795,215	\$281,602,670	(\$155,807,455)	-124%
Intergovernmental Agreement Reimbursements and Other Adjustments ⁽¹⁾	(9,196,968)	(4,583,853)	(4,613,114)	50%
Total Capital Program Expenditures	\$116,598,247	\$277,018,817	(\$160,420,570)	-138%

⁽¹⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods, and Other Adjustments were accounting adjustments made for the quarter.

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ILLINOIS TOLLWAY				
2014 vs. 2013 Unaudited Actual				
Year-To-Date June 30th				
	YTD		Variance	
	2013	2014	\$	%
REVENUE				
Toll Revenue and Evasion Recovery	\$480,534,729	\$485,883,505	\$5,348,776	1.1%
Concessions	1,130,364	1,060,112	(70,253)	-6.2%
Investment Income	513,642	326,801	(186,842)	-36.4%
Miscellaneous	2,085,476	5,594,034	3,508,558	168.2%
Total Revenue	\$484,264,212	\$492,864,452	\$8,600,240	1.8%
Maintenance and Operations (M and O) Expenditures				
Payroll and Related Costs	\$74,531,911	\$80,109,339	(\$5,577,428)	-7.5%
Group Insurance	13,624,256	14,424,834	(800,578)	-5.9%
Contractual Services	19,006,476	25,001,255	(5,994,779)	-31.5%
Materials/Operational Supplies/Other Expenses	2,723,256	3,042,732	(319,476)	-11.7%
Utilities	3,520,496	3,098,567	421,929	12.0%
All Other Insurance	4,585,385	4,993,545	(408,160)	-8.9%
Parts and Fuel	3,480,999	3,853,193	(372,193)	-10.7%
Equipment/Office Rental and Maintenance	7,647,503	7,799,128	(151,625)	-2.0%
Professional Development	491,648	381,138	110,510	22.5%
Recovery of Expenses	(1,288,370)	(1,439,897)	151,527	11.8%
Total Maintenance and Operations Expenditures	\$128,323,560	\$141,263,833	(\$12,940,274)	-10.1%
Net Revenue				
Revenue Less M and O Expenditures	\$355,940,652	\$351,600,618	(\$4,340,034)	-1.2%
Debt Service Transfers				
Existing Debt	\$68,666,573	\$75,851,296	(\$7,184,723)	-10.5%
New Debt	-	-	-	N/A
Total Debt Service Transfers	\$68,666,573	\$75,851,296	(\$7,184,723)	-10.5%
Net Revenue Less Debt Service (Coverage)				
Net Revenue Less Debt Service (Coverage)	\$287,274,079	\$275,749,322	(\$11,524,757)	-4.0%

Quarterly Financial Review June 30, 2014

ILLINOIS TOLLWAY				
2014 Unaudited Actual vs. 2013 Actual				
Year-to-Date June 30th				
	YTD		Variance	
	2013	2014	\$	%
Capital Program				
Tri-State Tollway (I-94/I-294/I-80)	\$19,110,695	\$3,508,968	\$15,601,727	82%
Reagan Memorial Tollway (I-88)	5,598,418	4,945,329	653,088	12%
Jane Addams Memorial Tollway (I-90)	92,584,487	223,394,941	(130,810,454)	-141%
Veterans Memorial Tollway (I-355)	3,318,344	1,471,362	1,846,982	56%
Open Road Tolling (ORT)	2,473,335	432,741	2,040,594	83%
Systemwide Improvements	35,568,255	59,140,265	(23,572,010)	-66%
Tri-State Tollway (I-294)/I-57 Interchange	12,136,846	17,231,803	(5,094,957)	-42%
Elgin O'Hare Western Access	19,618,577	92,772,543	(73,153,965)	-373%
Illinois Route 53/120/Other Planning Studies	24,191	638,574	(614,383)	-2540%
Move Illinois & CRP Subtotal	\$190,433,148	\$403,536,524	(\$213,103,377)	-112%
"Other" Capital Projects	14,137,448	23,640,531	(9,503,084)	-67%
Capital Program Subtotal	\$204,570,595	\$427,177,056	(\$222,606,460)	-109%
Intergovernmental Agreement Reimbursements and Other Adjustments ⁽¹⁾	(9,049,458)	(4,542,866)	(4,506,592)	50%
Total Capital Program Expenditures	\$195,521,137	\$422,634,190	(\$227,113,052)	-116%

⁽¹⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods, and Other Adjustments were accounting adjustments made year-to-date.