




Illinois Tollway Financial Results Year Ended December 31, 2018



August 15, 2019
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Comprehensive Annual Financial Report

- Contains audited Generally Accepted Accounting Principles (GAAP) financial statement and footnotes
- Supplementary information including
 - Trust Indenture financial statements
- Statistical information
 - Traffic and revenue statistics
 - Economic and demographic information
- Submitted to Government Finance Officers' Association for Certificate of Achievement in Financial Reporting

Financial Highlights

- Total revenue increased by 2.7 percent
- Favorable operating results increased net assets by \$354 million
- Investment in capital assets increased by \$500 million
- The financial statement fully incorporates the required accounting treatment for pensions and other post-employment benefits (OPEB)

Basis of Accounting

- Tollway financial statements are prepared in accordance with GAAP
- GAAP accounting is different from Trust Indenture accounting used for budgeting and quarterly budget-to-actual presentations
- Major differences in Trust Indenture accounting
 - Fixed assets are expensed, no depreciation
 - Bond principal retirements are expensed when paid
 - Long-term fiber-optic revenue recorded as revenue when received
 - GASB 68 pension liability and increased expense are not recognized
 - GASB 75 OPEB liability and increased expense are not recognized

2018 Financial Results (GAAP Basis)

- Operating revenues increased 2.7 percent (\$37.9 million) to \$1,436 million
 - Passenger and commercial traffic continued to increase
 - Commercial vehicle toll rates increased 2.1 percent
- Operating expenses (excluding depreciation) totaled \$402 million, about \$ 1 million less than 2017

2018 Financial Results (GAAP Basis)

- Tollway proportionate share of the State net pension liability under GASB 68 and 71 decreased by \$5.9 million to \$882.5 million
- Per GASB 75, the Tollway was required to record OPEB liability in 2018 of \$140.1 million
- As the result of implementing GASB 75, the Tollway's beginning net position was reduced by \$145.5 million, which when combined with the 2018 favorable net increase of \$353.8 million, resulted in a net improvement of \$208 million to the Tollway's net position
- Tollway maintains a healthy balance sheet with a net position of \$3.08 billion

Statement of Changes in Net Position

	<u>2018</u>	<u>2017</u>	<u>Percent Change</u>
Tolls	1,341	1,309	2.4%
Evasion Recovery	70	66	6.1%
Concessions	2	2	0.0%
Other	23	21	9.5%
Total operating revenue	1,436	1,398	2.7%
Depreciation and Amortization	446	418	6.70%
Other Operating Expenses	402	403	-0.25%
Total operating expenses	848	821	3.29%
Operating income	588	577	1.91%
Net -Non-Operating Expense	-234	-221	5.88%
Change in net assets	354	356	-0.56%

(Amounts in Millions)



Statement of Net Position Assets and Deferred Outflows

	<u>2018</u>	<u>2017</u> <u>(Restated)</u>	<u>Percent</u> <u>Change</u>
Unrestricted cash and cash equivalents	1,085	1,257	-13.7%
Accounts receivable, net	20	21	-4.8%
IGA receivables - current portion	31	48	-35.4%
Other	3	8	-62.5%
Total current unrestricted	1,139	1,334	-14.6%
Restricted cash - debt service	178	147	21.1%
IPASS cash in escrow	187	180	3.9%
Other current restricted	1	2	-50.0%
Total current restricted	366	329	11.2%
Total current assets	1,505	1,663	-9.5%
Capital assets, net of depreciation	9,086	8599	5.7%
Other non-current assets & deferred outflow of resources	909	1033	-12.0%
Total assets	11,500	11,295	1.8%

(Amounts in Millions)

Statement of Net Position Liabilities and Net Position

	<u>2018</u>	<u>2017</u> <u>(Restated)</u>	<u>Percent</u> <u>Change</u>
Accounts payable and accruals	260	284	-8.5%
Deposits and retainage	42	35	20.0%
Other unrestricted liabilities	134	60	123.3%
Current - payable from unr	436	379	15.0%
Bonds payable- current portion	119	113	5.3%
Interest payable	118	113	4.4%
Deposits- IPASS escrow	187	180	3.9%
Current - payable from res	424	406	4.4%
Total current liabilities	860	785	9.6%
Revenue bonds payable	6325	6474	-2.3%
Other	266	228	16.7%
Net pension and OPEB liability and related	973	1085	-10.3%
Total liabilities	8,424	8,572	-1.7%
Net position	3076	2,723	13.0%

(Amounts in Millions)





THANK YOU

