



2008 Budget

Published: April, 2008

Governor Rod R. Blagojevich
Chairman John Mitola
Executive Director Brian McPartlin

Rod R. Blagojevich, Governor
Ex-Officio-Member

John Mitola, Chairman
Term expires May 1, 2011

Brian McPartlin, Executive Director



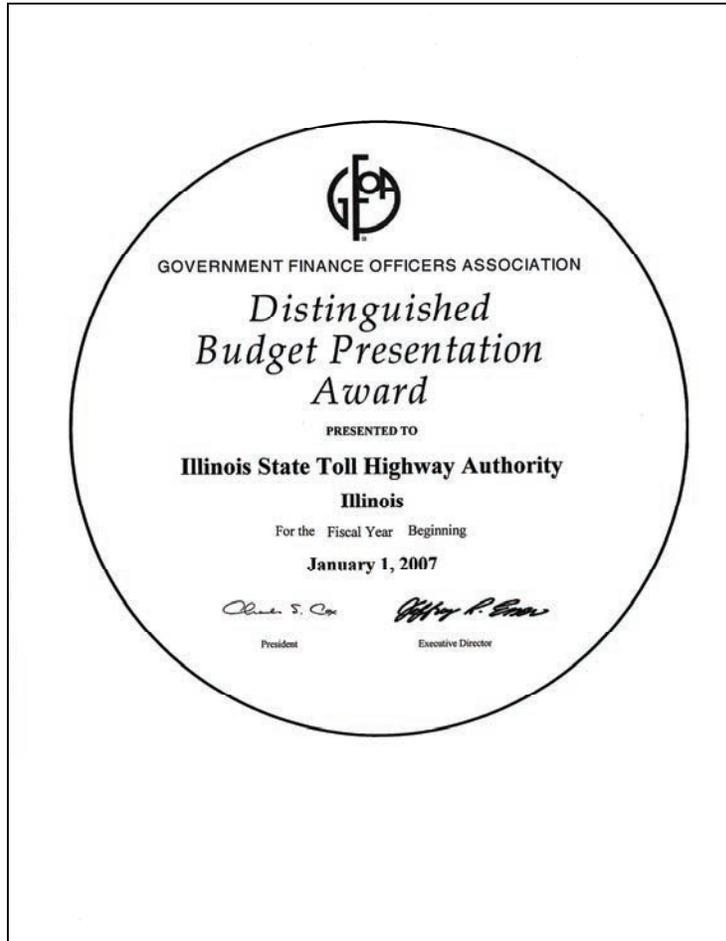
Board of Directors

Top row from left: James M. Roolf, Betty-Ann Moore, Chairman John Mitola, James J. Banks, Steven Harris

Bottom row from left:

Carl O. Towns, George Pradel, David R. Andalcio

Not pictured: Governor Rod R. Blagojevich, Ex-officio; Secretary Milton R. Sees, IDOT, Ex-officio; Director Thomas Canham



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Illinois State Toll Highway Authority for the Annual Budget beginning January 01, 2007. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

| | Page |
|--|------|
| Executive Letter..... | 9 |
| Executive Summary | 13 |
| Tollway Organization and Background | 25 |
| Revenue Sources and Underlying Assumptions | 33 |
| Fund Structure | 37 |
| Budget Summaries..... | 45 |
| Strategic Plan..... | 55 |
| Departmental Budgets and Narratives | 77 |
| Administration | 80 |
| Communications..... | 85 |
| Electronic Tolling..... | 89 |
| Engineering..... | 93 |
| Executive Office | 100 |
| Finance | 103 |
| Information Technology | 107 |
| Office of Inspector General..... | 112 |
| Legal..... | 116 |
| Toll Operations..... | 119 |
| Procurement..... | 124 |
| State Police..... | 128 |
| Capital Program..... | 133 |
| Debt Management..... | 161 |
| Budget Process and Documents | 167 |
| Financial Policies and Practices | 175 |
| Demographics..... | 181 |
| Appendix | 187 |
| Annual Toll Revenue Certificate—Independent Traffic Engineer..... | 188 |
| Renewal & Replacement Deposit Requirement from Consulting Engineer | 192 |
| Certificate of Authorized Officer..... | 193 |
| Acronyms..... | 194 |
| Glossary..... | 196 |

| <i>Exhibit No. and Title</i> | <i>Page</i> |
|--|--------------------|
| 1 New Positions by Department | 23 |
| 2 Tollway Board of Directors | 26 |
| 3 System Map | 31 |
| 4 Overview of Flow of Funds..... | 39 |
| 5 Revenues/Expenditures and Changes in Fund Balances | 42-43 |
| 6 2008 Budgeted Revenues and Expenditures | 46 |
| 7 Sources of Revenue Table..... | 47 |
| 8 Revenue Projections Pie | 47 |
| 9 Allocation of Revenue Table | 48 |
| 10 Projected Allocation of Revenue Pie..... | 48 |
| 11 Capital Program Projections Table | 49 |
| 12 Projected Capital Expenditures Pie | 49 |
| 13 2008 Proposed Budgeted Headcount..... | 50 |
| 14 2008 Maintenance & Operational Budget by Category | 51 |
| 15 Major Account Summary | 52 |
| 16 Budget by Department | 53 |
| 17 Departmental Allocations (% of total budget)..... | 54 |
| 18 Overview of Tollway Strategic Plan..... | 58-59 |
| 19 Strategic Plan Summary by Metric and Department | 60 |
| 20 Strategic Plan Departmental Allocation to Metrics Graph | 61 |
| 21 Tollway Organizational Structure..... | 78 |
| 22 Departmental Functions and Budgetary Data | 79 |
| 23 Fiscal Year 2008 Capital Program | 134 |
| 24 Capital Funding Sources..... | 139 |
| 25 Growth of the Tollway System per Lane Mile | 156 |
| 26 2008 CRP Construction Map..... | 159 |
| 27 Illinois Tollway Outstanding Bonds | 162 |
| 28 Debt Service Obligations..... | 163 |
| 29 Debt Service Coverage Ratio | 164 |
| 30 2008 M&O Budget Planning Calendar | 170 |

| <i>Exhibit No. and Title</i> | <i>Page</i> |
|---|-------------|
| 31 Budget Resolution | 172-174 |
| 32 Tollway Service Area Population Change 1980-2000 | 183 |
| 33 Tollway Service Area Population Change 2000-2030 | 184 |
| 34 Tollway Service Area Employment 2000-2007 | 185 |
| 35 Tollway Service Area Employment 2000-2030 | 185 |
| 36 Annual Toll Revenue Certificate | 188-191 |
| 37 2008 Renewal & Replacement Deposit Letter | 192 |
| 38 Certificate of Authorized Officer | 193 |

This page intentionally left blank

Executive Letter

December 20, 2007

To the Honorable Chairman and Board of Directors:

The Illinois Tollway's commitment to alleviating traffic congestion remains our foremost priority, as we enter our fourth year of Governor Rod R. Blagojevich's \$6.3 billion Congestion-Relief Program – *Open Roads for a Faster Future*.

Our plans for 2008 are to maintain the aggressive timeline we established to enhance existing infrastructure, implement new cutting-edge technologies, and continue efforts to provide a level of service that exceeds customers' expectations. Drivers, businesses, and local communities served by the Illinois Tollway will greatly benefit from both new and ongoing projects, as well as other roadway improvements scheduled for 2008.

Congestion-Relief Program

Completed ahead of schedule and within budget, opening the I-355 South Extension - now the Veterans Memorial Tollway - highlighted our dedication to meeting the needs of growing communities while reducing traffic congestion throughout the south suburban region. The 12.5-mile South Extension connects I-55 to I-80 and serves one of the fastest-growing regions of the State, where it has sparked widespread economic growth and development.

The successful completion in 2007 of the \$730 million I-355 South Extension project, as well as the \$708.8 million conversion to Open Road Tolling at all 20 mainline plazas in 2006, allows us to focus our energies and resources on other aspects of the Congestion-Relief Program – chiefly, rebuilding and widening many miles of major roadways.

Thus far, the Illinois Tollway has awarded \$2.74 billion in construction contracts related to the Congestion-Relief Program. In addition, we have awarded approximately \$622.5 million in contracts for design, inspection, and other engineering services, and contracts totaling about \$115.8 million for utilities, right-of-way, and other miscellaneous expenses. As a result, the Tollway has stimulated billions of dollars of economic growth in the local communities and provided thousands of good-paying jobs for men and women in the construction trades.

In 2008, funding dedicated toward the myriad of construction employment opportunities will continue to ensure sustained progress in reaching objectives outlined in the Governor's Congestion-Relief Program.

In the past four years, we have awarded more than \$1 billion in contracts toward the design-and-construction phase of the Tri-State Tollway (I-94/I-294/I-80) Rebuild and Widen Project. That amount represents approximately half of the total \$2.3 billion budget to reconstruct and widen the vast majority of the 78.5-mile Tri-State Tollway.

Phase II of the south Tri-State Rebuild and Widen (I-294/I-80) Project from 159th Street to 95th Street began in 2007 and will continue in 2008. Completion is scheduled in 2010. Also expected to

be completed in 2010 is the rebuild and widening work that continues on the Central Tri-State Tollway (I-294) from Balmoral Avenue to Lake-Cook Road.

On the Reagan Memorial Tollway (I-88), rebuild and widening is underway from York Road in Oak Brook to Washington Street in Naperville and from the Aurora Toll Plaza to Deerpath Road in Sugar Grove. Work on I-88 will continue in 2008 and is expected to be completed in 2009.

Renamed in 2007, the Jane Addams Memorial Tollway (I-90) Rebuild and Widening Project is ongoing, and we expect to be finished with the master planning and design phase in 2008. Completion of work between I-39 and Rockton Road is expected in 2009. The program budget for the I-90 Corridor is \$773 million.

The 2008 budget is comprised almost in its entirety with initiatives designed to yield the required construction support of the Congestion-Relief Program. That includes a key component to easing toll-road congestion: service and support of the more than 3.2 million I-PASS transponders utilized by our customers. The Illinois Tollway has also adopted programs designed to improve agency operations in compliance with the Governor's Tollway reform agenda.

Customer Service

In 2008, the Illinois Tollway will continue efforts to improve efficiencies, provide greater benefits for customers, and become more accountable to the public through enhanced customer-service offerings.

In order to achieve the highest levels of customer satisfaction, the Tollway is consolidating its I-PASS, Violation Enforcement System, Business System Integration, and Open Road Tolling unit under the new Department of Electronic Tolling. This consolidation will help to meet the Tollway's goals of improving business efficiencies through performance measurements, monitor and enhance electronic tolling, and assure vendor compliance with contract standards and expectations.

Building upon the 2007 introduction of a consolidated Customer Call Center, which was created to handle all customer phone calls regarding I-PASS, violations, and missed tolls, the Tollway will continue to invest in Internet and E-Commerce solutions to improve capacity of the Tollway's web site, www.illinoistollway.com.

Public Safety

The Tollway's ability to identify, monitor, and respond to incidents is crucial to public safety. It is with that in mind that we will invest in upgrading Intelligent Transportation System technologies, including installation of new closed-circuit TVs, better Dynamic Message Signs, and vehicle sensors near interchanges on the North Tri-State Tollway, among other new technologies.

In addition, the State Police has trained 30 new District 15 Troopers, which will increase police presence on the Tollway and provide customers a higher level of safety. The additional Troopers will patrol a new zone that includes the recently opened South Extension of the Veterans Memorial Tollway.

District 15 will continue to invest in replacing analog in-car cameras with digital units and replacing outdated radar detectors in order to improve Tollway safety, as well as present more reliable evidence in courtroom activities.

Supporting the Congestion-Relief Program

Several initiatives that will be implemented in 2008 are geared toward improving the Tollway's technological infrastructure and overall operations. The Tollway will utilize carryover funds to continue the development of an integrated Enterprise Resource Planning computer system to manage budgeting, accounting, purchasing, human resources, fleet and roadway maintenance and payroll functions.

To improve Information Technology systems and facilities, the Tollway plans to upgrade its radio towers and maintenance radios, plaza computer infrastructure and intercoms, disaster-recovery systems, and the Tollway website.

Business Efficiencies

Open Road Tolling, in its first full year of operation at all 20 mainline plazas, helped raise average daily I-PASS usage to more than 80 percent. There are currently more than 3.2 million active transponders on over 2.5 million accounts. Transponders are purchased primarily through the Tollway's Oasis-based Customer Service Centers or via our private-public partnership with Jewel-Osco, which makes transponders available for sale at more than 150 store locations. Transponders are also available through 1-800-UCI-PASS and via the Internet at www.getipass.com.

The increase in customers utilizing the Tollway Web site to manage their I-PASS accounts and gather information on road construction or Tollway programs necessitates continued investment in 2008 in adding capacity to the Tollway Web site. This investment benefits customers and the Tollway, as the Internet proves to be the most cost-effective means of account management and customer communication.

The attached Fiscal Year 2008 budget clearly demonstrates that the Illinois Tollway's utmost priority is the continued investment in necessary improvements that provide congestion relief to the millions of drivers on the Tollway's 286-mile system. It also demonstrates the Illinois Tollway's unwavering commitment to reform initiatives and transforming the agency into an industry leader of Tollway management, design, and construction for the 21st century.

Sincerely,



Brian McPartlin
Executive Director

Executive Summary

The Illinois Tollway's 2008 Budget reflects the goals of accountability, efficiency and dedication to serving our customers. During 2008, the Tollway will continue to devote resources to provide all necessary support for our customers and employees—whether they are rebuilding roads to reduce congestion, providing the most up-to-date construction-related traffic information, helping stranded motorists, or assisting I-PASS customers.

2007 Accomplishments

The Illinois Tollway is continuing efforts to be accountable to its customers and fulfill the pledge to act as a trustworthy steward of toll revenues.

For the fourth consecutive year, the Government Finance Officers Association (GFOA) awarded the Illinois Tollway with its GFOA Distinguished Budget Presentation Award for the 2007 Budget submitted to and approved by the Board, made available to the public through public meetings, and posted on the Tollway's website.

2007 marked the first full year of Open Road Tolling on the 286-mile Illinois Tollway System; accolades were received from leaders in government, business and most importantly customers. A critical component of the Illinois Tollway's Congestion-Relief Program - *Open Roads for a Faster Future* - the availability of non-stop tolling raised average daily I-PASS usage to more than 80 percent. As a result of increasing participation, the number of active I-PASS transponders grew to more than 3.2 million and customers began reporting time savings of 10 minutes each way on their daily commutes.

Working More Efficiently

Transitioning to Open Road Tolling in 2006, including the installation of new violation enforcement equipment, provided the Tollway the opportunity in 2007 to continue the transition to barrier free customer service. The Tollway began enhancing the Host computer system, and integrating the Violation Processing System (VPS), Customer Service Centers (CSC), Maintenance On-line Management System (MOMS), Revenue Collection System, and Revenue Collection Maintenance System. The new integrated system is revolutionizing the way the Tollway operates and will enable the agency as a whole to operate more efficiently as well as provide greater benefits and accountability to customers.

In addition, in 2007, a new "one stop shop" Customer Call Center (CCC) was created consolidating all customer phone calls that relate to I-PASS, violations, and missed tolls under one roof, a single operational center. Consolidated call centers are considered best practice throughout the industry. The CCC, operated through a vendor partner, offers the highest quality, multi-channel (phone, Internet and mail) call center and order fulfillment functions. Current and prospective I-PASS customers are able to open and manage their accounts as well as order, purchase and activate their transponders. Tollway customers are also able to manage violation notices and pay missed tolls via the CCC.

Providing Better Service to More Customers

As part of ongoing efforts to improve customer service and to meet the needs of a growing I-PASS customer base, the Illinois Tollway introduced a number of new initiatives in 2007.

A public search was conducted to continue retail sales, the most successful marketing technique for I-PASS transponder sales. Jewel-Osco was selected to continue I-PASS sales at more than 150 Jewel-Osco stores in the Chicago metropolitan area.

To further extend the availability of I-PASS sales beyond Jewel-Osco's retail base and address the needs of occasional and out-of-state users interested in purchasing an active I-PASS transponder while on the road, the Illinois Tollway opened five Customer Service Centers (CSC) at Tollway Oases in spring 2007. The CSC's are staffed by full-time Tollway personnel who facilitate sales and offer complete I-PASS and missed toll payment services for traveling customers preferring face-to-face service closer to work or home.

Transponders are also available at the Tollway's Customer Service Center in Downers Grove, through the new Consolidated Call Center at 1-800-UCI-PASS, or online at www.getipass.com.

During 2007, the Tollway continued to enhance its E-Commerce services by offering I-PASS customers the ability to manage their account on-line, building on its current capabilities of purchasing and activating transponders. Currently more than 50 percent of the 2.5 million I-PASS account holders manage their accounts online at www.getipass.com, 24 hours a day, 7 days a week. The Illinois Tollway's E-Commerce service, and its private partner Unisys, were recognized by Forbes Magazine and the Everest Group with a 2007 Outsourcing Excellence Award. The award – for “Best IT Application” – recognizes the E-Commerce benefits the Tollway and its partners are delivering to Illinois state government and users of the I-PASS electronic toll collection system.

In 2007 Illinois Tollway leaders took a firm stance on behalf of I-PASS and E-ZPass users and convinced the State of Indiana and the Indiana Toll Road to rescind a plan to limit electronic toll collection discounts to Indiana I-Zoom transponder holders, maintaining the Interagency Group principles of simplicity, reciprocity and interoperability. The Tollway convinced Indiana to provide not only I-PASS users, but all E-ZPass users the same 40 percent discount promised to I-Zoom subscribers and ensured that no additional steps be required on the part of the customer to participate in the discount.

Know Before You Go

With major construction projects underway systemwide, the Tollway invested resources in 2007 to inform customers about upcoming roadwork and minimize the inconveniences that often accompany major road projects. The Illinois Tollway launched a public awareness campaign designed to educate daily as well as occasional users on how to make their trips faster, easier and more convenient. “Know Before You Go” prompts customers to go to the Tollway's Web site, register for E-newsletters and E-alerts, sign up for travel reports and look for information on roadway signage and message boards. In 2007 the Illinois Tollway's E-alerts provided nearly 900,000 customers with immediate notice of I-PASS system enhancements, roadway improvements, and construction information.

To improve on-the-road customer communications during the busy summer travel season, the Tollway continued to update the technology on our toll roads providing high-quality information to the public creating a safer and more efficient roadway network. Closed Circuit TV cameras were deployed along portions of the system to monitor traffic flow and provide delay and routing information to customers.

Congestion-Relief Program—Year Three

Open Road Tolling (ORT)

As of year-end 2007, the Tollway is estimated to have expended more than \$708.8 million over a three-year period to deliver Open Road Tolling at the 21 mainline plazas systemwide and reconstruct or rehabilitate the existing plaza cash lanes and facilities. This includes reconstruction of the pavement through the plazas to accommodate the new roadway geometry necessary to implement Open Road Tolling. Work continued through 2007 reconstructing the cash-side of the mainline plazas including adding new I-PASS Only lanes and rebuilding or rehabilitating the existing toll collection booths and the toll plaza support buildings.

Veterans Memorial Tollway (I-355)

In 2007, the Tollway opened the long-awaited South Extension of I-355 and at the request of the Illinois Legislature, dedicated the entire I-355 roadway as the Veterans Memorial Tollway. With the completion of the 12.5 mile, six-lane extension, the Veterans Memorial Tollway is now 30 miles in length and extends from Army Trail Road in DuPage County on the north end to I-80 in Will County. This extension will bring needed congestion relief, reduced travel times and jobs for residents of Will County, one of the fastest growing counties in Illinois. In early 2007, the remaining construction contracts were awarded and by mid-year work continued on 15 construction contracts throughout the corridor, the last of which was completed in early November 2007. As of year-end 2007 it is estimated that \$705.1 million of the project's \$729.2 million budget has been earned.

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

Within the initial 6 years of the Congestion-Relief Program (CRP), the Tollway is planning to invest nearly \$2.2 billion to reconstruct and widen the majority of the Tri-State Tollway. By mid-2010, 76 miles of the 78.5 mile I-94/I-294/I-80 Tollway will have a minimum of 4 lanes in each direction. By the end of 2007, a majority of the contracts required to complete this work are estimated to have been obligated and \$663.6 million is estimated to have been earned.

Phase II of the south Tri-State Rebuild and Widen Project, to reconstruct and widen from 159th Street to 95th Street, began in early 2007 with work on retaining walls and bridge widening contracts. This work sets up the corridor for the mainline reconstruction and widening contracts scheduled for 2008 and 2009. As of year-end 2007, five contracts to reconstruct and widen the southbound were awarded.

In 2007, the central section of the Tri-State from Balmoral Avenue to Lake-Cook Road remained under construction with three northbound reconstruction and widening contracts and two bridge reconstruction contracts underway. By years end, three additional contracts to reconstruct and widen the southbound lanes were awarded along with an additional bridge reconstruction contract.

The southbound reconstruction and widening of the north section of the Tri-State from Grand

Avenue to IL 173 and reconstruction from IL 173 to the Wisconsin State Line began in early 2007. By the end of 2007, the balance of the southbound contracts to reconstruct and widen the north Tri-State were awarded along with two northbound contracts.

Reagan Memorial Tollway (I-88)

In 2007, construction work continued along I-88 between I-290 and west of the Fox River with approximately 50 percent of the contracts required to complete this work obligated and \$265.9 million estimated to be earned by year's end. Two retaining wall and bridge widening contracts and two eastbound reconstruction and widening contracts are scheduled to be completed during 2007 between Finley Road and Washington Street. Other significant work underway along I-88 during 2007 includes: replacement of the east-west connector bridge connecting I-294 northbound with I-88 westbound, reconstruction and widening the mainline between IL 83 and York Road, reconstruction of the westbound York Road toll plaza, construction of a new mainline bridge over the Fox River and reconstruction and widening in the eastbound direction between IL 31 and the Aurora Toll Plaza.

Jane Addams Memorial Tollway (I-90)

In 2007, at the direction of the Illinois Legislature, the Northwest Tollway was renamed the Jane Addams Memorial Tollway. In 2007, work began on the reconstruction and widening for the section of I-90 between Cherry Valley and Rockton Road with shoulder resurfacing and construction of mainline crossovers. This project sets up the corridor for the mainline reconstruction and widening contracts scheduled for 2008 and 2009. Master planning and design work continued for the future reconstruction and widening for the balance of the corridor.

Fiscal Year 2008 Budget

In 2008, the rebuilding of the Illinois Tollway continues as we enter the fourth year of Governor Rod R. Blagojevich's Congestion-Relief Program - *Open Roads for a Faster Future*. The Tollway continues its pursuit towards the five major objectives outlined in the program:

Fix It: Fix the existing infrastructure by reconstructing and widening most of the roads system-wide; over 90 percent will be rebuilt or rehabilitated.

Congestion Relief: Reduce travel times by converting the entire mainline system to Open Road Tolling to allow I-PASS users to pay tolls electronically at highway speeds. *(Completed)*

Meet Needs of Growing Communities: Extend I-355 south to accommodate the needs of growing communities. *(Completed)*

Enhance Local Economies: Establish corridor planning councils to strengthen the partnership between the Tollway and communities it serves.

Cutting-Edge Initiatives: Implement Intelligent Transportation System (ITS) technology and congestion pricing to better manage congestion and serve Tollway customers.

Starting the fourth year, the Tollway is on schedule and well on its way to make the system-wide improvements initiated during the first three years of the Congestion-Relief Program (CRP). While

designers, engineers, construction crews and support staff work together on multiple road projects, the Tollway is committed to following the principles of the Governor's reform agenda launched four years ago. The 2008 Budget reflects the priorities of the CRP and the need to maintain operations in support of this extensive program, as well as daily toll operations.

The 2008 Budget includes a consolidation of the interdependent units of I-PASS, Violation Enforcement System (VES), Business Systems Integration (BSI) and Open Road Tolling (ORT) under the new Department of Electronic Tolling. This consolidation meets the goals of the organization to achieve the highest level of customer service, improve business efficiencies through performance measurement, monitor and enhance electronic tolling, and assure vendor compliance with contract standards and expectations. To support the CRP, including the new I-355 South Extension, this budget proposes the addition of seventeen new positions in the Maintenance and Traffic Division of Engineering, five in the Facility Services Division of Administration, six in Toll Collection under Toll Operations, two in Electronic Tolling, two in Communications and one in Procurement.

Additionally, funding is allocated in the 2008 Budget for the following initiatives:

Enterprise Resource Planning
\$11.0 million (capital)

The Tollway has allocated \$11 million to continue implementation of an Enterprise Resource Planning system to more efficiently manage multiple business activities including: the purchasing of equipment and supplies, I-PASS sales, finance management, accounting, inventory management, and human resources management.

Information Technology Systems
\$10.9 million (capital)

To improve and maintain the Tollway's Information Technology systems and facilities, the Tollway has included the following projects in the 2008 Budget: radio upgrade and replacement; systemwide tower preservation and M-4 tower replacement; upgrade of plaza computer infrastructure and intercom replacement; I-PASS storage and expansion; disaster recovery system; computer systems replacement and upgrade; and Tollway website maintenance and upgrade.

Next Generation Network (NGN)
\$2.0 million (capital)

The Tollway continues to advance the on-going Next Generation Network (NGN) project, including overhauling the Tollway's Wide Area Network infrastructure.

Web and E-Commerce

\$700 thousand (operations)

With the implementation of ORT and the CRP, the volume of customers seeking information about construction or Tollway programs, or using the website for I-PASS, online account management will continue to increase. These funds will be deployed to improve capacity of the Tollway's Website, www.illinoistollway.com. Using the website is the most cost-efficient way to communicate with our customers.

Intelligent Transportation Systems (ITS)

\$15.5 million (capital)

The Tollway will continue its charge to upgrade the technology along the system to improve incident response time and monitor and detect traffic incidents. More than \$15.5 million is allocated to improve the Tollway's Intelligent Transportation System (ITS), including: installing new and relocating existing wireless closed circuit CCTVs; converting CCTV cameras from analog to digital technology; installing 30 Remote Traffic Microwave Sensor vehicle detectors near interchanges on the North Tri-State Tollway; implementing a Video Incident Detection System; installing new and replacing existing Dynamic Message Signs located at major arterial points of the Tollway; and expanding and maintaining the Tollway's fiber optics operations.

Signage

\$4.5 million (capital)

To help manage traffic through the extensive construction zones throughout the system, widespread signage is used to ease congestion by communicating changes in traffic patterns, night-time and off-peak lane closures and identify alternate routes. The 2008 Budget allocates funding to provide additional signage and perform an overall upgrade to existing signs.

Disparity Study

\$500 thousand (capital)

This project will study the current contracting/subcontracting conditions for certified Disadvantage Business Enterprises (DBE's) who are expressing an interest in providing construction related services to the CRP.

Illinois State Police District 15

\$4.1 million (capital and operations)

The State Police have trained 30 additional Troopers that will allow District 15 to increase its presence while improving roadway safety for Tollway customers. This additional headcount will be used to patrol a new zone that includes the Veterans Memorial Tollway (I-355) South Extension which opened in November 2007.

District 15 will continue to replace its analog in-car cameras with digital units as well as continue to replace outdated radar detectors. These purchases will enable District 15 to help improve Tollway safety conditions and provide more reliable evidence in courtroom activities. Finally, the continua-

tion of Photo Radar Enforcement will allow District 15 to enforce construction site speed limit zones more efficiently.

The Illinois State Police will be equipped with automatic external defibrillators to increase the chance of survival for patrons in the unfortunate event of a sudden cardiac arrest. The Officers will also install digital cameras in their patrol vehicles to review and recreate incidents which will ultimately educate, give public awareness and influence motorists to drive more carefully.

Budget Summary

The Tollway is a non-appropriated entity, which is self-supporting, depending solely on the revenues from operations and proceeds from the issuance of revenue bonds, expansion, reconstruction and improvement of the Tollway System. The 2008 Budget is a balanced budget in which revenues provide sufficient resources for operating and maintenance expenses, debt service and required deposits to the Renewal/Replacement and Improvement Accounts.

Revenue Estimates for 2008

The Tollway's operating revenues for Fiscal Year 2008 ("FY2008") are estimated to total \$670 million. This is an increase of 5.3 percent over Fiscal Year 2007 ("FY2007") operating revenues of \$636 million.

FY2008's \$670 million of estimated operating revenues consist of (i) \$636 million of Toll Revenues and Evasion Recovery; \$30 million of Investment Income; and \$4 million of Concessions and Miscellaneous sources.

The principal source of revenue for the Tollway comes from the collection of tolls and recoveries from the Violation Enforcement Program. The Tollway's Traffic Engineer, Wilbur Smith Associates, estimates Expected Toll Revenue from toll transactions, indicating Toll Revenue that would be collected if all transactions were collected at the appropriate toll. The Tollway adjusts the estimates to reflect the anticipated loss of non-payment or under-payment of tolls and then adds revenues ("Evasion Recovery") collected through its Violation Enforcement System.

Allocation of 2008 Revenues

The Tollway's proposed budget allocates Revenues to four major accounts. These accounts are Maintenance and Operations (M&O), Debt Service, Renewal/Replacement, and Improvements. Revenues allocated to the Renewal/Replacement and Improvements Accounts are the current resources utilized to fund a portion of the Tollway's Capital Program. The majority of the Tollway's Capital Program in 2008 will be financed by proceeds from revenue bonds.

The FY2008 Budget allocates \$670 million of Revenues as follows:

- \$236.3 million to fund maintenance and operations, an increase of \$11.7 million or 5.2 percent over FY2007 operating expenses of \$224.6 million.

- \$204.0 million for debt service transfers, consisting of \$195.5 million for outstanding debt and \$8.5 million for interest on new bonds assumed to be issued in the third quarter of 2008 in the amount of \$500 million at a 5 percent estimated interest rate. The 2008 debt service transfers increase \$31.9 million from 2007 amounts. This increase consists of:
 - (i) the aforementioned \$8.5 million interest expense for the assumed Series 2008; and
 - (ii) an additional \$23.4 million interest expense for the \$700 million Series 2007 Bonds which closed on November 1, 2007 (i.e. 12 months of interest in 2008 versus 2 months in 2007).
- \$229.7 million will be allocated to the Renewal/Replacement and Improvement Accounts, providing a portion of the funding for the Congestion-Relief Program and other non-roadway capital investments.

Maintenance & Operations Budget

The FY2008 operating budget is \$236.3 million to fund the ongoing operating costs of the Tollway, an increase of \$11.7 million or 5.2 percent over the 2007 revised budget.

Personal Services total \$134.9 million including Salaries, Wages, Social Security and Retirement. This category increased \$12.4 million or 10.1 percent over the 2007 amounts. Salaries and Wages increased \$6.1 million or 6.1 percent, while Social Security and Retirement contributions increased \$6.2 million or 29 percent. The Personal Services category accounts for 57.1 percent of total operating expenditures.

The Tollway's insurance costs total \$33.2 million or 14.1 percent of the 2008 operating budget a \$1.5 million or 4.5 percent increase over 2007. The Tollway pays for Group Health Insurance, Property Insurance, Worker's Compensation Insurance as well as the Illinois State Police District 15 Group Health Insurance.

As part of the Tollway's commitment to implement cutting-edge initiatives, Contracted Outside Services combined with Consulting Services increased by \$1.8 million to cover the maintenance and support contracts for Dynamic Message Signs (DMS), Closed Circuit TV (CCTV), and Queue detection equipment as well as the Starcom Statewide Public Safety Radio System, E-Commerce and Unisys Disaster Recovery. Merchant Card fees, Telephone charges, Uniforms and Accessories, and Other Expenses combined for an increase of \$1.4 million.

Funding allocated for Equipment Maintenance decreased by \$2.4 million in areas such as electronic tolling and hardware/software maintenance. Other Outside Services decreased by \$1.1 million in electronic tolling as well as collection agency fees. Amounts included for Operational Materials/Supplies, Equipment Rentals, Postage, Employee Training/Travel, Equipment, and Expense Recovery have a combined decrease of \$1.6 million.

Capital Program

During Fiscal Year 2008, the Tollway's Capital Program reflects \$1.4 billion for the Renewal/Replacement and Improvement Program, commonly referred to as the Capital Program. The Tollway's Capital Program is divided into two parts: the Congestion-Relief Program and other capital

needs that support the Tollway such as roadway equipment and vehicles, building repair and improvements, and current technologies. In Fiscal Year 2008, the Capital Program will be funded from current revenues and funds derived from the issuance of bonds and deposited into the Construction Fund. The Capital Budget allocates \$1.279 billion for construction projects that are part of the CRP and nearly \$109 million for other capital needs including non-roadway systemwide maintenance and updated technologies.

More details on the Capital Program can be reviewed on pages 133-159.

Bonded Indebtedness

The Tollway has budgeted \$204.0 million for debt service transfers in FY2008, which consists of the following: (i) \$195.5 million of debt service on \$3.0 billion of bonds outstanding as of January 1, 2008; and (ii) \$8.5 million for interest on \$500 million Series 2008 Bonds expected to be issued in the third quarter of 2008.

Net revenues available to be transferred to accommodate debt service payments are estimated to total \$433.7 million in FY2008, providing a debt service coverage ratio of 2.13 times.

Budget Challenges

The development of the 2008 operating budget provided several challenges including required increases in salary costs, an increase in the required pension contribution, and a headcount increase of 33 employees, as well as maintaining an overall annual growth rate of five percent.

In 2007, the Tollway reached an agreement for its Central Administration employees to be members of the American Federation of State, County, and Municipal Employee (AFSCME) union. This agreement called for a five percent increase effective January 1, 2008. The agreement was part of a statewide agreement between AFSCME and participating state agencies. The Tollway continues to have contractual agreements with the Teamsters, Metropolitan Alliance of Police (MAP) and Service Employees International (SEIU) Unions. The budget includes wage and salary increases necessary to accommodate these collective bargaining increases and to provide pay increases for salaried employees.

All employees of the Tollway employed for at least six months are covered by the State Employees' Retirement System (SERS), a pension system maintained by the State of Illinois. The Tollway and its employees contribute a percentage of each employee's annual salary to the SERS. The Tollway's percentage is expected to increase from 13.7% in 2007 to 19.1% in 2008, resulting in the budgeted amount for the retirement contribution increasing from \$14.6 million in 2007 to \$20.5 million in 2008.

The 2008 Budget allocated funds for an increase in headcount of 33 positions, driven by the expansion of the system, the new I-355 South Extension. The following is a list of new positions by department.

| Department | Position | Number | Rationale |
|----------------------|------------------------------------|---------------|---|
| Administration | Mechanical/Electrical | 5 | Increased maintenance staff necessary to service and maintain expansion of the system |
| Communications | Graphical Designer | 1 | Reduce consulting fees |
| Communications | Senior Program Development Manager | 1 | Support the CRP and increased operational demands of department |
| Electronic Tolling | Customer Service Representative | 2 | Staffing for Oases Customer Service Centers |
| Engineering | Equipment Operator Laborer | 17 | Increased maintenance staff necessary to service and maintain expansion of the system |
| Operational Services | Toll Collector | 6 | Staff new toll plaza on expansion of system |
| Procurement | Data Technician | 1 | Support the CRP and increased operational demands of department |
| TOTAL | | 33 | |

Exhibit 1

The Tollway continues to strive to meet the challenges of financing the Capital Program within the financial parameters defined at the beginning of the Congestion-Relief Program in 2004. As part of a regularly planned strategic review, the Tollway reassessed the Congestion-Relief Program during the Spring of 2007. As a result, a number of projects were reevaluated and modified or enhanced due to roadway conditions or to accommodate input from municipalities. Also, due to increased material and construction costs, the budgets for the remaining projects were reevaluated and in some cases increased. Finally, some additions were made to the CRP to address additional portions of the system and to provide access improvements to the Tollway.

Based upon these changes, the multi-year budget for the CRP was increased and the duration was extended through 2016. The revisions were approved by the Authority at its September 7, 2007 Board meeting. The goals of the CRP remain to provide congestion relief by converting the entire mainline system to Open Road Tolling (which has been completed); widening a significant portion of the roadway network; rebuilding or rehabilitating over 95% of the existing pavement; extending I-355 south from I-55 to I-80 (completed); and upgrading or adding interchanges systemwide to meet the needs of growing communities.

The 2008 Capital Program budget accommodates the modifications made to the CRP as well as the initiatives identified by the Board and Executive Management of the Tollway. In some cases, project scopes and schedules were modified to accommodate within the financial parameters of the Tollway.

This page intentionally left blank

Tollway Organization and Background

THE TOLLWAY

The Tollway was created under the Act as an instrumentality and administrative agency of the State of Illinois to provide for the construction, operation, regulation and maintenance of a system of toll highways within the State of Illinois. Under the Act, on April 1, 1968, the Tollway assumed all the obligations, powers, duties, functions and assets of its predecessor agency, The Illinois State Toll Highway Commission. The Act authorizes the issuance of revenue bonds for the purposes, among others, of financing expansions of the Tollway System and reconstruction of and improvements to the Tollway System, and authorizes the issuance of refunding bonds for the purpose of refunding any bonds of the Authority then outstanding at maturity or on any redemption date.

The Authority is empowered to enter into contracts; to acquire, own, use, lease, operate and dispose of personal and real property, including rights-of-way, franchises and easements; to establish and amend resolutions, by-laws, rules, regulations and to fix and revise tolls; to acquire, construct, relocate, operate, regulate and maintain the Tollway System; to exercise the power of eminent domain; and to contract for services and supplies, including services and supplies for the various patron service areas on the Tollway System.

Board of Directors

The Authority is governed by an 11-member Board of Directors that includes the Governor of Illinois and the Secretary of the Illinois Department of Transportation, ex officio. Nine directors are appointed by the Governor, with the advice and consent of the Illinois Senate, from the State at large with a goal of maximizing representation from the areas served by the Tollway System. These nine directors are appointed for a term of four years, or in the case of an appointment to fill a vacancy, the unexpired term. No more than five directors may be from the same political party. Of the directors appointed by the Governor, one is appointed by the Governor as Chairman of the Tollway. The current Chairman, John Mitola, was initially appointed by Governor Rod Blagojevich as a Director and Chairman of the Tollway on April 29, 2003.

The present directors, their terms of office and occupations are listed below.

Exhibit 2

| NAME | INITIAL APPOINTMENT | EXPIRATION OF CURRENT TERM⁽¹⁾ | OCCUPATION |
|--------------------------------------|----------------------------|---|--|
| Rod R. Blagojevich, ex officio | — | — | Governor of the State of Illinois |
| Secretary Milton R. Sees, ex officio | — | — | Secretary, Illinois Department of Transportation |
| John Mitola, Chairman | April 29, 2003 | May 1, 2011 | Senior Vice President, Kingsdale Capital |
| David R. Andalcio | April 29, 2003 | May 1, 2011 | Retired, Formerly Self Employed in Computer Technology |
| James J. Banks | September 29, 1993 | May 1, 2009 | Attorney at Law |
| Steven M. Harris | September 26, 2005 | May 1, 2009 | Attorney at Law; Mayor of Deerfield |
| Thomas Canham | August 30, 2007 | May 1, 2011 | Partner and General Counsel, Sonnenschein Capital, LLC |
| Betty-Ann Moore ⁽¹⁾ | September 26, 2005 | May 1, 2007 | Libertyville Township Supervisor |
| Arthur George Pradel ⁽¹⁾ | October 26, 2001 | May 1, 2007 | Mayor of Naperville |
| James M. Roof | April 3, 2004 | May 1, 2009 | Banker, First Midwest of Joliet |
| Carl O. Towns | November 14, 2002 | May 1, 2009 | Retired, Former Head of Human Resources, Ingersoll Milling Machine Company |

⁽¹⁾ Directors whose terms have expired will serve until such director resigns, is reappointed or a successor is duly appointed and qualified.

Organizational Structure

The Tollway's organizational structure consists of 12 departments including Administration, Communications, Engineering, Directors and Executive, Finance, Information Technology, Inspector General, Legal, Toll Operations, Procurement, Electronic Tolling, and District 15 of the Illinois State Police. The Executive Director manages the day-to-day operations of the Tollway. Tollway department chiefs report to the Executive Director. The Commander of District 15 of the State Police also reports to the Superintendent of the State Police, and the General Counsel to the Tollway also reports to the Attorney General of the State of Illinois.

The Administration Department is responsible for the development and implementation of administrative policies and procedures and employee compliance therewith. Additionally, it oversees the day-to-day maintenance and upkeep of the Tollway's facilities systemwide.

The Communications Department is responsible for all external and internal communications between the Tollway and its constituents, including patrons, news media, elected and appointed officials, the general public and employees.

The Directors and the Executive Department manage Tollway affairs consistent with the Act.

The Engineering Department is responsible for the design, construction and maintenance of the roadway. It also coordinates with community groups, government agencies, and planning organizations on transportation and land-use policy.

The Finance Department is responsible for all general accounting, budgeting, treasury functions, financial reporting, accounts payable, payroll, risk management and debt management. In addition, the Finance Department manages all cash and investments.

The Information Technology Department is responsible for planning, directing, managing and controlling all information technologies and telecommunications throughout the Tollway.

The Office of the Inspector General is responsible for investigating instances of waste, inefficiencies, fraud, corruption, misconduct and mismanagement in the day to day operations of the Tollway. Additionally, the Inspector General recommends policies and procedures to ensure that the Tollway's Board members and employees, contractors and/or vendors adhere to all state and federal laws and internal rules and regulations.

The Legal Department is a Bureau of the Office of the Attorney General of the State of Illinois and is, by law, the legal advisor and attorney for the Tollway.

Procurement is responsible for all purchasing and procurement issues, and is authorized to execute contracts and place orders for goods and services. Additionally, the procurement department is responsible for warehousing and the Tollway's DBE (Disadvantaged Business Enterprise) Program.

The Toll Operations Department is responsible for providing the necessary resources and services to maintain the Tollway's toll operations, as well as managing the collection and counting of tolls.

The Department of Electronic Tolling is responsible for overseeing the design and development of the Open Road Toll System and collecting toll revenue from toll violators and assessing fines and imposing sanctions. The Department's responsibilities include the customer service associated with the issuance of I-PASS transponders and toll collection.

Illinois State Police – District 15 – is one of 21 districts of the Illinois State Police, responsible for providing comprehensive law enforcement services. The entire Tollway System comprises District 15. State police patrol the Tollway System to enforce speed limits and traffic laws, assist disabled motorists, and provide special details for operations, such as overweight vehicle enforcement.

Labor Relations and Employee Benefits

As of December, 2007, unions represent approximately 1500 of the Tollway's 1750 employees. In 2006, the Tollway entered into a three-year agreement terminating September 30, 2009 with the State and Municipal Teamsters, Chauffeurs, and Helpers Union Local 726, representing approximately 437 highway maintenance personnel. In addition, the Tollway has entered into two separate collective bargaining agreements with the Metropolitan Alliance of Police (MAP) representing 28 employees. The MAP's Civilian Call Takers agreement was reached in 2005 and runs through October 31, 2008. MAP's Telecommunicators contract runs from May 1, 2007 through April 30, 2010. The Tollway also employs approximately 733 employees represented by the Service Employees International Union Local 73 (SEIU). The agreement reached in 2005 runs through December 31, 2008 and covers Toll Collectors, Money Room employees, and Clerks, Custodians, and Warehouse Workers. The final group of employees, being approximately 314 professional and non-professional white collar employees is represented by the American Federation of State, County and Municipal Employees, Council 31 and their contract runs from January 1, 2007 through December 31, 2010.

All employees of the Tollway employed for at least six months are covered by the State Employees' Retirement System (SERS), a pension system maintained by the State of Illinois. The Tollway and its employees contribute a percentage of each employee's annual salary to the SERS. This percentage is expected to increase from 13.7% in 2007 to 19.1% in 2008, resulting in the Tollway's budgeted amount for the retirement contribution increasing from \$14.6 million in 2007 to \$20.5 million in 2008. Benefits paid to retirees are based on a fixed benefit plan for vested participants and are computed as a percentage of their salary (calculated at a specified time or as an average during certain periods of their service, as appropriate) multiplied by the number of years of service of the employee.

There are no other material pension plans or similar retirement programs covering Tollway employees.

THE TOLLWAY SYSTEM

The Tollway System presently consists of approximately 286 miles of limited access highway in twelve counties in the northern part of Illinois and is an integral part of the expressway system in northern Illinois and the U.S. Interstate Highway System. The entire Tollway System has been designated a part of the U.S. Interstate Highway System.

Since beginning operations in 1958, the Tollway System has served an important role in the development of the northern Illinois economy. During its initial operation, the Tollway System permitted rapid interstate travel between northern Illinois, Indiana and Wisconsin. As the suburban areas surrounding Chicago expanded throughout the 1960's and 1970's, the Tollway System evolved into primarily a commuter travel system, serving suburban Chicago and Chicago O'Hare International Airport. At the present time, the four routes of the Tollway System (see "Routes") serve, among other areas, suburban Cook County and the Chicago area "collar counties," which together represent one of the fastest growing areas in Illinois in terms of population and employment.

Routes

The Tollway System is currently made up of four Tollways: the Jane Addams Memorial, the Tri-State, the Veterans Memorial and the Ronald Reagan Memorial Tollways.

The Jane Addams Memorial Tollway (I-90), formerly the Northwest Tollway, constituting a portion of U.S. Interstate Highway 90, is a 76-mile roadway. The Jane Addams Memorial Tollway begins east of the intersection of the Kennedy Expressway from downtown Chicago and the Tri-State Tollway in the vicinity of O'Hare International Airport, and extends to the west, crossing the Fox River just north of Elgin, Illinois. From there it runs northwesterly to Rockford, Illinois, and then northerly to a point near the Illinois-Wisconsin border, where it feeds into the Wisconsin portion of U.S. Interstate Highway 90 leading to Madison, Wisconsin.

The Tri-State Tollway (I-294/94/80), constituting portions of U.S. Interstate Highways 80, 94 and 294 and including the 5-mile Edens Spur, is an 84-mile beltway around the Chicago metropolitan area. It extends from a point near the Indiana State line where it intersects with the Bishop Ford and the Kingery Expressways to a point near the Illinois-Wisconsin border, where it connects with U.S. Route 41 and U.S. Interstate Highway 94 from Milwaukee. The Tri-State also connects with the Ronald Reagan Memorial Tollway to the western suburbs, the Eisenhower Expressway to downtown Chicago, the Jane Addams Memorial Tollway to the northwest suburbs, the Kennedy Expressway to downtown Chicago, the north end of the Edens Expressway to the north shore suburbs and downtown Chicago, and the Stevenson Expressway to downtown Chicago. From its southern terminus the Tri-State Tollway has a direct connection to the Indiana Toll Road via the Kingery Expressway and U.S. Interstate Highway 80. The Tri-State Tollway is the most traveled Tollway in the Tollway System, accounting for approximately 44% of the volume of the Tollway System.

The Veterans Memorial Tollway (I-355), formerly the North-South Tollway, is a 30-mile highway generally paralleling Illinois Route 53 in DuPage and Will Counties between approximately the intersection of Army Trail Road and the U.S. Interstate Highway 290 spur in Addison on the north and U.S. Interstate Highway 80 (near Joliet) on the south. The Veterans Memorial Tollway, which opened in December 1989, is the newest addition to the Tollway System and consists of six

through lanes along its entire length. The Veterans Memorial Tollway runs through or near the communities of Bolingbrook, Downers Grove, Naperville, Lombard, Glen Ellyn and Wheaton. As part of the CRP, a 12.5-mile south extension of the Veterans Memorial Tollway through Will County from U.S. Interstate Highway 55 to U.S. Interstate Highway 80 (the “South Extension”) opened on November 12, 2007, increasing the size of the Veterans Memorial Tollway to 30 miles.

Ronald Reagan Memorial Tollway (I-88), formerly the East-West Tollway, constituting a portion of U.S. Interstate Highway 88, covers 96.5 miles and begins east of the junction of the Tri-State Tollway and the Eisenhower Expressway and runs southwest and west, providing service to Oak Brook, Naperville, Aurora, DeKalb and Dixon, Illinois, ending at U.S. Route 30 in the Sterling/Rock Falls area. From U.S. Route 30, U.S. Interstate Highway 88 is a toll-free facility connecting to U.S. Interstate Highway 80 and the Quad Cities.

NEXT PAGE IS A SYSTEM MAP

Toll Rates

The Tollway has undertaken four major toll adjustments. The first major adjustment generally increased toll rates in 1963, the second generally decreased toll rates in 1970, and the third increased toll rates in September, 1983. The fourth adjustment was passed by the Tollway's Board in September of 2004 in conjunction with the authorization of the Congestion-Relief Plan.

The new toll rate structure became effective on January 1, 2005. Toll rates are now defined for four classes of vehicles instead of the prior ten classes of vehicles. A passenger car class is the same as the previous Class 1. This class includes all two-axle vehicles with four or fewer tires. The other three classes are for commercial vehicles and consist of the small, medium and large truck classes. A small truck class consists of what was previously a Class 2 vehicle, two-axle vehicles with six tires. A medium truck class encompasses what were previously Class 3, 4, 7 and 8 vehicles. This class is three and four-axle vehicles including two-axle vehicles towing one and two-axle trailers. The fourth class, the large truck class, consists of the previous 5, 6, 9 and 10 classes. This includes all vehicles with five or more axles, including two-axle vehicles towing three-axle trailers.

This last rate change includes certain rates based on the principle of "Congestion Pricing," which charges higher rates for commercial vehicles using the Tollway System during peak time periods of daily travel in order to help with congestion and expedite travel times. The daytime rates for the three commercial vehicle classes of large, medium and small are \$4.00, \$2.25 and \$1.50, respectively, at typical mainline plazas. The daytime commercial vehicle rates apply from 6:00 a.m. to 10:00 p.m. on weekdays and weekends. The corresponding overnight (10:00 p.m. to 6:00 a.m.) rates are discounted to \$3.00, \$1.75 and \$1.00. Also, commercial vehicles using I-PASS receive the discounted overnight toll rate during the off-peak hours of 9:00 a.m. to 3:30 p.m. and 6:30 p.m. to 10:00 p.m. on weekdays and 6:00 a.m. to 10:00 p.m. on the weekends. This off-peak discount expires at the end of 2008. The new toll rate structure allows passenger car I-PASS users to stay at existing rates (\$0.40 at most toll plazas), while passenger car users paying with cash pay double the I-PASS rate.

Under the Act, the Tollway has the exclusive right to fix, adjust, revise and collect tolls for the use of the Tollway System. Such tolls are required to be fixed at rates calculated to provide the lowest reasonable toll rates to provide funds that will be sufficient, together with other revenues of the Tollway, to pay the costs of any authorized new construction, operating and maintaining the Tollway System and paying debt service on Outstanding Bonds. The Tollway may increase tolls by vote of a majority of its Board of Directors, after conducting a public hearing in each county in which the proposed increase is to take place. No other State of Illinois executive, administrative or regulatory body or regional or local governmental or regulatory body has the Tollway to limit or restrict such rates and charges.

Revenue Sources and Underlying Assumptions

The Tollway is a non-appropriated entity; it is self-supporting, depending solely on the Revenues derived from operations and proceeds from the issuance of revenue bonds for the purposes, among others, of financing expansions of the Tollway System and reconstruction of and improvements to the Tollway System. The Tollway does not receive any State or Federal Funding for operational uses.

Revenues

“Revenues” are defined per the Trust Indenture as (i) all tolls, fees, charges, rents, and other income and receipts derived from the operation of the Tollway System, (ii) proceeds of any use and occupancy insurance relating to the Tollway System and of any other insurance which insures against loss of revenues, (iii) investment income from any moneys or securities held in Funds, Accounts, or Sub-Accounts established under the Indenture, other than the Construction Fund, and (iv) amounts transferred from the Construction Fund to the Revenue Fund and transfers to the Trustee by the Tollway from the System Reserve Account. Revenues exclude Federal and State grants and appropriations, loan proceeds, gifts or donations of any kind, transfers, if any, to the Tollway as permitted under any Escrow Agreement and receipts not related to the Tollway’s performance of its obligations under the Indenture or to the operations of the Tollway System.

For budgetary purposes the Tollway classifies Revenues into three categories: Tolls and Evasion Recovery, Investment Income and Concessions and Miscellaneous. The revenues generated from toll collection and evasion recovery have been combined to correctly associate revenues from evasion recovery programs with toll revenues.

Toll Revenue Estimates

In October of each year, the Tollway’s independent Traffic Engineer, Wilbur Smith Associates, provides expected toll revenue estimates for the budget process. An estimate is provided for the current year by using actual data for the first eight months and estimates for the last four months of the year. A month by month estimate of toll revenue for the following year is also provided. The estimation process combines traffic trend data with a travel demand modeling process that can take into account the effect of changing socioeconomic and network characteristics on Tollway usage levels.

The travel demand modeling process used is similar to that used in the regional transportation planning process employed by the Chicago Metropolitan Agency for Planning in northeastern Illinois and the Rockford Area Transportation Study in the Rockford area. The modeling process takes into account current and future socioeconomic conditions and the characteristics of the transportation network. The modeling process is specifically adapted to the unique characteristics of the Tollway system. For most highway trips the path chosen is generally the fastest routing that will get the trip maker to the desired destination. On the Tollway system the additional consideration is the toll cost. Using the Tollway for a portion of the trip involves the trip maker trading off the time savings in using the Tollway verses the additional cost of the tolls. The simulation process uses value of time considerations in modeling path selections.

In addition to travel times and toll costs, the modeling process takes into account the physical characteristics of the roadway system, which can change over time. For example, add lane construction

activities temporarily change network characteristics which impact traveler route choices during the time of construction. The construction activity generally reduces the capacity and speed through the construction zone, thus decreasing the desirability of using that section of the Tollway for certain trips resulting in reducing usage levels on the Tollway. After construction is completed the additional lanes add capacity reducing congestion and increasing usage of the Tollway. Both the usage levels during construction and the resulting benefits of the additional lanes are accounted for by the travel demand modeling process.

The general methodology for developing estimates for the following year is as follows. Prior year transactions by month by vehicle class for each toll plaza are entered into a database. Recent trend data coupled with a short term estimate of economic conditions are used to develop base transactions by plaza by vehicle type. The base case situation represents what would happen if there were to be no changes to the highway network in general and specifically the Tollway network in the next year. These base estimates are then adjusted for construction projects (both on and off the Tollway) and roadway changes caused by the completion of construction activity. These adjustments are made by using the travel demand modeling process previously described.

Once the monthly transaction estimates are finalized, they are converted into expected toll revenue estimates at each plaza by applying the toll rate, vehicle class and payment type to the number of transactions in that category. The revenue estimates for the year are simply the sum of all the revenues by plaza.

Adjustments to Toll Revenue Estimates

The “expected revenues” provided by the Traffic Engineer represent the revenue that would be collected if every vehicle paid the exact published toll based on vehicle class, time of day and payment type. The expected revenue does not account for overpayments, underpayments, exemptions or revenue lost due to toll avoidance. Expected revenues provided by the Traffic Engineer also does not account for the tolls and fines collected from violations through the violation enforcement process. Amounts of revenue reported in the Tollway’s annual budget, quarterly statements and annual financial reports include these adjustments.

This page intentionally left blank

Fund Structure

Fund and Account Description

The Amended and Restated Trust Indenture (the Indenture), effective March 31, 1999, an agreement between the Tollway and the Trustee (as Fiduciary for Bondholders) pledges the Tollway's revenues, moneys and securities in all funds and accounts to secure payment on the bonds. The Trust Indenture establishes two funds, the Revenue Fund and Construction Fund; all revenues are deposited to the Revenue Fund and proceeds from the issuance of revenue bonds are deposited to the Construction Fund (earnings on the Construction Fund are retained therein). Within the Revenue Fund the Indenture establishes the following Maintenance and Operation, Debt Service, Renewal/Replacement, Improvement, and System Reserve as well as sub-accounts within the Maintenance and Operation and Debt Service Account. The Indenture establishes the order and amount of allocation from the Revenue Fund to the various accounts and sub-accounts.

Revenue Fund

The Tollway covenants to deliver all Revenues (other than investment income, unless otherwise directed by the Indenture), within five Business Days after receipt, for deposit in the Revenue Fund. On or before the 20th day of each month the Treasurer of the State of Illinois, at the direction of the Tollway, will transfer or apply the balance in the Revenue Fund not previously transferred or applied in the following order of priority:

First, to the Operating Sub-Account of the Maintenance and Operation Account;

Second, to the Operating Reserve Sub-Account of the Maintenance and Operation Account;

Third, to the Interest Sub-Account, Principal Sub-Account and Redemption Sub-Account of the Debt Service Account, in that order of priority, for deposits relating to the Senior Bonds;

Fourth, to the Provider Payment Sub-Account of the Debt Service Account to pay Costs of Credit Enhancement or Qualified Hedge Agreements for Senior Bonds or to reimburse Providers of Credit Enhancement or Qualified Hedge Agreements for Senior Bonds for payments of principal or interest made by such Providers and fees of such Providers and to make termination payments then due and owing with respect to any such Credit Enhancement or Qualified Hedge Agreements outstanding prior to the effective date of the Seventh Supplemental Indenture (June 22, 2005), which contained an amendment establishing the Termination Account (but no such deposit for any termination payment for a Qualified Hedge Agreement shall be made if there is any deficiency in the Debt Reserve Account);

Fifth, to the Debt Reserve Account;

Sixth, to any Junior Bond Debt Service Account or any Junior Bond Debt Reserve Account;

Seventh, to the Termination Payment Account to pay termination payments then due and owing with respect to Credit Enhancement and Qualified Hedge Agreements executed and delivered on or after the effective date of the amendment establishing the Termination Account (June 22, 2005);

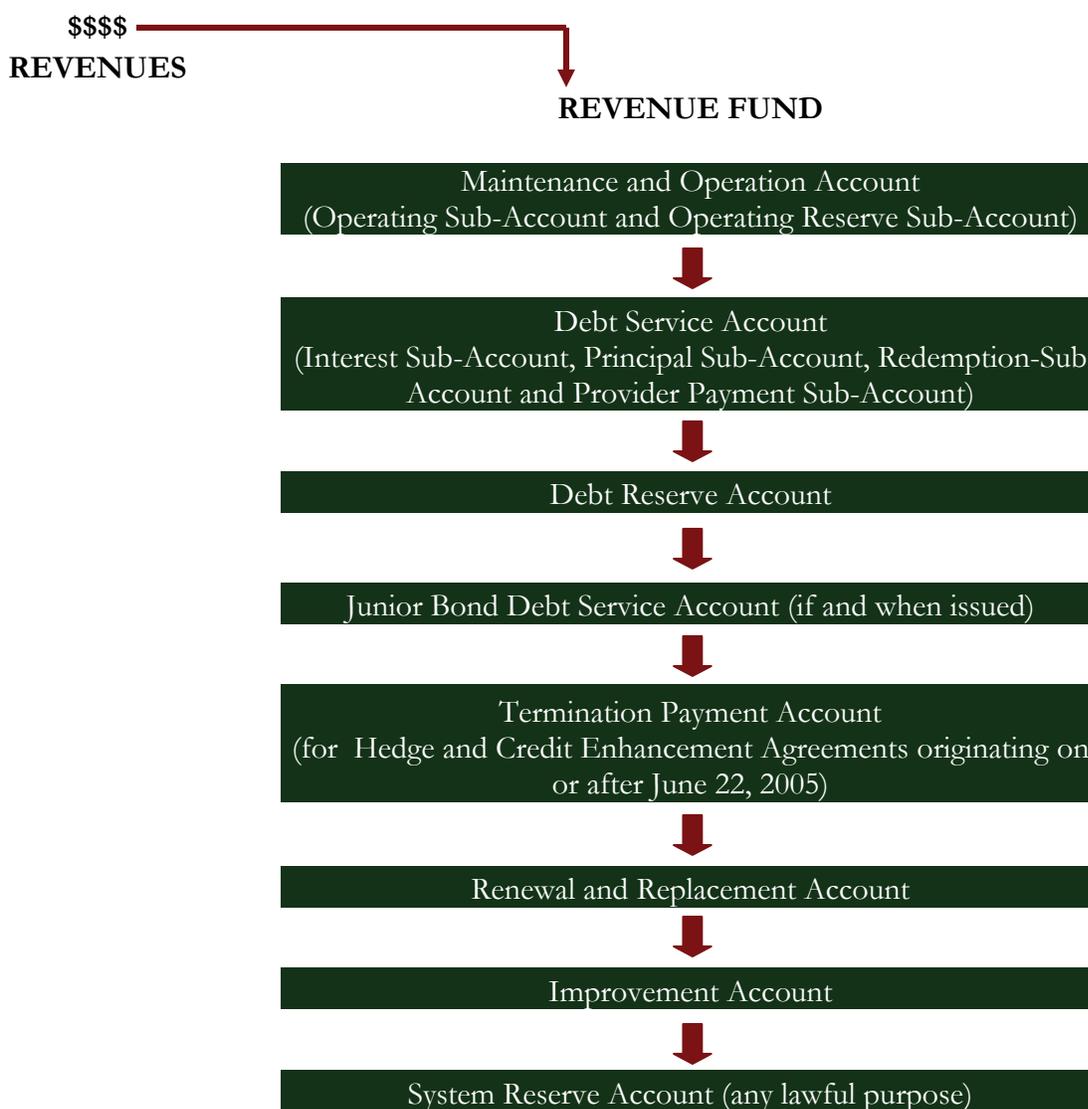
Eighth, to the Renewal and Replacement Account;

Ninth, at the direction of the Tollway, to the Improvement Account; and

Tenth, the balance of such amounts in the Revenue Fund, to the System Reserve Account.

Exhibit 4

Overview of Flow of Funds



Maintenance and Operation Account

The Maintenance and Operation Account consists of the Operating Sub-Account and the Operating Reserve Sub-Account. Moneys in the Operating Sub-Account are applied to Operating Expenses at the direction of the Tollway.

Revenues are transferred to the Operating Sub-Account to cover the Expenses set forth in the Annual Budget for the current Fiscal Year. One-twelfth of the operating expenses outlined in the annual budget are transferred to this account once a month.

The Operating Reserve Sub-Account receives or retains an amount not to exceed 30 percent of the amount budgeted for Operating Expenses in the Annual Budget for the current Fiscal Year. Monies in the Operating Reserve Sub-Account are held as a reserve for the payment of Operating Expenses and are to be withdrawn from if monies are not available to the credit of the Operating Sub-Account to pay Operating Expenses.

If the Tollway determines that the amount in the Operating Reserve Sub-Account exceeds the amount necessary, the excess will be withdrawn from such Sub-Account and applied as Revenues. By resolution, the Board originally voted to maintain a \$25 million fund balance in this account and subsequently authorized a fund balance of \$17 million.

Debt Service Account and Debt Reserve Account

The Debt Service Account consists of the Interest Sub-Account, the Principal Sub-Account, the Redemption Sub-Account, the Provider Payment Sub-Account, to be held by the Trustee.

Revenues are required to be deposited to cover the interest, principal, and sinking fund installment amounts due and unpaid for bonds, the costs and reimbursements (and termination payments for agreements executed before June 22, 2005) of providers of Credit Enhancement or Qualified Hedge Agreements.

Revenues must also be deposited to the credit of the Debt Reserve Account, in an amount sufficient to cause the balance in it to equal the Debt Reserve Requirement (maximum annual debt service) and to make any required reimbursement to Providers of Debt Reserve Account Credit Facilities.

Termination Payment Account

This account was established in the Seventh Supplemental Indenture (June 22, 2005) to pay termination payments due to any providers of Credit Enhancement and Qualified Hedge Agreements executed on or after June 22, 2005. No funds were allocated to this account in 2007.

Renewal and Replacement Account

Revenues must be credited to the Renewal and Replacement Account in an amount set forth in the Annual Budget. This amount is determined based on recommendations of the Consulting Engineer. Additional funds can be transferred to this account by the Tollway, based on the Capital

Program expenditures, but once deposited herein such funds can only be used on Renewal and Replacement projects.

Improvement Account

At the direction of the Tollway, amounts are then applied to the Improvement Account, for allocation to projects determined by the Tollway, until the balance in the Account is equal to the Improvement Requirement.

System Reserve Account

The balance in the Revenue Fund is deposited to the credit of the System Reserve Account to provide for deficiencies in any other account or sub-account. If all accounts have sufficient funds System Reserve Account funds can be used to pay off debt, fund construction projects, make improvements or pay for any other lawful Tollway purpose.

Construction Fund

The Construction Fund is held as a separate segregated fund. The Construction Fund receives funds from the sale of bonds and the investment of such bond proceeds. No toll revenues are deposited in this fund. The Treasurer may deposit any such separate, segregated accounts within the Construction Fund with the Trustee, pursuant to the provisions of a Supplemental Indenture.

Fiscal Year 2006 - 2008
Statement of Revenues/Expenditures/Transfers and Changes in Account/Fund Balances
(Millions)

| | 2006 | 2007 | 2008 |
|---|----------------|-----------------|----------------|
| Maintenance & Operations Account | Actual | Estimate | Budget |
| Beginning Balance | \$24.2 | \$25.0 | \$18.7 |
| Transfer from Revenue Fund | 214.3 | 218.3 | 236.3 |
| Expenditures | (213.5) | (224.6) | (236.3) |
| Ending Balance | \$25.0 | \$18.7 | \$18.7 |
| | | | |
| | 2006 | 2007 | 2008 |
| Debt Service Account | Actual | Estimate | Budget |
| Beginning Balance | \$46.0 | \$48.3 | \$47.1 |
| Transfer from Revenue Fund * | 146.7 | 168.4 | 204.0 |
| Bonds Retired | (45.0) | (47.4) | (50.0) |
| Interest Payments | (99.4) | (122.2) | (150.9) |
| Ending Balance | \$48.3 | \$47.1 | \$50.2 |
| | | | |
| | 2006 | 2007 | 2008 |
| Renewal & Replacement Account | Actual | Estimate | Budget |
| Beginning Balance | \$103.7 | \$224.4 | \$324.4 |
| Transfer from Revenue Fund * | 186.5 | 175.0 | 100.0 |
| Expenditures | (65.8) | (75.0) | (232.2) |
| Ending Balance | \$224.4 | \$324.4 | \$192.2 |
| | | | |
| | 2006 | 2007 | 2008 |
| Improvement Account | Actual | Estimate | Budget |
| Beginning Balance | \$156.0 | \$160.5 | \$138.1 |
| Transfer from Revenue Fund * | 117.9 | 74.6 | 129.7 |
| Expenditures | (113.4) | (97.0) | (234.6) |
| Ending Balance | \$160.5 | \$138.1 | \$33.2 |
| | | | |
| | 2006 | 2007 | 2008 |
| Construction Fund | Actual | Estimate | Budget |
| Beginning Balance | \$497.4 | \$659.5 | \$460.7 |
| Bond Proceeds | 974.6 | 659.0 | 500.0 |
| Investment Income | 38.7 | 35.0 | 30.0 |
| Expenditures | (851.2) | (892.8) | (912.6) |
| Ending Balance | \$659.5 | \$460.7 | \$78.1 |

* Includes Interest Income

Exhibit 5

Fiscal Year 2006 - 2008
Statement of Revenues/Expenditures/Transfers and Changes in Account/Fund Balances
(Millions)

| All Accounts/Funds | 2006 Actual | 2007 Estimate | 2008 Budget |
|-----------------------------|------------------------|--------------------------|------------------------|
| Beginning Balance | \$827.3 | \$1,117.7 | \$989.0 |
| Transfer from Revenue Fund* | 665.4 | 636.3 | 670.0 |
| Bond Proceeds | 974.6 | 659.0 | 500.0 |
| Investment Income | 38.7 | 35.0 | 30.0 |
| Bonds Retired | (45.0) | (47.4) | (50.0) |
| Interest Payments | (99.4) | (122.2) | (150.9) |
| Expenditures | (1,243.9) | (1,289.4) | (1,615.7) |
| Ending Balance | \$1,117.7 | \$989.0 | \$372.4 |

Exhibit 5

Change in Account/Fund Balances in excess of 10%

For budgetary purposes the Tollway groups the revenues and expenses of the Revenue Fund according to the following four Accounts: Maintenance and Operation, Debt Service, Renewal/Replacement and Improvement. The balance in the Revenue Fund is the sum of these four account balances. The budget reports these four account balances and the Construction Fund. The balance in a particular fund is the difference between fund assets and fund liabilities remaining at year-end. For budgetary purposes, this represents the sum of over-realized or unanticipated revenues and unspent reserves at the end of each fiscal year.

In 2005, the Tollway began implementation of the Congestion-Relief Program which is based on a financial plan that is funded approximately \$3.5 billion from bond proceeds and \$2.8 billion from current revenues. The costs associated with the CRP are one-time, non-recurring expenses for improvements made to the system. The variance in annual expenditures is due to the schedule of work and value of individual projects.

It is estimated that during 2008 the balances in the Renewal/Replacement Account, Improvement Account, and the Construction Fund will decrease by 41 percent, 76 percent and 83 percent respectively. During the first three years of the CRP the Tollway received more proceeds from the sale of revenue bonds than necessary for the annual expenditures of the Capital Program. In 2007, the Tollway relied more on bond proceeds to fund costs of the projects within the Capital Program, while allowing the balances in the Renewal/Replacement and Improvement Accounts to increase. The combination of revenues and bond proceeds received during 2008 will be less than the costs necessary for the Capital Program, therefore the Tollway will be begin to draw on the balances in the Renewal/Replacement and Improvement Accounts as well as the Construction Fund thereby reducing the balances to the amounts presented in the 2008 Budget.

This page intentionally left blank

Budget Summaries

2008 Budgeted Revenues and Expenditures

The Tollway is a self-supporting entity depending solely on the revenue stream derived from Tollway operations for its support. Unlike other State of Illinois authorities whose budgets are appropriated and approved by the State Legislature, the Tollway receives no appropriations from the State of Illinois and the annual budget is approved by the Tollway Board of Directors.

Revenues

| | | |
|-----------------------------------|---------------|---|
| Toll Revenue and Evasion Recovery | \$636 million | Collections via cash, I-PASS or recovery of missed tolls/violations |
| Concessions | \$ 2 million | Oases, fuel, food and retail sales |
| Investment Income | \$ 30 million | Interest income on Tollway funds and I-PASS cash escrow accounts |
| Miscellaneous | \$ 2 million | Revenue from overweight truck fines, rental of assets for fiber optics, license fees, etc |

Total

Current Revenues \$670 million

Operating Expenses

| | | |
|----------------------------|---------------|---|
| Maintenance and Operations | \$236 million | Related to toll collections, roadway maintenance, traffic control, safety, insurance and administration |
| Debt Service | \$204 million | Principal and interest payments on outstanding debt |

Total Operating and Debt Service

Expenditures \$440 million

Capital Program Expenditures**\$1,379.4 million**

Capital expenditures for systemwide roadway maintenance, resurfacing, reconstruction and expansion, along with maintenance building improvements, technologies and equipment

Capital Program costs are funded through allocations of current revenue and funds derived from the sale of bonds. The Tollway receives neither State or Federal funding for the construction of the roadway.

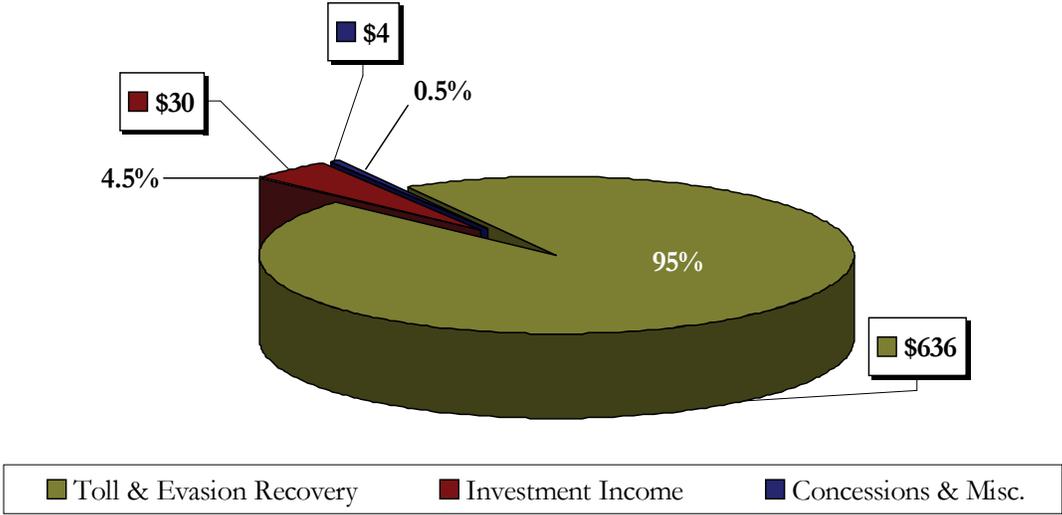
Exhibit 6

Sources of Revenue

Fiscal Year 2008
(Millions)

| | FY 2007 <u>Budget</u> | FY 2007 <u>Estimates</u> | FY 2008 <u>Projections</u> |
|-------------------------|--------------------------|-----------------------------|-------------------------------|
| Toll & Evasion Recovery | \$607 | \$592 | \$636 |
| Investment Income | 25 | 40 | 30 |
| Concessions & Misc. | 4 | 4 | 4 |
| Total | \$636 | \$636 | \$670 |

2008 Revenue Projections
\$670 Million



Allocation of Revenue

Exhibit 9

Fiscal Year 2008

(Millions)

| Allocations | FY 2007 Budget | FY 2007 Estimates | FY 2008 Projections |
|-------------------|-------------------|----------------------|------------------------|
| M&O | \$225 | \$218 | \$236 |
| Debt Service | 182 | 168 | 204 |
| Deposit to RR & I | 229 | 250 | 230 |
| Total | \$636 | \$636 | \$670 |

2008 Projected Allocation of Revenue
\$670 Million

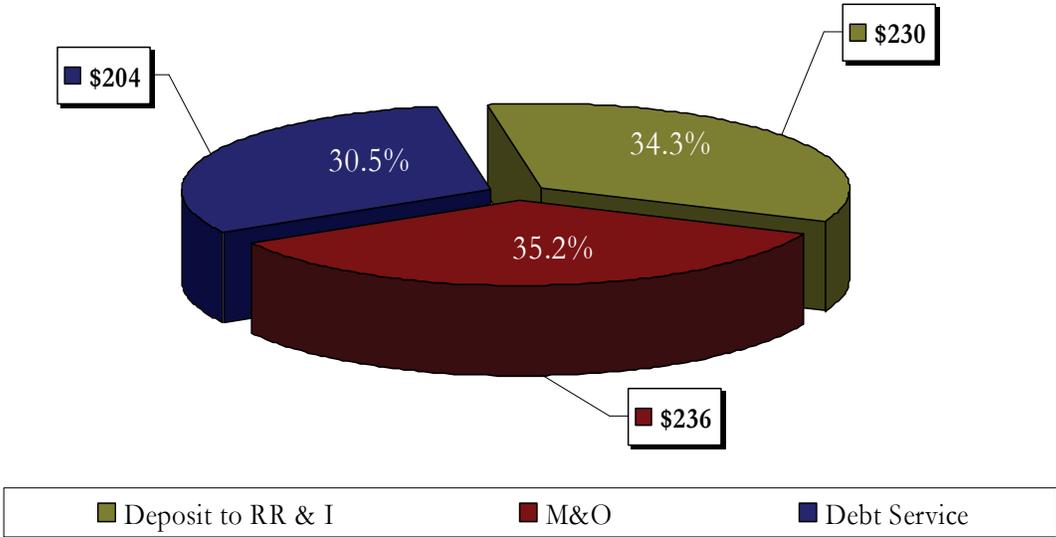


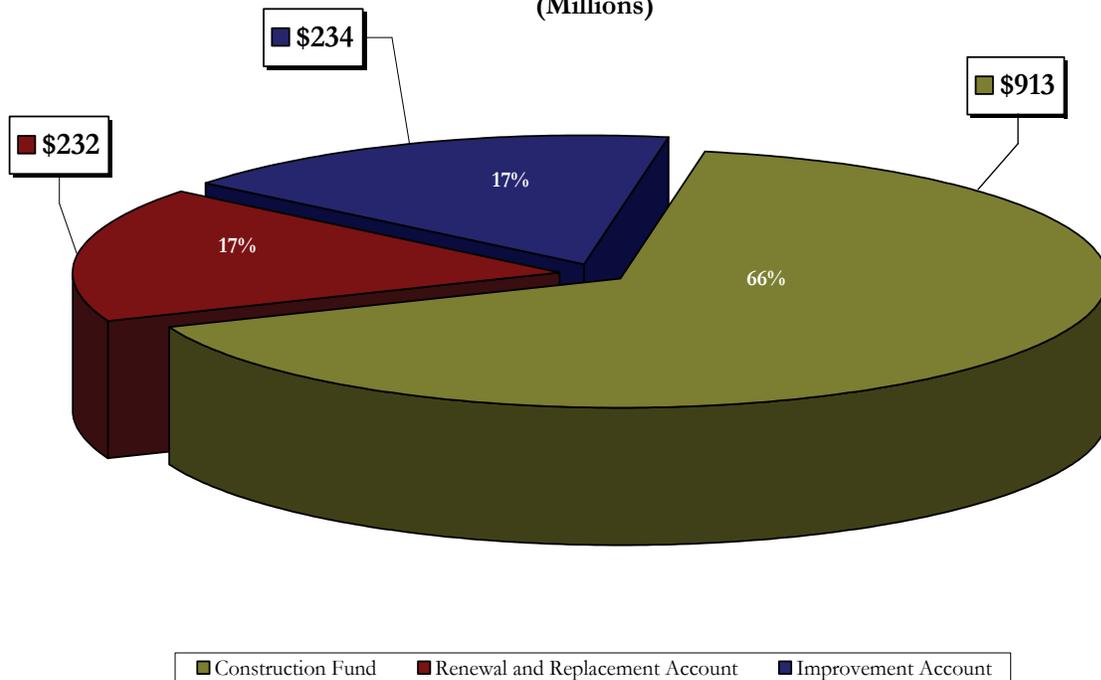
Exhibit 10

Capital Program Projections

Fiscal Year 2008
(Millions)

| | FY 2007 <u>Budget</u> | FY 2007 <u>Estimates</u> | FY 2008 <u>Projections</u> |
|----------------------------|--------------------------|-----------------------------|-------------------------------|
| Beginning Balance | \$1,022 | \$1,044 | \$923 |
| Deposit to RR&I | 229 | 250 | 230 |
| Bond Proceeds | 700 | 659 | 500 |
| Construction Fund | | | |
| Interest | 30 | 35 | 30 |
| Expenditures | (1,143) | (1,065) | (1,379) |
| Total | \$838 | \$923 | \$304 |

2008 Projected Capital Expenditures
\$1,379 Million
(Millions)



2008 Budgeted Headcount

| Department | 2005 Budget | 2006 Budget | 2007 Budget | 2008 Budget | Change From 2007 Budget |
|-------------------------------|----------------|----------------|----------------|----------------|----------------------------|
| Administration | 88 | 39 | 163 | 168 | 5 |
| Communications | 8 | 8 | 10 | 12 | 2 |
| Electronic Tolling | 10 | 12 | 56 | 58 | 2 |
| Engineering/Planning | 567 | 571 | 577 | 594 | 17 |
| Executive Office | 9 | 6 | 6 | 6 | - |
| Finance | 54 | 57 | 57 | 57 | - |
| Information Technology | 72 | 77 | 75 | 75 | - |
| Inspector General | 13 | 12 | 15 | 15 | - |
| Legal | 13 | 12 | 12 | 12 | - |
| Toll Operations | 920 | 889 | 705 | 711 | 6 |
| Procurement | | 49 | 55 | 56 | 1 |
| State Police | 17 | 19 | 19 | 19 | - |
| Total Headcount | 1,771 | 1,751 | 1,750 | 1,783 | 33 |

Note:

- The Administration Department increased headcount by five due to the increased maintenance requirements with the new South Extension on the Veterans Memorial Tollway (I-355).
- The Communications Department headcount increased by two additional personnel due to increased workload.
- The Electronic Tolling Department was formed in the Fall of 2007 which combined the ORT Department with two cost centers from Toll Operations: I-PASS and Performance Management. Also, two additional positions have been added for FY08 to staff the new customer service centers.
- The Engineering Department increased by 17 due to the increased staffing for maintenance on the new South Extension for the Veterans Memorial Tollway (I-355).
- The Information Technology Department was reduced by two employees in 2007 due to a transfer into the Communications Department.
- The Toll Operations Department added six positions for the new South Extension.
- The Procurement Department increased staffing by one to accommodate additional demands on the department.

2008 Maintenance and Operations Budget
By Category
(\$ in Millions)

| Category | 2006 Actual Expenditures | 2007 Revised Budget | 2008 Budget Request | \$ Change |
|--|-----------------------------|------------------------|------------------------|---------------|
| Salary & Wages | \$93.6 | \$101.0 | \$107.1 | \$6.1 |
| FICA & Retirement | 17.9 | 21.5 | 27.7 | 6.2 |
| Group Insurance | 23.1 | 25.9 | 26.7 | 0.8 |
| Contractual Services | 29.8 | 27.3 | 28.4 | 1.1 |
| Employee Development | 1.0 | 1.2 | 1.1 | (0.1) |
| Utilities | 5.8 | 6.0 | 6.5 | 0.5 |
| Operational Materials & Supplies | 15.4 | 17.8 | 17.0 | (0.8) |
| Parts & Fuels | 5.0 | 5.4 | 5.2 | (0.2) |
| Equipment / Office Rental / Maintenance | 13.6 | 14.8 | 12.3 | (2.5) |
| All Other Insurance | 10.5 | 5.8 | 6.5 | 0.7 |
| Recovery of Expenses | (2.2) | (2.1) | (2.2) | (0.1) |
| Total M&O | \$213.5 | \$224.6 | \$236.3 | \$11.7 |

Exhibit 14

2008 Maintenance & Operations Budget

By Major Account

| <u>Account Description</u> | <u>2006 Actual</u> | <u>2007 Revised Budget</u> | <u>2008 Budget Request</u> | <u>\$ Change</u> |
|--------------------------------|-----------------------|----------------------------|----------------------------|----------------------|
| SALARY & WAGES | \$ 93,582,816 | \$ 101,018,702 | \$ 107,132,827 | \$ 6,114,125 |
| FICA | \$ 6,282,381 | \$ 6,915,592 | \$ 7,265,347 | \$ 349,754 |
| RETIREMENT | \$ 11,615,576 | \$ 14,582,112 | \$ 20,476,297 | \$ 5,894,185 |
| PAYROLL SUB-TOTAL | \$ 111,480,773 | \$ 122,516,406 | \$ 134,874,471 | \$ 12,358,064 |
| GROUP INSURANCE | \$ 23,125,375 | \$ 25,878,400 | \$ 26,700,000 | \$ 821,600 |
| OTHER OUTSIDE SERVICES | \$ 20,183,070 | \$ 16,312,331 | \$ 15,185,555 | \$ (1,126,776) |
| EQUIPMENT MAINTENANCE | \$ 9,734,431 | \$ 14,086,380 | \$ 11,667,040 | \$ (2,419,340) |
| OTHER EXPENSES | \$ 10,627,671 | \$ 10,919,340 | \$ 11,356,500 | \$ 437,160 |
| BANK CHARGES | \$ 7,975,627 | \$ 7,808,000 | \$ 8,220,000 | \$ 412,000 |
| UTILITIES | \$ 4,327,723 | \$ 4,770,100 | \$ 4,770,100 | \$ - |
| WORKER'S COMP. INSURANCE | \$ 8,582,846 | \$ 3,411,000 | \$ 4,100,000 | \$ 689,000 |
| MATERIALS - OPERATIONAL | \$ 2,590,572 | \$ 4,185,717 | \$ 3,189,305 | \$ (996,412) |
| FUELS AND OILS | \$ 3,048,102 | \$ 3,228,205 | \$ 3,110,600 | \$ (117,605) |
| PROPERTY INSURANCE | \$ 1,956,252 | \$ 2,415,000 | \$ 2,415,000 | \$ - |
| CONTRACTED OUTSIDE SERVICE | \$ 542,988 | \$ 885,909 | \$ 2,338,986 | \$ 1,453,077 |
| CONSULTING SERVICES | \$ 787,232 | \$ 1,733,302 | \$ 2,115,925 | \$ 382,623 |
| REPLACEMENT PARTS | \$ 1,886,450 | \$ 2,048,112 | \$ 2,001,900 | \$ (46,212) |
| TELEPHONE & TELEGRAPH | \$ 1,492,535 | \$ 1,236,400 | \$ 1,732,900 | \$ 496,500 |
| SUPPLIES - OPERATIONAL | \$ 804,950 | \$ 965,942 | \$ 859,980 | \$ (105,962) |
| EQUIPMENT RENTALS | \$ 3,833,362 | \$ 685,439 | \$ 640,995 | \$ (44,444) |
| UNIFORMS & ACCESSORIES | \$ 476,568 | \$ 498,660 | \$ 574,500 | \$ 75,840 |
| SUPPLIES - OFFICE | \$ 496,779 | \$ 570,955 | \$ 530,789 | \$ (40,166) |
| POSTAGE AND EXPRESS | \$ 455,713 | \$ 580,720 | \$ 470,800 | \$ (109,920) |
| ARMORED TRUCK SERVICE | \$ 160,715 | \$ 240,000 | \$ 229,000 | \$ (11,000) |
| DUES, BOOKS & SUBSCRIP. | \$ 186,625 | \$ 225,975 | \$ 203,300 | \$ (22,675) |
| BUILDING EQUIPMENT | \$ 92,561 | \$ 180,631 | \$ 174,783 | \$ (5,848) |
| EMPLOYEE TRAINING | \$ 192,295 | \$ 291,548 | \$ 173,800 | \$ (117,748) |
| TRAVEL AND SUBSISTENCE | \$ 141,238 | \$ 223,300 | \$ 166,500 | \$ (56,800) |
| ADVERTISING & PROMOTION | \$ 80,948 | \$ 140,600 | \$ 123,600 | \$ (17,000) |
| PRINTING | \$ 21,654 | \$ 109,842 | \$ 111,350 | \$ 1,508 |
| OTHER CAPITAL EQUIPMENT | \$ 60,831 | \$ 172,936 | \$ 103,598 | \$ (69,338) |
| TOOLS & EQUIPMENT | \$ 89,286 | \$ 130,975 | \$ 101,210 | \$ (29,765) |
| OFFICE EQUIPMENT | \$ 38,820 | \$ 117,178 | \$ 101,200 | \$ (15,978) |
| ROADWAY EQUIPMENT | \$ 85,043 | \$ 62,981 | \$ 82,540 | \$ 19,559 |
| BOND TRUSTEE | \$ 15,452 | \$ 50,000 | \$ 50,000 | \$ - |
| POLICE EQUIPMENT | \$ 119,475 | \$ 40,000 | \$ 40,000 | \$ - |
| EMPLOYMENT MEDICAL EXPENSE | \$ 34,254 | \$ 40,000 | \$ 30,000 | \$ (10,000) |
| TOLL COLLECTION EQUIPMENT | \$ - | \$ 1,500 | \$ 1,500 | \$ - |
| CASH HANDLING EQUIPMENT | \$ 3,084 | \$ 2,500 | \$ 1,300 | \$ (1,200) |
| ADVISORY COMMITTEE EXPENSE | \$ - | \$ 300 | \$ 500 | \$ 200 |
| RIGHT OF WAY | \$ 1,500 | \$ - | \$ - | \$ - |
| CAFETERIA EQUIPMENT | \$ 913 | \$ - | \$ - | \$ - |
| RECOVERY OF EXPENSES | \$ (2,223,706) | \$ (2,140,700) | \$ (2,259,200) | \$ (118,500) |
| TOTAL NON-PAYROLL COSTS | \$ 102,029,233 | \$ 102,109,478 | \$ 101,415,856 | \$ (693,622) |
| TOTAL M & O COSTS | \$ 213,510,006 | \$ 224,625,884 | \$ 236,290,327 | \$ 11,664,442 |

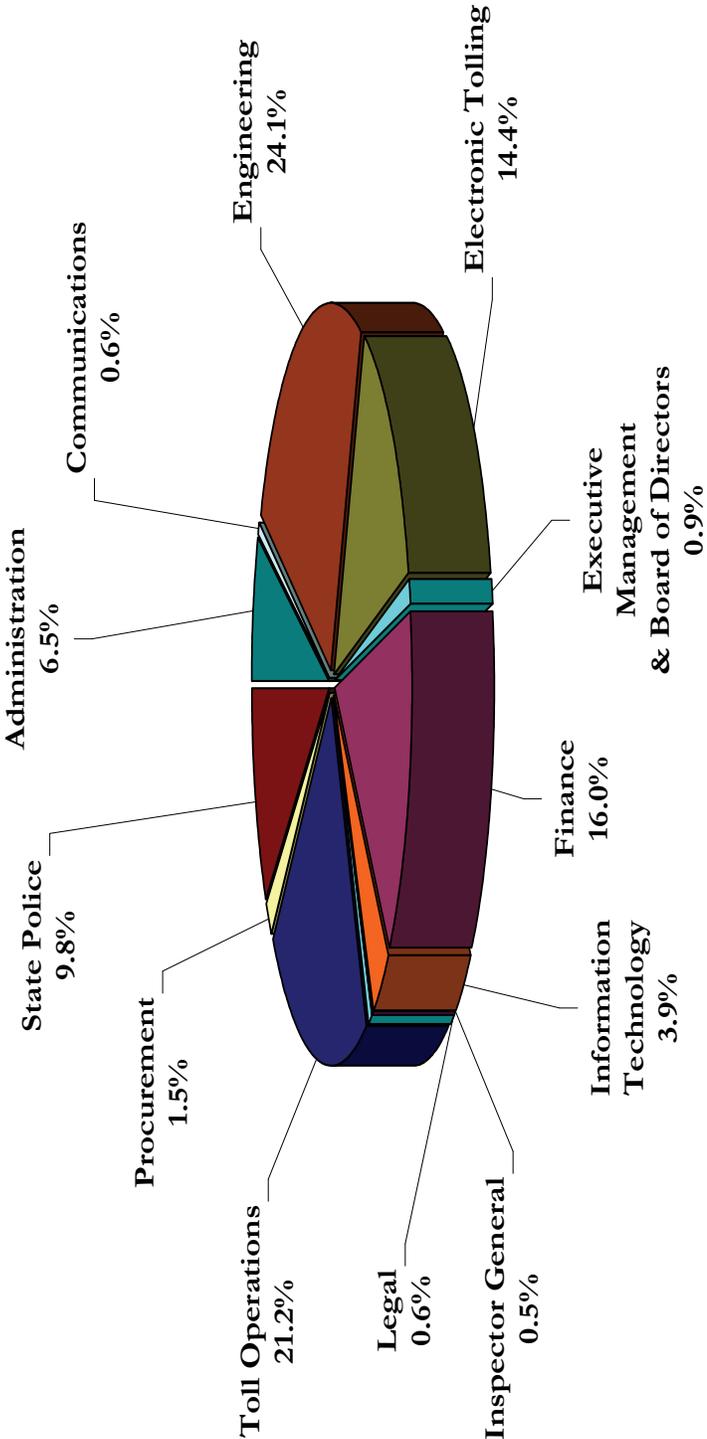
Exhibit 15

2008 Maintenance and Operations Budget
By Department
(\$ in Millions)

| Department | 2006 Actual Expenditures | 2007 Revised Budget | 2008 Budget Request | \$ Change |
|-------------------------------|---|------------------------------------|------------------------------------|------------------|
| Administration | \$ 12.0 | \$ 13.8 | \$ 15.3 | \$ 1.5 |
| Communications | 0.6 | 1.2 | 1.3 | 0.1 |
| Engineering / Planning | 46.2 | 52.0 | 56.9 | 4.9 |
| Electronic Tolling | 27.7 | 35.2 | 34.0 | (1.2) |
| Executive Office | 1.8 | 2.1 | 2.2 | 0.1 |
| Finance | 37.5 | 36.4 | 37.7 | 1.3 |
| Information Technology | 6.3 | 8.6 | 9.2 | 0.6 |
| Inspector General | 0.7 | 1.1 | 1.3 | 0.2 |
| Legal | 1.2 | 1.4 | 1.5 | 0.1 |
| Toll Operations | 57.9 | 48.4 | 50.2 | 1.8 |
| Procurement | 2.7 | 3.2 | 3.6 | 0.4 |
| State Police | 18.9 | 21.2 | 23.1 | 1.9 |
| Total M&O | \$ 213.5 | \$ 224.6 | \$ 236.3 | \$ 11.7 |

Exhibit 16

2008 M&O Budget
% of Total Budget by Department



Strategic Plan

Overview of Tollway Strategic Plan

Mission Statement:

The Illinois Tollway is dedicated to providing and promoting a safe and efficient system of toll supported highways while ensuring the highest possible level of customer service.

The Tollway Mission Statement is linked to the following Strategic Priorities:

Strategic Priorities:

- 1. Reduce Traffic Congestion**
- 2. Implement the Congestion-Relief Program**
- 3. Improve Operational Efficiency and Effectiveness**

These Strategic Priorities represent the Tollway's long-range goals and objectives which have been clearly defined and given top priority by management. These Strategic Priorities are generally considered multi-year programs.

Reducing Traffic Congestion by promoting increased I-PASS usage, adding Open Road Tolling lanes and reducing accident response and clearance times are ongoing goals and objectives.

The \$6.3 billion 12-year Congestion-Relief Program (CRP) reflects a regularly planned strategic review of program accomplishments, the impact of market forces on major industry costs, and ongoing discussions with surrounding communities. The goals and objectives of this program are to provide congestion relief by converting the entire mainline system to Open Road Tolling (complete), widening most of the roadway network, rebuilding and rehabilitating over 95% of the existing pavement, extending I-355 to I-80 (complete), and upgrading or adding interchanges systemwide to meet the needs of growing communities.

Improving Operational Efficiency and Effectiveness encompasses both long-range as well as some short-range goals and objectives. These include maintaining strict control of all operating expenditures, improving I-PASS Call Center responsiveness and ensuring the highest level of customer satisfaction whether it is in person or through various forms of communication.

These Strategic Priorities are in turn, aligned with:

Fourteen Performance Metrics:

These Performance Metrics are reported to Tollway management as well as the Governor's Office on a quarterly basis to ensure that the Tollway's Mission Statement and corresponding Strategic Priorities are kept on track at all times throughout the organization.

- I-PASS Rush Hour Transactions Percentage**
- I-PASS Transactions Percentage (All Hours)**
- Number of ORT Lanes**
- Travel Time Index Congestion Measure**
- Accident Response Time**
- Accident Clearance Time**
- Construction Program Budget to Committed Contract Variance**
- Pavement Rating**
- Operating Expenditure per Lane Mile**
- Operating Expenditure per Transaction**
- Frontline Staff Percentage**
- Total Transactions per Full Time Employee**
- I-PASS Call Center Responsiveness**
- Customer Satisfaction**

Internal Tollway Targets

Internal Targets are established by Tollway personnel involved in the strategic planning process. In some cases, the bar is raised when actual measurements approach a pre-determined target.

External Benchmarks

External Benchmarks are established by consultants who attempt to match the Tollway's Performance Measurements with those of similar roadway systems throughout the United States. Comparable statistics are not always available on a consistent basis.

Departmental Goals and Objectives

The Strategic Plan section includes tables and a graph indicating each department's participation in the Tollway's Mission Statement, Strategic Priorities and Performance Measurements. The departmental allocation to the metrics is shown in dollars as well as percentage of budget.

Included in the Departmental Budgets and Narratives section are the 2007 Accomplishments as well as the 2008 Goals and Objectives for each department. Some relate to the Authority's Strategic Priorities which are generally long-term in nature, while others pertain to internal departmental goals and objectives which are usually short-term in nature and not measureable. Regarding internal departmental goals and objectives, accountability enters into play when one sees how many goals and objectives were actually accomplished from one year to the next.

Overview of Tollway Strategic Plan

Mission Statement:

The Illinois Tollway is dedicated to providing and promoting a safe and efficient system of toll supported highways while ensuring the highest possible level of customer service.

Strategic Priorities:

1. Reduce Traffic Congestion
2. Implement Congestion-Relief Program
3. Improve Operational Efficiency and Effectiveness

Performance Metrics:

| Performance Metric # | Aligned with Strategic Priority # | Performance Metric | Performance Metric Purpose | Current Measurement | Internal Tollway Target | External Benchmark |
|----------------------|-----------------------------------|---|--|--|---|--|
| 1 | 1 | I-PASS Rush Hour Transactions Percentage | Measures the number of drivers who use electronic toll collection (i.e., I-PASS) during the Rush Hour period. The use of I-PASS reduces traffic congestion at the toll plazas. | 83% | 90% | 66% - Orlando Orange County Expressway Authority |
| 2 | 1 | I-PASS Transactions (all hours) Percentage | Measures the number of drivers who use electronic toll collection (i.e., I-PASS) during all hours of the day. The use of I-PASS reduces traffic congestion at the toll plazas. | 81% | 80% | 57% - Florida Turnpike |
| 3 | 1 | Number of ORT Lanes | Measures the number of Open Road Tolling (ORT) Lanes completed. ORT Lanes allow drivers to pay tolls while travelling at normal speeds. ORT Lanes reduce congestion at all toll plazas. | 91 | 96 | Not Available |
| 4 | 1 | Travel Time Index Congestion Measure | Measures the amount of systemwide traffic congestion. It is the ratio between the Average Travel Time and the Free Flow Travel Time (60 mph). Values greater than 1.00 reflect congestion. | Current AM Peak = 1.14 Current PM Peak = 1.27 Total Day (TD) = 1.08 | AM=1.00 PM=1.00 TD=1.00 | AM = 1.16 Atlanta PM = 1.32 Atlanta TD = Not Available |
| 5 | 1 | Accident Response Time | Measures the Tollway's ability to identify congestion creating traffic incidents and ensure units arrive promptly to the scene. | Personal Injury Response Time = 6:54 min Fatality Response Time = 5:12 min Property Damage Response Time = 10:18 min | PIR=6:00 min FR= 4:00 min PDR=10:00 min | PIR = Not Available FR = 28:00 min PDR = Not Available Washington State Gray Notebook |
| 6 | 1 | Accident Clearance Time | Measures the Tollway's ability to remedy congestion creating traffic incidents. | Personal Injury Clearance Time = 35:56 min Fatality Clearance Time = 2:27:32 hr Property Damage Clearance Time = 17:35 min | PIR = 1:30 hr FC = 4:30 hr PDC = 45 min | PIC = 2:50 hr FC = 4:06 hr PDC = Not Available Washington State Gray Notebook |
| 7 | 2 | Program Budget to Committed Contract Variance | Measures the Tollway's ability to manage its construction program to budget. | -25% | 0% | Not Available |

Exhibit 18

| Performance Metric # | Aligned with Strategic Priority # | Performance Metric | Performance Metric Purpose | Current Measurement | Internal Tollway Target | External Benchmark |
|----------------------|-----------------------------------|---------------------------------------|--|---|--|---|
| 8 | 2 | Pavement Rating | Measures the condition of the Tollway's roads. | Excellent = 62.1% Good = 23.0% Transitional = 0% Fair = 8.5% Poor = 5.0% Failed = 0% Not Available = 1.4% | Excellent=100% Good=0% Transitional=0% Fail=0% Poor=0% Failed=0% NA=0% | Excellent=25% Good=59% Transitional=0% Fair=10% Poor=6% Failed=0% NA=0% Oregon DOT |
| 9 | 3 | Operating Expenditure per Lane Mile | Measures the ability of the Tollway to operate efficiently, as compared to other toll authorities. | \$43,199 | \$30,000 | \$59,748 - PA Turnpike |
| 10 | 3 | Operating Expenditure per Transaction | Measures the ability of the Tollway to operate efficiently, as compared to other toll authorities. | \$0.37 | \$0.20 | \$0.97 - NY Thruway |
| 11 | 3 | Frontline Staff Percentage | Measures the percentage of frontline employees to total employees. | 76% | 80% | Not Available |
| 12 | 3 | Total Transactions per FTE | Measures the efficiency of service delivery. | 1331 | 1200 | 598 - Oklahoma |
| 13 | 3 | I-PASS Call Center Responsiveness | Measures the responsiveness of the I-PASS Call Center to customer calls. | 1) Percentage of Calls Answered in 20 seconds = 63.5% 2) Average Abandon Time = 2:29 min 3) Average Time to Answer Call = 1:11 min | 1) = 75% 2) = NA 3) = NA | 1) = 80% 2) = NA 3) = NA Orlando Orange County Expressway Authority |
| 14 | 3 | Customer Satisfaction | Measures Tollway Customer Satisfaction. | Identify the number of customers completing surveys as "satisfied" divided by the total number of customers completing surveys. - currently not available | 85% | 89% of NY Thruway E-ZPass customers surveyed rated their experience from good to excellent. |

**Tollway Strategic Plan
Summary by Metric and Department**

Mission Statement:
The Illinois Tollway is dedicated to providing and promoting a safe and efficient system of toll supported highways while ensuring the highest possible level of customer service.

- Strategic Priorities:**
1. Reduce Traffic Congestion
 2. Implement Congestion-Relief Program
 3. Improve Operational Efficiency and Effectiveness

Performance Metrics:

| Aligned with Strat Priority # | Perf Metric # | Performance Metric | Administration | Communications & Marketing | Engineering | Executive Office | Finance | Information Technology | Inspector General | Legal | Toll Operations | Electronic Tolling | Procurement | Illinois State Police | Total Cost Identified w/Metric |
|-------------------------------|---------------|---|---------------------|----------------------------|----------------------|-------------------|----------------------|------------------------|-------------------|-------------------|----------------------|----------------------|-------------------|-----------------------|--------------------------------|
| 1 | 1 | IPASS Rush Hour Transactions Percentage | \$ - | \$ 93,643 | \$ 108,095 | \$ - | \$ 17,902 | \$ - | \$ 7,506 | \$ 57,062 | \$ - | \$ 923,821 | \$ - | \$ - | \$ 1,208,029 |
| 2 | 1 | IPASS Transactions (all hours) Percentage | \$ 464,415 | \$ 101,657 | \$ 108,095 | \$ - | \$ 17,902 | \$ 54,339 | \$ 7,506 | \$ 57,062 | \$ - | \$ 923,821 | \$ - | \$ - | \$ 1,734,797 |
| 3 | 1 | Number of ORT Lanes | \$ - | \$ - | \$ 5,995,191 | \$ 39,189 | \$ 1,011 | \$ 172,219 | \$ - | \$ 57,062 | \$ - | \$ 399,369 | \$ - | \$ - | \$ 6,664,041 |
| 4 | 1 | Travel Time Index Congestion Measure | \$ - | \$ 302,039 | \$ - | \$ - | \$ 1,011 | \$ - | \$ - | \$ 57,062 | \$ 4,007,076 | \$ 635,228 | \$ - | \$ - | \$ 5,002,416 |
| 5 | 1 | Accident Response Time | \$ - | \$ - | \$ 5,314,839 | \$ - | \$ 1,011 | \$ 183,278 | \$ - | \$ 57,062 | \$ 28,826 | \$ 105,871 | \$ - | \$ 2,871,922 | \$ 8,562,809 |
| 6 | 1 | Accident Clearance Time | \$ - | \$ - | \$ 5,165,353 | \$ - | \$ 1,011 | \$ 277,759 | \$ - | \$ 57,062 | \$ - | \$ - | \$ - | \$ 6,701,150 | \$ 12,202,335 |
| 7 | 2 | Program Budget to Awarded Contract Variance | \$ - | \$ - | \$ 2,116,848 | \$ 39,189 | \$ 375,185 | \$ - | \$ - | \$ 57,062 | \$ - | \$ 143,396 | \$ 151,355 | \$ - | \$ 2,883,035 |
| 8 | 2 | Pavement Rating | \$ - | \$ - | \$ 6,556,431 | \$ - | \$ - | \$ - | \$ - | \$ 57,062 | \$ - | \$ - | \$ - | \$ - | \$ 6,613,493 |
| 9 | 3 | Operating Expenditure per Lane Mile | \$ 3,637,862 | \$ - | \$ 2,846,453 | \$ 39,189 | \$ 490,625 | \$ 168,360 | \$ - | \$ 57,062 | \$ 4,990,085 | \$ 1,270,457 | \$ 75,678 | \$ 15,030 | \$ 13,590,801 |
| 10 | 3 | Operating Expenditure per Transaction | \$ 3,637,862 | \$ - | \$ 2,846,453 | \$ 39,189 | \$ 560,180 | \$ 188,726 | \$ - | \$ 57,062 | \$ 4,990,085 | \$ 1,270,457 | \$ 75,678 | \$ 15,030 | \$ 13,680,722 |
| 11 | 3 | Frontline Staff Percentage | \$ - | \$ 139,732 | \$ 3,914,270 | \$ 39,189 | \$ 18,638,155 | \$ - | \$ - | \$ 57,062 | \$ 9,952,945 | \$ 6,181,944 | \$ - | \$ 4,566,275 | \$ 43,489,572 |
| 12 | 3 | Total Transactions per FTE | \$ - | \$ - | \$ - | \$ - | \$ 2,022 | \$ - | \$ - | \$ 57,062 | \$ 3,981,178 | \$ 741,100 | \$ - | \$ - | \$ 4,781,362 |
| 13 | 3 | IPASS Call Center Responsiveness | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 57,062 | \$ - | \$ 11,586,200 | \$ - | \$ - | \$ 11,643,262 |
| 14 | 3 | Customer Satisfaction | \$ 141,886 | \$ - | \$ - | \$ 39,189 | \$ 1,011 | \$ 518,217 | \$ 11,951 | \$ 57,062 | \$ 1,990,589 | \$ 7,486,512 | \$ - | \$ 180,906 | \$ 10,427,323 |
| TOTAL BY DEPARTMENT | | | \$ 7,882,025 | \$ 637,071 | \$ 34,972,028 | \$ 235,134 | \$ 20,107,026 | \$ 1,562,898 | \$ 26,963 | \$ 798,868 | \$ 29,940,784 | \$ 31,668,176 | \$ 302,711 | \$ 14,350,313 | \$ 142,483,997 |

| | | | | | | | | | | | | | |
|---|--------------|-------------|--------------|-------------|--------------|-------------|-------------|-------------|--------------|--------------|-------------|--------------|---------------|
| Departmental Allocation to Metrics | 51.5% | 50.3% | 61.4% | 10.6% | 53.3% | 17.0% | 2.2% | 53.5% | 59.6% | 93.2% | 8.5% | 62.0% | 60.3% |
| 2008 M&O Budget by Department | \$15,297,084 | \$1,267,108 | \$56,929,062 | \$2,218,567 | \$37,754,080 | \$9,168,473 | \$1,250,979 | \$1,494,374 | \$50,239,354 | \$33,962,964 | \$3,578,968 | \$23,129,294 | \$236,290,327 |

**Tollway Strategic Plan
Departmental Budget Allocation to Metrics**

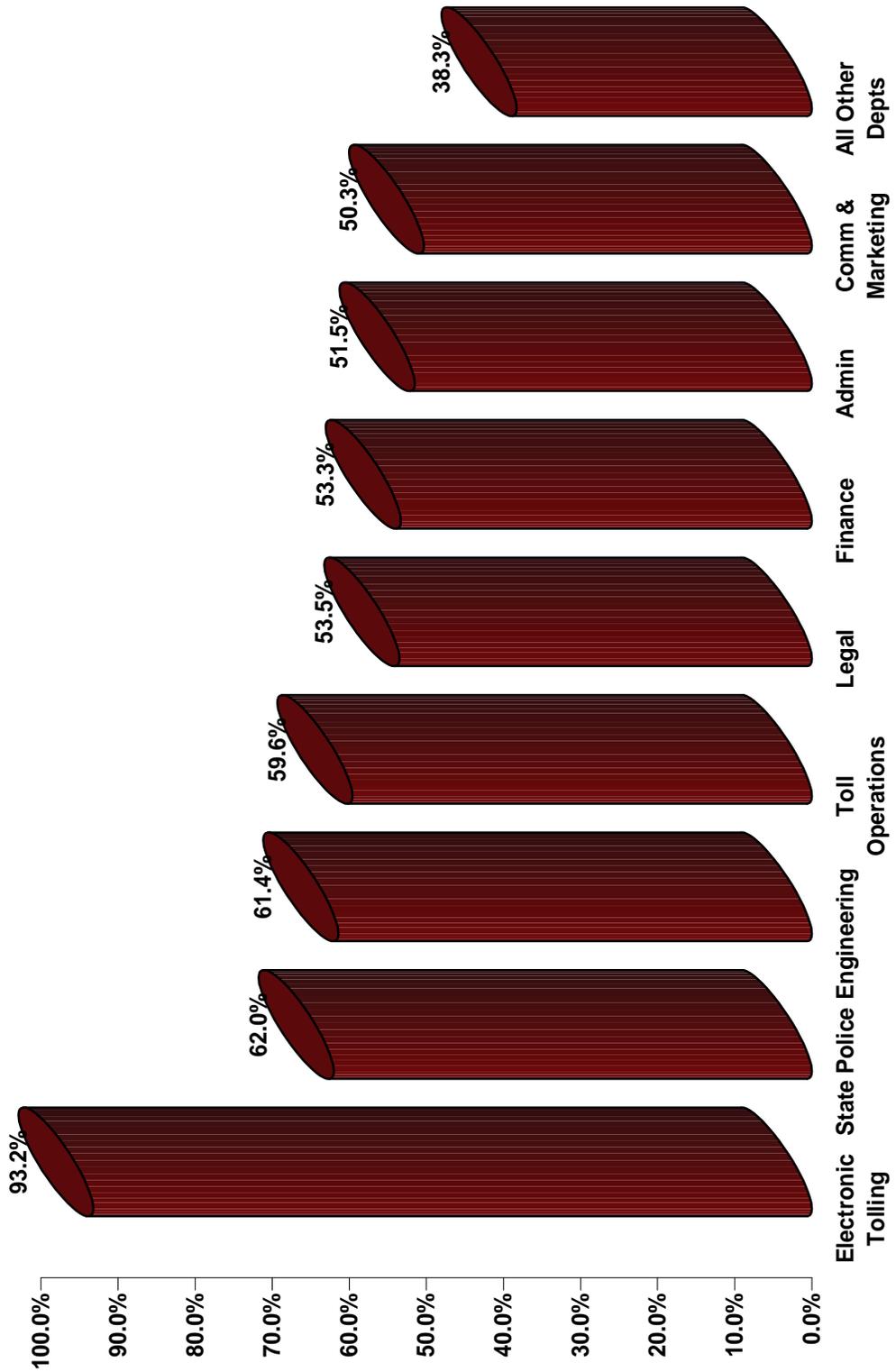


Exhibit 20

Tollway Strategic Plan by Metric and Department

PERFORMANCE METRIC #1 - I-PASS RUSH HOUR TRANSACTIONS PERCENTAGE

INPUTS (Resources Utilized)

| Department | Cost Center | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|--------------------|-------------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Inspector General | 41 | 2 | \$ 150,120 | 5% | \$ 7,506 | - | \$ 7,506 |
| Finance | 14 | 1 | \$ 101,143 | 17% | \$ 16,891 | - | \$ 16,891 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | - | \$ 1,011 |
| Communications | 53 | 5 | \$ 519,771 | 11% | \$ 57,643 | \$ 36,000 | \$ 93,643 |
| Engineering | 86 | 2 | \$ 216,189 | 50% | \$ 108,095 | - | \$ 108,095 |
| Electronic Tolling | 39 | 8 | \$ 738,505 | 10% | \$ 73,850 | \$ 3,000 | \$ 76,850 |
| Electronic Tolling | 61 | 7 | \$ 687,140 | 8% | \$ 54,971 | \$ 792,000 | \$ 846,971 |
| Legal | 35 | 12 | \$ 1,245,595 | 3% | \$ 39,984 | \$ 17,078 | \$ 57,062 |
| Total | | | | | \$ 359,951 | \$ 848,078 | \$ 1,208,029 |

OUTPUTS (Activities Performed)

Inspector General - Lane and report testing/verification to ensure accurate data reporting.
 Finance (Budget) - Produces quarterly and annual reports on I-PASS usage.
 Communications - Creates/distributes press releases/stories, advertising and promotional material that raises awareness and generates increased sales/usage.
 Engineering (Planning) - Produces monthly, quarterly and annual reports on I-PASS usage.
 Electronic Tolling - Responsible for Performance Measurement and related projects.
 Electronic Tolling - Manages the maintenance contract for the Electronic Tolling Equipment, supports the E-ZPass Reciprocity System and the Interagency Group membership.
 Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.

EFFICIENCY (Output Measurement)

Measures the number of drivers who use electronic toll collection (i.e., I-PASS) during the Rush Hour period. The use of I-PASS reduces traffic congestion at the toll plazas. Measure Rush Hour I-PASS transactions as a percentage of total transactions. The current I-PASS Rush Hour rate is 83.0%, which is closing in on internal target of 90%.

EFFECTIVENESS (Benchmarking)

External Benchmark based on similar toll agencies in U.S. is 66%.

Tollway Strategic Plan by Metric and Department
PERFORMANCE METRIC #2 - I-PASS TRANSACTIONS (ALL HOURS) PERCENTAGE

INPUTS (Resources Utilized)

| Department | Cost Center | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|--------------------|-------------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Inspector General | 41 | 2 | \$ 150,120 | 5% | \$ 7,506 | \$ - | \$ 7,506 |
| Finance | 14 | 1 | \$ 101,143 | 17% | \$ 16,891 | \$ - | \$ 16,891 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | \$ - | \$ 1,011 |
| Administration | 51 | 4 | \$ 197,455 | 39% | \$ 76,415 | \$ 388,000 | \$ 464,415 |
| Communications | 53 | 6 | \$ 578,473 | 11% | \$ 65,657 | \$ 36,000 | \$ 101,657 |
| Engineering | 86 | 2 | \$ 216,189 | 50% | \$ 108,095 | \$ - | \$ 108,095 |
| Information Tech | 16 | 6 | \$ 362,263 | 15% | \$ 54,339 | \$ - | \$ 54,339 |
| Electronic Tolling | 39 | 8 | \$ 738,505 | 10% | \$ 73,850 | \$ 3,000 | \$ 76,850 |
| Electronic Tolling | 61 | 7 | \$ 687,140 | 8% | \$ 54,971 | \$ 792,000 | \$ 846,971 |
| Legal | 35 | 12 | \$ 1,245,595 | 3% | \$ 39,984 | \$ 17,078 | \$ 57,062 |
| Total | | | \$ | | \$ | \$ | \$ |
| | | | | | 498,719 | 1,236,078 | 1,734,797 |

OUTPUTS (Activities Performed)

Inspector General - Lane and report testing/verification to ensure accurate data reporting.
 Finance (Budget) - Produces quarterly and annual reports on I-PASS usage.
 Administration - Mail & Duplication Center merges, compiles & mails mo.statements, insufficient funds, expiring credit cards, decline letters, info updates, & post-paid billing for I-PASS.
 Communications - Creates/distributes press releases/stories, advertising and promotional material that raises awareness and generates increased sales/usage.
 Engineering (Planning) - Produces monthly, quarterly and annual reports on I-PASS usage.
 Information Tech - Creates backup files for I-PASS transaction data. Invoices post pay I-PASS accounts.
 Information Tech - Supports, manages and maintains the Fiber Optic cable plant which I-PASS relies upon.
 Electronic Tolling - Responsible for Performance Measurement and related projects.
 Electronic Tolling - Manages the maintenance contract for the Electronic Tolling Equipment, supports the E-ZPass Reciprocity System and the Interagency Group membership.
 Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.

EFFICIENCY (Output Measurement)

Measures the number of drivers who use electronic toll collection (i.e., I-PASS) during all hours of the day. The use of I-PASS reduces traffic congestion at the toll plazas. Measure I-PASS transactions (all hours) as a percentage of total transactions. The current I-PASS rate is 81.0%, which compares favorably to internal target of 80%.

EFFECTIVENESS (Benchmarking)

External Benchmark based on similar toll agencies in U.S. is 57%.

Tollway Strategic Plan by Metric and Department
PERFORMANCE METRIC #3 - NUMBER OF OPEN ROAD TOLLING (ORT) LANES

INPUTS (Resources Utilized)

| Department | Cost Center | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|--------------------|----------------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | \$ - | \$ 1,011 |
| Information Tech | 82 | 8 | \$ 688,875 | 25% | \$ 172,219 | \$ - | \$ 172,219 |
| Electronic Tolling | 39 | 8 | \$ 738,505 | 25% | \$ 184,626 | \$ 3,000 | \$ 187,626 |
| Electronic Tolling | 61 | 7 | \$ 687,140 | 2% | \$ 13,743 | \$ 198,000 | \$ 211,743 |
| Executive Office | 31,33 | 6 | \$ 783,787 | 5% | \$ 39,189 | \$ - | \$ 39,189 |
| Legal | 35 | 12 | \$ 1,245,595 | 3% | \$ 39,984 | \$ 17,078 | \$ 57,062 |
| Engineering | 63,64,65,68,83 | 456 | \$ 32,822,794 | 14% | \$ 4,595,191 | \$ 1,400,000 | \$ 5,995,191 |
| Total | | | | | \$ 5,045,963 | \$ 1,618,078 | \$ 6,664,041 |

OUTPUTS (Activities Performed)

Finance (Budget) - Updating performance measurements for Governor's Quarterly Report.
 Information Tech (Operations & Field Support) - Supports, monitors and maintains the SONET infrastructure which establishes data connectivity used to carry revenue data to & from all remote locations including existing and planned Plazas and ORT sites.
 Electronic Tolling - Responsible for Performance Measurement and related projects.
 Electronic Tolling - Manages the maintenance contract for the Electronic Tolling Equipment, supports the E-ZPass Reciprocity System and the Interagency Group membership.
 Executive Office - Promotes and upholds the Tollway's Mission Statement and Strategic Priorities.
 Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.
 Engineering - Activities performed by Chief of Engineering staff, Roadway Maintenance, Sign Shop, Roadway Lighting, and Condemnation staff.

EFFICIENCY (Output Measurement)

Measures the number of Open Road Tolling (ORT) Lanes completed. ORT Lanes allow drivers to pay tolls while travelling at normal speeds. ORT Lanes reduce congestion at toll plazas. The current number of (ORT) Lanes is 91.
 The internal target number is 96. This is the total number to be constructed once the Open Road Tolling Program is complete.

EFFECTIVENESS (Benchmarking)

External Benchmark from similar toll agencies in U.S. or worldwide - not available.

Tollway Strategic Plan by Metric and Department

PERFORMANCE METRIC #4 - TRAVEL TIME INDEX CONGESTION MEASURE

INPUTS (Resources Utilized)

| Department | Center | Cost Center | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|--------------------|--------|-------------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Finance | 14 | | 1 | \$ 101,143 | 1% | \$ 1,011 | - | \$ 1,011 |
| Communications | 53 | | 7 | \$ 665,830 | 27% | \$ 181,239 | \$ 120,800 | \$ 302,039 |
| Electronic Tolling | 61 | | 7 | \$ 687,140 | 6% | \$ 41,228 | \$ 594,000 | \$ 635,228 |
| Toll Operations | 55, 56 | | 670 | \$ 39,370,762 | 10% | \$ 3,937,076 | \$ 70,000 | \$ 4,007,076 |
| Legal | 35 | | 12 | \$ 1,245,595 | 3% | \$ 39,984 | \$ 17,078 | \$ 57,062 |
| Total | | | | | | \$ 4,200,539 | \$ 801,878 | \$ 5,002,417 |

OUTPUTS (Activities Performed)

Finance (Budget) - Updating performance measurements for Governor's Quarterly Report.
 Communications - Provides information to users about road conditions to help minimize congestion.
 Electronic Tolling - Manages the maintenance contract for the Electronic Tolling Equipment, supports the E-ZPass Reciprocity System and the Interagency Group membership.
 Toll Operations - Toll Services monitors efficiency of collection personnel and provides proper time-of-day and seasonal staff to ensure minimum congestion at plazas.
 Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.

EFFICIENCY (Output Measurement)

Measures the amount of systemwide traffic congestion.
 It is the ratio between the Average Travel Time and the Free Flow Travel Time (60mph). Values greater than 1.00 reflect congestion.
 Current AM Peak = 1.14
 Current PM Peak = 1.27
 Total Day (TD) = 1.08

EFFECTIVENESS (Benchmarking)

External Benchmarks from similar toll agencies in U.S. include: Atlanta AM = 1.16, Atlanta PM = 1.32, Total Day (TD) = NA.

Tollway Strategic Plan by Metric and Department

PERFORMANCE METRIC #5 - ACCIDENT RESPONSE TIME

INPUTS (Resources Utilized)

| Department | Cost Center | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|--------------------|-------------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Engineering | 66 | 7 | \$ 472,457 | 10% | \$ 47,246 | \$ 74,000 | \$ 121,246 |
| Engineering | 67 | 71 | \$ 5,439,350 | 15% | \$ 815,903 | \$ 777,708 | \$ 1,593,610 |
| Engineering | 64,81 | 414 | \$ 29,126,504 | 11% | \$ 3,266,155 | \$ 333,828 | \$ 3,599,983 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | \$ - | \$ 1,011 |
| Information Tech | 16 | 2 | \$ 229,679 | 20% | \$ 45,936 | \$ - | \$ 45,936 |
| Information Tech | 82 | 7 | \$ 457,807 | 30% | \$ 137,342 | \$ - | \$ 137,342 |
| Toll Operations | 45 | 34 | \$ 2,570,092 | 1% | \$ 25,701 | \$ 3,125 | \$ 28,826 |
| Electronic Tolling | 61 | 7 | \$ 687,140 | 1% | \$ 6,871 | \$ 99,000 | \$ 105,871 |
| Legal | 35 | 12 | \$ 1,245,595 | 3% | \$ 39,984 | \$ 17,078 | \$ 57,062 |
| State Police | 37 | 196 | \$ 19,026,144 | 15% | \$ 2,853,922 | \$ 18,000 | \$ 2,871,922 |
| Total | | | | | \$ 7,240,070 | \$ 1,322,739 | \$ 8,562,809 |

OUTPUTS (Activities Performed)

Engineering (Traffic Toll Operations) - TIMS analyzes the type of deployment needed to handle an accident, i.e. # of State Police, Help Truck, Roadway Maintenance Truck(s), Caution Signs, Message Signs, Fire Truck, Ambulance, Tow Truck, etc.
 Engineering (Fleet Maintenance) - 15% of M&O cost allocated to this metric.
 Engineering - Activities performed by Roadway Maintenance and Dispatch.
 Finance (Budget) - Updating performance measurements for Governor's Quarterly Report.
 Information Tech (Data Communications) - Manages & maintains electronic messaging, internet connectivity, & Blackberry enterprise servers for emergency response communications.
 Information Tech (Toll Operations & Field Support) - Provides communication support for Two-Way Radio System, Dispatch consoles, SONET Fiber Optic Network for State Police and CAD (Computer Aided Dispatch).
 Toll Operations - On-site maintenance and clearance of automatic collections when emergencies occur at ramps and plazas.
 Electronic Tolling - Manages the maintenance contract for the Electronic Tolling Equipment, supports the E-ZPass Reciprocity System and the Interagency Group membership.
 Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.
 State Police - Provides overall management of accident scene.

EFFICIENCY (Output Measurement)

Measures the Tollway's ability to identify congestion creating traffic incidents and get units promptly to the scene.
 The average amount of time (in minutes) required by the Tollway from incident identification (e.g. accident) to first response unit arrival. Accident Response Time is divided into three categories:
 Personal Injury Response Time (Current) = 6:54 min
 Fatality Response Time (Current) = 5:12 min
 Property Damage Response Time (Current) = 10:18 min

EFFECTIVENESS (Benchmarking)

External Benchmark from similar toll agencies in U.S. or worldwide - Fatality Response Time = 28:00 min - Washington State Gray Notebook.

Tollway Strategic Plan by Metric and Department
PERFORMANCE METRIC #6 - ACCIDENT CLEARANCE TIME

INPUTS (Resources Utilized)

| Department | Cost Center | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|------------------|-------------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Engineering | 66 | 7 | \$ 472,457 | 49% | \$ 231,504 | \$ 141,911 | \$ 373,415 |
| Engineering | 67 | 71 | \$ 5,439,350 | 15% | \$ 815,903 | \$ 777,708 | \$ 1,593,610 |
| Engineering | 64,81 | 414 | \$ 29,126,504 | 10% | \$ 2,912,650 | \$ 285,678 | \$ 3,198,328 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | \$ - | \$ 1,011 |
| Information Tech | 16 | 3 | \$ 343,051 | 25% | \$ 85,763 | \$ - | \$ 85,763 |
| Information Tech | 82 | 6 | \$ 483,636 | 25% | \$ 120,909 | \$ - | \$ 120,909 |
| Information Tech | 48 | 3 | \$ 236,958 | 30% | \$ 71,087 | \$ - | \$ 71,087 |
| Legal | 35 | 12 | \$ 1,245,595 | 3% | \$ 39,984 | \$ 17,078 | \$ 57,062 |
| State Police | 37 | 196 | \$ 19,026,144 | 35% | \$ 6,659,150 | \$ 42,000 | \$ 6,701,150 |
| Total | | | | | \$ 10,937,962 | \$ 1,264,375 | \$ 12,202,336 |

OUTPUTS (Activities Performed)

Engineering (Traffic Toll Operations) - activities include staying in communication with various employees on the scene.
 Engineering (Fleet Maintenance) - 15% of M&O cost allocated to this metric.
 Engineering - Activities performed by Roadway Maintenance and Dispatch.
 Finance (Budget) - Updating performance measurements for Governor's Quarterly Report.
 Information Tech (Data Communications) - Provides support for the Cisco-based network, PC & electronic messaging platform, and CAD (Computer Aided Dispatch) System used by State Police.
 Information Tech (Toll Operations & Field Support) - Provides technical support for the Two-Way Radio System, Dispatch consoles, TIMS, SONET Fiber Optic Network, and CAD System used by State Police and the Tollway's Maintenance and Help Trucks.
 Information Tech (Enterprise Info Systems) - Provides operational and technical support for the CAD System used by the State Police and the Tollway's Maintenance and Help trucks.
 Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.
 State Police - Provides overall management of accident scene.

EFFICIENCY (Output Measurement)

Measures the Tollway's ability to remedy congestion creating traffic incidents.
 The average amount of time (in minutes) required by the Tollway from the time the first unit arrives on the scene to the time the last unit clears the scene. Accident Clearance Time is divided into three categories:
 Personal Injury Clearance Time (Current) = 35:56 min
 Fatality Clearance Time (Current) = 2:27:32 hr
 Property Damage Clearance Time (Current) = 17:35 min

EFFECTIVENESS (Benchmarking)

External Benchmark from similar toll agencies in U.S. - PIC = 2:50 hr, FC = 4:06 hr, PDC = NA - Washington State Gray Notebook.

Tollway Strategic Plan by Metric and Department

PERFORMANCE METRIC #7 - PROGRAM BUDGET TO AWARDED CONTRACT VARIANCE

INPUTS (Resources Utilized)

| Department | Cost Center | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|--------------------|-------------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Finance | 11 | 12 | \$ 555,759 | 33% | \$ 183,401 | \$ - | \$ 183,401 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | \$ - | \$ 1,011 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | \$ - | \$ 1,011 |
| Finance | 14 | 3 | \$ 271,089 | 70% | \$ 189,762 | \$ - | \$ 189,762 |
| Electronic Tolling | 39 | 8 | \$ 738,505 | 5% | \$ 36,925 | \$ 600 | \$ 37,525 |
| Electronic Tolling | 61 | 7 | \$ 687,140 | 1% | \$ 6,871 | \$ 99,000 | \$ 105,871 |
| Executive Office | 31,33 | 6 | \$ 783,787 | 5% | \$ 39,189 | \$ - | \$ 39,189 |
| Legal | 35 | 12 | \$ 1,245,595 | 3% | \$ 39,984 | \$ 17,078 | \$ 57,062 |
| Procurement | 49 | 26 | \$ 1,513,550 | 10% | \$ 151,355 | \$ - | \$ 151,355 |
| Engineering | 63,83 | 59 | \$ 3,569,000 | 28% | \$ 1,008,968 | \$ 1,107,880 | \$ 2,116,848 |
| Total | | | | | \$ 1,658,479 | \$ 1,224,558 | \$ 2,883,037 |

OUTPUTS (Activities Performed)

Finance (Accounts Payable) - Supports payment of roadway construction costs.
 Finance (Budget) - Activities include budgeting all capital projects, tracking and reporting actual capital expenditures for those projects.
 Electronic Tolling - Responsible for Performance Measurement and related projects.
 Electronic Tolling - Manages the maintenance contract for the Electronic Tolling Equipment, supports the E-ZPass Reciprocity System and the Interagency Group membership.
 Executive Office - Promotes and upholds the Tollway's Mission Statement and Strategic Priorities.
 Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.
 Procurement - All Purchasing functions (including DBE/EEO) related to the Congestion-Relief Program.
 Engineering - Activities performed by Chief of Engineering staff and Condemnation staff.

EFFICIENCY (Output Measurement)

Measures the Tollway's ability to manage its construction program to budget.
 Variance between the Budget for the Congestion-Relief Program (12-year Capital Construction Program) and the Contracts Committed to Date.
 Program Budget to Committed Contract Variance (Current) = -25.22%.
 The internal target is 0.0% (on budget or below).

EFFECTIVENESS (Benchmarking)

External Benchmark from similar toll agencies in U.S. or worldwide - not currently available.

Tollway Strategic Plan by Metric and Department
PERFORMANCE METRIC #8 - PAVEMENT RATING

INPUTS (Resources Utilized)

| Department | Cost Center | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|--------------|-------------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Engineering | 63,64 | 421 | \$ 30,030,147 | 19% | \$ 5,679,995 | \$ 876,436 | \$ 6,556,431 |
| Legal | 35 | 12 | \$ 1,245,595 | 3% | \$ 39,984 | \$ 17,078 | \$ 57,062 |
| Total | | | | | \$ 5,719,979 | \$ 893,514 | \$ 6,613,493 |

OUTPUTS (Activities Performed)

Engineering - Activities performed by Chief of Engineering staff and Roadway Maintenance personnel.
 Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.

EFFICIENCY (Output Measurement)

Measures the condition of the Tollway's roads.
 Pavement Rating based on the Illinois Department of Transportation's (IDOT) Pavement Condition Rating System or CRS:
 Excellent (Current) = 62.1%
 Good (Current) = 23.0%
 Transitional (Current) = 0.0%
 Fair (Current) = 8.5%
 Poor (Current) = 5.0%
 Failed (Current) = 0.0%
 Not Available (Current) = 1.4%

EFFECTIVENESS (Benchmarking)

External Benchmark - Oregon DOT:
 Excellent = 25%
 Good = 59%
 Transitional = 0.0%
 Fair = 10%
 Poor = 6%
 Failed = 0.0%
 Not Available = 0.0%

Tollway Strategic Plan by Metric and Department
PERFORMANCE METRIC #9 - OPERATING EXPENDITURE PER LANE MILE

INPUTS (Resources Utilized)

| Department | Cost Center | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|--------------------|--------------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Finance | 11 | 12 | \$ 555,759 | 34% | \$ 186,179 | \$ - | \$ 186,179 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | \$ - | \$ 1,011 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | \$ - | \$ 1,011 |
| Finance | 14 | 6 | \$ 465,268 | 65% | \$ 302,424 | \$ - | \$ 302,424 |
| Information Tech | 15 | 3 | \$ 338,412 | 15% | \$ 50,762 | \$ - | \$ 50,762 |
| Information Tech | 16 | 9 | \$ 783,989 | 15% | \$ 117,598 | \$ - | \$ 117,598 |
| Electronic Tolling | 61 | 7 | \$ 687,140 | 12% | \$ 82,457 | \$ 1,188,000 | \$ 1,270,457 |
| Executive Office | 31,33 | 6 | \$ 783,787 | 5% | \$ 39,189 | \$ - | \$ 39,189 |
| Toll Operations | 45 | 34 | \$ 2,570,092 | 35% | \$ 899,532 | \$ 109,375 | \$ 1,008,907 |
| Toll Operations | 56 | 675 | \$ 39,219,278 | 10% | \$ 3,921,928 | \$ 59,250 | \$ 3,981,178 |
| Administration | 72 | 24 | \$ 1,891,281 | 40% | \$ 756,512 | \$ 115,560 | \$ 872,072 |
| Administration | 73 | 24 | \$ 1,794,987 | 40% | \$ 717,995 | \$ 84,800 | \$ 802,795 |
| Administration | 76 | 3 | \$ 279,140 | 40% | \$ 111,656 | \$ 88,400 | \$ 200,056 |
| Administration | 77 | 73 | \$ 4,128,248 | 40% | \$ 1,651,299 | \$ 111,640 | \$ 1,762,939 |
| Legal | 35 | 12 | \$ 1,245,595 | 3% | \$ 39,984 | \$ 17,078 | \$ 57,062 |
| Procurement | 49 | 26 | \$ 1,513,550 | 5% | \$ 75,678 | \$ - | \$ 75,678 |
| State Police | 37 | 6 | \$ 467,677 | 3% | \$ 14,030 | \$ 1,000 | \$ 15,030 |
| Engineering | All Eng CC's | 594 | \$ 43,218,935 | 5% | \$ 2,160,947 | \$ 685,506 | \$ 2,846,453 |
| Total | | | | | \$ 11,130,193 | \$ 2,460,609 | \$ 13,590,803 |

OUTPUTS (Activities Performed)

Finance (Accounts Payable) - Supports payment of all maintenance and operating costs.
 Finance (Budget) - Activities include budgeting all maintenance and operating costs as well as tracking and reporting the actual expenditures.
 Information Tech (Administration) - Responsible for overseeing all IT expenditures in order to stay within budget.
 Information Tech (Data Communications) - Manages support for Cisco-based wide area network as well as network connectivity for Data Center and I-PASS systems.
 Electronic Tolling - Manages the maintenance contract for the Electronic Tolling Equipment, supports the E-ZPass Reciprocity System and the Interagency Group membership.
 Executive Office - Promotes and upholds the Tollway's Mission Statement and Strategic Priorities.
 Toll Operations - Toll Services monitors efficiency of collection personnel and provides proper time-of-day and seasonal staff to ensure minimum cost as well as reduced congestion at plazas.
 Administration - Monitoring and control of all maintenance & operating budget activities and expenditures.
 Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.
 Procurement - All Purchasing functions (including DBE/EEO) related to the Congestion-Relief Program.
 State Police - Administrative expenses including office staff and office supplies related to this metric.
 Engineering - All Engineering Cost Centers are responsible for controlling their expenditures in order to stay within budget.

EFFICIENCY (Output Measurement)

Measures the ability of the Tollway to operate efficiently, as compared to other toll authorities. Identify the quarterly operating expenditures divided by the total lane miles - Current = \$43,199. Internal Target = \$30,000.

EFFECTIVENESS (Benchmarking)

External Benchmark from similar toll agencies in U.S. or worldwide = \$59,748 for the PA Turnpike.

Tollway Strategic Plan by Metric and Department
PERFORMANCE METRIC #10 - OPERATING EXPENDITURE PER TRANSACTION

INPUTS (Resources Utilized)

| Department | Cost Center | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|--------------------|--------------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Finance | 40 | 7 | \$ 460,022 | 15% | \$ 69,555 | \$ - | \$ 69,555 |
| Finance | 11 | 12 | \$ 555,759 | 34% | \$ 186,179 | \$ - | \$ 186,179 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | \$ - | \$ 1,011 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | \$ - | \$ 1,011 |
| Finance | 14 | 6 | \$ 465,268 | 65% | \$ 302,424 | \$ - | \$ 302,424 |
| Information Tech | 48 | 13 | \$ 943,629 | 20% | \$ 188,726 | \$ - | \$ 188,726 |
| Electronic Tolling | 61 | 7 | \$ 687,140 | 12% | \$ 82,457 | \$ 1,188,000 | \$ 1,270,457 |
| Executive Office | 31,33 | 6 | \$ 783,787 | 5% | \$ 39,189 | \$ - | \$ 39,189 |
| Toll Operations | 45 | 34 | \$ 2,570,092 | 35% | \$ 899,532 | \$ 109,375 | \$ 1,008,907 |
| Toll Operations | 56 | 675 | \$ 39,219,278 | 10% | \$ 3,921,928 | \$ 59,250 | \$ 3,981,178 |
| Administration | 72 | 24 | \$ 1,891,281 | 40% | \$ 756,512 | \$ 115,560 | \$ 872,072 |
| Administration | 73 | 24 | \$ 1,794,987 | 40% | \$ 717,995 | \$ 84,800 | \$ 802,795 |
| Administration | 76 | 3 | \$ 279,140 | 40% | \$ 111,656 | \$ 88,400 | \$ 200,056 |
| Administration | 77 | 73 | \$ 4,128,248 | 40% | \$ 1,651,299 | \$ 111,640 | \$ 1,762,939 |
| Legal | 35 | 12 | \$ 1,245,595 | 3% | \$ 39,984 | \$ 17,078 | \$ 57,062 |
| Procurement | 49 | 26 | \$ 1,513,550 | 5% | \$ 75,678 | \$ - | \$ 75,678 |
| State Police | 37 | 6 | \$ 467,677 | 3% | \$ 14,030 | \$ 1,000 | \$ 15,030 |
| Engineering | All Eng CC's | 594 | \$ 43,218,935 | 5% | \$ 2,160,947 | \$ 685,506 | \$ 2,846,453 |
| Total | | | | | \$ 11,220,115 | \$ 2,460,609 | \$ 13,680,724 |

OUTPUTS (Activities Performed)

Finance (General Accounting) - Provides financial reporting internally as well as externally.
 Finance (Accounts Payable) - Supports payment of all maintenance and operating costs.
 Finance (Budget) - Activities include budgeting all maintenance and operating costs as well as tracking and reporting the actual expenditures.
 Information Tech (Enterprise Info Systems) - Responsible for the support and maintenance of all the Tollway's financial applications including operating expenditures.
 Electronic Tolling - Manages the maintenance contract for the Electronic Tolling Equipment, supports the E-ZPass Reciprocity System and the Interagency Group membership.
 Executive Office - Promotes and upholds the Tollway's Mission Statement and Strategic Priorities.
 Toll Operations - Toll Services monitors efficiency of collection personnel and provides proper time-of-day and seasonal staff to ensure minimum cost as well as reduced congestion at plazas.
 Administration - Monitoring and control of all maintenance & operating budget activities and expenditures.
 Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.
 Procurement - All Purchasing functions (including DBE/EEO) related to the Congestion-Relief Program.
 State Police - Administrative expenses including office staff and office supplies related to this metric.
 Engineering - All Engineering Cost Centers are responsible for controlling their expenditures in order to stay within budget.

EFFICIENCY (Output Measurement)

Measures the ability of the Tollway to operate efficiently, as compared to other toll authorities. Identify the quarterly operating expenditures divided by the total quarterly transactions - Current = \$0.37. Internal Target = \$0.20.

EFFECTIVENESS (Benchmarking)

External Benchmark from similar toll agencies in U.S. or worldwide = \$0.97 for the NY Thruway.

Tollway Strategic Plan by Metric and Department
PERFORMANCE METRIC #11 - FRONTLINE STAFF PERCENTAGE

INPUTS (Resources Utilized)

| Department | Center | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|--------------------|-------------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Finance | 40 | 3 | \$ 118,096 | 40% | \$ 47,238 | - | \$ 47,238 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | - | \$ 1,011 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | - | \$ 1,011 |
| Finance | 46 | 1381 | - | 100% | - | 18,588,895 | 18,588,895 |
| Communications | 53 | 4 | \$ 364,839 | 22% | \$ 78,732 | 61,000 | \$ 139,732 |
| Electronic Tolling | 61 | 7 | \$ 687,140 | 16% | \$ 109,942 | 1,584,000 | \$ 1,693,942 |
| Electronic Tolling | 43 | 43 | \$ 1,762,006 | 40% | \$ 704,802 | 3,783,200 | \$ 4,488,002 |
| Executive Office | 31,33 | 6 | \$ 783,787 | 5% | \$ 39,189 | - | \$ 39,189 |
| Toll Operations | 56 | 675 | \$ 39,219,278 | 25% | \$ 9,804,820 | 148,125 | \$ 9,952,945 |
| Legal | 35 | 12 | \$ 1,245,595 | 3% | \$ 39,984 | 17,078 | \$ 57,062 |
| State Police | 37 | 215 | \$ 19,026,144 | 24% | \$ 4,566,275 | - | \$ 4,566,275 |
| Engineering | 63,64,75,81 | 456 | \$ 32,591,122 | 10% | \$ 3,259,112 | 655,158 | \$ 3,914,270 |
| Total | | | | | \$ 18,652,118 | \$ 24,837,456 | \$ 43,489,574 |

OUTPUTS (Activities Performed)

Finance (General Accounting) - Cashiering for violation hearings twice per week.
 Finance (Budget) - Updating performance measurements for Governor's Quarterly Report.
 Finance (Risk Management) - Allocation of Group Health Insurance for 1381 frontline Tollway employees.
 Communications - Activities include promoting to the public the advantages of having I-PASS using various forms of marketing and advertising.
 Electronic Tolling - Manages the maintenance contract for the Electronic Tolling Equipment, supports the E-ZPass Reciprocity System and the Interagency Group membership.
 Executive Office - Promotes and upholds the Tollway's Mission Statement and Strategic Priorities.
 Toll Operations - Toll Collection personnel are the face of the Tollway. Management ensures that courteous, well-trained staff serve the public.
 Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.
 State Police - 196 State Troopers and 19 Office Personnel spend approximately 24-25% of their time dealing directly with the public.
 Engineering - Activities performed by Chief of Engineering staff, Roadway Maintenance, Oasis Management, and Dispatch personnel.

EFFICIENCY (Output Measurement)

Measures the percentage of frontline employees to total employees.
 Identify the number of frontline employees divided by total employees - Current = 76%.
 Internal Target = 80%.

EFFECTIVENESS (Benchmarking)

External Benchmark from similar toll agencies in U.S. or worldwide - not currently available.

Tollway Strategic Plan by Metric and Department
PERFORMANCE METRIC #12 - TOTAL TRANSACTIONS PER FTE

INPUTS (Resources Utilized)

| Department | Cost Center | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|--------------------|-------------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | - | \$ 1,011 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | - | \$ 1,011 |
| Electronic Tolling | 61 | 7 | \$ 687,140 | 7% | \$ 48,100 | \$ 693,000 | \$ 741,100 |
| Toll Operations | 56 | 675 | \$ 39,219,278 | 10% | \$ 3,921,928 | \$ 59,250 | \$ 3,981,178 |
| Legal | 35 | 12 | \$ 1,245,595 | 3% | \$ 39,984 | \$ 17,078 | \$ 57,062 |
| Total | | | | | \$ 4,012,034 | \$ 769,328 | \$ 4,781,362 |

OUTPUTS (Activities Performed)

Finance (Budget) - Updates performance measurements for Governor's Quarterly Report.
 Electronic Tolling - Manages the maintenance contract for the Electronic Tolling Equipment, supports the E-ZPass Reciprocity System and the Interagency Group membership.
 Toll Operations (Toll Services) - Manages the size and assignment of staff necessary to meet demand most efficiently.
 Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.

EFFICIENCY (Output Measurement)

Measures the efficiency of service delivery.
 [Quarterly transactions divided by the number of days in the quarter] divided by the number of budgeted FTEs. Current = 1331 Transactions per FTE
 Internal Target = 1200 Transactions per FTE.

EFFECTIVENESS (Benchmarking)

External Benchmark from similar toll agencies in U.S. or worldwide = 598 Transactions per FTE for Oklahoma.

Tollway Strategic Plan by Metric and Department
PERFORMANCE METRIC #13 - I-PASS Call Center Responsiveness

INPUTS (Resources Utilized)

| Department | Center | Cost | Metric | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|--------------------|--------|------|--------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Electronic Tolling | 43 | 0 | 0 | - | \$ - | 0% | \$ - | \$ 11,586,200 | \$ 11,586,200 |
| Legal | 35 | 12 | 12 | 1,245,595 | \$ 1,245,595 | 3% | \$ 39,984 | \$ 17,078 | \$ 57,062 |
| Total | | | | | | | | \$ 11,603,278 | \$ 11,643,262 |

OUTPUTS (Activities Performed)

Electronic Tolling - Cost to operate the Consolidated Customer Service Center.
 Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.

EFFICIENCY (Output Measurement)

Measures the responsiveness of the I-PASS Call Center to customer calls.
 The Tollway's I-PASS Call Center vendor tracks the following metrics under terms of its contract:
 1) Percentage of Calls Answered in 20 seconds. Current = 63.5%
 2) Average Abandon Time-Current = 2:29 min.
 3) Average Time to Answer Call-Current = 1:11 min.

EFFECTIVENESS (Benchmarking)

External Benchmark from similar toll agencies in U.S. or worldwide:
 1) Percentage of Calls Answered in 20 seconds = 80% Orlando Orange County Expressway Authority.
 2) NA
 3) NA

Tollway Strategic Plan by Metric and Department
PERFORMANCE METRIC #14 - CUSTOMER SATISFACTION

INPUTS (Resources Utilized)

| Department | Cost Center | Number of Employees Related to Metric | Annual Salaries/Wages FICA/Retirement | Percentage of Time Spent on Metric | Estimated Personnel Cost | Other Related Expenses | Total Cost Related to Metric |
|--------------------|-------------|---------------------------------------|---------------------------------------|------------------------------------|--------------------------|------------------------|------------------------------|
| Inspector General | 41 | 1 | \$ 61,224 | 5% | \$ 3,061 | - | \$ 3,061 |
| Inspector General | 41 | 1 | \$ 88,896 | 10% | \$ 8,890 | - | \$ 8,890 |
| Finance | 14 | 1 | \$ 101,143 | 1% | \$ 1,011 | - | \$ 1,011 |
| Information Tech | 16 | 7 | \$ 671,966 | 30% | \$ 201,590 | - | \$ 201,590 |
| Information Tech | 48 | 6 | \$ 564,422 | 30% | \$ 169,327 | - | \$ 169,327 |
| Information Tech | 82 | 6 | \$ 491,000 | 30% | \$ 147,300 | - | \$ 147,300 |
| Electronic Tolling | 39 | 8 | \$ 738,505 | 30% | \$ 221,551 | \$ 3,600 | \$ 225,151 |
| Electronic Tolling | 61 | 7 | \$ 687,140 | 5% | \$ 34,357 | \$ 495,000 | \$ 529,357 |
| Electronic Tolling | 43 | 43 | \$ 1,762,006 | 60% | \$ 1,057,204 | \$ 5,674,800 | \$ 6,732,004 |
| Executive Office | 31,33 | 6 | \$ 783,787 | 5% | \$ 39,189 | - | \$ 39,189 |
| Toll Operations | 56 | 675 | \$ 39,219,278 | 5% | \$ 1,960,964 | \$ 29,625 | \$ 1,990,589 |
| Administration | 72 | 24 | \$ 1,891,281 | 1% | \$ 18,913 | \$ 28,890 | \$ 47,803 |
| Administration | 76 | 3 | \$ 279,140 | 1% | \$ 2,791 | \$ 22,100 | \$ 24,891 |
| Administration | 77 | 73 | \$ 4,128,248 | 1% | \$ 41,282 | \$ 27,910 | \$ 69,192 |
| Legal | 35 | 12 | \$ 1,245,595 | 3% | \$ 39,984 | \$ 17,078 | \$ 57,062 |
| State Police | 37 | 196 | \$ 18,090,567 | 1% | \$ 180,906 | - | \$ 180,906 |
| Total | | | | | \$ 4,128,320 | \$ 6,299,003 | \$ 10,427,323 |

OUTPUTS (Activities Performed)

Inspector General - Lane testing and system monitoring to provide a level of reporting accuracy to all transactions.
Finance (Budget) - Updating performance measurements for Governor's Quarterly Report.
Information Tech (Data Communications) - Supports the I-PASS Business Center computers and maintains the Cisco Network which establishes connectivity for local & wide-area connections.
Information Tech (Enterprise Information Systems) - E-Commerce for On-Line I-PASS transactions and information.
Information Tech (Toll Operations & Field Support) - Provides phone and network connectivity to remote locations, maintains Fiber Optic Network for TIMS & State Police radio equipment.
Electronic Tolling - Responsible for Performance Measurement and related projects.
Electronic Tolling - Manages the maintenance contract for the Electronic Tolling Equipment, supports the E-ZPass Reciprocity System and the Interagency Group membership.
Electronic Tolling - Provides both the I-Pass Business Center and Call Center to efficiently answer or resolve I-Pass questions regarding account opening/maintenance, account replenishment, payment processing, transponder replacement, missed tolls or other I-Pass issues.
Executive Office - Promotes and upholds the Tollway's Mission Statement and Strategic Priorities.
Toll Operations - Toll Collection personnel are the face of the Tollway. Management ensures that courteous, well-trained staff serve the public.
Administration (Facilities Maintenance) - Ensures that all Plaza Buildings and the Business Center are clean and well-maintained on behalf of the customer.
Legal - Provides legal counsel to Tollway as required regarding scope of performance metric.
State Police - 196 State Troopers spend approximately 1% of their time providing information to Tollway patrons.

EFFICIENCY (Output Measurement)

Measures Tollway Customer Satisfaction.
Identify the number of customers completing surveys as "satisfied" divided by the total number of customers completing surveys - not currently available.
Internal Target - 85%.

EFFECTIVENESS (Benchmarking)

External Benchmark from similar toll agencies in U.S. or worldwide = 88.9% of NY Thruway E-ZPass customers surveyed rated their experience from good to excellent.

This page intentionally left blank



2008 Departmental Budgets and Narratives

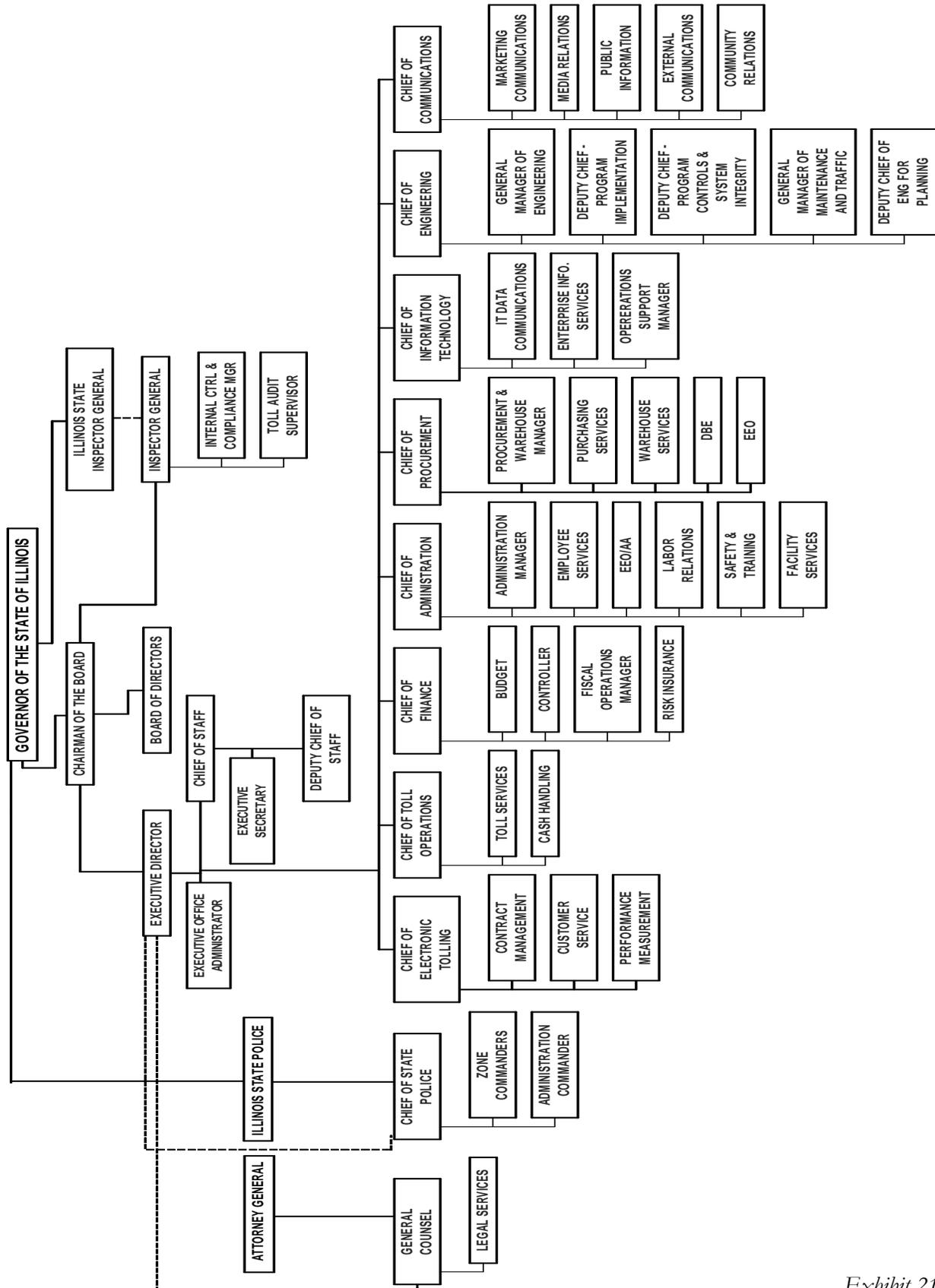


Exhibit 21

The Tollway Departmental Budget and Narratives section describes the activities of the 12 separate departments that comprise the operations of the Tollway. These separate sections include a brief description and functional breakout of each unit, departmental budget, departmental highlights, goals and accomplishments. Listed below is a brief summary of each department's functions and budgetary data.

| Department | Functions | 2008 Budget | Total Headcount |
|--|--|--------------|-----------------|
| Administration | Responsible for the development and implementation of administrative policies and procedures and employee compliance therewith | \$15,297,084 | 168 |
| Communications | Responsible for all external and internal communications between the Tollway and its constituents | \$1,267,108 | 12 |
| Electronic Tolling | Responsible for overseeing the design and development of the Open Road Tolling system and collection of toll revenue from toll violators | \$33,962,964 | 58 |
| Engineering | Responsible for the planning, design, construction, program management and maintenance of the roadway | \$56,929,062 | 594 |
| Executive Management & Board of Directors Office | Set Policies for the organization and overall management of the Tollway | \$2,219,286 | 6 |
| Finance | Responsible for managing all cash and investments, general accounting, budgeting, treasury functions, and financial reporting | \$37,754,080 | 57 |
| Information Technology | Responsible for planning, directing, managing and controlling all information technologies and telecommunications throughout the Tollway | \$9,168,473 | 75 |
| Office of the Inspector General | Responsible for investigating instances of waste, inefficiencies, fraud, corruption, misconduct and mismanagement of the day to day operations of the Tollway | \$1,250,979 | 15 |
| Legal | Legal advisor and attorney for the Tollway | \$1,494,374 | 12 |
| Toll Operations | Responsible for providing the necessary resources and services to maintain the Tollway's toll operations, as well as managing the collection and counting of tolls | \$50,239,354 | 711 |
| Procurement | Responsible for all purchasing and procurement issues, and is authorized to execute contracts and place orders for goods and services | \$3,578,968 | 56 |
| Illinois State Police District 15 | Responsible for providing comprehensive law enforcement services | \$23,129,294 | 19 |

Administration

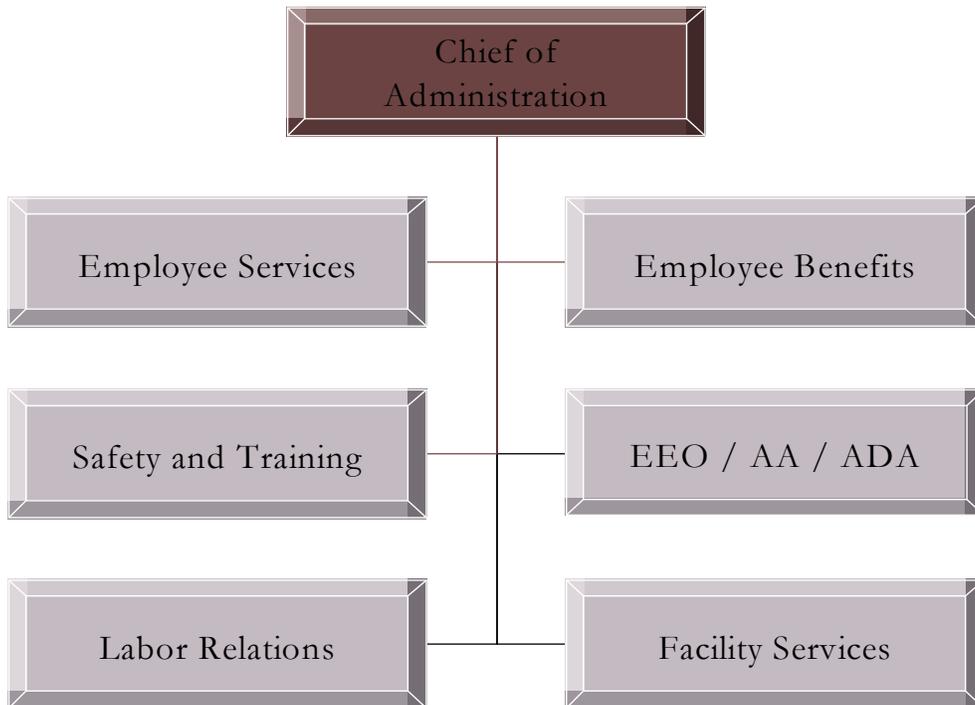
Description:

The Administration Department is responsible for the development, implementation and compliance of administrative policies and procedures, as well as the day-to-day maintenance and upkeep of the Tollway's facilities systemwide. In addition, Administration is responsible for appropriating human resources to meet the operational needs of the Tollway. The department serves as the Tollway's key contact for employee relations and employment issues. The Administration Department insures that intra-departmental, intra-organizational, and facility service issues are addressed so the Tollway functions efficiently and effectively.

Administration manages the following functions:

- Employee Services (HR, Customer Relations & Central Information Systems)
- Employee Benefits (Health, Medical, Dental, Leaves of Absence & Workers Comp)
- Safety & Training
- EEO/AA/ADA
- Labor Relations (Grievances & Labor Negotiations)
- Facility Services

Department Organizational Structure



Administration continued

MAJOR ACCOUNT LINES:

| ACCOUNT DESCRIPTION | 2006 Actual | 2007 Revised | 2008 Request | \$ Change |
|--------------------------------|------------------------|-------------------------|-------------------------|--------------------|
| SALARY & WAGES | \$6,875,324 | \$7,994,805 | \$8,608,256 | \$613,451 |
| BENEFITS | 1,412,490 | 1,750,605 | 2,303,828 | 553,223 |
| OTHER EXPENSES | 1,590,536 | 1,561,900 | 1,589,500 | 27,600 |
| TELEPHONE & TELEGRAPH | 565,500 | 480,000 | 700,000 | 220,000 |
| OTHER OUTSIDE SERVICES | 182,353 | 530,250 | 393,300 | (136,950) |
| EQUIPMENT MAINTENANCE | 40,278 | 50,500 | 350,000 | 299,500 |
| EQUIPMENT RENTALS | 410,013 | 324,650 | 318,650 | (6,000) |
| SUPPLIES - OPERATIONAL | 231,813 | 297,380 | 289,000 | (8,380) |
| MATERIALS - OPERATIONAL | 128,788 | 217,500 | 152,500 | (65,000) |
| SUPPLIES - OFFICE | 135,344 | 128,400 | 126,300 | (2,100) |
| REPLACEMENT PARTS | 99,985 | 147,950 | 112,300 | (35,650) |
| CONTRACTED OUTSIDE SERVICE | 49,401 | 102,000 | 105,000 | 3,000 |
| UNIFORMS & ACCESSORIES | 36,281 | 46,600 | 94,000 | 47,400 |
| BUILDING EQUIPMENT | 4,458 | 40,000 | 57,500 | 17,500 |
| EMPLOYEE TRAINING | 42,289 | 50,000 | 53,000 | 3,000 |
| OFFICE EQUIPMENT | 8,866 | 17,200 | 51,200 | 34,000 |
| TOOLS & EQUIPMENT | 10,221 | 33,500 | 23,500 | (10,000) |
| POSTAGE AND EXPRESS | 41,335 | 10,720 | 10,100 | (620) |
| TRAVEL AND SUBSISTENCE | 1,502 | 10,000 | 9,000 | (1,000) |
| DUES, BOOKS & SUBSCRIP. | 9,559 | 8,700 | 6,000 | (2,700) |
| OTHER MINOR ACCOUNTS | 48,018 | 92,300 | 51,650 | (40,650) |
| <i>SUBTOTAL</i> | \$11,924,354 | \$13,894,960 | \$15,404,584 | \$1,509,624 |
| RECOVERY OF EXPENSES | 52,684 | (107,500) | (107,500) | 0 |
| <i>DEPARTMENT TOTAL</i> | \$11,977,038 | \$13,787,460 | \$15,297,084 | \$1,509,624 |

The Fiscal Year 2008 Budget request is \$15.3 million; an increase of \$1.5 million or 10.9 percent over the Fiscal Year 2007 budgeted amount. Total payroll is \$10.9 million and includes 168 full time positions.

Department M&O Highlights:

- Salaries and Wages increased \$613 thousand or 7.7% over the 2007 Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased by \$553 thousand over the 2007 Budget due to the SERS Pension Contribution Rate increase from 13.7% to 19.1%.

Administration Continued

- Office Equipment increased \$34 thousand or 198% due to the purchase of office equipment for the Authority.
- Equipment Maintenance increased \$300 thousand or 593% due to the inclusion of the annual Kronos maintenance expense in the 2008 Budget.
- Telephone and Telegraph increased by \$220 thousand or 45.8% due to increased telecommunications expenses.
- Other Outside Services decreased \$137 thousand or 25.8% due to reduced expenses in 2008.
- Building Equipment increased \$18 thousand or 43.8% due to anticipated repairs during 2008.
- Other Minor Accounts decreased \$41 thousand due to a reduction in Other Capital Equipment in 2008.

Accomplishments:

- Successfully negotiated a first-time contract between the Tollway and the American Federation of State, County and Municipal Employees union (AFSCME).
- Successfully re-negotiated a contract with the Metropolitan Alliance of Police (MAP) union.
- Improved upon methods to measure and manage union grievances.
- Improved monitoring and approval process of various employee benefit programs.
- Provided enhanced health fairs for all Tollway employees.
- Developed and implemented new administrative guidelines for the workers compensation program.
- Improved the training process for new and existing employees.

Goals and Objectives:

- Develop facility assessment and action plans.
- Implement a long-term Employee Wellness Program to address prevention and early detection of health issues.

Headcount:

| 2006 Budget | 2007 Budget | 2008 Budget |
|----------------|----------------|----------------|
| 39 | 163 | 168 |

Administration

**Number of Positions
Fiscal Year**

| Position Titles | 2006 | 2007 | 2008 |
|-------------------------------------|-------------|-------------|-------------|
| Administration Secretary | 1 | 1 | 1 |
| Administrative Manager | 0 | 0 | 1 |
| Benefits FMLA Coordinator | 0 | 1 | 1 |
| Building Maintenance Manager | 0 | 2 | 2 |
| Carpenter Shop Clerk | 0 | 1 | 1 |
| Carpenter Shop Manager - Operations | 0 | 1 | 1 |
| Carpenter Shop Supervisor | 0 | 1 | 1 |
| Chief of Administration | 1 | 1 | 1 |
| CIS Clerk | 1 | 0 | 0 |
| CIS Specialist | 1 | 1 | 1 |
| CIS Supervisor | 1 | 1 | 1 |
| Clerk | 0 | 2 | 2 |
| Custodial Manager | 0 | 1 | 1 |
| Custodial Supervisor | 0 | 3 | 3 |
| Custodian 1 | 0 | 1 | 1 |
| Custodian 2 | 0 | 57 | 57 |
| Custodian 3 | 0 | 11 | 11 |
| Customer Relations Coordinator | 1 | 1 | 1 |
| Customer Services Supervisor | 1 | 1 | 1 |
| Deputy Chief of Administration | 1 | 1 | 0 |
| EEO/AA Officer | 1 | 1 | 1 |
| Employee Benefits Administrator | 1 | 0 | 0 |
| Employee Benefits Clerk | 0 | 1 | 1 |
| Employee Benefits Manager | 0 | 1 | 1 |
| Employee Benefits Specialist | 2 | 1 | 1 |
| Employee Services Coordinator | 1 | 1 | 1 |
| Employee Services Manager | 1 | 1 | 0 |

Administration continued

| Administration | Number of Positions | | |
|---|----------------------------|-------------|-------------|
| | Fiscal Year | | |
| | 2006 | 2007 | 2008 |
| Position Titles | | | |
| ERP Manager | 1 | 0 | 0 |
| Equipment Operator/Laborer (EOL) | 0 | 1 | 1 |
| Facility Services Manager | 0 | 1 | 1 |
| Generator Maintenance Technician | 0 | 1 | 1 |
| H.R. Clerk | 1 | 0 | 0 |
| H.R. Coordinator | 1 | 1 | 1 |
| H.R. Placement Clerk | 1 | 0 | 0 |
| H.R. Placement Specialist | 1 | 3 | 4 |
| H.R. Representative | 1 | 0 | 0 |
| Information Customer Service Representative | 0 | 1 | 1 |
| Intake Clerk | 1 | 0 | 0 |
| Intake Specialist | 1 | 1 | 1 |
| Labor Relations Analyst | 0 | 1 | 1 |
| Labor Relations Manager | 0 | 1 | 1 |
| Labor Relations Specialist | 1 | 1 | 1 |
| Mail & Duplication Clerk | 3 | 3 | 3 |
| Mechanic/Electrician (Mech/Elec) | 0 | 15 | 18 |
| Painter | 0 | 10 | 9 |
| Receptionist/Switchboard Operator | 4 | 0 | 0 |
| Safety & Training Administrator | 1 | 0 | 0 |
| Safety & Training Manager | 0 | 1 | 1 |
| Safety & Training Inspector | 2 | 0 | 0 |
| Safety Supervisor | 0 | 1 | 1 |
| Safety Inspector | 0 | 1 | 1 |
| Safety & Training Supervisor | 1 | 0 | 0 |
| Secretary II | 2 | 2 | 1 |
| Secretary III | 1 | 1 | 2 |
| Senior Building Inspector | 0 | 3 | 3 |
| Senior Manager of Employee Services | 0 | 0 | 1 |
| Structural | 0 | 9 | 12 |
| Supervisor Workers Compensation Claims | 0 | 1 | 1 |
| Switchboard Operator | 0 | 4 | 4 |
| System Maintenance Technician | 0 | 2 | 1 |
| Training Specialist | 1 | 1 | 1 |
| Training Supervisor | 1 | 1 | 1 |
| Water Sewer | <u>0</u> | <u>2</u> | <u>2</u> |
| | 39 | 163 | 168 |

In 2007 the Facilities unit was transferred from Toll Operations into Administration.

Communications

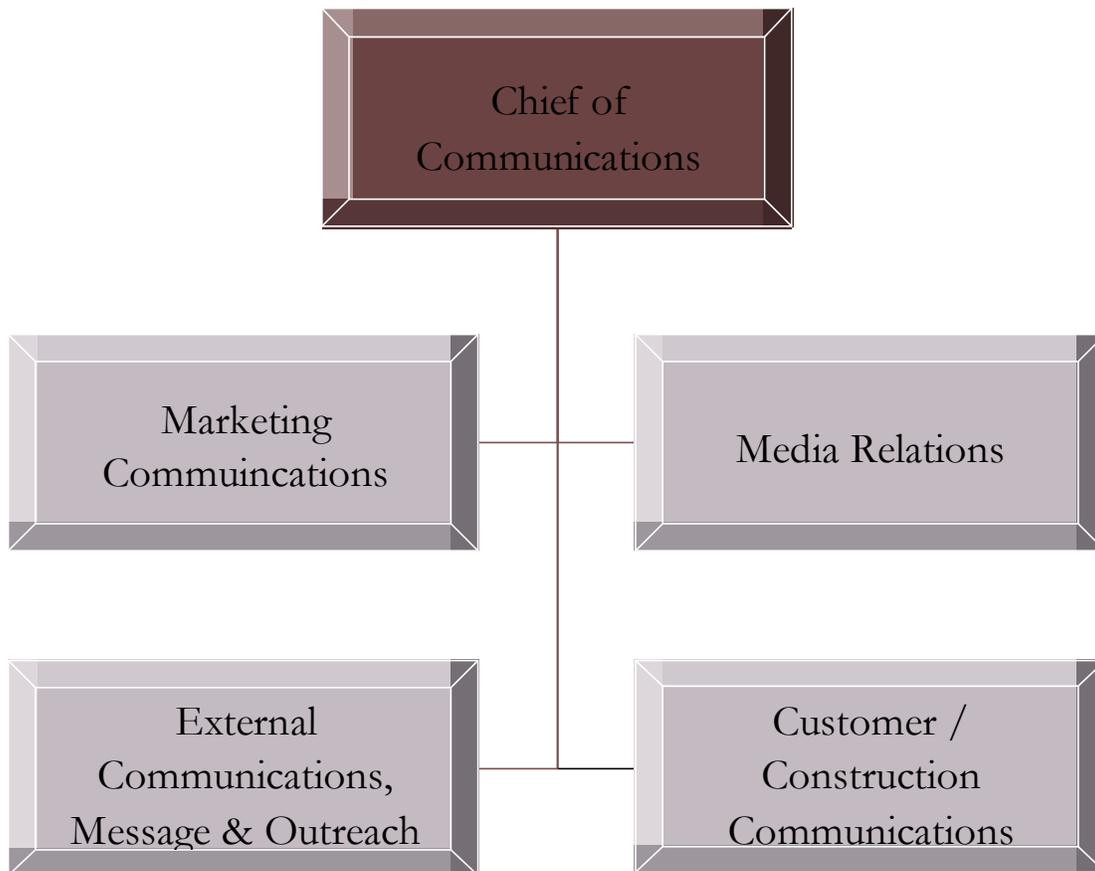
Description:

The Communications Department is responsible for all external and internal communications between the Tollway and its constituents who include customers, news media, elected and appointed officials, the general public and employees. The Department's focus is effective communication with all constituencies in order to improve customer service and restore public confidence in the Tollway.

The Communications and Marketing Department is responsible for the following functions:

- Customer/Construction Communications
- External Communications, Message and Outreach
- Media Relations
- Marketing Communications

Department Organizational Structure



Communications continued

MAJOR ACCOUNT LINES:

| ACCOUNT DESCRIPTION | 2006 Actual | 2007 Revised | 2008 Request | \$ Change |
|-------------------------|-------------------|---------------------|---------------------|-------------------|
| SALARY & WAGES | \$ 382,836 | \$ 637,710 | \$ 778,151 | \$ 140,441 |
| BENEFITS | 66,644 | 137,874 | 208,257 | 70,383 |
| ADVERTISING & PROMOTION | 64,875 | 111,000 | 100,000 | (11,000) |
| PRINTING | 22,208 | 70,000 | 60,000 | (10,000) |
| CONSULTING SERVICES | 0 | 0 | 60,000 | 60,000 |
| OTHER OUTSIDE SERVICES | 12,702 | 130,550 | 20,000 | (110,550) |
| SUPPLIES - OFFICE | 6,670 | 7,400 | 7,400 | 0 |
| EQUIPMENT RENTALS | 348 | 10,000 | 5,000 | (5,000) |
| TRAVEL AND SUBSISTENCE | 4,476 | 10,000 | 5,000 | (5,000) |
| EMPLOYEE TRAINING | 1,113 | 5,000 | 5,000 | 0 |
| DUES, BOOKS & SUBSCRIP. | 1,911 | 3,200 | 3,200 | 0 |
| POSTAGE AND EXPRESS | 1,457 | 11,800 | 2,600 | (9,200) |
| OTHER MINOR ACCOUNTS | 758 | 14,750 | 12,500 | (2,250) |
| DEPARTMENT TOTAL | \$ 565,999 | \$ 1,149,284 | \$ 1,267,108 | \$ 117,824 |

The Fiscal Year 2008 Budget request is \$1,267 thousand; an increase of \$118 thousand or 10.3 percent over the Fiscal Year 2007 budgeted amount. Total payroll is \$986 thousand and includes 12 positions.

Department M&O Highlights:

- Salaries and Wages increased \$140 thousand or 22% over the 2007 Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased over the 2007 Budget due to the SERS Pension Contribution Rate increase from 13.7% to 19.1%.
- Advertising & Promotion decreased by \$11 thousand or 9.9%. The primary focus will be for the Congestion-Relief Program.
- Consulting Services increased \$60 thousand due to the inclusion of the Tollway's E-newsletter into Communication's budget.

Accomplishments:

- Received various awards from the Public Relations Society of America, Publicity Club of Chicago, Web Marketing Association, and the American Road Transportation Builders Association.
- Managed the opening events and dedication ceremonies of the new I-355 South Extension.
- Wrote/distributed daily construction alerts including more than 1,000 roadway project updates and 50 press releases to inform customers about construction and completion dates as well as the benefits of the Congestion-Relief Program.
- Launched monthly topical podcast programs with NBC5.
- Designed/distributed over 20,000 rack cards for distribution at Oases, local retailers, and local municipalities.
- Aired in-store radio announcements at over 150 Jewel Osco stores throughout Northern Illinois targeted at new road openings or I-PASS services.
- Designed/distributed more than 500,000 palm cards for distribution by toll collectors to Tollway patrons.
- Planned/staged or participated in over a dozen media events/press conferences.
- Developed/distributed four E-newsletters to more than 900,000 I-PASS customers.
- Expanded successful NBC in-kind TIMS partnership.
- Updated Tollway 800-TOLLYFI and hold line messages for incoming calls.
- Created and posted more than 700 PACE placards for posting on over 600 buses throughout Northern Illinois.

Goals and Objectives:

- Continue to enhance Construction Communications efforts by targeting messages to corridor-specific audiences.
- Continue to promote I-PASS with a focus on customer services rather than sales.
 - Drive I-PASS sales and service to new Oasis-based Customer Service Centers; and
 - Decrease VES rates by increasing transponder mounting and user education.
- Introduce new I-PASS programs to expand usability.
- Continue to provide customer communications support to I-PASS, VES and any other new Tollway programs/policies.

Headcount:

| 2006 Budget | 2007 Budget | 2008 Budget |
|----------------|----------------|----------------|
| 8 | 10 | 12 |

| Communications & Marketing Position Titles | Number of Positions Fiscal Year | | |
|---|------------------------------------|-----------|-----------|
| | 2006 | 2007 | 2008 |
| Assistant Multimedia Project Specialist | 0 | 1 | 1 |
| Assistant Press Secretary | 1 | 1 | 1 |
| Chief of Communications | 1 | 1 | 1 |
| Community Relations Coordinator | 0 | 0 | 1 |
| Executive Secretary | 1 | 1 | 1 |
| Graphic Designer | 0 | 0 | 1 |
| Marketing Communications Manager | 1 | 1 | 1 |
| Multimedia Project Specialist | 0 | 1 | 1 |
| Press Secretary | 1 | 1 | 1 |
| Program Development Manager | 1 | 1 | 1 |
| Senior Manager of Communications | 1 | 1 | 1 |
| Writing Specialist | <u>1</u> | <u>1</u> | <u>1</u> |
| | 8 | 10 | 12 |

Electronic Tolling

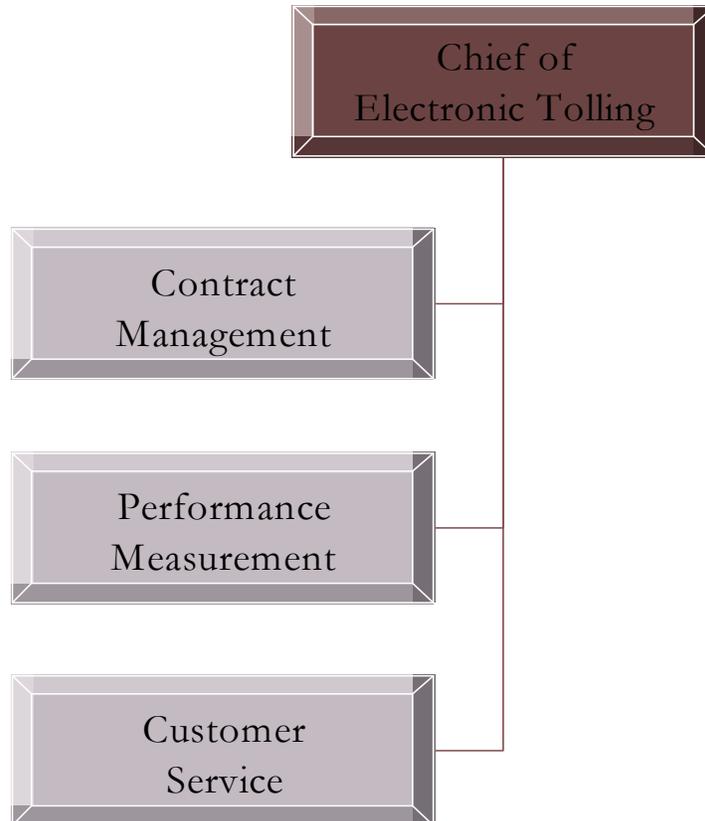
Description:

The Department of Electronic Tolling is responsible for overseeing the design and development of the Open Road Toll System and collecting toll revenue from toll violators and assessing fines and imposing sanctions. The Department monitors the contracts and performance of the systems surrounding the Open Road Toll System. Additionally, they provide support through the Customer Call Center which provides a single point of contact for all customer calls that relate to I-PASS, violations processing and services and missed tolls.

Electronic Tolling is responsible for the following functions:

- Violation Enforcement Systems
- Customer Service
- Contract Management
- Performance Measurement

Department Organizational Structure



Electronic Tolling continued

MAJOR ACCOUNT LINES:

| ACCOUNT DESCRIPTION | 2006 Actual | 2007 Revised | 2008 Request | \$ Change |
|--------------------------------|----------------------|----------------------|----------------------|-----------------------|
| SALARY & WAGES | \$ 2,033,400 | \$ 2,500,508 | \$ 2,498,335 | \$ (2,173) |
| BENEFITS | 351,652 | 539,200 | 668,629 | 129,429 |
| OTHER OUTSIDE SERVICES | 16,952,119 | 11,515,656 | 11,344,000 | (171,656) |
| EQUIPMENT MAINTENANCE | 0 | 11,406,280 | 9,200,000 | (2,206,280) |
| BANK CHARGES | 7,826,043 | 7,700,000 | 8,100,000 | 400,000 |
| OTHER EXPENSES | 0 | 0 | 700,000 | 700,000 |
| TELEPHONE & TELEGRAPH | 429,583 | 308,000 | 558,000 | 250,000 |
| POSTAGE AND EXPRESS | 359,912 | 498,900 | 400,500 | (98,400) |
| CONTRACTED OUTSIDE SERVICE | 401,945 | 669,100 | 400,000 | (269,100) |
| EQUIPMENT RENTALS | 46,347 | 228,994 | 242,200 | 13,206 |
| SUPPLIES - OFFICE | 116,082 | 129,500 | 119,000 | (10,500) |
| ARMORED TRUCK SERVICE | 0 | 0 | 29,000 | 29,000 |
| CONSULTING SERVICES | 0 | 23,788 | 20,000 | (3,788) |
| TRAVEL AND SUBSISTENCE | 3,996 | 5,000 | 11,000 | 6,000 |
| SUPPLIES - OPERATIONAL | 2,071 | 5,150 | 4,100 | (1,050) |
| OTHER MINOR ACCOUNTS | (3,907) | 10,812 | 18,200 | 7,388 |
| <i>SUBTOTAL</i> | \$ 28,519,242 | \$ 35,540,888 | \$ 34,312,964 | \$ (1,227,924) |
| RECOVERY OF EXPENSES | (785,973) | (300,000) | (350,000) | (50,000) |
| <i>DEPARTMENT TOTAL</i> | \$ 27,733,269 | \$ 35,240,888 | \$ 33,962,964 | \$ (1,277,924) |

The Fiscal Year 2008 Budget request is \$34 million; a decrease of \$1.3 million or 3.6 percent under the Fiscal Year 2007 budgeted amount. Total payroll is \$3.2 million and includes 58 positions.

Department M&O Highlights:

- Salaries and Wages decreased \$2 thousand or less than 1% due to the reorganization of the department.
- Benefits increased by \$129 thousand over the 2007 Budget due to the SERS Pension Contribution Rate increase from 13.7% to 19.1%.
- Equipment Maintenance decreased \$2.2 million or 19.3% due to lower than expected costs for the Tollway's systemwide lane maintenance. Funding in Equipment Maintenance is mainly allocated to lane maintenance.

Electronic Tolling continued

- Contracted Outside Service has decreased \$269 thousand or 40.2%. This account funds Secretary of State and Hearing Officers payments and was reduced due to lower than expected costs for those services.
- Bank Charges increased \$400 thousand or 5.2% due to an increase in transactions paid or processed via credit card.
- Other Expenses increased \$700 thousand due to the inclusion of software maintenance for the Customer Call Center (CCC).
- Telephone and Telegraph increased \$250 thousand or 81.2% due to increased costs associated with the inclusion of the CCC in the department's budget.
- Armored Truck Service increased by \$29 thousand and is included in the 2008 Electronic Tolling budget due to the reorganization.
- Other Outside Services decreased by \$172 thousand or 1.5% due to lower than expected costs associated with the Customer Call Center.

Accomplishments:

- Opened Customer Service Centers in five of the seven Oases.
- Implemented the first on-line missed toll payment program in the Nation.
- Surpassed 3.2 million active I-PASS transponders involving 2.5 million accounts.
- Exceeded 80% target for I-PASS electronic toll collection.

Goals and Objectives:

- Open Customer Service Centers in the remaining two Oases.
- Continue to improve on-line toll violation payment program.
- Continue to explore enhancements and services for the I-PASS Program.

Electronic Tolling continued

Headcount:

| 2006 Budget | 2007 Budget | 2008 Budget |
|----------------|----------------|----------------|
| 12 | 13 | 58 |

Department of Electronic Tolling

Number of Positions

Fiscal Year

| Position Titles | Fiscal Year | | |
|---|-------------|-----------|-----------|
| | 2006 | 2007 | 2008 |
| Administrative Assistant ORT | 0 | 1 | 0 |
| Administrative Manager of DET | 0 | 0 | 1 |
| Business Analyst | 0 | 0 | 1 |
| Business Intelligence Analyst | 0 | 0 | 1 |
| Cashier | 1 | 0 | 0 |
| Chief of Electronic Tolling | 0 | 0 | 1 |
| Chief of Open Road Tolling | 1 | 1 | 0 |
| Customer Service Analyst | 0 | 0 | 2 |
| Customer Service Inventory Specialist | 0 | 0 | 1 |
| Customer Service Inventory Supervisor | 0 | 0 | 1 |
| Customer Service Representative | 5 | 5 | 30 |
| Customer Service Supervisor | 1 | 1 | 4 |
| DET Manager | 0 | 0 | 1 |
| General Manager Contract Management | 0 | 0 | 1 |
| General Manager Performance Measurement | 0 | 0 | 1 |
| ORT Manager | 1 | 1 | 0 |
| ORT Special Project Manager | 1 | 1 | 0 |
| Performance Measurement Project Administrator | 0 | 0 | 2 |
| Project Administrator | 0 | 0 | 4 |
| Project Coordinator/DET | 0 | 1 | 1 |
| Secretary III | 1 | 1 | 2 |
| Senior Manager of Customer Service | 1 | 1 | 1 |
| Senior Projects Manager | 0 | 0 | 2 |
| System Administrator | 0 | 0 | 1 |
| | 12 | 13 | 58 |

In 2007 the Electronic Tolling department was formed with the Performance Management and I-PASS units being transferred from Toll Operations.

Engineering

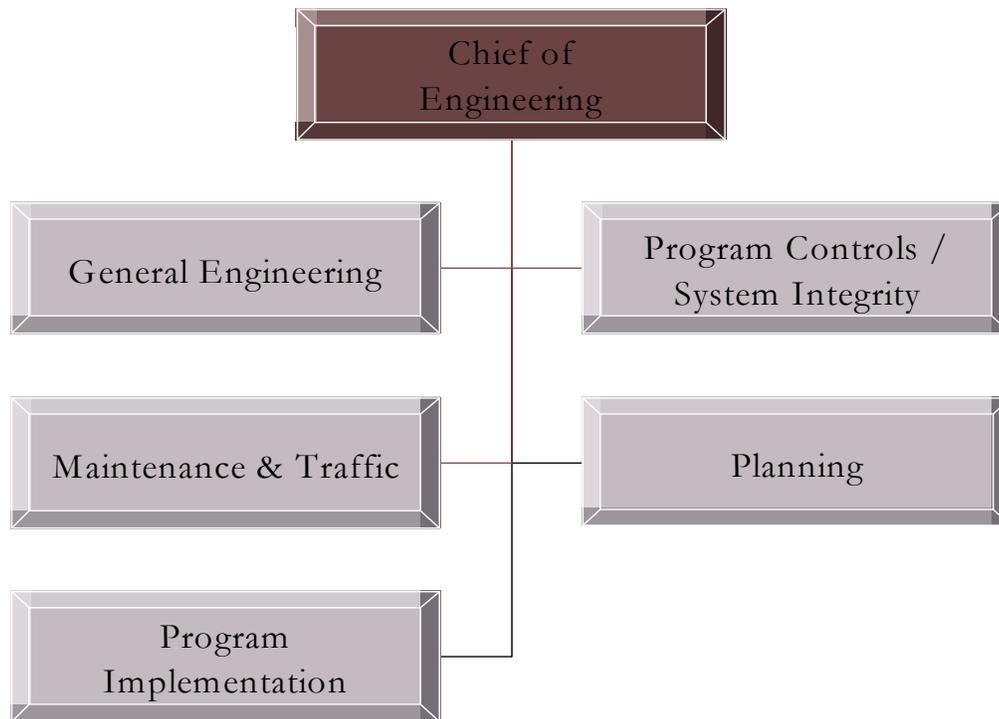
Description:

Engineering is responsible for the planning, design, construction, operation and maintenance of our roadway. Additionally, it coordinates with community groups, government agencies, and planning organizations on transportation and land-use policy. The Department oversees the annual inspections made of the pavement, bridges and drainage systems, as well as the overall day to day maintenance of the Tollway's fleet and roadway system.

The Engineering Department is responsible for the following functions:

- Planning
- Design
- Construction
- Program Management
- Maintenance & Traffic

Department Organizational Structure



Engineering continued

MAJOR ACCOUNT LINES:

| ACCOUNT DESCRIPTION | 2006 Actual | 2007 Revised Budget | 2008 Request | \$ Change |
|----------------------------|----------------------|---------------------------|----------------------|---------------------|
| SALARY & WAGES | \$ 28,754,981 | \$ 31,354,581 | \$ 34,094,282 | \$ 2,739,701 |
| BENEFITS | 6,051,480 | 6,827,538 | 9,124,653 | 2,297,114 |
| FUELS AND OILS | 3,045,143 | 3,227,605 | 3,110,000 | (117,605) |
| MATERIALS - OPERATIONAL | 2,453,522 | 3,947,882 | 3,026,505 | (921,377) |
| OTHER EXPENSES | 2,662,450 | 2,576,090 | 2,578,000 | 1,910 |
| REPLACEMENT PARTS | 1,505,026 | 1,660,959 | 1,675,300 | 14,341 |
| CONSULTING SERVICES | 773,391 | 1,249,514 | 1,285,925 | 36,411 |
| CONTRACTED OUTSIDE SERVICE | 34,999 | 26,000 | 1,060,686 | 1,034,686 |
| OTHER OUTSIDE SERVICES | 1,005,654 | 684,075 | 662,255 | (21,820) |
| EQUIPMENT MAINTENANCE | 60,180 | 593,200 | 623,100 | 29,900 |
| SUPPLIES - OPERATIONAL | 279,580 | 322,225 | 272,080 | (50,145) |
| UNIFORMS & ACCESSORIES | 133,953 | 83,160 | 110,000 | 26,840 |
| BUILDING EQUIPMENT | 64,807 | 84,431 | 98,683 | 14,252 |
| SUPPLIES - OFFICE | 70,665 | 94,955 | 86,400 | (8,555) |
| OTHER CAPITAL EQUIPMENT | 18,709 | 77,036 | 84,198 | 7,162 |
| TOOLS & EQUIPMENT | 71,274 | 84,400 | 71,410 | (12,990) |
| ROADWAY EQUIPMENT | 85,043 | 62,631 | 70,040 | 7,409 |
| EQUIPMENT RENTALS | 33,723 | 102,295 | 66,945 | (35,350) |
| DUES, BOOKS & SUBSCRIP. | 41,930 | 56,800 | 38,000 | (18,800) |
| TRAVEL AND SUBSISTENCE | 25,425 | 46,000 | 25,000 | (21,000) |
| OFFICE EQUIPMENT | 12,674 | 36,666 | 21,600 | (15,066) |
| EMPLOYEE TRAINING | 37,257 | 36,523 | 18,000 | (18,523) |
| POSTAGE AND EXPRESS | 9,763 | 12,200 | 10,000 | (2,200) |
| OTHER MINOR ACCOUNTS | 12,620 | 20,992 | 20,200 | (792) |
| SUBTOTAL | \$ 47,244,249 | \$ 53,267,758 | \$ 58,233,262 | \$ 4,965,503 |
| RECOVERY OF EXPENSES | (1,048,407) | (1,248,200) | (1,304,200) | (56,000) |
| DEPARTMENT TOTAL | \$ 46,195,842 | \$ 52,019,558 | \$ 56,929,062 | \$ 4,909,503 |

The Fiscal Year 2008 Budget request is \$56.9 million, an increase of \$4.9 million or 9.4 percent over the Fiscal Year 2007 budgeted amount. Total payroll is \$43.2 million and includes 594 positions.

Engineering continued

Department M&O Highlights:

- Salary and Wages reflect an increase of \$2.7 million over the 2007 Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions. Engineering is adding 17 new positions, mainly in the Roadway Maintenance and Traffic Division.
- Benefits increased by \$2.3 million over the 2007 Budget due to the SERS Pension Contribution Rate increase from 13.7% to 19.1%.
- Fuels and Oils decreased by \$118 thousand as the result of a reallocation of funds in the 2007 Revised Budget.
- Materials-Operational decreased by \$921 thousand mainly due to a reallocation of funds in the 2007 Revised Budget to cover needs for rock salt and other roadway materials.
- Replacement Parts increased by \$14 thousand with the addition of 15 trucks, 11 trailer-mounted attenuators, and several other pieces of roadway equipment scheduled for purchase during 2008.
- Equipment Maintenance increased by \$30 thousand compared to 2007. This category now includes the Delcan Maintenance contract for TIMS as well as access to AVL Maintenance website and data for fleet.
- Contracted Outside Service increased by \$1 million to cover the maintenance and support contract for the DMS, CCTV, and Queue detection equipment.

Accomplishments:

Construction

- Completed construction of the long-anticipated South Extension of the Veteran's Memorial Tollway (I-355).
- Completed work on the cash side of mainline toll plazas (*Part of Award Winning ORT Program*).
- Continued to implement the improvements identified in the Congestion-Relief Program systemwide.
- Implemented business process improvements utilizing Proliance web-based project management system (*Multi-Award Winning Implementation*).

Roadway and Traffic Maintenance

- Implemented an interface between the State Police Illinois Wireless Network (IWIN) system and the Tollway Computer Aided Dispatch (CAD) system to enable "silent" dispatch of highly sensitive incidents or information to the trooper via their Mobile Data Computers.
- Implemented a model emissions reduction technology initiative to reduce pollutants from snow plow trucks.
- Developed a new Automatic Vehicle Locator (AVL) snow plow routing system which provides real time snow route condition and updated trip times.
- Deployed Remote Traffic Monitoring Sensors (RTMS) on the I-355 South Extension to

improve traffic management and incident detection.

Planning

- Implemented Blue Board Pilot Program.
- Received the 2007 Illinois Green Government Coordinating Council Award for Sustainable Construction Practices, reflecting the Tollway’s systemwide approach to environmental planning and its success at partnering with other agencies to proactively identify, minimize and mitigate any potential impacts to species, nature/forest preserves and wetlands.
- Developed a multi-agency intergovernmental agreement to assist with enhancements along the East Riverside Boulevard in the Greater Rockford region.
- Established Reagan Memorial Tollway (I-88) working group to update local agency staff on construction schedules and traffic operations.
- Coordinated outreach, media and event planning for the opening of the I-355 South Extension (Veterans Memorial Tollway).
- Completed Master Plans for:
 - o Reagan Memorial Tollway (I-88) between Finley Road and Route 83;
 - o Jane Addams Memorial Tollway (I-90) between Cherry Valley Interchange and Rockton Road; and
 - o Jane Addams Memorial Tollway (I-90) between the Kennedy Expressway and Elgin Plaza 9.

Goals and Objectives

- Continue to oversee the implementation of the reconstruction and widen of the Reagan Memorial Tollway, Tri-State Tollway and Jane Addams Memorial Tollway.
- Close out balance of ORT and I-355 South Extension construction projects.
- Complete year one of a two year project to resurface and widen the Veteran’s Memorial Tollway (I-355) between 75th Street and Ogden Avenue.
- Award and complete several systemwide improvement projects to ensure the entire Tollway system is maintained in a state of good repair.
- Reduce travel times and traffic congestion.

Headcount:

| 2006 Budget | 2007 Budget | 2008 Budget |
|----------------|----------------|----------------|
| 571 | 577 | 594 |

| Engineering | Number of Positions | | |
|---|---------------------|------|------|
| | Fiscal Year | | |
| | 2006 | 2007 | 2008 |
| Position Titles | | | |
| Administration Manager | 0 | 1 | 1 |
| Administration Support Supervisor | 1 | 0 | 0 |
| Administrative Assistant | 1 | 0 | 0 |
| Auto Mechanic | 44 | 52 | 52 |
| Automotive Attendant | 2 | 2 | 2 |
| Automotive Body Technician | 0 | 2 | 2 |
| Budget Procurement & Maintenance Systems Manager | 0 | 0 | 1 |
| Building Inspector | 1 | 0 | 0 |
| Central Shop Area Supervisor | 1 | 1 | 1 |
| Central Shop Clerks | 3 | 4 | 4 |
| Central Shop Manager | 1 | 1 | 1 |
| Central Shop Supervisor | 1 | 1 | 1 |
| Chief Engineer | 1 | 1 | 1 |
| Chief of Planning | 1 | 1 | 0 |
| Civilian Call Taker | 7 | 7 | 7 |
| Communications Supervisor | 4 | 4 | 4 |
| Community Relations Coordinator | 0 | 1 | 1 |
| Community Relations Manager | 1 | 0 | 0 |
| Community Relations Specialist | 1 | 0 | 0 |
| Construction Contract Supervisor | 0 | 1 | 1 |
| Construction Services Manager | 1 | 1 | 1 |
| Contract Administrator | 1 | 1 | 1 |
| Contract Payment Expeditor | 0 | 3 | 3 |
| Data Technician | 2 | 1 | 1 |
| Deputy Chief of Engineering | 1 | 0 | 0 |
| Deputy Chief of Engineering for Planning | 0 | 1 | 1 |
| Deputy Chief of Program Controls/System Integrity | 0 | 1 | 1 |
| Deputy Chief of Program Implementation | 0 | 1 | 1 |
| Deputy Project Manager | 3 | 0 | 0 |
| Dispatch Manager | 1 | 1 | 1 |
| Engineering Document Administrator | 0 | 0 | 1 |
| EEO Program Manager - Construction Services | 2 | 0 | 0 |
| Engineering Project Analyst | 3 | 2 | 2 |
| Engineering Project Coordinator | 1 | 1 | 0 |
| Engineering Project Liaison | 1 | 1 | 1 |
| Environmental Engineer | 1 | 1 | 1 |
| Environmental Planner | 1 | 1 | 4 |

| Engineering | Number of Positions | | |
|--|----------------------------|-------------|-------------|
| | Fiscal Year | | |
| | 2006 | 2007 | 2008 |
| Position Titles | | | |
| Equipment Operator Laborer | 300 | 299 | 318 |
| Executive of Engineering | 1 | 0 | 0 |
| Executive Project Engineer | 2 | 1 | 3 |
| Executive Project Manager | 0 | 0 | 1 |
| Executive Secretary | 1 | 3 | 3 |
| Fleet District Manager | 2 | 2 | 2 |
| Fleet Manager | 1 | 1 | 1 |
| Fleet Systems Administrator | 1 | 1 | 0 |
| Fleet Systems Analyst | 1 | 1 | 1 |
| General Manager for Fiber | 0 | 0 | 1 |
| General Manager of Engineering | 0 | 1 | 1 |
| General Manager, Maintenance & Traffic | 0 | 1 | 1 |
| Geometrics Engineer | 1 | 1 | 1 |
| GIS Application DB Support Specialist | 0 | 2 | 1 |
| GIS Application Support Specialist | 2 | 0 | 0 |
| GIS Systems Manager DBA Administrator | 0 | 1 | 1 |
| Incident Manager | 1 | 1 | 1 |
| ITS Deployment Engineer | 1 | 1 | 1 |
| Land Acquisition Manager | 1 | 1 | 1 |
| Lead Mechanic | 11 | 0 | 0 |
| Legislative & Policy Analyst | 1 | 1 | 1 |
| Maintenance & Traffic Manager | 1 | 0 | 0 |
| Maintenance Section Manager | 12 | 11 | 12 |
| Maintenance Section Supervisor | 12 | 11 | 11 |
| Maintenance Systems Analyst | 1 | 1 | 1 |
| Maintenance Systems Support Clerk | 1 | 1 | 1 |
| Materials Operations Specialist | 0 | 0 | 1 |
| Materials Engineer | 1 | 1 | 1 |
| Oasis Project Manager | 1 | 1 | 1 |
| Parts Clerk | 11 | 0 | 0 |
| Permits Manager | 1 | 0 | 0 |
| Policy & Environmental Planner | 0 | 1 | 0 |
| Policy Analyst | 1 | 1 | 1 |
| Project Coordinator | 1 | 1 | 0 |
| Project Engineer | 1 | 2 | 1 |
| Project Manager | 6 | 5 | 1 |
| Project Manager - Engineering | 0 | 0 | 5 |
| Project Technician | 1 | 7 | 0 |
| Property Specialist | 1 | 1 | 1 |
| Relocation and Acquisition Specialist | 1 | 1 | 1 |
| Roadway Electric Foreman | 1 | 0 | 0 |
| Roadway Electrical Manager | 0 | 1 | 1 |

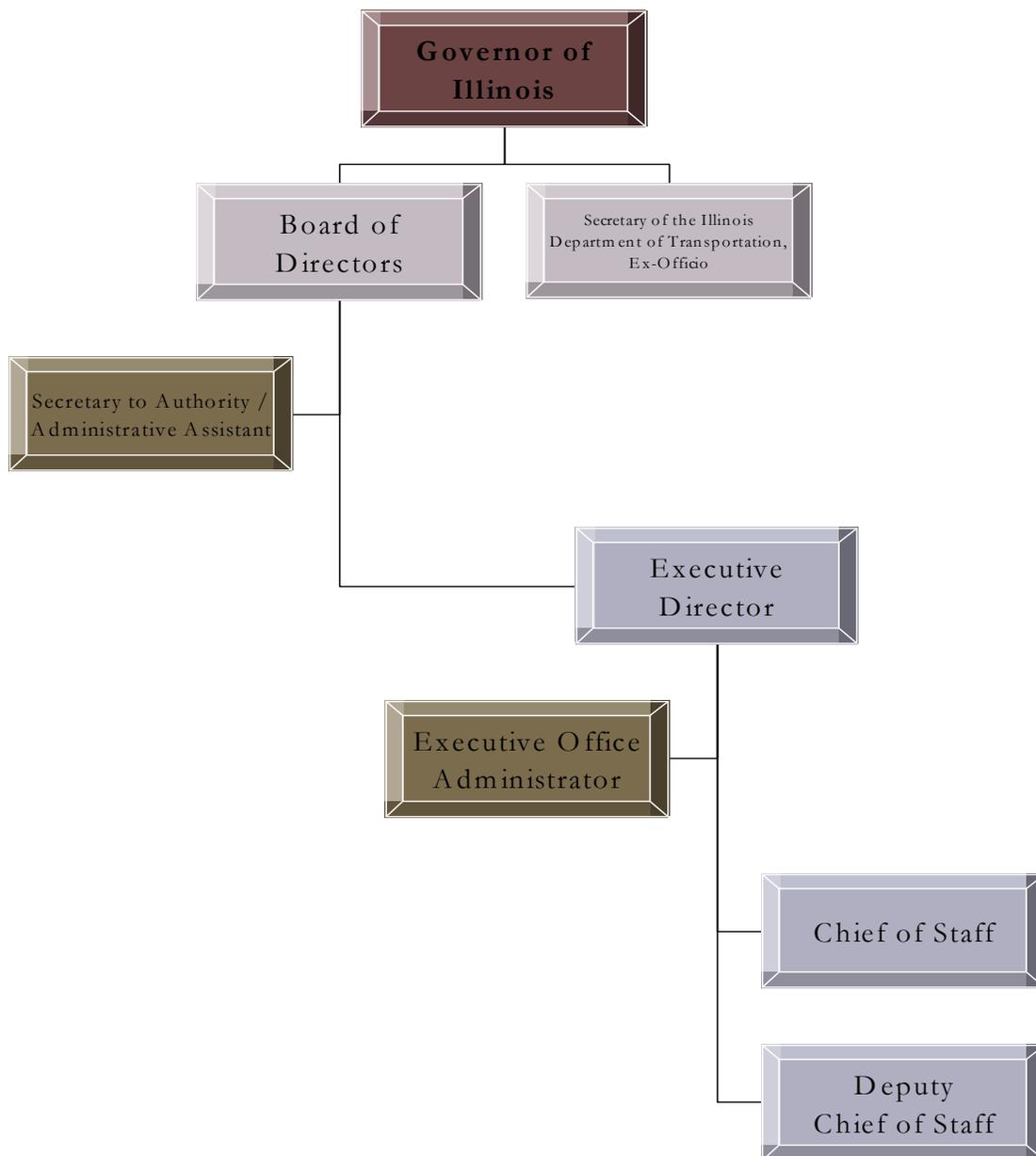
| Engineering | Number of Positions | | |
|--|----------------------------|-------------|-------------|
| | Fiscal Year | | |
| | 2006 | 2007 | 2008 |
| Position Titles | | | |
| Roadway Lighting Laborer | 11 | 11 | 12 |
| Roadway Maintenance District Manager | 0 | 2 | 2 |
| Roadway Maintenance Foreman | 0 | 0 | 0 |
| Roadway Maintenance Manager | 1 | 1 | 1 |
| Roadway Maintenance Supervisor | 2 | 0 | 0 |
| Secretary II | 3 | 2 | 1 |
| Secretary III | 4 | 4 | 5 |
| Section Clerk | 11 | 22 | 22 |
| Senior Building Inspector | 1 | 0 | 0 |
| Senior Landscape Architect | 1 | 1 | 1 |
| Senior Manager of Strategic Planning & Programming | 1 | 1 | 1 |
| Senior Project Engineer | 6 | 8 | 7 |
| Senior Project Engineer - GIS | 0 | 0 | 1 |
| Senior Project Manager | 7 | 5 | 3 |
| Senior Project Manager - Engineering | 0 | 0 | 1 |
| Senior Project Manager - Utilities | 0 | 0 | 1 |
| Sign Maker Hanger | 15 | 15 | 15 |
| Sign Shop Clerk | 1 | 1 | 1 |
| Sign Shop Foreman | 0 | 0 | 0 |
| Sign Shop Manager | 1 | 1 | 1 |
| Sign Shop Supervisor | 1 | 1 | 1 |
| Systems Manager Database | 1 | 0 | 0 |
| Technical Manager for Utilities | 0 | 1 | 1 |
| Telecommunicator | 21 | 21 | 21 |
| Traffic & Revenue Analyst | 0 | 1 | 1 |
| Traffic Operations Control Supervisor | 1 | 1 | 1 |
| Traffic Operations Manager | 1 | 1 | 1 |
| Traffic Operations Technician | 6 | 5 | 5 |
| Traffic Permit Technician | 1 | 1 | 1 |
| Utility Administrator | 1 | 1 | 1 |
| Utility Technician | 2 | 2 | 2 |
| Web Based Application Administrator | 2 | 0 | 0 |
| Web Based Application Support | 0 | 2 | 0 |
| Welder | 0 | 7 | 8 |
| | 571 | 577 | 594 |

Executive Management and Board of Directors Office

Description:

The Executive Management and Board of Directors Office are comprised of the Chairman of the Board, eight Board of Directors, two Ex-Officio and the executive management staff. This office provides the management expertise to conceptually identify and set policies for the organization. This Office also develops and implements a strategic plan that allows for the efficient and effective use of all available resources to accomplish the mission of the Tollway.

Department Organizational Structure



Executive Management and Board of Directors Office continued

MAJOR ACCOUNT LINES:

| ACCOUNT DESCRIPTION | 2006 Actual | 2007 Revised | 2008 Request | \$ Change |
|----------------------------|------------------------|-------------------------|-------------------------|-------------------|
| SALARY & WAGES | \$ 357,175 | \$ 514,780 | \$ 619,008 | \$ 103,529 |
| BENEFITS | 60,851 | 110,274 | 165,478 | 55,204 |
| OTHER EXPENSES | 1,294,528 | 1,285,950 | 1,285,000 | (950) |
| OTHER OUTSIDE SERVICES | 75,023 | 80,000 | 80,000 | 0 |
| DUES, BOOKS & SUBSCRIP. | 28,746 | 33,100 | 33,100 | 0 |
| TRAVEL AND SUBSISTENCE | 6,232 | 15,500 | 15,500 | 0 |
| OTHER CAPITAL EQUIPMENT | 0 | 4,400 | 2,000 | (2,400) |
| OTHER MINOR ACCOUNTS | 4,755 | 19,400 | 19,200 | (200) |
| DEPARTMENT TOTAL | \$ 1,827,311 | \$ 2,063,404 | \$ 2,219,286 | \$ 155,183 |

Fiscal Year 2008 Budget request is \$2.2 million; an increase of \$155 thousand or 7.5 percent over the Fiscal Year 2007 budgeted amount. Total payroll is \$784 thousand and includes 6 positions.

Department M&O Highlights:

- Salary and Wages reflect an increase of \$104 thousand or 20.1% over the 2007 Budget. This increase reflects annual salary increases and funding for currently vacant positions.
- Benefits increased \$55 thousand over the 2007 Budget due to the SERS Pension Contribution Rate increase from 13.7% to 19.1%.

Accomplishments:

- Supported the Completion of Year-Three of the Congestion-Relief Program.
- Directed the efforts to increase accountability and fulfill the pledge to act as a trustworthy steward of toll revenues.
- Provided oversight of the expansion of E-Commerce services to include acceptance of missed toll payments on-line.
- Administered the completion of the I-355 South Extension.

Goals & Objectives:

- Uphold the Tollway's Mission Statement.
- Continue to Support Year-Four of the Congestion-Relief Program.
- Coordinate the improved efficiency of daily operations.

Executive Management and Board of Directors Office continued

Headcount:

| 2006 Budget | 2007 Budget | 2008 Budget |
|----------------|----------------|----------------|
| 6 | 6 | 6 |

Executive Management and Board of Directors

**Number of Positions
Fiscal Year**

| Position Titles | Fiscal Year | | |
|--|--------------------|-------------|-------------|
| | 2006 | 2007 | 2008 |
| Secretary to Authority/Adm Assistant to the Chairman | 1 | 1 | 1 |
| Chief of Staff | 1 | 1 | 1 |
| Deputy Chief of Staff | 1 | 1 | 1 |
| Executive Director | 1 | 1 | 1 |
| Executive Office Administrator | 1 | 1 | 1 |
| Executive Secretary | <u>1</u> | <u>1</u> | <u>1</u> |
| | 6 | 6 | 6 |

Finance

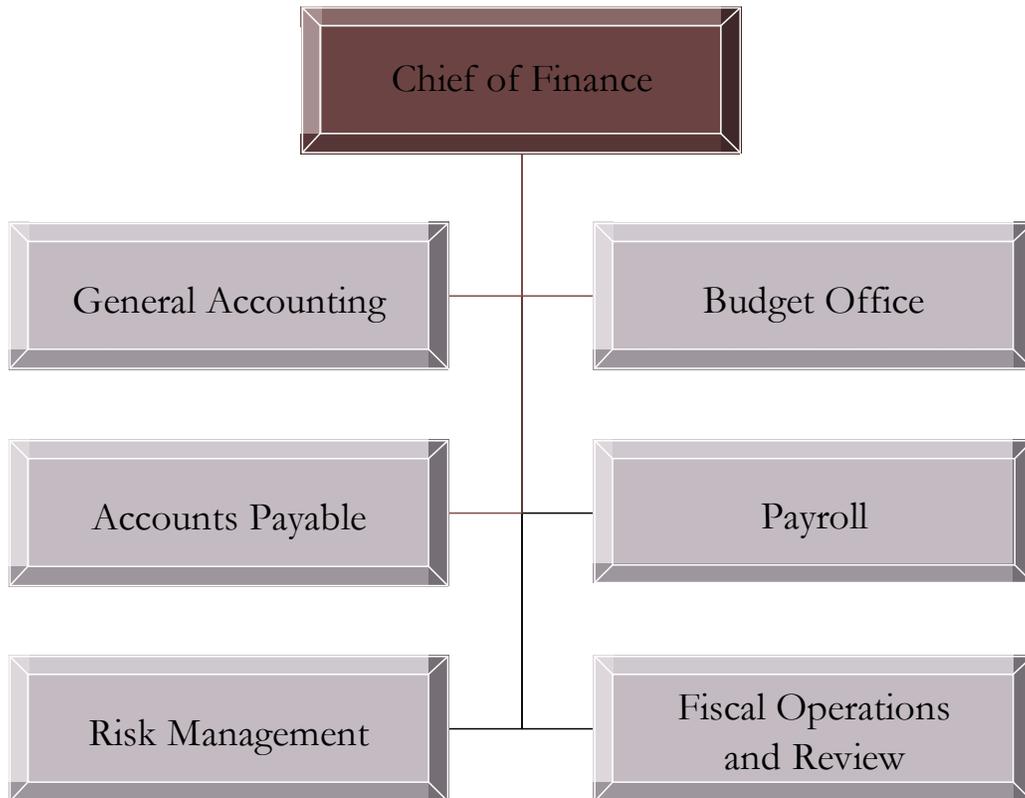
Description:

The Finance Department is responsible for all general accounting, financial reporting, capital and operations budgeting, treasury functions, major contract review, accounts payable, payroll, and risk management. In addition, Finance manages all bond, cash and investment analysis and coordinates the annual audit of the agency.

Finance manages the following functions:

- General Accounting
- Budget Office
- Accounts Payable
- Payroll
- Risk Management
- Fiscal Operations and Review

Department Organizational Structure



Finance Continued

MAJOR ACCOUNT LINES:

| ACCOUNT DESCRIPTION | 2006 Actual | 2007 Revised Budget | 2008 Request | \$ Change |
|--------------------------------|----------------------|---------------------------|----------------------|---------------------|
| SALARIES AND WAGES | \$ 2,320,439 | \$ 2,433,432 | \$ 2,611,077 | \$ 177,645 |
| BENEFITS | 427,983 | 507,797 | 698,803 | 191,006 |
| GROUP INSURANCE | 21,012,484 | 23,200,000 | 24,000,000 | 800,000 |
| WORKMAN'S COMP. INSURANCE | 8,582,846 | 3,411,000 | 4,100,000 | 689,000 |
| PROPERTY INSURANCE | 1,956,252 | 2,415,000 | 2,415,000 | 0 |
| OTHER OUTSIDE SERVICES | 1,693,553 | 2,800,000 | 2,300,000 | (500,000) |
| OTHER EXPENSES | 1,679,643 | 1,790,700 | 1,790,700 | 0 |
| BANK CHARGES | 149,584 | 108,000 | 120,000 | 12,000 |
| BOND TRUSTEE | 15,452 | 50,000 | 50,000 | 0 |
| SUPPLIES - OFFICE | 18,851 | 30,000 | 20,000 | (10,000) |
| POSTAGE AND EXPRESS | 11,817 | 12,000 | 11,800 | (200) |
| EMPLOYEE TRAINING | 3,759 | 9,325 | 8,000 | (1,325) |
| EQUIPMENT MAINTENANCE | 4,272 | 10,200 | 6,000 | (4,200) |
| DUES, BOOKS & SUBSCRIP. | 3,655 | 6,675 | 6,000 | (675) |
| TRAVEL AND SUBSISTENCE | 2,446 | 5,000 | 5,000 | 0 |
| OFFICE EQUIPMENT | 0 | 5,000 | 5,000 | 0 |
| OTHER MINOR ACCOUNTS | 5,852 | 14,200 | 6,700 | (7,500) |
| <i>SUBTOTAL</i> | \$ 37,888,888 | \$ 36,808,329 | \$ 38,154,080 | \$ 1,345,751 |
| RECOVERY OF EXPENSES | (351,837) | (400,000) | (400,000) | 0 |
| <i>DEPARTMENT TOTAL</i> | \$ 37,537,051 | \$ 36,408,329 | \$ 37,754,080 | \$ 1,345,751 |

The Fiscal Year 2008 Budget request is \$37.8 million; an increase of \$1.3 million or 3.7 percent over the Fiscal Year 2007 budgeted amount. Total payroll is \$3.3 million and includes 57 positions.

Department M&O Highlights:

- Salaries and Wages increased \$178 thousand or 7.3% over 2007 Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased by \$191 thousand over the 2007 Budget due to the SERS Pension Contribution Rate increase from 13.7% to 19.1%.
- Group Insurance was increased \$800 thousand or 3.4% due to rising health costs.
- Worker's Compensation Insurance increased \$689 thousand or 20.2% because a recent actuarial study projected a rise in the value of claims for 2008.
- Other Outside Services decreased \$500 thousand or 17.9% based on projected collection agency costs for 2008.

Finance continued

Accomplishments:

- Continued to accommodate an increasing work load while improving service levels, internal controls and accountability.
- Managed the development and implementation of a new capital budgeting and financial reporting system, called Catapult, resulting in improved timeliness and accuracy of financial information critical to the management of the CRP.
- Completed the third year of financing for the CRP below planned amounts.
- Received recognition from the Government Finance Officers Association (GFOA), through the Certificate for Excellence in Financial Reporting as well as the Distinguished Budget Presentation Award.
- Demonstrated improved internal controls and compliance with state statutory and accounting mandates by reducing the external audit findings
- Proactively reviewed internal controls and implemented changes designed to accommodate Sarbanes-Oxley type requirements for government agencies.
- Increased damage claim recoveries to record levels and implemented new insurance requirements designed to protect the Tollway’s interest while reducing costs to Tollway contractors.
- Enhanced the reporting of strategic planning performance measures including internal targets and external benchmarks in conjunction with the planning unit of the Engineering Department.

Goals and Objectives:

- Continue to support the development, implementation and monitoring of the CRP.
- Continue to support the Tollway’s initiative to implement an Enterprise Resource Planning (ERP) system to improve management processes relating to the general ledger, budget, purchasing, human resources, fleet management and other agency-wide needs.
- Continue to implement modifications to the Construction Insurance Program in an effort to reduce the overall cost of construction.
- Provide for an effective treasury management program.
- Implement additional controls to improve financial reporting and management of the Tollway’s financial functions.
- Ensure a successful debt management program.
- Maintain a fiscally sound governmental organization that conforms to legal requirements and to generally accepted financial management principles.

Headcount:

| 2006 Budget | 2007 Budget | 2008 Budget |
|----------------|----------------|----------------|
| 57 | 57 | 57 |

| Finance | Number of Positions | | |
|--|---------------------|-----------|-----------|
| | Fiscal Year | | |
| Position Titles | 2006 | 2007 | 2008 |
| Accountant | 2 | 2 | 2 |
| Accounting Manager | 0 | 1 | 0 |
| Accounts Payable Clerk | 1 | 2 | 2 |
| Accounts Payable Representative | 1 | 4 | 4 |
| Accounts Payable Specialist | 1 | 1 | 1 |
| Assistant Supervisor Accounts Payable | 1 | 1 | 1 |
| Budget Analyst | 3 | 4 | 2 |
| Budget Records Specialist | 2 | 2 | 2 |
| Budget/General Accounting Clerk | 1 | 1 | 1 |
| Capital Budget Analyst | 1 | 2 | 3 |
| Capital Budget Manager | 1 | 1 | 1 |
| Capital Budget Specialist | 1 | 0 | 0 |
| Cash Management Position | 1 | 0 | 0 |
| Cashier | 3 | 2 | 2 |
| Cashier Supervisor | 0 | 1 | 1 |
| Cashier/General Accounting Assistant | 0 | 1 | 1 |
| Chief Accountant | 1 | 1 | 2 |
| Chief of Finance | 1 | 1 | 1 |
| Claims Adjuster | 1 | 1 | 1 |
| Clerical Support | 1 | 0 | 0 |
| Construction Insurance Analyst | 1 | 1 | 1 |
| Controller | 1 | 1 | 1 |
| Cost Accountant III | 5 | 1 | 1 |
| Disbursement Control Supervisor | 1 | 1 | 1 |
| Emergency Services Collection Analyst | 1 | 1 | 1 |
| ERP Manager | 1 | 1 | 1 |
| Executive Secretary | 1 | 1 | 1 |
| Financial Planning Analyst | 1 | 0 | 0 |
| Fiscal Operations Manager | 1 | 1 | 1 |
| General Accounting Assistant | 0 | 2 | 2 |
| General Accounting Clerk | 2 | 0 | 0 |
| Insurance Claims Supervisor | 1 | 1 | 1 |
| Insurance Clerk | 1 | 0 | 0 |
| Insurance Risk Manager | 1 | 1 | 1 |
| M & O Budget Manager | 0 | 1 | 1 |
| Payroll Analyst | 1 | 0 | 1 |
| Payroll Clerk | 1 | 1 | 1 |
| Payroll Manager | 1 | 1 | 1 |
| Payroll Specialist | 2 | 2 | 2 |
| Payroll Supervisor | 0 | 1 | 1 |
| Project Accountant | 2 | 2 | 2 |
| Project Administrator | 1 | 1 | 1 |
| Property Recovery Analyst | 1 | 1 | 1 |
| Secretary III | 1 | 1 | 1 |
| Senior Accountant | 4 | 4 | 4 |
| Senior Financial Analyst | 0 | 1 | 1 |
| Senior Financial Planning Analyst | 1 | 0 | 0 |
| Supervisor Workers Compensation Claims | 1 | 0 | 0 |
| Support Clerk | <u>0</u> | <u>1</u> | <u>1</u> |
| | 57 | 57 | 57 |

Information Technology

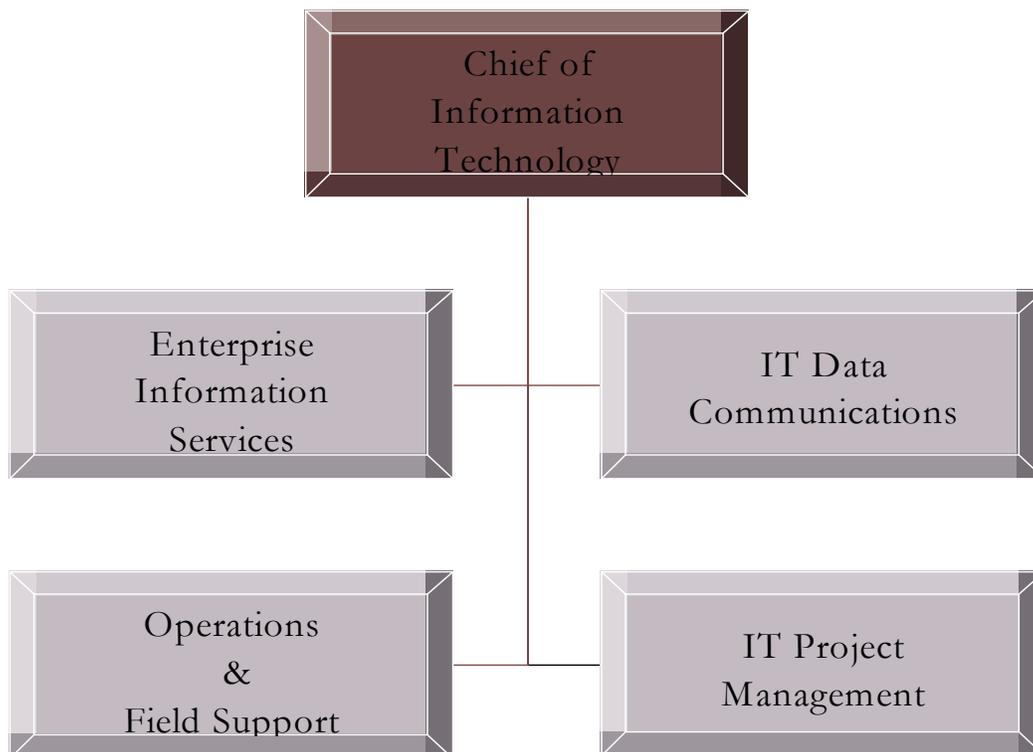
Description:

The Information Technology Department is responsible for planning, directing, managing and controlling all information technologies and telecommunications as well as providing strategic guidance and user/client services in all areas of information technology to the Tollway.

Information Technology is responsible for the following functions:

- Enterprise Information Services
- IT Data Communications
- Operations & Field Support
- IT Project Management

Department Organizational Structure



Information Technology continued

MAJOR ACCOUNT LINES:

| ACCOUNT DESCRIPTION | 2006 Actual | 2007 Revised | 2008 Request | \$ Change |
|----------------------------|------------------------|-------------------------|-------------------------|-------------------|
| SALARY & WAGES | \$ 3,886,883 | \$ 4,350,354 | \$ 4,395,205 | \$ 44,851 |
| BENEFITS | 674,997 | 939,012 | 1,176,289 | 237,277 |
| EQUIPMENT MAINTENANCE | 875,658 | 1,796,500 | 1,298,940 | (497,560) |
| CONSULTING SERVICES | 13,841 | 440,000 | 750,000 | 310,000 |
| CONTRACTED OUTSIDE SERVICE | 0 | 0 | 722,300 | 722,300 |
| TELEPHONE & TELEGRAPH | 470,851 | 397,000 | 445,000 | 48,000 |
| REPLACEMENT PARTS | 159,957 | 140,000 | 130,000 | (10,000) |
| OTHER OUTSIDE SERVICES | 35,939 | 285,000 | 100,000 | (185,000) |
| SUPPLIES - OPERATIONAL | 78,353 | 72,400 | 70,000 | (2,400) |
| EMPLOYEE TRAINING | 78,989 | 124,000 | 35,000 | (89,000) |
| SUPPLIES - OFFICE | 13,419 | 21,500 | 13,839 | (7,661) |
| MATERIALS - OPERATIONAL | 6,908 | 20,000 | 10,000 | (10,000) |
| TRAVEL AND SUBSISTENCE | 1,595 | 9,300 | 5,000 | (4,300) |
| TOOLS & EQUIPMENT | 3,284 | 6,000 | 3,000 | (3,000) |
| OFFICE EQUIPMENT | 3,169 | 5,000 | 3,000 | (2,000) |
| UNIFORMS & ACCESSORIES | 3,022 | 2,000 | 2,000 | 0 |
| OTHER CAPITAL EQUIPMENT | 15,705 | 14,000 | 0 | (14,000) |
| OTHER MINOR ACCOUNTS | 6,292 | 13,100 | 8,900 | (4,200) |
| DEPARTMENT TOTAL | \$ 6,328,862 | \$ 8,635,166 | \$ 9,168,473 | \$ 533,307 |

The Fiscal Year 2008 Budget request is \$9.2 million; an increase of \$533 thousand or 6.2 percent over the Fiscal Year 2007 budgeted amount. Total payroll is \$5.6 million and includes 75 positions.

Department M&O Highlights:

- Salaries and Wages increased \$45 thousand or 1.0% over the 2007 Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased \$237 thousand over the 2007 Budget due to the SERS Pension Contribution Rate increase from 13.7% to 19.1%.
- Equipment Maintenance decreased \$498 thousand or 27.7%, but continues to support the Next Generation Network (NGN) mainframe, SAN and SERVER maintenance, Kronos, and Microsoft license.
- Consulting Services increased by \$310 thousand to support E-Commerce and Unisys Disaster Recovery.
- Contracted Outside Service increased \$722 thousand to support 1135 user fees for the Starcom State-wide Public Safety Radio System.

Information Technology continued

Accomplishments:

- Upgraded the software and technology infrastructure to 64 bit servers, SQL 2005, and SharePoint 2007.
- Won the global competition for the “2007 Outsourcing Excellence Award” per the Outsourcing Center and featured in Forbes magazine for the E-Commerce Project.
- Received the award for “Outstanding Achievement in Website Development” from the Web Marketing Association for the complete overhaul of the usability, navigation, look and feel of all areas of www.illinoistollway.com and www.getipass.com.
- Successfully negotiated the placement of a new tower in Western Springs, increasing the Tollway’s miscellaneous revenues.
- Expanded the Kronos Time and Attendance system to additional locations and employee groups in coordination with the Administration Department.
- Installed six Internet enabled computer kiosks in 2007 containing information related to weather, traffic, flight information for Chicago's Airports, and Tollway videos.
- Completed the implementation of WriteFax, a client/server based system that allows for the reception of faxes into the exchange e-mail system.
- Continued installation of the Next Generation Network (NGN) router and switch upgrades (99% complete).
- Implemented an upgrade of the Tollway’s Enterprise Servers.
- Provided data communications installation and setup for the Illinois Tollway's Lisle Call Center.

Goals and Objectives:

- Assist the Tollway in achieving its financial goals and business objectives by focusing information technology efforts on increased revenue growth, improved productivity and customer and employee satisfaction.
- Update financial and business systems to obtain greater efficiency and expand the use of paperless systems.

Information Technology continued

Headcount:

| 2006 Budget | 2007 Budget | 2008 Budget |
|----------------|----------------|----------------|
| 77 | 75 | 75 |

| Information Technology | Number of Positions | | |
|---|---------------------|------|------|
| | Fiscal Year | | |
| Position Titles | 2006 | 2007 | 2008 |
| Antenna Specialist | 2 | 2 | 2 |
| Asset & Inventory Supervisor | 1 | 0 | 0 |
| Assistant Multimedia Project Specialist | 1 | 0 | 0 |
| Assistant Web Master | 0 | 1 | 1 |
| Business Analyst | 1 | 0 | 0 |
| Chief of Information Technology | 1 | 1 | 1 |
| Communications Equipment Operator | 1 | 1 | 1 |
| Computer Operator | 2 | 2 | 2 |
| Customer Service Supervisor | 1 | 1 | 1 |
| Data Center Operations Manager | 1 | 1 | 1 |
| Data Communications Specialist | 1 | 1 | 1 |
| Data Communications Manager | 0 | 1 | 1 |
| Data Communications Technician | 2 | 1 | 2 |
| Database Manager | 1 | 0 | 0 |
| Desktop Support Technician | 1 | 1 | 1 |
| Enterprise Information Services Manager | 1 | 1 | 1 |
| ERP Manager | 1 | 1 | 1 |
| ETC System Technician | 2 | 2 | 0 |

Information Technology Continued

| Information Technology | Number of Positions | | |
|--|---------------------|-----------|-----------|
| | Fiscal Year | | |
| | 2006 | 2007 | 2008 |
| Position Titles | | | |
| Executive Secretary | 1 | 1 | 1 |
| Field Network Engineer | 5 | 5 | 6 |
| Field Operations Manager | 1 | 1 | 1 |
| GIS Systems Manager DBA Administrator | 0 | 1 | 0 |
| Inventory Control Clerk | 2 | 1 | 1 |
| IT Business Development Coordinator | 1 | 1 | 1 |
| IT Projects Coordinator | 0 | 0 | 1 |
| IT Security Manager | 0 | 1 | 1 |
| IT Special Projects Coordinator | 1 | 1 | 1 |
| IT Training Coordinator | 1 | 1 | 0 |
| Manager of Project Management Office | 1 | 1 | 1 |
| Mobile Bench Technician | 2 | 2 | 1 |
| Mobile Installer | 3 | 3 | 3 |
| Mobile Shop Manager | 1 | 1 | 1 |
| Multimedia Project Specialist | 1 | 0 | 0 |
| Network Administrator | 3 | 3 | 3 |
| Network Support Administrator | 1 | 1 | 1 |
| Network Support Manager | 0 | 2 | 1 |
| Operations & Customer Support Manager | 1 | 1 | 1 |
| Oracle DBA | 1 | 1 | 1 |
| PBX Administrator | 1 | 0 | 1 |
| PBX Technician | 1 | 1 | 1 |
| Project Manager | 5 | 5 | 5 |
| Project Specialist | 0 | 1 | 1 |
| Secretary III | 2 | 2 | 2 |
| Security Administrator | 1 | 0 | 0 |
| Senior Computer Operator | 2 | 2 | 2 |
| Senior Network Administrator | 0 | 0 | 1 |
| Senior Software Engineer | 3 | 3 | 3 |
| Senior Systems Analyst | 3 | 3 | 3 |
| SQL/Access Developer | 1 | 1 | 1 |
| System Technician 1 | 5 | 6 | 6 |
| System Technician 2 | 1 | 1 | 0 |
| Systems Architecture & Engineering Manager | 1 | 1 | 1 |
| Systems Manager | 1 | 0 | 0 |
| Systems Supervisor | 1 | 1 | 1 |
| UNIX Administrator | 1 | 0 | 1 |
| Voice Communications Coordinator | 0 | 1 | 1 |
| Webmaster | 0 | 0 | 1 |
| WEB Development Coordinator | 1 | 1 | 1 |
| Wireless Network Administrator | <u>1</u> | <u>1</u> | <u>1</u> |
| | 77 | 75 | 75 |

Office of Inspector General

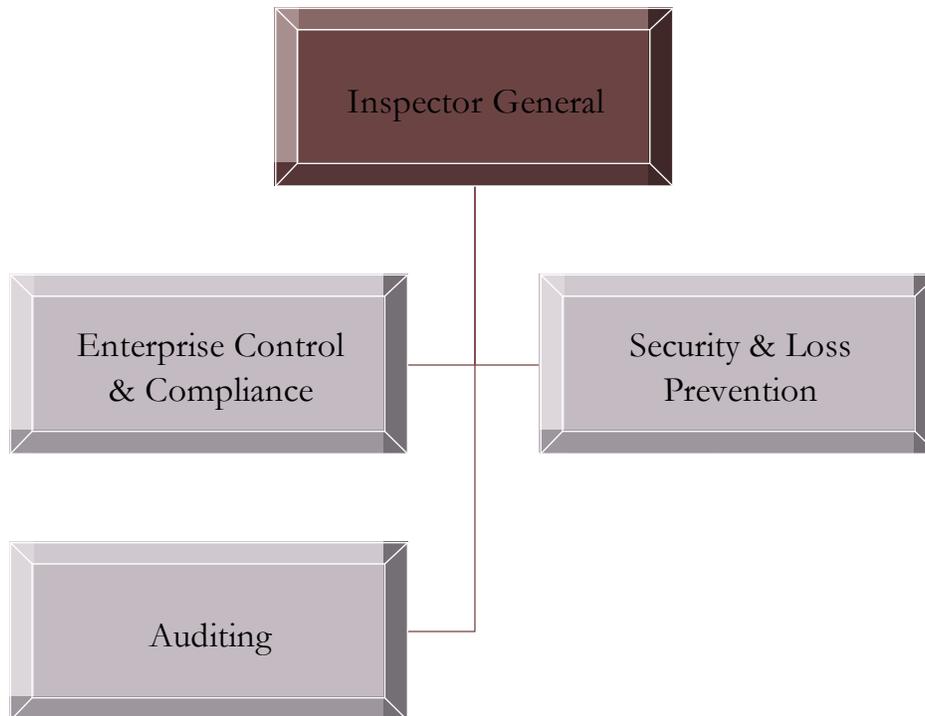
Description:

The Office of Inspector General (“OIG”) at the Illinois Tollway was created in accordance with Governor Blagojevich’s reform agenda for the Agency. It is the intent of this Office to provide accountability and protect the integrity of the Illinois Tollway. The Inspector General has independent autonomy to root out and fairly investigate all instances of waste, inefficiencies, fraud, corruption, misconduct and mismanagement in the day-to-day operations of the Illinois Tollway, and recommend policies and procedures to ensure that the Tollway’s Board members and employees, contractors and/or vendors adhere to all state and federal laws, as well as internal rules and regulations.

The Office of the Inspector General is responsible for the following functions:

- Enterprise Control and Compliance
- Security and Loss Prevention
- Auditing

Department Organizational Structure



Office of Inspector General continued

MAJOR ACCOUNT LINES:

| ACCOUNT DESCRIPTION | 2006 Actual | 2007 Revised | 2008 Request | \$ Change |
|----------------------------|------------------------|-------------------------|-------------------------|-------------------|
| SALARY & WAGES | \$ 564,889 | \$ 828,150 | \$ 955,862 | \$ 127,712 |
| BENEFITS | 97,197 | 180,679 | 255,817 | 75,138 |
| EQUIPMENT MAINTENANCE | 33,783 | 15,000 | 6,500 | (8,500) |
| DUES, BOOKS & SUBSCRIP. | 5,408 | 8,000 | 8,000 | 0 |
| EMPLOYEE TRAINING | 5,855 | 15,000 | 7,500 | (7,500) |
| SUPPLIES - OFFICE | 3,128 | 7,600 | 5,500 | (2,100) |
| OFFICE EQUIPMENT | 2,970 | 3,000 | 3,000 | 0 |
| BUILDING EQUIPMENT | 0 | 15,350 | 3,000 | (12,350) |
| OTHER CAPITAL EQUIPMENT | 5,035 | 3,000 | 2,000 | (1,000) |
| TRAVEL AND SUBSISTENCE | 1,036 | 6,000 | 2,000 | (4,000) |
| OTHER MINOR ACCOUNTS | 374 | 2,200 | 1,800 | (400) |
| DEPARTMENT TOTAL | \$ 719,675 | \$ 1,083,979 | \$ 1,250,979 | \$ 167,000 |

The Fiscal Year 2008 Budget request is \$1.3 million; an increase of \$167 thousand or 15.4 percent over the Fiscal Year 2007 budgeted amount. Total payroll is \$1.2 million and includes 15 positions.

Department M&O Highlights:

- Salaries and Wages increased \$128 thousand or 15.4% over the 2007 Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased over the 2007 Budget by \$75 thousand due to the SERS Pension Contribution Rate increase from 13.7% to 19.1%.
- Equipment Maintenance has decreased \$9 thousand or 56.7%. A new road-wide CCTV maintenance contract is in place and the cost of security camera maintenance is split between Inspector General and Electronic Tolling, with most funding now allocated to Electronic Tolling.
- Building Equipment has decreased \$12 thousand after a one-time 2007 purchase of a replacement CCTV camera.

Office of Inspector General continued

Accomplishments:

- Conducted change fund audits and security inspections at least once at all twenty-four attended plazas.
- Conducted four money room audits to ensure that funds were accurately accounted for and deposited in a timely manner as required by the Trust Indenture.
- Convened a Security Advisory Committee to work with operational departments in maintaining the security and safety of Tollway assets, facilities, personnel and customers.
- Completed four internal cycle audits and conducted fourteen vendor audits.
- Conducted and closed five investigative consultations and seven preliminary investigations.
- Implemented an incident reporting process that provides Tollway management with needed information in order to quickly address issues.

Goals and Objectives:

- Work with Tollway staff and vendors to help them better understand ethics policies and contract requirements to assist in ensuring compliance with applicable laws, policies and requirements.
- Provide more timely investigation of reports concerning fraud, waste and abuse.
- Restructure the Toll Audit Unit to accommodate the evolution of the revenue system.
- Work with the Security Committee to develop and implement improved counter-measures to protect public assets.
- Audit, reconcile, and report toll revenues and adjust/report toll transactions.
- Conduct change fund audits and security inspections at least twice per year at each plaza.

Office of Inspector General continued

Headcount:

| 2006 Budget | 2007 Budget | 2008 Budget |
|----------------|----------------|----------------|
| 12 | 15 | 15 |

| Inspector General Position Titles | Number of Positions Fiscal Year | | |
|--|------------------------------------|-----------|-----------|
| | 2006 | 2007 | 2008 |
| Audit Manager | 0 | 1 | 1 |
| Executive Secretary | 1 | 1 | 1 |
| General Manager of Control & Compliance | 0 | 1 | 1 |
| Inspector General | 1 | 1 | 1 |
| Internal Auditor | 1 | 3 | 3 |
| Internal Control & Compliance Manager | 1 | 1 | 1 |
| Investigator | 1 | 1 | 1 |
| Manned Lanes Audit/Project Analyst | 1 | 0 | 0 |
| Manned Lanes Control Clerk | 1 | 1 | 1 |
| Revenue Auditor | 1 | 1 | 1 |
| Revenue Loss Specialist | 1 | 1 | 1 |
| Senior Inspector | 1 | 0 | 0 |
| Toll Audit Clerk | 1 | 1 | 1 |
| Toll Audit Manager | 0 | 1 | 1 |
| Toll Audit Supervisor | <u>1</u> | <u>1</u> | <u>1</u> |
| | 12 | 15 | 15 |

Legal

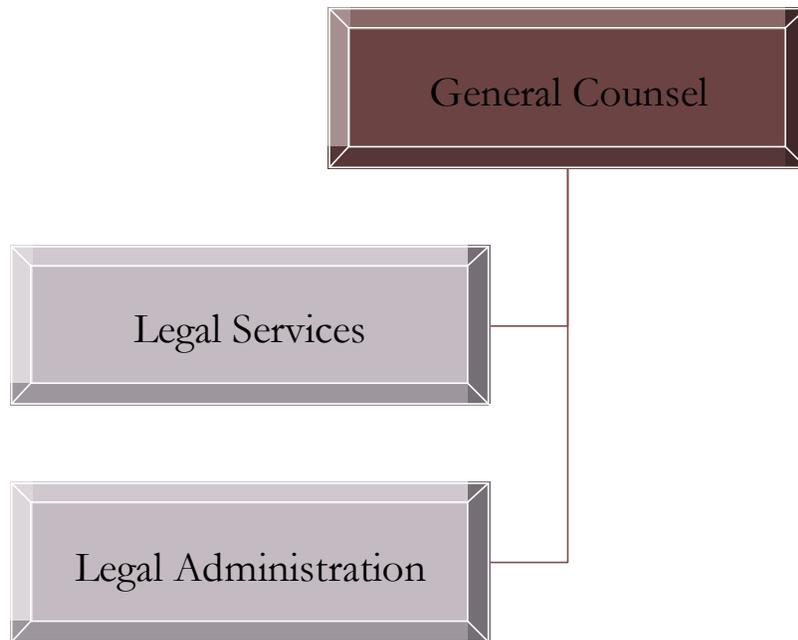
Description:

The Law Department is a Bureau of the Office of the Attorney General of the State of Illinois assigned to provide legal services to the Tollway. The General Counsel reports to the Executive Director and to the Attorney General. The Department provides legal assistance in all aspects of the Tollway operations, including contract preparation, financing operations, construction activities and employee labor relations.

The Legal Department is responsible for the following functions:

- Contracts
- Bond Issues
- Personal Injury Cases
- Recovery of Expenses
- Violation Enforcement Collection Efforts

Department Organizational Structure



Legal continued

MAJOR ACCOUNT LINES:

| ACCOUNT DESCRIPTION | 2006 Actual | 2007 Revised | 2008 Request | \$ Change |
|--------------------------------|---------------------|---------------------|---------------------|------------------|
| SALARY & WAGES | \$ 838,303 | \$ 936,160 | \$ 990,253 | \$ 54,093 |
| BENEFITS | 141,573 | 202,563 | 265,021 | 62,458 |
| OTHER OUTSIDE SERVICES | 138,862 | 210,000 | 185,000 | (25,000) |
| OTHER EXPENSES | 318 | 15,000 | 20,000 | 5,000 |
| DUES, BOOKS & SUBSCRIP. | 19,228 | 21,000 | 18,000 | (3,000) |
| SUPPLIES - OFFICE | 6,875 | 6,000 | 6,000 | 0 |
| TRAVEL AND SUBSISTENCE | 5,897 | 8,000 | 5,000 | (3,000) |
| EMPLOYEE TRAINING | 1,669 | 8,400 | 4,000 | (4,400) |
| OTHER MINOR ACCOUNTS | 1,746 | 10,200 | 6,100 | (4,100) |
| <i>SUBTOTAL</i> | \$ 1,154,469 | \$ 1,417,323 | \$ 1,499,374 | \$ 82,051 |
| RECOVERY OF EXPENSES | (2,988) | (5,000) | (5,000) | 0 |
| <i>DEPARTMENT TOTAL</i> | \$ 1,151,481 | \$ 1,412,323 | \$ 1,494,374 | \$ 82,051 |

The Fiscal Year 2008 Budget request is \$1.5 million; an increase of \$82 thousand or 5.8 percent over Fiscal Year 2007 budgeted amount. Total payroll is \$1.26 million and includes 12 positions.

Department M&O Highlights:

- Salaries and Wages increased \$54 thousand or 5.8% over the 2007 Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased by \$62 thousand over the 2007 Budget due to the SERS Pension Contribution Rate increase from 13.7% to 19.1%.
- Other Outside Services decreased \$25 thousand or 11.9% due to projected services required from outside vendors.

Legal continued

Accomplishments:

- Provided counsel for the Tollway's capital financing initiatives.
- Successfully defended several significant personal injury cases.
- Provided assistance to the collective bargaining teams.
- Negotiated contract overbilling settlement with contractor.
- Helped Engineering realize significant savings through engineering contract interpretations.
- Coordinated review of potential errors and omissions by outside consultants.

Goals:

- Assist Tollway in increasing scope of I-PASS services.
- Improve labor arbitration success rate.
- Support the Tollway's legislative program.
- Help the Tollway make improvements to the violation enforcement and toll collection systems.
- Assist the Tollway in exploring system improvement and expansion opportunities.
- Engage in a proactive approach to litigation.

Headcount:

| 2006 Budget | 2007 Budget | 2008 Budget |
|----------------|----------------|----------------|
| 12 | 12 | 12 |

| Legal Position Titles | Number of Positions Fiscal Year | | |
|-----------------------------------|------------------------------------|-----------|-----------|
| | 2006 | 2007 | 2008 |
| Assistant Attorney General | 4 | 2 | 2 |
| Chief Counsel | 1 | 1 | 1 |
| Executive Secretary | 1 | 1 | 1 |
| Legal Secretary | 2 | 2 | 2 |
| Paralegal | 1 | 1 | 1 |
| Senior Assistant Attorney General | <u>3</u> | <u>5</u> | <u>5</u> |
| | 12 | 12 | 12 |

Toll Operations

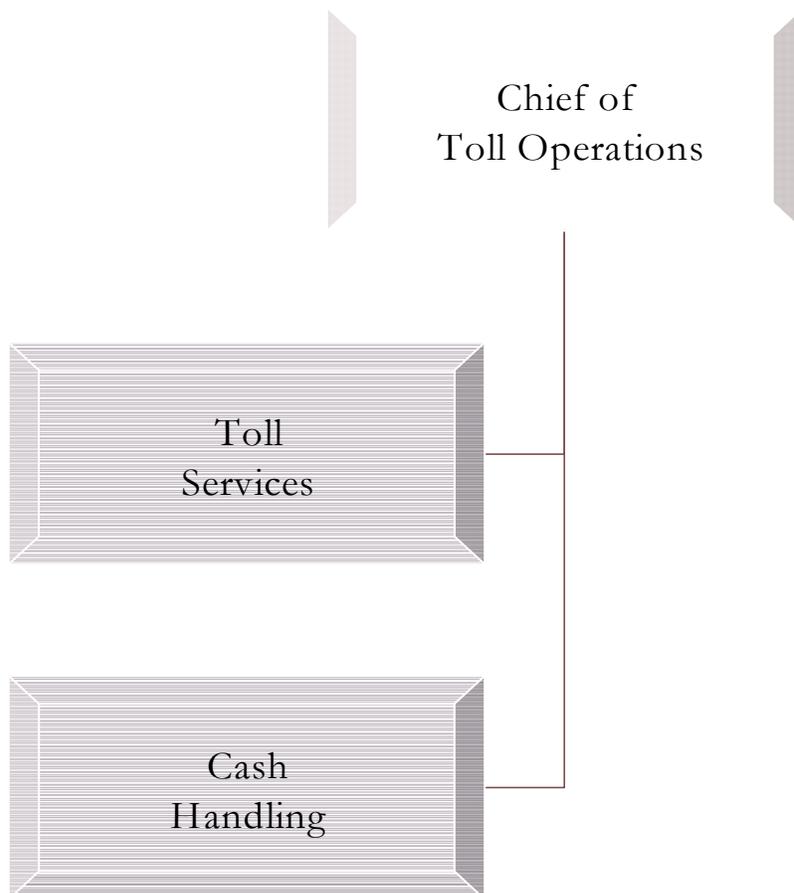
Description:

The Toll Operations Department is responsible for providing the necessary resources and services to maintain the Tollway's toll operations, as well as managing the collection and counting of tolls.

Toll Operations is responsible for the following functions:

- Toll Collection
- Cash Handling
- Operational Support Services

Department Organizational Structure



Toll Operations continued

MAJOR ACCOUNT LINES:

| ACCOUNT DESCRIPTION | 2006 Actual | 2007 Revised Budget | 2008 Request | \$ Change |
|----------------------------|----------------------|---------------------------|----------------------|---------------------|
| SALARY & WAGES | \$ 31,664,099 | \$ 32,399,100 | \$ 33,086,038 | \$ 686,938 |
| BENEFITS | 6,694,239 | 7,474,537 | 8,854,816 | 1,380,279 |
| UTILITIES | 4,326,223 | 4,770,000 | 4,770,000 | 0 |
| OTHER EXPENSES | 2,341,077 | 2,488,100 | 2,488,100 | 0 |
| UNIFORMS & ACCESSORIES | 252,000 | 269,650 | 270,000 | 350 |
| ARMORED TRUCK SERVICE | 160,715 | 240,000 | 200,000 | (40,000) |
| SUPPLIES - OPERATIONAL | 120,996 | 142,750 | 126,000 | (16,750) |
| SUPPLIES - OFFICE | 85,250 | 94,500 | 98,500 | 4,000 |
| DUES, BOOKS & SUBSCRIP. | 72,124 | 80,000 | 80,000 | 0 |
| TRAVEL AND SUBSISTENCE | 82,714 | 90,000 | 72,000 | (18,000) |
| REPLACEMENT PARTS | 41,384 | 94,000 | 54,000 | (40,000) |
| CONTRACTED OUTSIDE SERVICE | 56,643 | 88,809 | 51,000 | (37,809) |
| EQUIPMENT MAINTENANCE | 8,606,125 | 55,000 | 25,000 | (30,000) |
| BUILDING EQUIPMENT | 21,442 | 40,350 | 15,500 | (24,850) |
| OTHER OUTSIDE SERVICES | 10,915 | 15,000 | 15,000 | 0 |
| EMPLOYEE TRAINING | 12,979 | 15,000 | 10,000 | (5,000) |
| OFFICE EQUIPMENT | 6,887 | 36,000 | 8,000 | (28,000) |
| EQUIPMENT RENTALS | 3,339,696 | 10,200 | 6,500 | (3,700) |
| OTHER MINOR ACCOUNTS | 9,437 | 15,850 | 8,900 | (6,950) |
| DEPARTMENT TOTAL | \$ 57,904,945 | \$ 48,418,846 | \$ 50,239,354 | \$ 1,820,508 |

The Fiscal Year 2008 Budget request is \$50.2 million; an increase of \$1.8 million or 3.8 percent over the Fiscal Year 2007 budgeted amount. Total payroll is \$41.9 million and includes 711 positions.

Department M&O Highlights:

- Salaries and Wages increased by \$687 thousand or 2.1% over the 2007 Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased \$1.4 million over the 2007 Budget due to the SERS Pension Contribution Rate increase from 13.7% to 19.1%.
- Armored Truck Service, Replacement Parts, Contracted Outside Service, Equipment Maintenance, and Building/Office Equipment, Operational Supplies, and Travel and Subsistence decreased by \$251 thousand due to projected lower costs in 2008.

Toll Operations continued

Accomplishments:

- Enabled three additional employees to be trained to repair the Mach 12 DeLaRue coin counting machines used in the money room, reducing the need for a maintenance contract and thus reducing the operating expense of the department.
- Purchased ten new currency counters with the capability of detecting counterfeit bills.
- Implemented bar coding in the collector coin and currency units to improve audit/inventory activities.
- Improved accuracy of operations, evident in the reduction of TC-32's (toll collector overage/shortage) from 803 in 2006 to 390 in 2007.
- Created and implemented a metrics-based system for scoring new-hire progress.
- Initiated checklist for plaza managers and supervisors to continuously review all safety aspects of plaza buildings on daily basis.

Goals and Objectives:

- Continue to track counterfeit currency in order to determine patterns of usage and provide training for collectors to better enable detection and reduce occurrences of counterfeit currency.
- Complete development and implementation of Plaza Cash Management System (PCMS) to allow for recording of toll collector money bag deposits via a scanner instead of recording manually.
- Improve operational controls and training of personnel to continue to reduce total number of TC-32's (toll collector overage/shortage report).
- Evaluate scheduling requirements in light of completed construction projects to best optimize resource scheduling based on need.
- Implement a streaming video training program at the plazas for all toll collection staff to reduce/eliminate mileage reimbursements as well as the time spent to travel.
- Increase the number of toll collectors who earn the attendance incentive as a step toward reducing overtime.

Toll Operations continued

Headcount:

| 2006 Budget | 2007 Budget | 2008 Budget |
|----------------|----------------|----------------|
| 889 | 748 | 711 |

Toll Operations

Number of Positions

Fiscal Year

2006 2007 2008

| | 2006 | 2007 | 2008 |
|--|------|------|------|
| Administrative Support Manager | 1 | 1 | 1 |
| Building Maintenance Manager | 2 | 0 | 0 |
| Business System Project Administrator | 1 | 1 | 0 |
| Business System Project Manager | 1 | 1 | 0 |
| Carpenter Shop Clerk | 1 | 0 | 0 |
| Carpenter Shop Manager | 2 | 0 | 0 |
| Cash Handling Manager | 1 | 1 | 1 |
| Cash Handling Supervisor | 1 | 1 | 1 |
| Chief of Operations | 1 | 1 | 1 |
| Clerk | 2 | 0 | 0 |
| Coin Counter Full-Time | 19 | 15 | 16 |
| Commercial I-PASS Account Manager | 1 | 1 | 0 |
| Custodian II | 51 | 0 | 0 |
| Custodian III | 11 | 0 | 0 |
| Custodian Manager | 1 | 0 | 0 |
| Custodian Supervisor | 3 | 0 | 0 |
| Customer Services Representative - I-PASS | 19 | 10 | 0 |
| Customer Services Representative - Mobile I-PASS | 3 | 0 | 0 |
| District Supervisor | 3 | 3 | 3 |
| Equipment Operator Laborer | 4 | 0 | 0 |
| Executive Secretary | 1 | 1 | 1 |
| E-Z Pass Analyst | 1 | 1 | 0 |

Toll Operations continued

| Toll Operations | Number of Positions | | |
|---|---------------------|------------|------------|
| | Fiscal Year | | |
| | 2006 | 2007 | 2008 |
| Facility Services Manager | 1 | 0 | 0 |
| General Manager Toll Services | 0 | 1 | 1 |
| General Manager I-PASS & Business Partnership | 1 | 1 | 0 |
| Generator Maintenance Technician | 1 | 0 | 0 |
| I-PASS Analyst | 1 | 1 | 0 |
| I-PASS Clerk | 2 | 4 | 0 |
| I-PASS Commercial Supervisor | 1 | 1 | 0 |
| I-PASS Customer Services Representative | 0 | 6 | 0 |
| I-PASS Inventory Specialist | 1 | 1 | 0 |
| I-PASS Manager | 0 | 1 | 0 |
| I-PASS Operations Supervisor | 1 | 1 | 0 |
| I-PASS Senior Supervisor | 0 | 1 | 0 |
| I-PASS Special Project Supervisor | 1 | 1 | 0 |
| I-PASS Supervisor | 2 | 1 | 0 |
| Lane Walker | 30 | 0 | 0 |
| Lead Supervisor Money Room | 1 | 1 | 1 |
| Mechanical Electrical | 13 | 0 | 0 |
| Mobile I-PASS/CSR | 0 | 2 | 0 |
| Mobile I-PASS Program Supervisor | 1 | 1 | 0 |
| Mobile I-PASS Supervisor | 1 | 0 | 0 |
| Money Room Clerk | 1 | 1 | 1 |
| Money Truck Driver | 11 | 11 | 12 |
| Office Supervisor | 1 | 1 | 1 |
| Operational Planning Analyst | 1 | 1 | 0 |
| Operations Project Administrator | 3 | 3 | 0 |
| Painter | 11 | 0 | 0 |
| Plaza Manager | 23 | 23 | 23 |
| Plaza Supervisor | 30 | 37 | 37 |
| Project Administrator | 1 | 2 | 0 |
| Secretary II | 2 | 1 | 1 |
| Secretary III | 3 | 3 | 1 |
| Structural | 9 | 0 | 0 |
| Supervisor Money Room | 1 | 1 | 1 |
| System Maintenance Technician | 2 | 0 | 0 |
| Toll Collector | 600 | 602 | 607 |
| Toll Compliance Specialist | 1 | 1 | 1 |
| Toll Services Manager | <u>1</u> | <u>0</u> | <u>0</u> |
| | 889 | 748 | 711 |

In 2007 the Facilities Unit was transferred to the Administration Department

Procurement

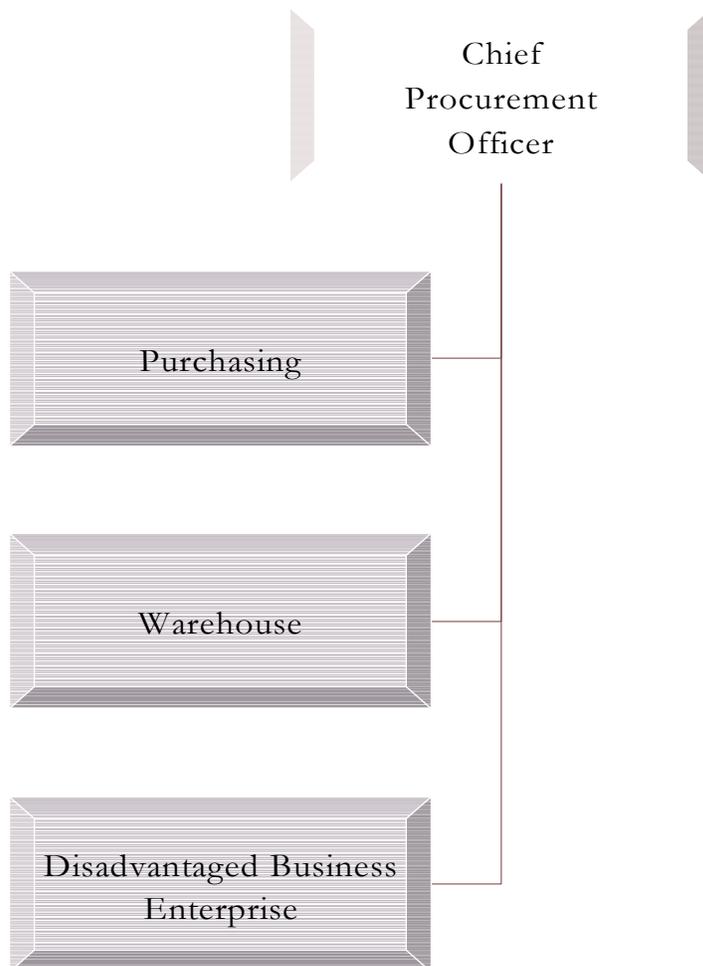
Description:

The Procurement Department is responsible for all purchasing and procurement activities of the Tollway. The Department is authorized to execute contracts and place orders for goods and services; they are also responsible for the warehouse function. Additionally, the Department is responsible for administration of the Tollway's DBE Program.

The Procurement Department is responsible for the following functions:

- Purchasing
- Central Warehouse
- Disadvantaged Business Enterprise Program

Department Organizational Structure



Procurement continued

MAJOR ACCOUNT LINES

| ACCOUNT DESCRIPTION | 2006 Actual | 2007 Revised Budget | 2008 Request | \$ Change |
|--------------------------------|------------------------|------------------------------------|-------------------------|-------------------|
| SALARY & WAGES | \$ 2,148,634 | \$ 2,512,600 | \$ 2,753,933 | \$ 241,333 |
| BENEFITS | 398,710 | 525,200 | 737,035 | 211,835 |
| SUPPLIES - OFFICE | 11,925 | 16,600 | 15,000 | (1,600) |
| OTHER OUTSIDE SERVICES | 29,242 | 11,400 | 11,000 | (400) |
| EMPLOYEE TRAINING | 0 | 6,000 | 8,000 | 2,000 |
| EQUIPMENT MAINTENANCE | 3,866 | 5,000 | 5,500 | 500 |
| TRAVEL AND SUBSISTENCE | 2,255 | 12,000 | 4,000 | (8,000) |
| POSTAGE AND EXPRESS | 2,562 | 2,200 | 3,500 | 1,300 |
| OTHER EXPENSES | 8,550 | 500 | 3,000 | 2,500 |
| OFFICE EQUIPMENT | 3,267 | 8,000 | 2,800 | (5,200) |
| SUPPLIES - OPERATIONAL | 46,619 | 3,197 | 2,400 | (797) |
| OTHER MINOR ACCOUNTS | 63,378 | 76,403 | 37,800 | (38,603) |
| <i>SUBTOTAL</i> | \$ 2,719,008 | \$ 3,179,100 | \$ 3,583,968 | \$ 404,868 |
| RECOVERY OF EXPENSES | (3,888) | (5,000) | (5,000) | 0 |
| <i>DEPARTMENT TOTAL</i> | \$ 2,715,120 | \$ 3,174,100 | \$ 3,578,968 | \$ 404,868 |

The Fiscal Year 2008 Budget request is \$3.6 million; an increase of \$405 thousand or 12.8 percent over the Fiscal Year 2007 budgeted amount. Total payroll is \$3.5 million and includes 56 full-time positions.

Department M&O Highlights:

- Salaries and Wages increased by \$241 thousand or 9.6% over the 2007 Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions. One data entry position has been added for 2008.
- Benefits increased \$212 thousand over the 2007 Budget due to the SERS Pension Contribution Rate increase from 13.7% to 19.1%.
- Travel, Office Equipment and Other Minor Accounts were reduced by \$55 thousand for 2008.

Procurement continued

Accomplishments:

- Improved procurement activities by incorporating training sessions for buyers into weekly meetings and creating a checklist for new contracts, renewals and increases to ensure accurate and complete processing.
- Initiated improved controls over receiving functions and asset tagging.
- Completed audits of all 20 inventory stocking locations, 109 of 110 asset locations.
- Continued to assist in implementation of increased DBE participation in all professional service consulting contracts and construction contracts.
- Developed a Diversity Program Procedures Manual and Business Process Workflow.
- Conducted a training session for all prime contractors and construction managers on the Diversity Program reporting requirements.
- Worked with IT and Catapult team to develop an electronic reporting tool for prime contractors to submit their DBE and EEO reports via the website.
- Executed an Intergovernmental Agreement with IDOT for a joint Disparity Study and completed the RFP for necessary services.
- Received the “Most Innovative Program” award from the Federation of Women Contractors for the Earned Credit Program.

Goals and Objectives:

- Establish an on-line auction program to remove obsolete property, inventory and unclaimed lost and found items from the Tollway.
- Achieve a 100% completion rate for audits at all established inventory locations.
- Perform 100% cycle count of warehouse in twelve month period.
- Provide improved inventory accountability and reduce opportunity for audit findings related to asset/inventory management.
- Improve reporting to department chiefs with respect to asset management, purchasing and receiving functions.
- Ensure that all prime contractors have the ability to electronically submit DBE and EEO reports into Catapult and generate a web-based report for presentation to management.
- Complete the IDOT/Tollway Disparity Study and incorporate modifications in the DBE Special Provisions.

Headcount:

| | 2006 | 2007 | 2008 |
|--|--------|--------|--------|
| | Budget | Budget | Budget |
| | 49 | 55 | 56 |

Procurement continued

| Procurement | Number of Positions | | |
|---|---------------------|-----------|-----------|
| | Fiscal Year | | |
| Position Titles | 2006 | 2007 | 2008 |
| Assistant Inventory Auditor | 1 | 1 | 1 |
| Buyer | 7 | 7 | 7 |
| Chief of Procurement | 0 | 1 | 1 |
| Clothing Room Clerk | 1 | 1 | 0 |
| Clothing Room Supervisor | 1 | 1 | 1 |
| Contract Administrator | 2 | 2 | 2 |
| Cost Analyst | 1 | 2 | 1 |
| Data Entry Clerk | 0 | 1 | 1 |
| EEO Program Mgr-Construction Services | 0 | 1 | 1 |
| ERP Program Manager | 0 | 1 | 1 |
| Executive Secretary | 0 | 0 | 1 |
| Information Customer Services Representative | 2 | 0 | 0 |
| Information Processing Operator | 2 | 2 | 2 |
| Inventory Analysis Control Supervisor | 1 | 1 | 1 |
| Inventory Control Auditor | 1 | 1 | 1 |
| Inventory Planner | 3 | 3 | 3 |
| Inventory Specialist | 2 | 2 | 2 |
| Invoice Processing Administrator | 0 | 0 | 2 |
| Messenger/Drivers | 10 | 9 | 9 |
| Messenger Services Manager | 1 | 1 | 1 |
| Procurement & Construction Services Manager | 1 | 0 | 0 |
| Procurement & Warehouse Manager | 0 | 1 | 1 |
| Property Control Auditor | 1 | 1 | 2 |
| Property Control Supervisor | 1 | 1 | 1 |
| Purchasing Coordinator | 1 | 1 | 0 |
| Purchasing Manager | 1 | 0 | 0 |
| Purchasing Services Manager | 0 | 1 | 1 |
| Purchasing Supervisor | 0 | 1 | 2 |
| Secretary III | 0 | 2 | 1 |
| Senior Cost Analyst | 1 | 1 | 1 |
| Shipping & Receiving Auditor | 1 | 1 | 1 |
| Switchboard Operator | 0 | 1 | 1 |
| Warehouse & Materials Distribution Supervisor | 1 | 1 | 1 |
| Warehouse Manager | 1 | 1 | 1 |
| Warehouse Workers | <u>5</u> | <u>5</u> | <u>5</u> |
| | 49 | 55 | 56 |

In 2006 the Procurement Department was part of Administration

State Police

Description:

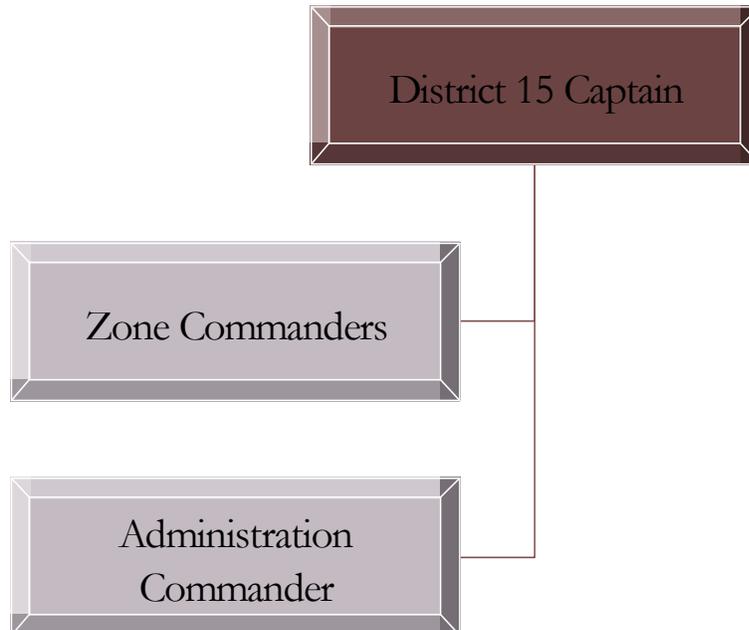
Illinois State Police (ISP) – District 15 – is one of 21 districts of the Illinois State Police, responsible for providing comprehensive law enforcement services. The entire Tollway System comprises District 15. State Police patrol the Tollway System to enforce speed limits and traffic laws, assist disabled motorists, and provide special details for operations, such as overweight vehicle. The District Commander reports to the Executive Director of the Tollway and to the Director of the ISP.

District 15 is a unique ISP district serving a mobile community made up of travelers from across the country and local commuters. Troopers assigned to District 15 cover 12 different counties, coordinate with five state police districts and four toll roads. The District operates and is solely responsible for a Truck Task Force, Special Enforcement Teams made up of a K-9 anti-drug unit and motorcycle patrol unit, a Comprehensive Investigative Unit, an Administrative team, and Tollway patrol operations.

District 15 State Police is responsible for the following functions:

- Zone Commanders
- Administration Commander
- Support Services
- Video Surveillance

Department Organizational Structure



State Police continued

MAJOR ACCOUNT LINES

| ACCOUNT DESCRIPTIONS | 2006 Actual | 2007 Revised | 2008 Request | \$ Change |
|--------------------------------|----------------------|----------------------|----------------------|---------------------|
| SALARY & WAGES | \$ 13,755,853 | \$ 14,556,522 | \$ 15,743,126 | \$ 1,186,604 |
| BENEFITS | 1,520,141 | 2,302,425 | 3,283,018 | 980,593 |
| GROUP INSURANCE | 2,112,891 | 2,678,400 | 2,700,000 | 21,600 |
| OTHER EXPENSES | 1,049,745 | 1,200,000 | 900,000 | (300,000) |
| EQUIPMENT MAINTENANCE | 110,269 | 152,700 | 150,000 | (2,700) |
| UNIFORMS & ACCESSORIES | 70,282 | 90,000 | 94,500 | 4,500 |
| SUPPLIES - OPERATIONAL | 44,453 | 116,975 | 91,000 | (25,975) |
| OTHER OUTSIDE SERVICES | 46,683 | 50,000 | 75,000 | 25,000 |
| POLICE EQUIPMENT | 119,475 | 40,000 | 40,000 | 0 |
| REPLACEMENT PARTS | 27,977 | 5,000 | 30,000 | 25,000 |
| SUPPLIES - OFFICE | 25,763 | 30,000 | 28,350 | (1,650) |
| TELEPHONE & TELEGRAPH | 14,693 | 32,000 | 25,000 | (7,000) |
| POSTAGE AND EXPRESS | 21,457 | 18,900 | 22,000 | 3,100 |
| EMPLOYEE TRAINING | 8,385 | 18,500 | 20,000 | 1,500 |
| TRAVEL AND SUBSISTENCE | 3,664 | 6,500 | 8,000 | 1,500 |
| OTHER MINOR ACCOUNTS | 4,978 | 9,625 | 6,800 | (2,825) |
| <i>SUBTOTAL</i> | \$ 18,936,709 | \$ 21,307,547 | \$ 23,216,794 | \$ 1,909,247 |
| RECOVERY OF EXPENSES | (83,297) | (75,000) | (87,500) | (12,500) |
| <i>DEPARTMENT TOTAL</i> | \$ 18,853,412 | \$ 21,232,547 | \$ 23,129,294 | \$ 1,896,747 |

The Fiscal Year 2008 Budget request is \$23.1 million; an increase of \$1.9 million or 8.9 percent over the Fiscal Year 2007 budgeted amount. Total payroll is \$19 million for 19 civilian positions and 196 troopers.

Department M&O Highlights:

- Salaries and Wages increased by \$1.2 million or 8.2% over the 2007 Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased \$981 thousand over the 2007 Budget due to the SERS Pension Contribution Rate increase from 13.7% to 19.1%.
- Other Outside Services increased \$25 thousand or 50% due to the leasing fees for the photo enforcement van.
- Operational Supplies decreased \$26 thousand due to reduced costs.

State Police continued

Accomplishments:

- Earned first place in The Illinois Traffic Safety Challenge recognizing results-driven enforcement programs; District 15 has won this statewide award in three of the last four years.
- Added 30 troopers in anticipation of the opening of the I-355 South Extension; allowing for full patrol coverage 24/7 on the entire length of the Veteran's Memorial Tollway.
- Completed over 1,000 Seatbelt Enforcement Zones in 2007, and achieved a seatbelt compliance rate of 91.4% on the Tollway System.
- Assisted in activities leading to the lowest fatality rate in twenty-one years on the Tollway System.

Goals and Objectives:

- Continue working with the Violation Enforcement System in order to identify habitual toll violators and take proper enforcement action to encourage compliance.
- Partner with Toll Operations and identify toll plazas with higher-than average violation rates.
- Continue to increase seatbelt compliance rate for patrons on the Tollway system by continuing to perform Seatbelt Enforcement Zones (five per patrol zone per week).
- Reduce fatalities by strong enforcement of "fatal five" violations: DUI, Speeding, Following Too Closely, Improper Lane Changes, and Occupant Restraint violations.
- Maintain or reduce use of budgeted overtime by proper scheduling and efficient use of personnel.

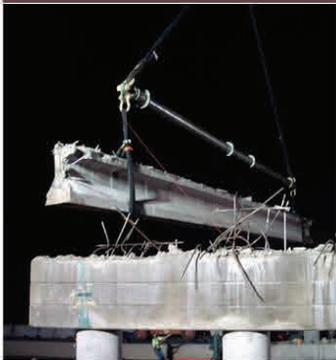
State Police continued

Headcount:

| 2006 Budget | 2007 Budget | 2008 Budget |
|----------------|----------------|----------------|
| 19 | 19 | 19 |

| State Police Position Titles | Number of Positions Fiscal Year | | |
|--|------------------------------------|-----------|-----------|
| | 2006 | 2007 | 2008 |
| Administration Secretary | 2 | 2 | 2 |
| Civilian Call Taker | 2 | 0 | 0 |
| Crash Report Call Taker | 1 | 2 | 2 |
| Executive Secretary | 1 | 1 | 1 |
| Information Processor Operator | 4 | 4 | 4 |
| Investigations Secretary III | 1 | 1 | 1 |
| Police Records Analyst | 1 | 1 | 1 |
| Police Records Specialist | 3 | 4 | 4 |
| Support Services Manager | 1 | 1 | 1 |
| Support Services Assistant Timekeeping | 1 | 1 | 1 |
| Video Surveillance Service Operator Supervisor | 1 | 1 | 1 |
| Video Surveillance Supervisor | 1 | 1 | 1 |
| Department Total | 19 | 19 | 19 |

This page intentionally left blank



2008 Capital Program

2008 Capital Budget

The fiscal year 2008 capital budget reflects the Tollway's pledge to maintain and upgrade the existing facilities and infrastructure of the system. The budget includes funding for the fourth year of the \$6.3 billion, multi-year, Congestion-Relief Program (CRP), the largest capital improvement program in its 50 year history. In December 2007, the Tollway's Board of Directors approved \$1,379.4 million for the capital budget. In fiscal year 2008, \$1,270.8 million is allocated to the CRP and \$108.6 million is allocated to support other needs such as roadway equipment and vehicles, building repair and improvements, and technological equipment and enhancements.

Fiscal Year 2008 - Capital Program
(\$ in millions)

Exhibit 23

| | 2006 Actual | 2007 Budget | 2008 Request |
|---|-------------------|-------------------|-------------------|
| Tri-State Tollway (I-94/294) | 189.8 | 312.6 | 738.6 |
| Jane Addams Memorial Tollway (I-90) | 2.7 | 16.3 | 112.6 |
| Reagan Memorial Tollway (I-88) | 43.2 | 119.1 | 272.4 |
| Veterans Memorial Tollway (I-355) | 273.2 | 380.9 | 38.2 |
| Open Road Tolling (ORT) | 408.2 | 103.4 | 20.5 |
| Systemwide Improvements | 64.0 | 72.5 | 88.5 |
| Congestion-Relief Program Subtotal | \$ 981.1 | \$ 1,004.8 | \$ 1,270.8 |
| "Other" Capital Projects Subtotal | \$ 49.3 | \$ 138.1 | \$ 108.6 |
| TOTAL CAPITAL PROGRAM | \$ 1,030.4 | \$ 1,142.9 | \$ 1,379.4 |

The Tollway's capital budget is a financial plan of capital project expenditures for the fiscal year beginning January 1st and ending December 31st. The capital budget provides funding for non-recurring expenditures for the preservation, replacement, repair, renewal, reconstruction, modification, or expansion of the Tollway System. Expenditures within the capital budget tend to be high-cost in nature, requiring more stringent control and accountability. The capital budget is funded from current revenues, proceeds from the sale of revenue bonds and interest income. In 2008, approximately \$230 million of current revenues, \$500 million in new bond proceeds and \$30 million of interest income will be combined with balances in the Renewal/Replacement Account, Improvement Account and Construction Fund to fund the capital budget.

The Tollway adheres to the covenants of its Trust Indenture and Generally Accepted Accounting Principles (GAAP) to provide direction for capital budgeting. Per the Trust Indenture, a capital project of the Tollway is to be classified as either (a) Improvement; or (b) Renewal and Replacement. These categories are defined as follows:

Improvement: means any System Expansion Project or any acquisition, installation, construction, reconstruction, modification or enhancement of or to any real or personal property (other than Operating Expenses) for which a currently effective resolution of the Authority has been adopted authorizing the deposit of Revenues to the credit of the Improvement Account for such System Expansion Project or acquisition, installation, construction, reconstruction, modification or enhancement including, without limitation, the cost of related feasibility studies, plans, designs or other related expenditures.

Renewal and Replacement: means any preservation, replacement, repairs, renewals and reconstruction or modification of the Tollway System or any part of it constituting real or personal property, whether leased or purchased, but does not include System Expansion Projects.

The Tollway's 2008 capital budget is comprised of the fourth year projects from the CRP and other capital projects necessary to maintain, improve and enhance Tollway assets, including new technologies, building improvements, and machinery/equipment. The goals of the 2008 capital budget mirror those established with the Congestion-Relief Program and include maintaining and improving the capital infrastructure of the existing system by:

- Ensuring the system remains in a state of good repair;
- Providing congestion relief by converting the entire mainline system to Open Road Tolling (*complete*) and widening most of the existing toll roads;
- Extending I-355 south to accommodate the needs of growing communities (*open to traffic November 2007*);
- Establishing corridor planning councils to strengthen the partnership between the Tollway and the communities it serves;
- Improving mobility for communities served by the Tollway through a revamped interchange policy, inter-modalism and contact sensitive improvements such as noise walls and bike paths; and
- Implementing Intelligent Transportation Systems to better serve its customers.

Capital Planning

Overview

The Tollway works in partnership with local communities and officials to provide the 12 county region it serves with comprehensive strategic transportation solutions, recognizing the value of an integrated approach to project development and implementation. This helps balance the local interests with a shared vision for the region and avoids problems caused by meeting the needs of one community at the expense of others.

This approach is highlighted in the Tollway's Local Advisory Committee for the I-355 South Extension and Corridor Working Groups. Input from corridor planning committees has been instru-

mental in the successful development and implementation of regionally significant projects. Additionally, ongoing dialog with local businesses ensures that long-term benefits of an improved transportation network are understood and the short-term impact of construction is clearly communicated.

The Tollway's leadership continues to work closely with residents, business owners, local and state government officials, as well as other transportation agencies to continuously evaluate its list of needs and establish priorities for providing Northern Illinois with a coordinated plan to balance travel demand with population and economic growth.

Planning Process

The Tollway uses a comprehensive capital planning process, where decisions are made in an environmentally sensitive way. The process includes analyzing and evaluating the needs of the Tollway and its surrounding communities, developing strategies to increase system efficiency, and assessing the condition of the Tollway assets.

The program development process begins by stakeholder departments, including Finance, Engineering, Communications, Information Technology, etc. sharing information on departmental needs. During this process projects are reviewed for consideration in accordance with near term and long-range Tollway goals. The number of projects is then reduced through a rigorous and thoughtful prioritization process based on several criteria including:

- Condition – assessment of existing roadway network and facilities
- Benefit – congestion relief, improved operations, etc.
- Safety – reduce crashes, improved response time, etc.
- Community – anticipated local and regional growth
- Financing – impact on revenue, future maintenance and operational costs
- Cost – estimated project cost and risk
- Multi-agency implementation support.

The proposed projects are evaluated against detailed asset inventories and conditions assessments to assist the Tollway in developing priorities and investment strategies. Then a thorough cost-benefit analysis is performed to justify the proposed capital expenditures and impacts to the operating budget resulting from project implementation.

After the proposed projects are rated, the Tollway develops several, preliminary draft alternative plans based on the budget constraints and recommendations are presented to key decision makers. Alternatives continue to evolve until a final program is established. The public has several opportunities to get involved both during the comprehensive planning process when the Tollway attends local board meetings, meets with city and municipal leaders and during the Tollway's annual budget adoption process.

Debt Financing Strategy

The Tollway uses a variety of tools to assist in developing long-term financial planning strategies. A detailed proforma cashflow model produces projections of both operations and capital programming, providing all line-items relating to revenues and expenditures as well as fund balances. The proforma cashflow model is one tool that allows the Tollway to assess alternative debt structures, allowing for an analysis of the impact of various debt financing options on net revenues available for debt service and fund balances.

The Tollway has issued \$2.5 billion of debt over the past three years to finance a portion of its \$6.3 billion CRP, and will issue another \$1.1 billion over the next two years. The Tollway's debt financing program includes several strategies which have served the Tollway well in producing a debt profile that:

- (a) meets the financing needs of the Tollway's ambitious capital program; and
- (b) produces debt service coverage that allows the Tollway to maintain its Aa3/AA-/AA-ratings from Moodys, Standard & Poor's, and Fitch Ratings.

The Tollway is one of a very small number of toll authorities to possess ratings in the AA letter category from each of the top three rating agencies. Maintaining these ratings for revenue bonds in the midst of the \$6.3 billion CRP is a remarkable achievement. Two significant reasons are (i) the Tollway's pro-active approach to keeping the rating agencies apprised of Tollway developments; and (b) maintaining regular contact with the rating agencies so that the Tollway understands which factors may make the difference between a lower and higher rating.

Some of the strategies utilized by the Tollway are:

- managing expenses to 2X debt service coverage;
- utilizing hedge agreements to manage interest rate risk and lower borrowing cost; analyzing the spreads between traditional fixed rate debt and synthetic fixed rate debt, allowing the Tollway to assess when the savings offered by a synthetic fixed rate financing outweigh the counterparty and basis risk associated with such financings;
- appropriately managing counterparty risk in its hedge portfolio by incorporating stringent one-way collateral requirements (only for counterparties – the Tollway is never required to post collateral), minimum counterparty rating requirements (A1/A+) and a high level of diversification of counterparties (currently 11 different counterparties for 11 outstanding hedge agreements, one of which is rated A1/A+ and 10 of which are in the Aa/AA or Aaa/AAA letter categories);
- monitoring and analyzing the relative value of SIFMA based hedges versus LIBOR based hedges, so that if a hedge agreement is right for the Tollway for a given financing, the Tollway is able to appropriately assess whether to assume the tax risk associated with a LIBOR-based hedge agreement; and
- appropriately managing the variable rate /fixed rate balance of its debt portfolio.

As a result of the financing strategies above, the Tollway has achieved an overall, all-in borrowing cost on its \$6.3 billion Congestion-Relief Program of less than 4.4%, which compares very favorably with the 5.25% goal at the outset of the program. Furthermore, the all-in cost of below 4.4% is especially impressive given that it includes zero unhedged variable rate debt.

The Tollway has also proven its strong management under adversity. When the bond insurer credit deterioration began, the Tollway was extremely pro-active in dealing with the situation, resulting in the Tollway being the first borrower to terminate an insurance policy from XLCA in conjunction with a mandatory tender and liquidity agreement substitution on the Tollway's Series 2007 variable rate bonds. The Tollway was able to replace its liquidity agreement based on the bond insurer's credit with a liquidity agreement based on the Tollway's credit instead. This minimized the period in which the interest rates on the Tollway's Series 2007 Bonds became inflated to a period of only six weeks, and allowed the Tollway's Series 2007 Bonds to recover to a level well below the 7-day SIFMA Index.

The Tollway has also effectively managed its refinancing opportunities. The Tollway accessed the capital markets (both on the borrowing side using a super-integrated SIFMA-based floating-to-fixed hedge agreement and on the escrow investment side using SLGs Securities) to advance refund its Series 2006 Bonds in December 2007, at a time when tax-exempt borrowing rates were near historical lows while investment rates were still sufficiently high to produce over \$30 million (4%) savings on a present value basis for the Tollway.

The Tollway is currently assessing the optimal strategy for its remaining \$1.1 billion of bond-financed needs for the CRP.

Capital Budget Development

Program and project reviews are on-going throughout the fiscal year; however capital budget development begins in the summer of each fiscal year. The Budget Division meets with the Tollway's twelve primary department chiefs and division managers, to explain the overall process and to provide pertinent information regarding any funding or expenditure issues, budget process changes, and general instructions. At this meeting the Budget Manager outlines the Tollway's goals and direction for the new budget.

The Budget Division works with each department to compile a comprehensive list of capital needs which is used in identifying new projects to be recommended for funding. This list identifies preliminary project information such as name, location, description or scope, estimated cost, and any operating impact. A specific form – Capital Program Project Request Form – is used to document new project requests. This form is designed to guide the preparer in providing all necessary information including the priority of the project (scale of high, medium or low), schedule of project (start and completion dates), purpose/objective of the project, the proposed project description, location and scope, operating budget impacts, cost-benefit analysis, future year funding impact analysis, alternatives, other affected departments, and basis for cost estimate.

Along with identifying new projects, the Budget Division works with the departments to gather updated information regarding on-going projects. Draft documents showing all projects both on-

going and proposed are developed. These draft documents are distributed to the departments for review and the opportunity to add or revise any information. In conjunction with department chiefs, the Budget Division compiles a list of proposed and on-going projects to be presented to key decision makers. The Budget Manager meets with the Chief of Finance to discuss financial impacts and projects to be included in the proposed capital budget. The Budget Division coordinates with the department chiefs and managers to obtain further justification on projects as requested by the Chief of Finance.

The revised proposed project list is compiled and reviewed again with the Chief of Finance prior to presentation to Executive Management. Review and sign off is completed by the Chief of Finance and Executive Director and a tentative capital budget is presented to the Board of Directors in October for approval. Requested changes by the Board of Directors and Executive Management are incorporated into the tentative budget. Public Hearings are held in November and public comments are relayed to the Board of Directors for incorporation into the final budget. The Budget Division reviews and incorporates changes from the Board of Directors, Executive Management, and public comments. A final budget is then presented to the Board of Directors for adoption in December.

Funding Sources

Funding for capital projects comes from three sources, current revenues, proceeds from the sale of revenue bonds, and interest income. Current revenues are deposited in the Revenue Fund and transferred to the Renewal/Replacement Account and the Improvement Account; bond proceeds are deposited into the Construction Fund.

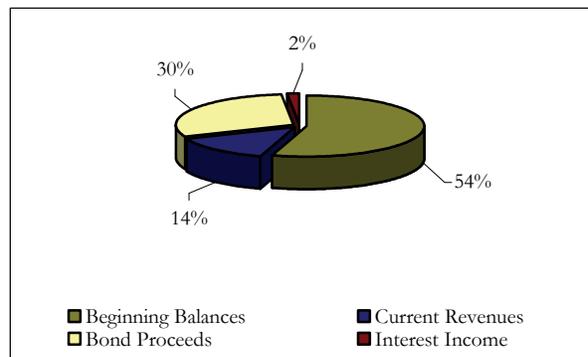


Exhibit 24

Use of Funds

Fiscal year 2008 capital expenditures are related to the fourth year of the Congestion-Relief Program and other capital needs such as roadway equipment and vehicles, building repair and improvements, and technological equipment and enhancements. The CRP is broken into six corridors for reporting purposes: Tri-State Tollway, Jane Addams Memorial Tollway, Reagan Memorial Tollway, Veterans Memorial Tollway, Open Road Tolling, and System-wide Improvements. Other capital needs are divided into Building Repairs and Maintenance, Equipment, Professional Services, and Roadway.

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

The approved 2008 capital budget for the Tri-State Tollway corridor is \$738.6 million. The Tri-State Tollway (Interstate 294) is the main by-pass around the Chicago-Metro Area, starting from an intersection with Interstate 80/94/294/IL Route 394, near South Holland, to near the Wisconsin State Line. As part of the Congestion-Relief Program (CRP), the Tollway is planning to invest nearly \$2.3 billion to improve the Tri-State Tollway.

By mid-2010, 76 miles of the 78.5 mile I-94/I-294/I-80 Tollway will have a minimum of 4 lanes in each direction. By the end of 2007, a majority of the contracts required to complete this work had been obligated and nearly \$690 million had been earned since the start of the CRP program in 2005.

South Tri-State Tollway

In early 2005, road work began to rebuild and widen a 17.6 mile stretch of the Tri-State Tollway from IL Route 394 in South Holland to 95th Street in Oak Lawn. The project is divided into two phases. Phase I includes the portion from IL Route 394 to 167th Street and was completed in late 2006 for a total cost of approximately \$284 million; four lanes are now open in both directions. Phase II includes a reconstruct and widen of approximately 11.3 miles of the Tri-State from 159th Street to 95th Street and began in 2007.

In 2008, \$169.9 million is budgeted for mainline rebuild and widen work in the southbound direction from 159th Street to 95th Street. Northbound construction is scheduled in 2009. Rebuild and widen work includes reconstruction of the 95th Street and Cicero Avenue/127th Street interchanges. Fourteen local crossroads that run underneath the Tollway will be impacted by construction, these include; 147th Street, Kedzie Avenue, Rexford Road, Crawford Road, Midlothian Turnpike, 135th Street, 131st Street, Ridgeland Avenue, 115th Street, 111th Street, SW Highway, Harlem Avenue, 95th Street and 107th Street.



Crews smooth out newly poured concrete on the South Tri-State

Central Tri-State Tollway

In fall 2006, construction began to rebuild and widen a 12.7 mile portion of I-294 from Balmoral Avenue to Lake-Cook Road with northbound work from Touhy Avenue to Dempster Street. This work is divided into two projects Balmoral Avenue to Dempster Street and Dempster Street to Lake-Cook Road. Several of the Tollway's mainline bridges will be either reconstructed or rehabilitated as part of these projects. Additional work within the central Tri-State includes new retaining walls, noise walls, as well as an addition of a fourth lane. Additional maintenance projects to rehabilitate the section of the central Tri-State between 95th Street and Balmoral Avenue are scheduled after 2010.

In 2008, \$147.6 million and \$131.0 million is budgeted for the Balmoral Avenue to Dempster Street and Dempster Street to Lake-Cook Road projects respectively.

Balmoral Avenue to Dempster Street Schedule

- Fall 2006 – Northbound work began from Touhy Avenue to Dempster Street.
- Late 2007 – Southbound work began from Dempster Street to Touhy Avenue.
- Spring 2008 – Northbound lanes from Touhy Avenue to Dempster Street to be completed.
- Summer 2008 – Southbound work begins from Touhy Avenue to Balmoral Avenue.
- Completion by end of 2009.



Bridge beams are erected during off-peak hours on the Central Tri-State Bridge over River Road

Balmoral Avenue to Dempster Street Schedule

- Fall 2007 – Southbound work began from Dempster Street to Lake-Cook Road.
- Fall 2008 – Northbound work begins from Dempster Street to Lake-Cook Road.
- Late 2008 – Southbound lanes from Dempster Street to Lake-Cook Road to be completed.
- Completion by spring 2010.

North Tri-State Tollway

This section of the Tri-State Corridor includes reconstructing and widening approximately 19.5 miles of the North Tri-State Tollway from Half Day Road to IL Route 173. The northern most 2.5 miles from IL Route 173 to Russell Road will be reconstructed only; as the traffic levels do not currently warrant widening this section. The 2008 capital budget allocates \$286.0 million for the north Tri-State Tollway work. Construction began in early 2007 with work on the southbound lanes from the Wisconsin State Line to Grand Avenue. Several bridges will be improved including; Lake-Cook Road, Half Day Road, Townline Road, Rockland Road, O’Plaine Road, Belvidere Road, Washington Street, Grand Avenue, Rosecrans Road (IL Route 173) and U.S. Route 41.



Removing concrete beams from the Kelley Road Bridge on the North Tri-State

Schedule

- Fall 2007 – Work in the southbound lanes from the Wisconsin State Line to Grand Avenue was completed.
- Early 2008 – Rebuild and widen work begins in the northbound lanes from Grand Avenue to IL Route 173, as well as rebuild work from IL Route 173 to Russell Road.
- Early 2008 – Rebuild and widen work begins in the southbound lanes from Grand Avenue to Half Day Road.
- 2009 – Work continues in the northbound lanes from Half Day Road to Grand Avenue.
- Completion by end of 2009.

Tri-State Tollway (I-294/94)

| Project | Scope | Length (miles) | Estimated Construction Period | 2008 Request (millions) |
|---|---|----------------|-------------------------------|-------------------------|
| Reconstruct | | | | |
| Reconstruct / Add Lane | 159 th Street to 95 th Street (MP 6.3 to 17.6) | 11.3 | 2007-2009 | \$169.9 |
| Reconstruct / Add Lane | Balmoral Avenue to Dempster Street (MP 40.2 to 44.5) | 4.3 | 2006-2009 | \$147.6 |
| Reconstruct / Add Lane | Dempster Street to Lake Cook Road (MP 44.5 to 52.9) | 8.4 | 2007-2010 | \$131.0 |
| Reconstruct / Add Lane | Half Day Road to IL 137 (MP 56.5 to 64.4) | 7.9 | 2007-2009 | \$114.9 |
| Reconstruct / Add Lane to IL 173 (MP 76) | IL 137 to Russell Road (MP 64.4 to 78.5) | 14.1 | 2007-2009 | \$171.1 |
| Sub Total: | | | | \$734.5 |
| Regional Growth | | | | |
| Interchange Improvement | I294/ I57 Interchange Inter-Agency Project * | 0 | 2016 | \$4.1 |
| Sub Total: | | | | \$4.1 |
| Tri-State Tollway Total: | | | | \$738.6 |



Jane Addams Memorial Tollway (I-90)

The approved 2008 capital budget for the Jane Addams Memorial Corridor is \$112.6 million. The Jane Addams Memorial Tollway runs in a northwest direction from near O'Hare International Airport to near South Beloit. As part of the Congestion-Relief Program the Tollway plans to complete nearly \$773 million of improvements to the Jane Addams Memorial Tollway.

By the end of 2009, the 14.3 mile section of the corridor north of Rockford will be widened from 2 to 3 lanes in each direction and the Cherry Valley Interchange at I-90/I-39 will be reconstructed and reconfigured to allow for more efficient traffic movements. Advance work was completed in late 2007 and by early 2008, the contracts required to reconstruct and widen the section of roadway from Newburg Road to Rockton Road in the eastbound direction will be awarded. By late spring, all traffic will be shifted to the westbound side of the road while eastbound lanes are reconstructed. Westbound construction is scheduled in 2009.

The projects included in this Corridor consist of constructing a new, two-lane flyover ramp bridge over eastbound I-90, constructing a new ramp bridge over I-90 for westbound I-90 traffic heading southbound on I-39, removing and replacing the Newburg Road Bridge over I-90. Additionally, there are nine crossroad bridges over I-90 between the South Beloit Toll Plaza and Newburg Road that will be impacted by the reconstruct and widen projects along this corridor, including Elevator Road, Burr Oak Road, Belvidere Road, Swanson Road, Rock Cut State Park, Harlem Road, Spring Creek Road, Rote Road and State Street in Rockford. Additional maintenance projects to rehabilitate the section of the Jane Addams Memorial Tollway between O'Hare International Airport and Rockford are scheduled after 2010.



Concrete beams being installed at the U.S. Route 20 Bridge

Jane Addams Memorial Tollway (I-90)

| Project | Scope | Length (miles) | Estimated Construction Period | 2008 Request (millions) |
|--|---|----------------|-------------------------------|-------------------------|
| Reconstruct | | | | |
| Interchange Improvement | I-39/ I-90 Interchange (MP 60.8 to 62.4) | 0 | 2008-2009 | \$36.5 |
| Reconstruct / Add Lane | Newburg Road to Rockton Road (MP 61.8 to 76.1) | 14.3 | 2008-2009 | \$61.0 |
| Sub Total: | | | | \$97.5 |
| Regional Growth | | | | |
| Interchange Improvement | East Riverside Interchange Inter-Agency Project* | 0 | 2008 | \$10.0 |
| Sub Total: | | | | \$10.0 |
| Design | | | | |
| Master Plan for Reconstruct / Add Lane | Kennedy Expressway to Newburg Road (M.P. 0.0 to 61.8) - Design Only | 61.8 | 2007-2009 | \$5.1 |
| Sub Total: | | | | \$5.1 |
| Jane Addams Memorial Tollway Total: | | | | \$112.6 |

Fiscal Year 2008

Reagan Memorial Tollway (I-88)

The 2008 approved capital budget for the Reagan Memorial Tollway Corridor is \$272.4 million. The Reagan Memorial Tollway runs east-west from Hillside to Rock Falls. As part of the Congestion-Relief Program the Tollway plans to complete nearly \$1.1 billion of improvements to the Reagan Memorial Tollway.

York Road to IL Route 83

This project will rebuild and widen the 2-mile section of I-88 between York Road in Oak Brook and IL Route 83, including the completion of a new westbound York Road Toll Plaza. The 2008 capital budget for this project is \$59.2 million

The project will add a fourth lane in each direction, complete the cash plaza and add a fourth Open Road Tolling (ORT) lane at the new westbound York Road Toll Plaza. Reconstruction of the connector ramp bridges between I-88 and the Tri-State Tollway (I-294) is included in this project to increase capacity from one lane to two lanes and permit access to the York Road Toll Plaza ORT lanes from the northbound Tri-State Tollway (I-294). In addition, the project includes rebuilding the Harger Road entrance ramp to westbound I-88, and rebuilding the bridge over 22nd Street.

Schedule

- Summer 2007 – Work began to rebuild and widen mainline and add a fourth Open Road Tolling lane at York Road Plaza. Harger Road ramp was reconstructed.
- Early 2008 – Reconstruction of connector ramp bridges between I-88 and the Tri-State Tollway (I-294).
- Spring 2008 – Reconstruction of the 22nd Street roadway begins.
- Completion by end of 2009.

IL Route 83 to Finley Road

This project will rebuild and add a fourth lane to the 5-mile section of I-88 between IL Route 83 and Finley Road. In 2008, \$27.8 million is allocated for the initial phases of work. Pre-stage work for the project began in December 2007, and construction is scheduled to be complete by the end of 2009. The project includes rebuilding and widening from three lanes to four in each direction.

Schedule

- Late 2007 – Preparatory off-system work began.
- Spring 2008 – Westbound mainline rebuild and widen work scheduled to begin.
- Spring 2009 – Eastbound mainline rebuild and widen work is scheduled to begin.
- Completion by end of 2009.

Finley Road to Washington Street

With this project the Tollway will rebuild and widen the 5.7-mile section of I-88 between Washington Street and Finley Road to four lanes; scheduled completion by the end of 2008. The project includes interchange improvements at Naperville Road, IL Route 53 and the Veterans Memorial Tollway (I-355), as well as bridge rebuilding and widening at IL Route 53, Warrenville Road, the DuPage River, and Naperville Road. The 2008 capital budget allocates \$94.5 million for this project.



Excavation work between Washington Street and Finley Road

Schedule

- Spring 2006 – Construction began on the Naperville Road interchange and retaining walls and drainage work.
- Late 2007 – Eastbound mainline rebuild and widen work is completed.
- Spring 2008 – Westbound mainline rebuild and widen work begins.
- Completion by end of 2009.

Aurora Toll Plaza to Orchard Road

The approved 2008 capital budget for work from the Aurora Toll Plaza to Orchard Road is \$88.6 million. This project will rebuild and widen the 3.4-mile section of I-88 between the Aurora Toll Plaza and Orchard Road. A third lane in each direction will be added and a new Fox River Bridge will be constructed immediately south of the existing bridge. Additional work includes rehabilitation of the existing Fox River Bridge, rebuilding the bridge carrying IL Route 31 over the Tollway and rebuilding the ramp bridge at the IL Route 31 interchange. Plans are included to rebuild portions of the entrance and exit ramps at IL Route 31 and Orchard Road. The project will also remove the Burlington Northern Santa Fe Railroad Bridge structure over I-88, just west of the IL Route 31 interchange.



Construction of New Fox River Bridge

Schedule

- Summer 2007 – Work began to construct a new eastbound Fox River Bridge.
- Spring 2008 – Eastbound mainline and median reconstruction and widening begins along with modifications to the Aurora Toll Plaza.
- Spring 2009 – Westbound mainline and median reconstruction and widening begins.
- Completion by end of 2009.

Ronald Reagan Memorial Tollway (I-88)

| Project | Scope | Length (miles) | Estimated Construction Period | 2008 Request (millions) |
|--|--|----------------|-------------------------------|-------------------------|
| Resconstruct | | | | |
| Reconstruct / Add Lane | York Road to IL 83 (MP 137.0 to 139.2) | 2.2 | 2007-2009 | \$59.2 |
| Reconstruct / Add Lane | IL 83 to Finley Road (MP 131.9 to 137.0) | 5.1 | 2008-2009 | \$27.8 |
| Reconstruct / Add Lane | Finley Road to Washington St. (MP 126.5 to 132.2) | 5.7 | 2006-2009 | \$94.5 |
| Reconstruct / Add Lane | Aurora Plaza to Deerpath (MP 114.3 to 117.5) | 3.2 | 2007-2009 | \$88.6 |
| Reconstruct / Add Lane | Deerpath to IL 56 (MP 113.3 to 114.3) | 1.0 | 2015 | \$2.3 |
| Sub Total: | | | | \$272.4 |
| Ronald Reagan Memorial Tollway Total: | | | | \$272.4 |



Concrete beams being installed for the new Fox River Valley Bridge.

Veterans Memorial Tollway (I-355)

The Veterans Memorial Tollway is the newest of the four tollways in Illinois with the section from Addison to I-55 opening in 1989. On Veterans Day 2007, a new 12.5 mile extension opened connecting I-55 to I-80, lengthening the tollway to 29.8 miles. Over \$823 million will be spent on widening, rehabilitating and extending the Veterans Memorial Tollway as part of the Congestion-Relief Program. The approved 2008 capital budget for the Veterans Memorial corridor is \$38.2 million.

75th Street to Ogden Avenue

The Project will resurface and widen a 4-mile section of I-355 between 75th Street and Ogden Avenue. Work to resurface and construct a fourth northbound lane from 75th Street to Ogden Avenue is scheduled to begin in April 2008 and be completed in late 2008. Southbound resurface and widen work will occur in 2009.

Schedule

- Spring 2008 – Work begins to resurface and build a fourth northbound lane between 75th Street and Ogden Avenue.
- Spring 2009 – Southbound resurfacing and widening work to begin.
- Completion by end of 2009.

I-355 South Extension

The Illinois Tollway has completed construction of the \$730 million, 12.5-mile, six-lane South Extension of the Veterans Memorial Tollway (I-355) from I-55 through Will County to I-80.

The first contract on the project began in late 2004, clearing the lane for the new road. Major earthwork began in spring 2005 on the south end of the project. Additional work began in fall 2005, including embankment excavation and drainage work throughout the corridor. Bridge and interchange construction began throughout the corridor in 2006, including the 1.3-mile Des Plaines River Valley Bridge.

- 1.3 miles long
- 124 feet wide
- 3 x 12' lanes and 2 full shoulders in each direction
- Max. Height - 114 feet
- Min. Height - 79 feet



Des Plaines River Valley Bridge

The interchange at the terminus of I-355 and I-55 features eight ramp movements, including three flyover ramp bridges. Work began in spring 2006, at the site of the new I-80 interchange at Cedar Road, which features four ramp movements at the southern terminus of the roadway, including two flyover ramp bridges.

Roadway, bridge and interchange construction was completed in November 2007.



I-355 and I-55 Interchange

Veterans Memorial Tollway (I-355)

| Project | Scope | Length (miles) | Estimated Construction Period | 2008 Request (millions) |
|---|--|-------------------|----------------------------------|----------------------------|
| Restore | | | | |
| Resurfacing/ Add Lane | 75th Street to I-88 (MP 15.5 to 20.0) | 4.5 | 2008-2009 | \$14.1 |
| Sub Total: | | | | \$14.1 |
| Regional Growth | | | | |
| South Extension | I355 South Extension (I-55 to I-80) | 12.5 | 2004-2007 | \$24.1 |
| Sub Total: | | | | \$24.1 |
| Veterans Memorial Tollway Total: | | | | \$38.2 |

Open Road Tolling

The work to convert 20 mainline toll plazas to Open Road Tolling (ORT) for non-stop I-PASS travel, which began in the summer of 2005, is complete. As part of the Congestion-Relief Program the Tollway invested nearly \$730 million to provide for system-wide non-stop I-PASS travel.

The schedule to complete conversion to Open Road Tolling was designed to deliver non-stop toll collection by the end of 2006. Work was completed in two phases:

Phase I: Construction began in summer 2005 and ORT was delivered by the end of the year at nine plazas, including Boughton Road and Army Trail Road on I-355; Edens Spur on I-94; Irving Park Road, Touhy Avenue, Cermak, 82nd Street and 83rd Street on I-294 and the Aurora Toll Plaza on I-88.

Phase II: ORT lanes are now available at all 20 mainline toll plazas as ORT lanes opened in 2006 at York Road/Meyers Road, DeKalb and Dixon on I-88; River Road, Devon Avenue, Elgin, Marengo, Belvidere and South Beloit on I-90, Waukegan on I-94, and at 163rd Street on I-294.

Wrap-up work continues into 2008 with a capital budget of \$20.5 million



Mainline Plaza 99

Open Road Tolling

| Project | Scope | Length (miles) | Estimated Construction Period | 2008 Request (millions) |
|---------------------------------|---|----------------|-------------------------------|-------------------------|
| Open Road Tolling | | | | |
| Reconstruct | Mainline Reconstruct / Cash Lane Modifications | 0 | 2005-2007 | \$20.5 |
| Open Road Tolling Total: | | | | \$20.5 |

Systemwide Projects

The 2008 approved capital budget allocated \$88.5 million to maintain the integrity of the existing Tollway System. This includes the preservation, replacement, repairs, renewals and reconstruction or modification of the Tollway's infrastructure system. The Tollway is expected to expend approximately \$690 million as part of the Congestion-Relief Program on projects including bridge rehabilitations, pavement improvements, and other system-wide miscellaneous infrastructure improvements.

This work is part of a maintenance and repair plan that was derived from an extensive review of the Tollway's 286 miles of roadway and structures. The scope of work was developed from assessment reports completed by the Tollway's General Consulting Engineer of pavement condition evaluations, bridge inspections and the review of various roadway appurtenances including drainage structures, embankments, guardrail, barriers, pavement markings, fencing, signage, lighting, other miscellaneous structures, etc.

Systemwide Improvements

| Project | Scope | Length (miles) | Estimated Construction Period | 2008 Request (millions) |
|---|--------------------------|-------------------|----------------------------------|----------------------------|
| Systemwide Needs | | | | |
| Bridge Improvements | Bridge Improvements | - | Annual | \$39.0 |
| Plaza Improvements | Plaza Improvements | - | Annual | \$2.0 |
| Interchange Improvements | Interchange Improvements | - | Annual | \$15.0 |
| Environmental / Program Mgmt & Miscellaneous | Systemwide | - | Annual | \$15.3 |
| Pavement Improvements | Pavement Improvements | - | Annual | \$17.2 |
| Systemwide Total: | | | | \$88.5 |

Building Repairs and Maintenance

The 2008 approved capital budget allocates \$15.1 million for Building Repairs and Maintenance. This includes \$10.9 million for upgrades to 12 maintenance facilities, initial funding for the relocation of the M-08 maintenance building, repairs to salt domes, HVAC units and roof replacements, lighting upgrades and other similar improvements at maintenance yards system-wide. Additionally, \$2.5 million is included for improvements at the Central Administration building, \$1.5 million for plazas upgrades system-wide, and \$150 thousand for a tower generator replacement and electrical service upgrade at the Lisle Radio Tower.

Equipment

The Tollway allocated \$61.4 million to the Equipment portion of the 2008 capital budget. Approximately \$35.1 million will be invested to upgrade various technologies, including the Next Generation Network, LAN/WAN, Oasis Mobile I-PASS, and DVD security cameras and equipment. The approved 2008 capital budget for Equipment includes \$8.3 million for replacement and new roadway vehicles and trucks, over \$1.0 million for equipment machinery/tools and \$1.4 million for other miscellaneous equipment purchases.



The Equipment portion of the capital budget also includes \$15.6 million for Intelligent Transportation Systems, which provides real time feedback on major roadway traffic conditions. This information is collected through the Traffic Information Management System (TIMS) and transmitted to drivers, travelers and other interested parties. Timely information improves traffic flow, by providing travelers information on problem areas resulting from construction, accidents, and other causes allowing them to use less congested alternate routes.

Professional Services

The 2008 approved capital budget for Professional Services related to capital projects is \$17.9 million. This includes environmental services required as part of the improvements made to the system, consulting services related to pavement analysis, General Engineering Consultant, and Traffic Engineer as well as financial services necessary for the implementation of the capital program.

Roadway

The Tollway allocated \$14.3 million for the Roadway portion of the capital budget. This includes a system-wide upgrade to the signage located along the 286 miles of roadway, work on drainage systems, guardrail, fence and pavement improvements systemwide.

| 2008 OTHER CAPITAL PROJECT HIGHLIGHTS | 2007 Carryover | 2008 New | 2008 Budget |
|--|----------------|-----------------|-----------------|
| | | Request | |
| \$'s in thousands (1,000) | | | |
| BUILDING REPAIRS AND MAINTENANCE | 4,152.0 | 10,928.8 | 15,080.8 |
| MAINTENANCE SITES | 1,080.0 | 7,490.3 | 8,570.3 |
| Roadway Maintenance Yard Facility Repairs | | | |
| M-01 | - | 956.0 | 956.0 |
| M-02 | - | 345.3 | 345.3 |
| M-03 | - | 289.0 | 289.0 |
| M-04 | - | 527.0 | 527.0 |
| M-05 | - | 567.2 | 567.2 |
| M-06 | - | 500.8 | 500.8 |
| M-07 | - | 300.0 | 300.0 |
| M-08 | - | 540.0 | 540.0 |
| M-11 | - | 170.0 | 170.0 |
| M-12 | - | 110.0 | 110.0 |
| M-14 | - | 120.0 | 120.0 |
| M-08 Relocation Study | - | 1,500.0 | 1,500.0 |
| Salt Dome Repairs - Reagan Memorial IL Rt 47 | 400.0 | - | 400.0 |
| HVAC Rooftop Units - M-03, M-14 and CW Replacement and Upgrade | 250.0 | 50.0 | 300.0 |
| Other Miscellaneous Projects | 430.0 | 1,515.0 | 1,945.0 |
| SYSTEMWIDE | 1,310.0 | 1,030.0 | 2,340.0 |
| HVAC Replacement and HVAC Monitoring Network System | 385.0 | 500.0 | 885.0 |
| Overhead Door Replacement - M-03, 11, Sign Shop | 25.0 | 50.0 | 75.0 |
| Roof Replacements, Excluding new ORT Plazas and Plaza 89 Boughton | 450.0 | 100.0 | 550.0 |
| Asbestos Removal | 200.0 | 300.0 | 500.0 |
| Lighting Upgrade System | 250.0 | 50.0 | 300.0 |
| Modular Partitions for CA and Oases | - | 30.0 | 30.0 |
| CENTRAL ADMINISTRATION | 1,477.0 | 1,053.5 | 2,530.5 |
| Renovations and Maintenance of Building | 250.0 | 160.0 | 410.0 |
| Replace Liebert Units AC Backup System | 430.0 | - | 430.0 |
| Replace Main Fire Panel | 420.0 | - | 420.0 |
| Update Halon Fire Suppression System | 230.0 | - | 230.0 |
| Cooling Tower Upgrades | 90.0 | 130.0 | 220.0 |
| Electrical Main Service & Back-Up Emergency Electrical Upgrade | - | 250.0 | 250.0 |
| Other Miscellaneous Projects | 57.0 | 513.5 | 570.5 |
| PLAZAS | 135.0 | 1,355.0 | 1,490.0 |
| Replace Electrical Furnace Heating/Window AC Units - Unmanned Sites | 100.0 | 100.0 | 200.0 |
| Replace Gas Furnace Heating/AC Units - Unmanned Sites | - | 80.0 | 80.0 |
| Replace Two Portable AC Units with Central Air - P35 Cermak Disaster Recovery Site | 35.0 | 50.0 | 85.0 |
| Oases Automatic Access Gates | - | 1,125.0 | 1,125.0 |
| RADIO TOWER | 150.0 | - | 150.0 |
| Tower Generator Replacement and Electrical Services Upgrade - Lisle | 150.0 | - | 150.0 |

| 2008 OTHER CAPITAL PROJECT HIGHLIGHTS | 2007 Carryover | 2008 New | 2008 Budget |
|---|----------------|----------|-------------|
| | | Request | |
| \$'s in thousands (1,000) | | | |
| EQUIPMENT | 24,814.2 | 36,627.6 | 61,441.8 |
| TECHNOLOGY | 12,274.0 | 22,868.0 | 35,142.0 |
| Tower Preservation | 500.0 | - | 500.0 |
| Next Generation Network (NGN) | 2,073.0 | - | 2,073.0 |
| 800 HZ Communication Upgrade Radio Replacement | 1,491.0 | - | 1,491.0 |
| Mainframe Legacy System Replacement and Upgrade | 2,500.0 | - | 2,500.0 |
| Disaster Recovery System and Data Center | 1,100.0 | 500.0 | 1,600.0 |
| LAN/WAN Maintenance Upgrade | 600.0 | - | 600.0 |
| Web and E-Commerce | - | 800.0 | 800.0 |
| 1 Giga Ethernet Upgrade | - | 1,000.0 | 1,000.0 |
| Oasis Mobile I-PASS - Systemwide | 300.0 | 200.0 | 500.0 |
| DVD Security Cameras and Equipment | 600.0 | - | 600.0 |
| Illinois State Police Digital Camera Replacement | 1,000.0 | 750.0 | 1,750.0 |
| Enterprise Resource Planning System | - | 11,000.0 | 11,000.0 |
| Transponder Purchases | - | 8,000.0 | 8,000.0 |
| Other Miscellaneous Projects | 2,110.0 | 618.0 | 2,728.0 |
| INTELLIGENT TRANSPORTATION SYSTEMS | 8,970.0 | 6,585.0 | 15,555.0 |
| TIMS Operation and Maintenance | - | 800.0 | 800.0 |
| CCTV Digital Conversions | 1,950.0 | - | 1,950.0 |
| Replace Unreliable Vultron DMS Signs (5) | 700.0 | - | 700.0 |
| CCTV - Tri-State IL 394 - I-55 | 1,500.0 | - | 1,500.0 |
| CCTV and RTMS - Tri-State Balmoral - Russell | 3,630.0 | - | 3,630.0 |
| Dynamic Message Sign (DMS) Installation | 700.0 | - | 700.0 |
| Remote Traffic Microwave Sensor (RTMS) Expansion - Jane Addams Memorial | - | 600.0 | 600.0 |
| Video Incident Detection | - | 600.0 | 600.0 |
| CCTV and DMS Digital Video Conversion | - | 1,700.0 | 1,700.0 |
| Fiber Optics Design Upon Request | - | 500.0 | 500.0 |
| ITS Design Upon Request and Construction Upon Request | - | 500.0 | 500.0 |
| ITS and Fiber Optics Program Management and Support | - | 1,450.0 | 1,450.0 |
| Other Miscellaneous Projects | 490.0 | 435.0 | 925.0 |
| ROADWAY VEHICLES AND TRUCKS | 3,115.2 | 5,195.0 | 8,310.2 |
| Vehicles and Trucks | 3,115.2 | 5,195.0 | 8,310.2 |
| EQUIPMENT MACHINERY/TOOLS | 455.0 | 547.1 | 1,002.1 |
| Six Trailer Mounted Portable Generators | 300.0 | - | 300.0 |
| Fourteen Standby Generators for Plazas | 135.0 | - | 135.0 |
| Flatbed Plotter/Cutter and Semi Automatic Saw | - | 110.0 | 110.0 |
| Aluminum Extrusion Refurbishing | - | 113.0 | 113.0 |
| Other Miscellaneous | 20.0 | 324.1 | 344.1 |
| MISCELLANEOUS EQUIPMENT SYSTEMWIDE | - | 750.0 | 750.0 |
| Capital Equipment Purchases | - | 750.0 | 750.0 |
| STATE POLICE | - | 682.5 | 682.5 |
| IWN Computers | - | 682.5 | 682.5 |

Capital Program

| 2008 OTHER CAPITAL PROJECT HIGHLIGHTS | 2007 Carryover | 2008 New | 2008 Budget |
|--|-----------------|-----------------|------------------|
| | | Request | |
| \$'s in thousands (1,000) | | | |
| PROFESSIONAL SERVICES | 4,472.1 | 13,387.5 | 17,859.6 |
| MISCELLANEOUS PROJECTS | 2,092.5 | 9,917.5 | 12,010.0 |
| Congestion Pricing | 62.5 | 937.5 | 1,000.0 |
| Web Plan Services | 30.0 | 170.0 | 200.0 |
| Pavement Roadway Management Services | 2,000.0 | - | 2,000.0 |
| General and Traffic Consulting Services | - | 8,060.0 | 8,060.0 |
| State Police Manpower for Construction Sites - Hire Back Security Program | - | 450.0 | 450.0 |
| Traffic and Revenue Report | - | 300.0 | 300.0 |
| ENVIRONMENTAL | 1,232.6 | 2,695.0 | 3,927.6 |
| Air Quality Assessment | 34.0 | - | 34.0 |
| Biotic and Aquatic Environmental Species Surveys | - | 2,695.0 | 2,695.0 |
| Salt Spray Studies - Veterans Memorial | 374.6 | - | 374.6 |
| IL State Geological Survey | 824.0 | - | 824.0 |
| DIVERSITY AND EEO PROGRAMS | 400.0 | 500.0 | 900.0 |
| Diversity Program and Disparity Study | 400.0 | 500.0 | 900.0 |
| GEOGRAPHIC INFORMATION SYSTEM | 305.0 | 275.0 | 580.0 |
| Infrastructure Management Services | 305.0 | 275.0 | 580.0 |
| FINANCIAL | 442.0 | - | 442.0 |
| Trustee and Bond Services | 442.0 | - | 442.0 |
| ROADWAY | 9,205.0 | 5,061.6 | 14,266.6 |
| MAINTENANCE, REPAIRS AND IMPROVEMENTS | 7,505.0 | 2,311.6 | 9,816.6 |
| Clean Drainage System, Guardrail, Fence, Misc. Repairs - Veterans Memorial | 4,150.0 | - | 4,150.0 |
| Pavement Marking | 1,000.0 | 1,000.0 | 2,000.0 |
| Intermittent Pavement Repairs - Reagan Memorial Rt 56 - I-290 | 65.0 | - | 65.0 |
| Intermittent Pavement Repairs - Jane Addams Barrington Rd - Powers Rd | 54.0 | - | 54.0 |
| Intermittent Pavement Repairs - Tri-State Dempster - Grand | 320.0 | - | 320.0 |
| Intermittent Guardrail Repairs - Jane Addams IL 53 - Cherry Valley | 620.0 | - | 620.0 |
| Expand Fiber Optic Utilities - Reagan Memorial IL 56 - I-290 | 530.0 | - | 530.0 |
| Other Miscellaneous Projects | 766.0 | 1,311.6 | 2,077.6 |
| SIGNAGE | 1,700.0 | 2,750.0 | 4,450.0 |
| Roadway Signing for Sign Shop | - | 750.0 | 750.0 |
| Maintenance of Traffic & Construction Communication | 1,700.0 | - | 1,700.0 |
| Roadway Sign Upgrade and Enhancement | - | 2,000.0 | 2,000.0 |
| 2008 OTHER CAPITAL PROJECTS TOTAL | 42,643.3 | 66,005.5 | 108,648.8 |

Capital Projects Operating Impacts

The capital program is an integral element of the Tollway's budgeting process. The cost of operating new or expanded infrastructure is included in the operating budget in the fiscal year the asset becomes operational. Debt service payments on the debt issued for capital projects is also included in the debt service budget. In addition, many capital assets, such as buildings, require annual operating expenses for utilities and maintenance, among other items.

The existing Tollway system to be maintained and operated includes 286 miles of limited access highways featuring a toll collection system incorporating mainline plazas and ramp plazas with the combined use of I-PASS, automatic coin collection and manual lanes. As the Congestion-Relief Program is implemented, the system will be expanded. The expansion includes the 12.5 mile extension of the Veterans Memorial Tollway; the widening of existing routes through the addition of lanes; and the construction of additional interchanges. Measured in terms of lane miles, the System will grow during the CRP by approximately 15.9%. Additionally, the toll collection system has been converted to an Open Road Tolling system with cash lanes only for non I-PASS users.

The departments of Toll Operations and Engineering make up over 21% and 24% of the operating expenses, respectively. The Toll Operations Department is responsible for toll operations, including managing the collection and counting of tolls. The Engineering Department has responsibilities including design, construction and maintenance of the roadway. These two departments are some of the most affected by the changes to the system involved with the implementation of the CRP. Additional costs associated with the maintenance and operations of the expanded system are reflected in the increase in the operating costs of the Engineering Department. With the conversion of the toll collection system to Open Road Tolling, there has already been a reduction in the operating costs of the Toll Operations Department as the number of I-PASS lanes has increased and the number of automatic and manual lanes have decreased.

In 2008, Toll Operations has a budgeted headcount of 711 employees. The headcount for this department has already decreased substantially as the Open Road Tolling projects have come online and the total number of manned toll lanes has been reduced. The need for lane walkers has been eliminated, while staffing within the Electronic Tolling Department has increased as the I-PASS program continues to grow.

Other trends occurring within the operating budget include an increase in bank charges associated with a rise in credit card usage by patrons. However, it is estimated that this growth will not continue as the total percentage of I-PASS usage stabilizes over the next few years. Additionally, some increase will be seen in utilities as the expanded system will incur additional electrical and fiber optic costs. However, it is estimated that as the capital program is implemented buildings, energy costs will decrease; equipment repairs will decrease; and new technology efficiencies will be created.

The Engineering Department oversees three areas of operations:

- Planning / Design – Project plans and specifications are prepared for various construction and maintenance activities according to the capital improvement program schedule.
- Construction – Implements the construction phase of projects by ensuring quality construction and keeping them on schedule and within budget.
- Maintenance / Traffic – Maintains the roadway system by keeping roads clean, well lit and safe in all weather conditions; manages incidents and informs motorists of traffic and travel concerns.

In 2006, the Engineering Department had a headcount of 552 employees. Almost 90% of the employees were within the Maintenance / Traffic unit. The implementation of the CRP has had two effects on the Engineering Department. In the design and construction areas, additional engineers are required to administer the design and construction phases of the projects. The second effect of the CRP implementation will be the increase in staffing needs within the Maintenance/Traffic unit. The Consulting Engineer reviewed the activities that are performed by the Maintenance/Traffic unit and assessed the general impact on each activity by the implementation of the CRP.

The increases in lane miles, route length and traffic volumes will all impact the requirements of the Maintenance/Traffic unit. In 2005, there were 1473.8 mainline lane miles on the Tollway System. With the South Extension of the Veterans Memorial Tollway and widening of existing routes, this will increase by 15.9% to 1708.2 lane miles in 2016. Table 8 below shows the anticipated growth of lane miles on the System.

Table 1: Growth of the Tollway System as Measured by Lane Miles

Exhibit 25

| Tollway Route | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 to 2021 |
|------------------------|--------|-------|--------|--------|--------|-------|--------|--------|--------|--------|--------|--------|--------------|
| Tri-State | 545.2 | 545.2 | 556 | 556 | 556 | 627 | 643.8 | 643.8 | 643.8 | 643.8 | 643.8 | 643.8 | 643.8 |
| Edens Spur | 21.6 | 21.6 | 21.6 | 21.6 | 21.6 | 21.6 | 21.6 | 21.6 | 21.6 | 21.6 | 21.6 | 21.6 | 21.6 |
| Jane Addams Memorial | 358 | 358 | 358 | 358 | 358 | 386.6 | 386.6 | 386.6 | 386.6 | 386.6 | 386.6 | 386.6 | 386.61 |
| Ronald Reagan Memorial | 437.5 | 444.7 | 444.7 | 444.7 | 444.7 | 476.5 | 476.5 | 476.5 | 476.5 | 476.5 | 476.5 | 447.9 | 447.9 |
| North-South | 111.5 | 111.5 | 111.5 | 169.3 | 169.3 | 178.3 | 178.3 | 178.3 | 178.3 | 178.3 | 178.3 | 178.3 | 178.3 |
| Total lane Miles | 1473.8 | 1481 | 1491.8 | 1549.6 | 1549.6 | 1690 | 1706.8 | 1706.8 | 1706.8 | 1706.8 | 1706.8 | 1708.2 | 1708.2 |
| % increase per year | | 0.5 | 0.7 | 3.9 | 0 | 9.1 | 1 | 0 | 0 | 0 | 0 | 0.1 | 0 |
| % increase over 2005 | | 0.5 | 1.2 | 5.1 | 5.1 | 14.7 | 15.8 | 15.8 | 15.8 | 15.8 | 15.8 | 15.9 | 15.9 |

Cost Monitoring

The Tollway maintains a project management database which is used to monitor and measure program status, provide early identification of problem areas, provide for alternative analysis, and to ensure that pertinent information is communicated to project participants. It allows for real time access for information on budgets, commitments, expenditures, cash flows, forecasts, and performance status. Timely reporting of this information allows decisions to be made in advance, permitting effective cost control of the project.

Regularly published reports include performance measures to assess the magnitude of variations that occur on projects. The Tollway analyzes the causes of the variances and determines what corrective actions are required. Examples of financial reports that are developed to assist in the variance analysis include:

- Monthly Project Status Reports focus on schedule and cost status, proposed/ pending changes, and current project issues. These reports include detailed financial and schedule performance for each project, including change orders, forecast-at-completion and expenditure tracking. In addition, these reports provide a tool for management to follow the progress of each project.
- Exception Reports provide a forum for the initial disclosure of project issues that will potentially cause a project delay, or cause a project budget overrun. These reports provide an opportunity to quickly address project impediments and trigger at necessary actions to bring the expected future project performance into line with the project plan.
- Change Order Reports reflect the original budget and indicates all subsequent changes approved by the Tollway or currently in the approval process. By also recording anticipated changes, the report allows a realistic assessment of the program and shows the remaining contingency by contract.

Schedule Monitoring

Program status and schedule changes are monitored and reported on a monthly basis via the Master Program Schedule. The main goal of the schedule reporting process is to detect adverse trends in design, construction, and administrative activities early enough to correct them. Modifications to the schedule information may or may not require adjustments to other aspects of the overall project plan.

The Master Program Schedule serves the following purposes:

- Validates the funding schedule and budget presently established by the capital budget;
- Explores various combinations of project implementation;
- Projects a consistent and reasonable level of effort and expenditure over the program term;
- Adjusts scopes of work and/or the distribution of funding as needed to respond to unforeseen conditions or capitalize on opportunities so as to meet implementation goals; and
- Establishes funding requirements for subsequent capital budgets.

Revisions to start and finish dates for the approved project schedule are generally made in response to scope changes. As potential delays / changes become apparent, a special schedule study will be initiated to determine if the lost time could be recovered and how changes to the originally anticipated schedule logic / sequence should best be reflected.

Change Control

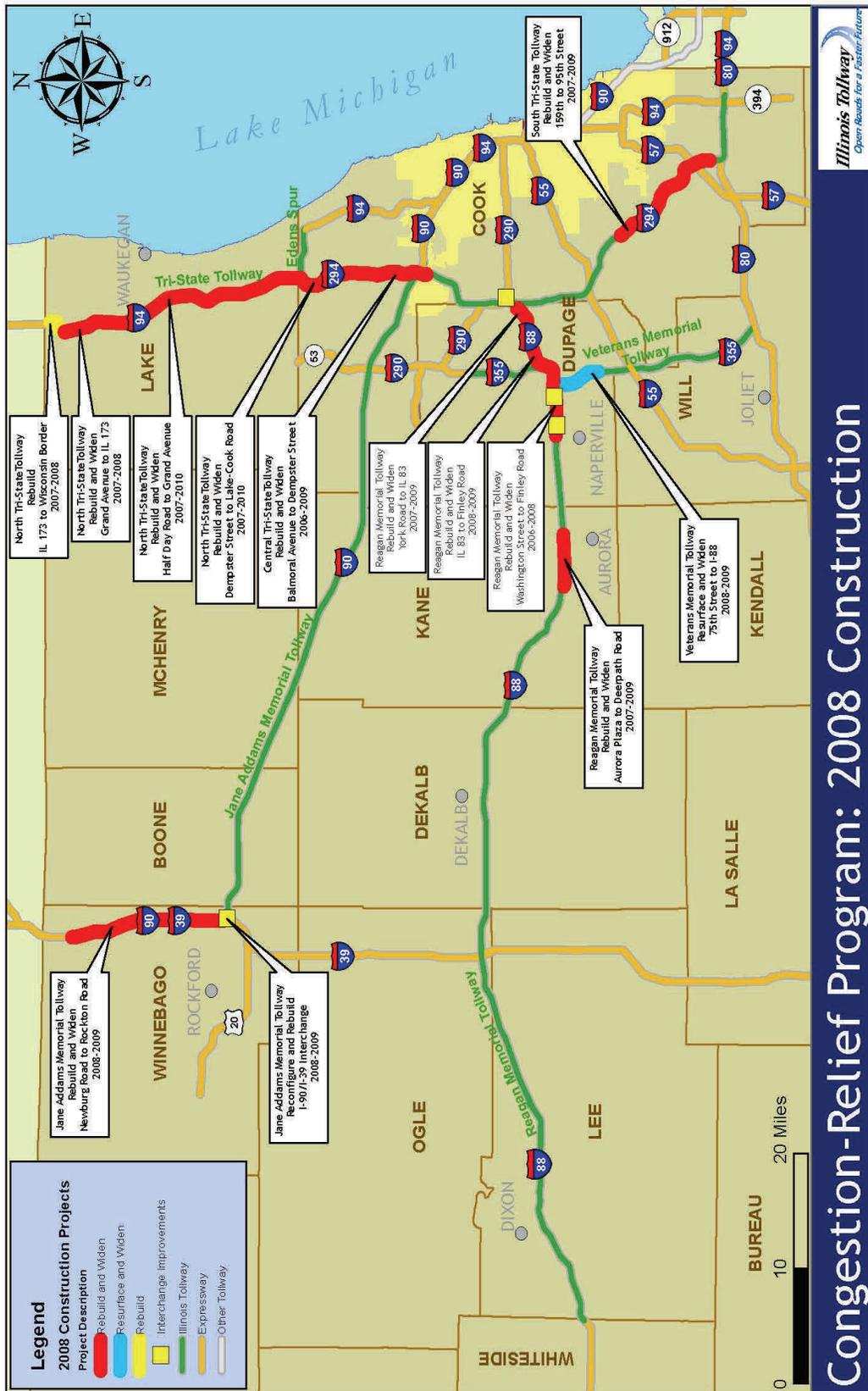
In order to reduce delay claims and complete projects on-time and within budget, the Tollway has empowered staff to direct field changes to reduce the time for authorizing construction contractors to proceed, which helps maintain construction schedules. The process begins when the change order review committee analyzes the scope of work, the estimated cost of the proposed change and identifies the cause of the change (design error, owner requested change, change in conditions, etc). The committee recommends approval, rejection or requests additional information and provides an authorization to proceed for those changes that are recommended for approval.

The Tollway's approval authority model is as follows:

| | |
|-----------------|-----------------|
| Project Manager | Up to \$30,000 |
| Chief Engineer | Up to \$100,000 |
| Director | Up to \$150,000 |
| Board | Over \$150,000 |

On a weekly basis a list of potential change orders is entered into the project management database along with the pending and approved change orders. This information is used to develop various change management reports including:

- Program Change Order/ Potential Change Order log – this report is used to compare the current change order status vs. the allocated construction contingency reserve funds at a summary level for all projects within the program;
- Outstanding Change Order Report – this report provides an analysis of pending and potential change orders, including number of days outstanding, ball-in-court reporting, forecasted final contract amount;
- Project Change Order/ Potential Change Order log – this log identifies all approved, pending and potential contract changes at a detail level for all projects. It has the ability to provide process related performance measures for all participants.



Congestion-Relief Program: 2008 Construction



This page intentionally left blank

Debt Management

DEBT MANAGEMENT

In September 2004, the Tollway's Board of Directors approved the 10-year \$5.3 billion Congestion-Relief Plan. The plan, now the Congestion-Relief Program (the "CRP"), allowed for financing as much as \$3 billion of program costs through the issuance of Tollway revenue bonds. In September 2007 the Authority approved an update to the CRP which lengthened the CRP by two years from 2014 to 2016 and increased the cost of the CRP to \$6.3 billion. The update increased the amount of costs targeted to be financed from revenue bonds from \$3.0 to \$3.5 billion. The remaining costs will be financed from Tollway revenues deposited into the Renewal and Replacement Account and the Improvement Account.

Debt Profile**Currently Outstanding Debt**

On January 1, 2008, the Tollway has scheduled principal payments due totaling \$50,030,000. After making these principal payments on January 1, 2008, the Tollway has \$2,985,030,000 par amount of bonds outstanding. Bonds which have financed a portion of the CRP total \$2,470,000,000, and the remaining \$515,030,000 financed or refinanced pre-CRP projects. The following table lists each outstanding series and its respective final maturity, total principal outstanding and rate type, as of January 1, 2008.

Illinois Tollway Outstanding Bonds as of January 1, 2008*

| Series | Maturing | Principal Outstanding | Interest Rate |
|-----------------------|-----------------|----------------------------------|--------------------------|
| 1992 Series A | 1/1/2012 | \$100,665,000 | Fixed |
| 1993 Series B | 1/1/2010 | 80,500,000 | Variable |
| 1996 Series A | 1/1/2009 | 15,625,000 | Fixed |
| 1998 Series A | 1/1/2016 | 195,140,000 | Fixed |
| 1998 Series B | 1/1/2017 | 123,100,000 | Variable |
| 2005 Series A** | 1/1/2023 | 770,000,000 | Fixed |
| 2006 Series A- 1** | 1/1/2031 | 500,000,000 | Fixed |
| 2006 Series A- 2** | 1/1/2031 | 500,000,000 | Fixed |
| 2007 Series A- 1** | 7/1/2030 | 350,000,000 | Variable |
| 2007 Series A- 2** | 7/1/2030 | <u>350,000,000</u> | Variable |
| Totals | | \$2,985,030,000 | |

* Amounts shown are after any payments due on 1/01/2008, the funds for

which are remitted to the Trustee in the previous fiscal year.

** CRP financing.

Exhibit 27

Bond issues listed as Variable Rate are weekly mode (rates are reset weekly by a remarketing agent per then-current market conditions). In order to reduce exposure to interest rate risk, the Tollway has entered into interest rate swap agreements for all of its outstanding variable rate bond issues. Per these agreements, swap providers pay a variable rate in exchange for fixed rate payments from the Tollway. As a result, the Tollway's interest obligations can be considered 100% fixed rate.

Planned 2008 Debt Issuance

As noted above, in September 2007 the Tollway Board increased the size of the CRP by approximately \$1 billion from \$5.3 billion to \$6.3 billion, and increased the portion financeable from bond proceeds from \$3.0 billion to \$3.5 billion. It is the current intention of the Tollway to issue an additional \$500 million in bonds in the third quarter of 2008. For budgeting purposes, a 5% interest rate has been assumed.

In addition to the anticipated \$500 million in new money bonds, the Tollway may refinance a portion of its outstanding bonds if sufficient savings can be produced by such a refinancing.

Debt Service Obligations

The Tollway's debt service obligations, including the planned \$500 million bond issue expected to close in the third quarter of 2008, are shown on the following chart. The debt service schedule is graduated as follows:

- \$210 million average 2008-2012
- \$247 million average 2013-2025
- \$268 million average 2026-2032

The duration of the Tollway's Bonds and level of graduation of its debt service is very reasonable given: (a) the long average economic life of the assets financed; and (b) the projected growth of Tollway revenues.

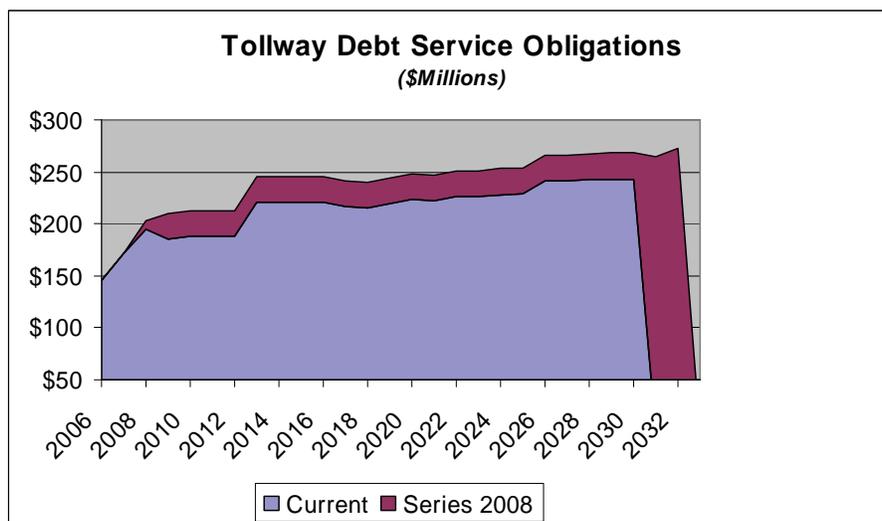


Exhibit 28

Security for the Bonds

All of the Tollway's bonds are secured by a pledge of and lien on the Net Revenues generated by the Tollway system in accordance with the Amended and Restated Trust Indenture of 1999 ("Master Indenture") and each respective Supplemental Indenture. Net Revenues are defined in the Master Indenture as the annual revenues of the system less operating expenses. To help ensure a sufficient amount of revenues to cover debt service, the Master Trust Indenture, through which all of the Tollway's outstanding debt has been issued, includes a Toll Rate Covenant which requires that tolls be set at rates which will produce a minimum of 1.3X debt service coverage. Furthermore, additional bonds may be issued only to the extent that the Tollway's Traffic and Consulting Engineers certify that the Tollway was compliant with the Toll Rate Covenant in the preceding 12 months and projects to be compliant with the Toll Rate Covenant for each year through five years after the completion of the projects financed by those additional bonds. The Tollway's 2006 debt service coverage was 2.7X, 2007 debt service coverage is estimated at 2.4X and 2008 debt service coverage is projected at 2.1X, all well over the 1.3X covenant level.

Additional security is provided by the Debt Reserve Requirement which dictates that the Tollway's Debt Reserve Account be funded at maximum annual debt service ("MADS") on all senior lien debt. Currently all of the Tollway's debt is senior lien. As of November 30, 2007, MADS was \$243 million (the debt service obligation for fiscal year 2030), and the Debt Reserve Account had a market value of \$248 million, consisting of \$225 million in investments and a \$23 million surety bond policy. The Tollway anticipates issuing \$500 million of new bonds in the third quarter of 2008. Taking into account the projected debt service on the new issue, MADS would increase to \$268 million. The Tollway intends to apply \$25 million of the Series 2008 bond proceeds to the Debt Reserve Account to meet the increased requirement. To the extent the Debt Reserve Account is overfunded at the time of issuance of the new bonds, the required deposit to the Debt Reserve Account would be reduced accordingly.

Debt Service Coverage Ratios

As previously discussed, the Tollway has historically maintained debt service coverage ratios well in excess of required ratios. Debt Service Coverage Ratios are calculated by dividing the Net Revenues (i.e. revenues less operating expenses) by the Aggregate Debt Service for a given year. The following chart shows actual debt service coverage for fiscal years 2002 through 2006, estimated debt service coverage for 2007 and budgeted debt service coverage for 2008.

| | Actual | | | | | Estimated | Budgeted |
|-----------------------------|-----------------|------------------|-----------------|-----------------|------------------|------------------|------------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| Operating Revenues | \$381,329 | \$430,804 | \$423,427 | \$613,034 | \$606,954 | \$636,000 | \$670,000 |
| Operating Expenses | \$166,009 | \$187,300 | \$198,302 | \$205,575 | \$213,510 | \$224,626 | \$236,290 |
| Net Operating Revenues | \$215,320 | \$243,504 | \$225,125 | \$407,459 | \$393,444 | \$411,374 | \$433,710 |
| Debt Service | <u>\$79,663</u> | <u>\$109,552</u> | <u>\$48,380</u> | <u>\$99,366</u> | <u>\$145,643</u> | <u>\$172,155</u> | <u>\$204,000</u> |
| Net Revs After Debt Service | \$135,657 | \$133,952 | \$176,745 | \$308,093 | \$247,801 | \$239,219 | \$229,710 |
| Debt Service Coverage | 2.70x | 2.22x | 4.65x | 4.10x | 2.70x | 2.39x | 2.13x |

Exhibit 29

Municipal Bond Ratings

In concert with each new bond issuance, the Tollway applies for a municipal bond rating from Fitch Ratings, Moody's Investor Services and Standard & Poor's Corporation. Each rating agency reviews the Tollway's current fiscal condition, capital financing plan, debt coverage ratios and various other factors to the Tollway's ability to repay its debt obligations.

Current Credit Ratings

| <u>Agency</u> | <u>Insured Rating</u> | <u>Senior Lien Underlying Rating</u> | <u>Outlook</u> |
|---------------------------|-----------------------|--|----------------|
| Moody's Investor Services | AAA | Aa3 | Stable |
| Fitch Ratings | AAA | AA- | Stable |
| Standard & Poor's | AAA | AA- | Stable |

The underlying ratings of the Tollway's senior lien bonds are currently Aa3, AA- and AA- by Moody's Investor Services, Fitch Ratings and Standard and Poor's, respectively. These ratings were confirmed in October 2007 in connection with the Tollway's issuance of the 2007 Series A-1 & A-2 Senior Priority Toll Highway Revenue Bonds (collectively referred to as "2007 Bonds"). Each of the firms cited high traffic demand, sound debt coverage ratios, strong financial performance and a thriving regional economy as bases for their ratings.

Derivatives

To lower its borrowing costs, the Tollway has entered into multiple variable-to-fixed interest rate exchange agreements (swaps). These agreements produce a "synthetic fixed interest rate" which the Authority pays to the swap provider in exchange for the swap provider's assumption of the variable interest rate payments. In all cases the synthetic fixed rates were lower than the fixed interest rates otherwise accessible in the market at the times the various bonds were issued. As a result the borrowing cost of the Tollway is lowered, without the Tollway assuming the risk of interest rate increases associated with variable rate bonds. The Tollway has entered into one swap for the Series 1993B Bonds, two swaps for the Series 1998B Bonds, and four swaps for the Series 2007 Bonds.

Distinction: Interest Cost Based Swap versus SIFMA Index Based Swap

The variable interest rate payments paid by the swap providers for the Series 1993B and 1998B Bonds are the exact variable interest rate payments owed to bondholders of those Series. The Tollway remits a fixed interest rate payment to the swap provider and the swap provider remits the exact variable interest rate payment due on the Bonds to the Tollway, which the Tollway then passes through to the Bondholders.

The Series 2007 swaps are different. The Tollway still remits a fixed interest rate payment to the swap providers. But rather than sending the Tollway the amount of interest due to the bondholders, the Series 2007 swap providers instead pay an interest amount based on a variable rate index known as the USD SIFMA Municipal Swap Index. The Tollway then pays bondholders the exact amount due, which could differ from the amount received per the USD SIFMA Municipal Swap Index.

This page intentionally left blank

Budget Process and Documents

The Trust Indenture requires a tentative budget of the Operating Expenses for the ensuing Fiscal Year on or before October 31st of each Fiscal Year. The tentative budget must also be submitted to the Trustee and the Consulting Engineer. The tentative budget must include the recommendations of the Consulting Engineers as to the Renewal and Replacement Deposit (for preservation of the Tollway System). The Tollway must provide accompanying estimates of the amount which will be available for credit to the Improvement Account (for improvements to the Tollway System). The Tollway must also provide a statement of the actual revenues for the first eight months of the current Fiscal Year and estimated revenues for the next four months of the current Fiscal Year and for the ensuing Fiscal Year. The budget must be divided into reasonable classifications and divisions. The tentative budget shall include the amounts budgeted for Operating Expenses and amounts required to be deposited into the Renewal and Replacement Account.

The Trust Indenture and budgetary calendar govern the budget process. The Tollway budget is required to generate revenues sufficient to pay for operating costs, debt service, and a required deposit for the maintenance and repair of the toll roads as certified by an independent engineer.

This was the fifth year the budget was submitted for public review and comment before the final adoptions by the Board. The Tollway held public meetings for the 2008 budget. If the Tollway does not adopt the annual budget before January 31st of any Fiscal Year, the budget for the preceding Fiscal Year shall be deemed to be in effect for such Fiscal Year until the Annual Budget for such Fiscal Year is adopted.

Budget Review Process and Implementation

The Tollway's budget process begins in early July of each year. The Budget Office prepares and distributes a preliminary budget for each department at department and cost center levels based on actual and projected expenditures. Departments are asked to submit planning requirements, new initiatives, programs, headcount changes or other assumptions to be incorporated into both their upcoming maintenance and operations budget as well as their capital budget. Once the departmental budget requests are returned to the Budget Office, the initial Preliminary Budget is compared to the Departmental Budget Request indicating dollar and percent changes along with proper justification.

The Preliminary/Departmental comparison Budget is then presented to the Chief of Finance by the Budget Office. Financial impacts are discussed and the Chief of Finance will deny or approve certain requests based on the justification provided. The Budget Office will then meet with the Department Chiefs to obtain further justification on items denied by the Chief of Finance.

These revised budget requests are sent back to the Budget office and Chief of Finance for review. Meetings are held with Budget staff, department chiefs and the Chief of Finance to discuss and finalize the budget requests. Final review and sign off is completed by the Chief of Finance and the Executive Director. This process results in the Tentative Budget.

The Tentative Budget is presented to the Board of Directors in October. Requested changes by the Board and Executive Management will be incorporated into the Tentative Budget and Public Hearings will be held at this time. The Budget Office will review and incorporate changes from the Board of Directors, Executive Management, and Public comments. The Final Budget is then presented to the Board and adopted by the Board in December.

The budget is monitored throughout the Fiscal Year. Analyses comparing actual expenditures to budget are conducted monthly and sent to the Chief of Finance and Department Chiefs. Quarterly budget reports are provided to the Board of Directors and posted on the Illinois Tollway's website.

Budget Amendment

The Tollway Board may at any time adopt an amended Annual Budget. If the Tollway adopts an amended budget for total Operating Expenses exceeding one hundred ten percent of the Annual budget initially adopted, the Tollway shall give the Consulting Engineers not less than ten days prior written notice, including a copy of the proposed amended Annual Budget. If the Consulting Engineer files an objection to such notice, such amended budget shall not be effective or supersede any prior Annual Budget until the Tollway Board of Directors adopts the amended budget by not less than a three-fifths vote of all Directors at a public meeting. Notice of such public meetings shall be given in accordance with the law.

2008 M&O BUDGET PLANNING CALENDAR

| EVENT | DATE(S) |
|--|-----------------------|
| The Budget Office begins preparing spreadsheets that include the 2008 Preliminary Maintenance Budget (or 2008 shadow budget). 2008 economic assumptions are built-in for salaries, wages and benefits. | 7/2/2007 |
| The Budget Office sends out instructions with the spreadsheets to each department requesting any new initiatives, programs, headcount changes or other assumptions that should be incorporated into their 2008 M&O Budget. | 7/23/2007 |
| The completed Departmental Budget Requests are due back to the Budget Office and CFO for review. These Departmental proposals are then compared to the Preliminary Maintenance Budget that was sent out. | 8/17/2007 |
| The Budget Office incorporates <u>Approved Requests</u> into the 2008 Preliminary Maintenance Budget spreadsheets. | 8/31/2007 |
| Budget Analysts meet with the Department Chiefs to finalize their respective 2008 M&O Budgets. | 09/04/07-09/07/07 |
| Budget Review Meetings are held with the Executive Director, the CFO and the Department Chiefs. | 09/10/07-09/14/07 |
| The Budget Office makes any modifications resulting from the Budget Review Meetings. Then the cross-checking process begins, to make sure all budget information is correct and up to date. | 09/17/07-10/05/07 |
| Charts, graphs, tables and narratives are prepared for the Budget Book. | 09/17/07-10/05/07 |
| Wilbur Smith & CTE submit their Annual Toll Revenue Certificate and R&R Deposit Letter respectively for inclusion in the Budget Book. | 10/10/2007 |
| The Budget Book is sent to the Communications Department for their review. | 10/12/2007 |
| The CFO and Executive Director do a final review and sign off on the Budget Book. | 10/15/2007 |
| The Budget Book goes to print. | 10/17/2007 |
| As soon as the Budget Books return from the printer, they are mailed to the Directors for their review. | 10/19/2007 |
| The 2008 Tentative Budget is presented by the CFO (M.Colsch) to the Board of Directors on October 25th. | 10/25/2007 |
| Any requested changes by the Board and Executive Management are incorporated into the Tentative Budget. | 10/25/2007-11/02/2007 |
| Public Hearings are held on the 2008 Tentative Budget. | 11/7/2007 |
| The Revised Tentative Budget is presented to the Board on Nov. 15th. | 11/15/2007 |
| The Budget Office reviews and incorporates any changes from the Board, Executive Management, or Public Comments. | 11/15/07 - 12/7/2007 |
| The 2008 Final Budget is presented and then adopted by the Board on Dec. 20th. | 12/20/2007 |

Budgetary Basis of Accounting

The Tollway is required by its Trust Indenture to prepare a Tentative Budget for the ensuing Fiscal Year, on or before October 31 of each Fiscal Year, and to adopt the Annual Budget for such Fiscal Year on or before January 31 of each Fiscal Year.

The Tollway uses the accrual basis of accounting. Under the accrual basis of accounting, revenue is recognized in the period in which it is earned, and expenses are recognized in the period in which they are incurred. This is a flow of economic resources measurement focus. The Tollway uses accrual basis of accounting for its proprietary funds (enterprise and internal service funds). Revenues are recognized in the accounting period they are earned and become measurable. Expenses are recognized in the accounting period in which the liability is incurred.

The Tollway's Budgetary Basis of Accounting (as required by its Trust Indenture) differs from the Tollway's GAAP Basis of Accounting with respect to the following:

For budgetary purposes, the Tollway does not capitalize purchases of furniture, fixtures, and operating equipment; construction costs are not depreciated; investments are recorded at cost; bond issue costs are expensed as incurred; capital lease obligations are not recorded; interest is capitalized before, during and after the construction period; gains or losses from early retirement of debt, interest income and interest expense derived from the proceeds of revenue bonds during construction are treated as reductions or additions to construction costs; refunds of previously paid expenses decrease current year expenses and are not treated as a prior period adjustment; and revenue is measured on a cash basis, where as under GAAP, revenue for financial statement purposes is recognized when measurable.

Last of all, the Tollway's Budget allocates Revenue to four major accounts. These accounts include Maintenance and Operations (M&O), Debt Service, Renewal and Replacement, and Improvements. The Renewal and Replacement and Improvements accounts comprise current resources allocated to fund the Tollway's Capital Program.

12/20/07

5.1/1

RESOLUTION NO. 18030

WHEREAS, Article VII, Section 710, of the "Amended and Restated Trust Indenture (3/31/1999)" (the "Trust Indenture") of the The Illinois State Toll Highway Authority (the "Tollway") requires that the Board of Directors of the Tollway adopt an Annual Budget for each Fiscal Year; and

WHEREAS, Section 713 of the Trust Indenture requires, among other things, that tolls for the use of the Tollway System be at rates not less than that set forth in an established schedule of tolls meeting the requirements of said Section 713 and that the Tollway shall cause the Traffic Engineers to make a written estimate of the revenues from tolls for the last four months of the current fiscal year and for the ensuing fiscal year, and that the Tollway complete a review of its financial condition; and

WHEREAS, Section 10(c) of the Toll Highway Act provides in part that the Tollway, in fixing the rate for tolls for the privilege of using the toll highways, is authorized and directed, in fixing such rates, to base the same upon estimates to be made, recorded and filed with the Tollway that include the estimated total amount of the use of the toll highways and the estimated amount of the revenue to be derived therefrom, so that said revenue, when added to all other receipts and income, will be sufficient to pay the expense of maintaining and operating said toll highways, including the administrative expenses of the Tollway, and to discharge all obligations of the Tollway as they become due and payable; and

WHEREAS, Section 19 of the Toll Highway Act requires, in part, that the Tollway fix and revise, from time to time, tolls or charges or rates for the privilege of using the toll highways at rates calculated to provide the lowest reasonable toll rates that will provide funds sufficient with other revenues of the Tollway to pay (a) the cost of the construction of a toll highway authorized by joint resolution of the General Assembly pursuant to Section 14.1 of the Toll Highway Act and the reconstruction, major repairs or improvements of toll highways, (b) the cost of maintaining, repairing, regulating and operating the toll highways including only the necessary expenses of the Tollway, and (c) the principal of all bonds, interest thereon and all sinking fund requirements and other requirements provided by resolutions authorizing the issuance of the bonds as they shall become due; and

WHEREAS, the Chief of Finance has completed a review of the financial condition of the Tollway taking into consideration the requirements of the Tollway's Trust Indenture and the Toll Highway Act, including estimates of the Traffic Engineer filed with the Tollway, and has heretofore provided information and recommendations to the Board of Directors regarding the tolls to be charged for the use of the Tollway System taking into consideration the Operating Expense Budget, the Renewal and Replacement Deposit, the Improvement Requirement, and the debt service obligations of the Tollway.

NOW THEREFORE BE IT RESOLVED by The Illinois State Toll Highway Authority as follows:

1. The amount budgeted for Operating Expenses of The Illinois State Toll Highway Authority for the fiscal year 2008 is \$236,290,326 in the estimated classifications and divisions as set forth below:

| | |
|---|---------------------|
| Electronic Tolling | \$33,962,964 |
| Engineering Management, Planning and Infrastructure Maintenance | \$56,929,062 |
| Executive Management, Policy Administration and Community Relations | \$18,782,778 |
| Financial Services, Investments and Insurance Management | \$37,754,080 |
| Information and Communication Technology | \$9,168,473 |
| Inspector General and Audit Functions | \$1,250,979 |
| Legal Services | \$1,494,374 |
| Operational Services, Toll Collection and Cash Handling | \$50,239,354 |
| Procurement | \$3,578,968 |
| State Police and Public Safety | <u>\$23,129,294</u> |
| Total Operating Expense Budget | \$236,290,326 |

2. The amount budgeted for the Required Renewal and Replacement Deposit for the fiscal year 2008, as recommended by the Consulting Engineer, is \$100,000,000.

3. The current toll rate schedules heretofore established for the use of the toll highways are determined to be proper in accordance with the Tollway's Trust Indenture and are determined to be at the lowest reasonable rate in accordance with the Toll Highway Act.

Approved by: _____



Chairman

Financial Policies and Practices

The Tollway will follow a defined set of policies and practices for directing the Tollway's fiscal affairs. These policies and practices have been reviewed as part of the financial planning process and are the basis for developing this Financial Plan.

All of the policies and practices are aimed at keeping the cost of operating and maintaining the Tollway as low as possible while providing excellent customer service.

The Financial Plan provides the opportunity for making well-informed decisions, based on adherence to solid, carefully considered policies, and provides a forecast of what the results of today's decisions may reasonably be in the future.

Fiscal Policies and Practices

General

The Tollway has established policies to foster sound financial management and encourage progressive approaches to financing. The annual budget includes a set of policies to be followed in managing the financial and budgetary affairs of the Tollway. These policies will allow the Tollway to maintain its strong financial condition, while providing quality services.

Revenue

Traffic volume assumptions are derived by reviewing historical data and analyzing the impact of current economic conditions, local and regional economic indices, energy price trends, demographic and population trends, employment trends, industry and home building development, household income, and roadway capital projects.

Surpluses identified but not included in the annual base-operating budget are dedicated to the capital plan.

1. The Tollway will maintain a revenue monitoring system to assist in trend analysis and revenue forecasting.
2. The Tollway will support legislation that will allow for expanded, progressive, and fiscally responsible financing measures.
3. The revenue model assumes the toll schedule, which became effective January 1, 2005. The toll rates were passed coinciding with approval of the Congestion-Relief Program on September 30, 2004.

Expenditures

1. The Tollway will maintain a level of expenditures, which will provide for the public well-being and safety of its roads.

2. Expenditures will be within the availability of generated revenue, bonds issued for construction and unreserved fund balances.
3. The Tollway will maintain expenditure categories according to state statutes, the Trust Indenture and administrative rules.
4. The Tollway will forecast its capital expenditures for the duration of the Congestion-Relief Program and may update this forecast annually with multi-year plans. Expenditure forecasts will be cognizant of the elastic and inelastic structure of revenues.
5. Annual operating budgets should provide for adequate design, construction, maintenance, and replacement in the Tollway's Capital Program.

Debt Administration

1. The Tollway will maintain regular communication with credit rating agencies and facilitate disclosure of financial and management issues important to investors. The Tollway will follow a policy of full disclosure in financial reporting.
2. Capital plans proposed for financing through debt should be accompanied by an analysis of the future maintenance and operations costs associated with the projects.
3. The Tollway will oversee and coordinate the timing, process of issuance, and marketing of bonds and other capital financing activities required in support of its Capital Program.
4. The Tollway will set aside sufficient current revenues to finance ongoing maintenance needs.
5. No debt will be issued for the purpose of funding capital projects until approved by the Board of Directors at a public meeting.
6. Borrowing should be of a duration that does not exceed the economic life of the improvement that it finances and, where feasible, should be shorter than the projected economic life. To the extent possible, the Tollway will design the repayment of debt to recapture rapidly its credit capacity for future use.
7. The Tollway will seek to issue its debt obligations through a sale method that will produce the best results for the Tollway.
8. When determined appropriate and approved by the Board of Directors, the Tollway may elect to sell its debt obligations through competitive sealed bid, competitive selection and negotiation, or a private placement.

9. The Tollway may issue advance refunding bonds and current refunding bonds (as defined for federal tax law purpose) when advantageous, legally permissible, prudent, and in the best interest of the Tollway and its patrons.
10. The Tollway may choose to defease its outstanding indebtedness through purchase of its securities on the open market when market conditions make such an option financially feasible.

Reserve Policy

1. The Tollway will maintain an operating reserve. This budget will maintain a balance of \$17 million in 2008. The Board may alter the reserve to best suit financial levels of the Tollway. This reserve shall be created and maintained to provide the capacity to:
 - a) Offset unexpected downturns or revisions in revenues
 - b) Provide a sufficient cash flow for daily financial needs at all times
 - c) Offset unexpected increases in expenditures

Cash Management

1. The Illinois State Toll Highway's Investment Policy ("Policy"), describes the Tollway's intent to invest all funds under the Tollway's control in a manner that provides the highest investment return using safe authorized instruments while meeting the Tollway's daily cash flow demands in conformance with all state statutes and any amended and revised Indenture governing the investment of Tollway funds.

The primary objective in the investment of Tollway funds is to ensure the safety of principal, while managing liquidity to pay the financial obligations of the Tollway, and providing the highest investment return using authorized instruments.

2. The cash management system is designed to accurately monitor and forecast expenditures and revenues, enabling the Tollway to invest funds to the fullest extent possible. The Tollway will match fund flows to projected disbursements.
3. In order to maximize interest earnings, the Tollway co-mingles funds. Interest revenue derived from co-mingled investments is allocated to the participating funds monthly.
4. Criteria for selecting investments and the order of priority are:

- a) Safety. The safety of principal is the foremost objective of the investment program. Tollway investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio. To attain this objective, diversification is required to ensure that the Tollway prudently manages market, interest rate and credit risks.
- b) Liquidity. The investment portfolio shall remain sufficiently liquid to enable the Tollway to meet all operating requirements that might be reasonably projected.
- c) Return on Investment. The investment portfolio shall be designed to obtain the highest available return, taking into account the Tollway's investment risk constraints and cash flow requirements.

Accounting, Auditing and Financial Reporting Policies

- 1. The Tollway is a compartmental unit of the State of Illinois and is accounted for as a proprietary fund (enterprise fund) using the flow of economic resources measurement focus.
- 2. The Tollway uses the accrual basis of accounting. Under the accrual basis of accounting, revenue is recognized in the period in which it is earned, and expenses are recognized in the period in which they are incurred.
- 3. The Tollway is established to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
- 4. The Tollway will establish and maintain a high standard of accounting practices in conformance with Generally Accepted Accounting Principals for governmental entities as promulgated by the Governmental Accounting Standards Board.
- 5. The accounting system will maintain records on a basis consistent with accepted standards for governmental accounting.
- 6. An independent firm of certified public accountants will perform an annual financial and compliance audit in accordance with Generally Accepted Auditing Standards (GAAS) and will publicly issue an opinion, which will be incorporated in the Comprehensive Annual Financial Report (CAFR).
- 7. The Tollway will annually seek the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting Program.

8. The Tollway will use accrual basis accounting for its proprietary funds. Revenues are recognized in the accounting period they are earned and become measurable. Expenses are recognized in the accounting period in which they are incurred.
9. The Tollway will promote full disclosure in its annual financial statements and its bond presentations.
10. For purposes of the Statement of Cash Flows, the Tollway considers all highly liquid investments including restricted assets with a maturity of three months or less when purchased and all investments held by the Illinois State Treasurer's office to be cash equivalents, as these investments are available upon demand.
11. All investments in U.S. Treasury and agency issues are reported at fair value. All other Tollway investments, which consist of repurchase agreements, are recorded at face value which approximates fair value

Demographics

Population and Demographics

Community Served

From its beginnings in the late 1950's, the Tollway was planned to provide efficient interstate travel between Wisconsin, Illinois and Indiana around the city of Chicago, complementing the Chicago expressway network. The Tollway helped facilitate the economic and residential development of suburban Chicago, and the Tollway served a significant suburban commuter system market. In the 1970's and 1980's suburban employment grew rapidly and the use of the Tollway system for suburban-to-suburban work trips grew accordingly. In response, the Tollway added interchanges throughout the urbanized area and in 1989 constructed the North-South Tollway to better serve the suburban-to-suburban work trip market. As a result of this growth, the Tollway saw average daily transactions grow from 485 thousand in 1970 to 2.1 million in 2005, and average daily vehicle counts increased from 255 thousand to 1.3 million.

Today, the Tollway provides vital transportation links between people and their jobs and between businesses and their customers. The Tollway provides access to headquarters for the State's leading employers and largest companies, serving both Chicago bound, reverse, and intersuburban commuters alike.

User Profile

Passenger cars account for almost 90 percent of the Tollway usage and commercial vehicles the remainder. The heaviest usage of the Tollway is on weekdays. On Saturdays traffic is typically down about 10 percent from an average day and Sundays see the lowest use, down about 20 percent from an average day. Seasonal variation in traffic also exists. The summer months of June, July and August have the highest levels of usage, approximately 7 percent higher than the yearly average. During the summer, passenger car recreational usage is higher but commercial vehicle activity is also slightly higher. January is the lowest month at about 12 percent below the average month.

Periodic Origin-Destination surveys are conducted at locations on the Tollway system. In these surveys users are asked questions about their trip-making. From these surveys, a profile of some user characteristics emerges. On a typical weekday, over 70 percent of the usage is for work related trips; either trips to/from a place of employment or for company business. Slightly less than 50 percent of the weekday users are on the Tollway every day. About 20 percent of the users are fairly infrequent travelers on the Tollway, using it less than once a week. The most typical Tollway weekday user is a resident of the suburban northeastern Illinois area. This customer uses the Tollway on a daily basis to make trips to and from work with a work destination in either suburban Chicago or Chicago itself. On weekend days the usage pattern changes slightly as more of the travel is performed by less frequent users. Non-work travel makes up the majority of the usage during these weekend periods. While the majority of users are from northern Illinois, there are more out of area users on the system on weekend periods than during the weekday periods.

Population

Tollway routes pass through twelve counties in northern Illinois. Counties served by Tollway routes include Boone, Cook, DeKalb, DuPage, Kane, Lake, Lee, McHenry, Ogle, Whiteside, Will

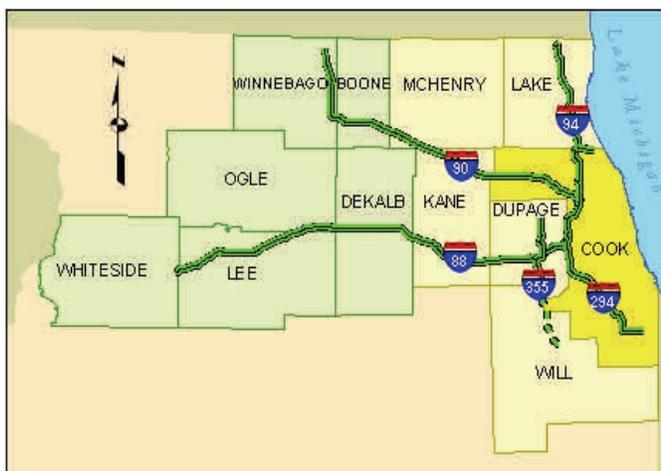
and Winnebago Counties.

The twelve counties of the Tollway service area had a combined 2005 population of almost 9 million, mostly living within the Chicago metropolitan area. The largest county in the area, Cook County, has a population of over 5.3 million and includes mature population centers such as the City of Chicago and inner-ring suburbs, as well as fast growing exurban areas in the northwestern portion of the County. DuPage County, the second most populous county in the metropolitan area, had nearly 930,000 residents in 2005. Both Cook and DuPage Counties are well served by the Tollway and have a mix of residential and employment-generating land uses. Other Counties, including Kane, Lake, McHenry, and Will, include a mix of mature suburban population centers, satellite cities, and recent suburban development.

The remaining six counties in the Tollway service area are generally rural in character, with populations of fewer than 100,000. The exception is Winnebago County, home to Rockford, the largest city in Illinois outside of the Chicago area.

Tollway Service Area Population Change 1980-2000

Population trends impact travel demand and shape travel patterns. From 1980 to 2000, the population of the Tollway's twelve-county service area increased by more than one million. The greatest increase occurred in inner-suburban DuPage and Lake Counties, while the highest growth rates occurred in the more outlying McHenry, Will, Lake and Boone Counties. Cook County experienced a modest growth rate, while Whiteside and Lee Counties, experienced decline during this period.



| County | 1980 Population | 2000 Population | Net Change | Percent Change |
|--------------|--------------------|--------------------|------------------|-------------------|
| Boone | 28,630 | 41,786 | 13,156 | 46% |
| Cook | 5,253,628 | 5,376,741 | 123,113 | 2% |
| DeKalb | 74,628 | 88,969 | 14,341 | 19% |
| DuPage | 658,858 | 904,161 | 245,303 | 37% |
| Kane | 278,405 | 404,119 | 125,714 | 45% |
| Lee | 39,328 | 36,062 | -3,266 | -8% |
| Lake | 440,388 | 644,356 | 203,968 | 46% |
| McHenry | 147,897 | 260,077 | 112,180 | 76% |
| Ogle | 46,338 | 51,032 | 4,694 | 10% |
| Whiteside | 65,970 | 60,653 | -5,317 | -8% |
| Will | 324,460 | 502,266 | 177,806 | 55% |
| Winnebago | 250,884 | 278,418 | 27,534 | 11% |
| Total | 7,609,414 | 8,648,640 | 1,039,226 | 14% |

Exhibit 32

More recent estimates from the U.S. Census Bureau reflect the continued substantial growth of the “outer ring” suburban communities. From 2000 to 2005, the twelve-county region grew by approximately 300,000 residents, with the highest growth rates in Will, Boone, Kane and McHenry. During the same period, Cook County, with a substantial portion of the population in mature development areas, was estimated to decline largely as a result of decreased household size and not loss of dwelling units. The rural Counties of Lee and Whiteside are also estimated to experience very small declines in population.

Tollway Service Area Population Change 2000-2030

| County | 2000 | 2005 | Number Change | Percent Change |
|--------------|------------------|------------------|----------------|----------------|
| | Census | Estimate | | |
| Boone | 41,786 | 50,483 | 8,697 | 21% |
| Cook | 5,376,741 | 5,303,683 | -73,058 | -1% |
| De Kalb | 88,969 | 97,665 | 8,696 | 10% |
| DuPage | 904,161 | 929,113 | 24,952 | 3% |
| Kane | 404,119 | 482,113 | 77,994 | 19% |
| Lee | 36,062 | 35,669 | -393 | -1% |
| Lake | 644,356 | 702,682 | 58,326 | 9% |
| McHenry | 260,077 | 303,990 | 43,913 | 17% |
| Ogle | 51,032 | 54,290 | 3,258 | 6% |
| Whiteside | 60,653 | 59,863 | -790 | -1% |
| Will | 502,266 | 642,813 | 140,547 | 28% |
| Winnebago | 278,418 | 288,695 | 10,277 | 4% |
| Total | 8,648,640 | 8,951,059 | 302,419 | 3% |

Exhibits 33

| County | 2000 | ³ 2005 | ⁴ Forecast Average | Annual Percent Change 2000-2030 |
|--------------|------------------|-------------------|-------------------------------|---------------------------------|
| | Census | Population | 2030 Population | |
| Cook | 5,376,741 | 5,303,683 | 5,952,794 | 0.34% |
| DuPage | 904,161 | 929,113 | 1,003,702 | 0.35% |
| Kane | 404,119 | 482,113 | 718,464 | 1.94% |
| Lake | 644,356 | 702,682 | 841,860 | 0.90% |
| McHenry | 260,077 | 303,990 | 457,594 | 1.90% |
| Will | 502,266 | 642,813 | 1,076,446 | 2.57% |
| Boone | 41,786 | 50,483 | 63,080 | 1.38% |
| De Kalb | 88,969 | 97,665 | 113,320 | 0.81% |
| Lee | 36,062 | 35,669 | 37,660 | 0.14% |
| Ogle | 51,032 | 54,290 | 63,000 | 0.70% |
| Whiteside | 60,653 | 59,863 | 62,350 | 0.09% |
| Winnebago | 278,418 | 288,695 | 347,970 | 0.75% |
| Total | 8,648,640 | 8,951,059 | 10,738,240 | 0.72% |

The population of the twelve-county service area is expected to continue to grow. By the year 2030, the total population is estimated to surpass 10 million. All of the counties are expected to grow in population over the coming decades, with relatively higher growth rates projected for the outer suburban Counties of Kane, Lake, and McHenry. Will County is anticipated to pass the 1 million mark by 2030, surpassing DuPage County to become the second most populous county in the Tollway service area.

Employment

Employment growth is a key indicator of the Tollway service area's economic growth, as well as an important factor in predicting Tollway traffic. From 2000 to 2007, the twelve-county service area is estimated to grow by adding nearly 200,000 jobs.

Tollway Service Area Employment 2000-2007

The largest increases are estimated for Will, Cook and DuPage Counties, which together are projected to add more than 130,000 jobs in the service area. The largest growth rates are estimated for Will County, where employment has grown by nearly 25% since 2000. Kane and McHenry Counties also are estimated to have double digit employment growth rates of 12% and 10% respectively. Only rural Ogle and Whiteside Counties are estimated to have lost jobs since 2000.

| County | 2000 Employment 5 | 2007 Estimated Employment 6 | Change | Percent Change |
|--------------|----------------------|--------------------------------|----------------|-------------------|
| Boone | 18,904 | 19,752 | 848 | 4.49% |
| Cook | 2,818,334 | 2,881,760 | 63,426 | 2.25% |
| DeKalb | 47,457 | 52,002 | 4545 | 9.58% |
| DuPage | 649,989 | 679,991 | 30,002 | 4.62% |
| Kane | 206,107 | 230,486 | 24379 | 11.83% |
| Lake | 352,582 | 371,106 | 18,524 | 5.25% |
| Lee | 18,108 | 18,389 | 281 | 1.55% |
| McHenry | 105,118 | 115,696 | 10,578 | 10.06% |
| Ogle | 25,465 | 25,052 | -413 | -1.62% |
| Whiteside | 31,114 | 29,780 | -1,334 | -4.29% |
| Will | 165,556 | 206,262 | 40706 | 24.59% |
| Winnebago | 176,592 | 181,148 | 4,556 | 2.58% |
| Total | 4,615,326 | 4,811,424 | 196,098 | 4.25% |

Exhibit 34

Tollway Service Area Employment 2000-2030

This table shows forecasted change in employment for the twelve counties. Significant employment growth is generally expected in the Tollway service area, with the number of jobs growing at a faster rate over the next 23 years than the population. By 2030, the number of jobs in the service area is forecast to grow by over a million.

| County | Estimate 7 | Forecast 8 | 2000-2030 | Annual % Chg 2000-2030 |
|--------------|------------------|------------------|------------------|---------------------------|
| Boone | 18,904 | 28,749 | 8,997 | 1.41% |
| Cook | 2,818,334 | 3,305,003 | 423,243 | 0.53% |
| DeKalb | 47,457 | 68,139 | 16,137 | 1.21% |
| DuPage | 649,989 | 830,394 | 150,403 | 0.82% |
| Kane | 206,107 | 352,208 | 121,722 | 1.80% |
| Lake | 352,582 | 463,509 | 92,403 | 0.92% |
| Lee | 18,108 | 22,582 | 4,193 | 0.74% |
| McHenry | 105,118 | 168,573 | 52,877 | 1.59% |
| Ogle | 25,465 | 32,139 | 7,087 | 0.78% |
| Whiteside | 31,114 | 35,728 | 5,948 | 0.46% |
| Will | 165,556 | 415,549 | 209,287 | 3.12% |
| Winnebago | 176,592 | 248,729 | 67,581 | 1.15% |
| Total | 4,615,326 | 5,971,302 | 1,159,878 | 0.86% |

Exhibit 35

This page intentionally left blank

Appendix



September 26, 2007

Michael Colsch
Chief of Finance
Illinois State Toll Highway Authority
2700 Ogden Avenue
Downers Grove, IL 60515

Re: Annual Toll Revenue Certificate

Dear Mr. Colsch:

As Traffic Engineers for the Illinois State Toll Highway Authority, Wilbur Smith Associates (WSA) is pleased to provide the toll revenue estimates required by the Trust Indenture, Section 713(3). This letter provides updated monthly toll revenue estimates for 2007 and toll revenue estimates for 2008. Estimates are based on the current toll rate structure that went into effect on January 1, 2005.

The toll revenue estimates are estimates of expected revenue—the revenue that would be collected if each vehicle passing through a toll collection plaza paid exactly the published toll rate based on the vehicle's classification, time of day, and payment method. Expected revenue does not include the effects of overpayments, underpayments or toll evasion.

Estimated Toll Revenue

The revised 2007 system-wide expected toll revenue estimate is \$634,360,000. This estimate includes the Illinois Tollway's adjusted expected revenues for the first eight months of 2007, and WSA estimates for the four remaining months. Monthly figures are presented in Table 1. Toll revenues for the new South Extension of the North-South Tollway are included for the month of December.

Estimated system-wide expected revenue for 2008 is \$663,238,000. Monthly expected revenue estimates for 2008 are presented in Table 2. The estimates take into account available information from the Illinois Tollway revenue and transaction reporting system through August 2007. The estimates assumed 2008 construction activity as per the approved Congestion-Relief Program.

Estimates for both 2007 and 2008 are based on a detailed review of recent traffic and revenue trends; an assessment of economic conditions within the Tollway study corridor; and evaluations of potential impacts of construction projects on and off the Tollway system.

801 Warrenville Road, Suite 260 Lisle, IL 60532
630.434.8111 f 630.434.8163 www.WilburSmith.com

Michael Colsch
September 21, 2007
Page 2 of 4

Construction Impacts

Implementation of the Congestion-Relief Program is requiring significant construction activity on the system which will continue in 2008. Widening of the Tri-State Tollway from 159th Street to 95th Street will result in considerable construction activity. Construction work to widen the northern portion of Tri-State Tollway between Balmoral and Lake-Cook Road and between Half Day Road and IL. 173 and reconstruction between IL 173 and Russell Road will also be performed. Reconstruction and widening is scheduled for two segments of the Ronald Reagan Memorial Tollway in 2008: between York Road and Washington Street and between Deerpath and the Aurora Plaza. On the Northwest Tollway there will be a major reconstruction of the Cherry Valley interchange and an add lane project between Newburg and Rockton Roads. On the North-South Tollway an add lane/resurfacing project between 75th Street and I-88 will take place. It is our understanding that the existing number of mainline lanes will be in operation at reduced width at all times during all the add lanes projects. However, construction activity will still negatively impact usage which is taken into account with the estimates given.

WSA believes the construction impacts on toll revenue that are included in these estimates are reasonable given the information available at this time. As additional information becomes available on 2008 construction activity and maintenance of traffic plans, the estimates may be revised.

Motor Fuel Price Impacts

The most recent Short-Term Energy Outlook, released in September 2007 by the Energy Information Administration (EIA), forecasts minimal changes in retail gasoline prices through 2008. In the Midwestern forecasting region, which includes Illinois, prices in 2008 are expected to continue to follow usual seasonal patterns, with peak season prices expected to be somewhat lower than in 2007. Average prices for the region in the second quarter of 2008 are expected to peak at \$2.967, a decline from 2007's second quarter average of \$3.024. Based on these forecasts, no further negative impacts on Tollway usage in 2008 are anticipated to result from fuel price changes.

WSA will continue to monitor economic activity, traffic growth and the impacts of construction on the Illinois Tollway. We trust the information herein meets your needs. Please let me know if you have questions or need additional information.

Yours truly,

WILBUR SMITH ASSOCIATES



Kamran Khan
Vice President

KK/lm
Attachments

Michael Colsch
September 21, 2007
Page 3 of 4

Table 1
Illinois Tollway
2007 Monthly Systemwide
Expected Revenue Estimates

| Month | Expected Revenues (thousands) |
|--------------|-------------------------------|
| January | \$48,001 ¹ |
| February | 43,152 ¹ |
| March | 53,420 ¹ |
| April | 51,812 ¹ |
| May | 55,982 ¹ |
| June | 55,769 ¹ |
| July | 56,576 ¹ |
| August | 58,762 ¹ |
| September | 53,232 ² |
| October | 53,943 ² |
| November | 50,714 ² |
| December | 52,997 ^{2,3} |
| Total | \$634,360 |

¹Adjusted expected revenue from the Illinois Tollway

²WSA estimate of adjusted expected revenue

³Includes revenue from the South Extension

Michael Colsch
September 21, 2007
Page 4 of 4

Table 2
Illinois Tollway
2008 Monthly Systemwide
Expected Revenue Estimates

| Month | Expected Revenues (thousands) ^{1, 2} |
|--------------|---|
| January | \$51,037 |
| February | 50,838 |
| March | 54,767 |
| April | 53,526 |
| May | 56,611 |
| June | 57,817 |
| July | 57,718 |
| August | 60,400 |
| September | 55,187 |
| October | 57,430 |
| November | 53,986 |
| December | 53,920 |
| Total | \$663,238 |

¹WSA estimate of expected revenue

²Includes South Extension revenue for all months



CTE
303 East Wacker Drive, Suite 600, Chicago, IL 60601-5276
T 312.938.0300 F 312.938.1109 www.aecom.com

December 12, 2007

Mr. Michael Colsch
Chief of Finance
Illinois State Tollway Highway Authority
2700 Ogden Avenue
Downers Grove, IL 60515

Subject: 2008 Renewal and Replacement Deposit

Dear Mr. Colsch:

We have reviewed the renewal and replacement needs of the Tollway system in order to develop our recommendation for the deposit to be made to the Renewal and Replacement (R&R) Account in 2008. In addition to the maintenance and rehabilitation needs of the system, the Amended and Restated Trust Indenture, dated March 31, 1999 also permits the purchase of capital equipment under the R&R Account.

Based on the most recent cash flow analysis prepared by Tollway Finance and furnished to us on October 10, 2007, we recommend depositing \$100,000,000 to the R&R Account for 2008 in order to fund the projects in the Tollway's Final Program of roadway, bridge, and facility repair, rehabilitation and reconstruction. We also estimate that approximately \$129.7 million of additional revenue will be available for projects.

Total draws for the Final Program are estimated at \$1.379 billion. Based upon revenue generated from bond sales being committed to the Capital Program, the combination of bond revenue, deposits and draws on the cash balance of the R&R Account will fund the projects in the Program including \$108.6 million for Capital Projects such as fleet vehicle purchases, I-PASS Transponders, Information Technology projects, the Intelligent Transportation Systems program, and other Capital Projects.

If you have any questions or need additional information, please contact the undersigned.

Sincerely,

CONSOER TOWNSEND ENVIRONDYNE ENGINEERS, INC.

Dan Manojlovski, P.E.
Associate Vice President

c: B. McPartlin, Tollway P. Kovacs, Tollway G. Stukel, Tollway
R. Zuccherro, Tollway E. Wilmes, Tollway R. Franzen, Tollway
M. Molliconi, Tollway W. Swafford, CTE D. Taggart, CTE
File: 60021724, 201, 207

2008 BUDGET
ILLINOIS STATE TOLL HIGHWAY AUTHORITY
CERTIFICATE OF AUTHORIZED OFFICER

Set fourth below is a statement showing actual and estimated Revenues (including estimates of Toll Revenues prepared by the Traffic Engineer, Wilbur Smith Associates, Inc.), Operating Expenses, Aggregate Debt and Service and Renewal and Replacement Deposit (formerly Major Improvement and prepared by the Consulting Engineer, Conseor Townsend Envirodyne Engineers, Inc.) for the years 2007 and 2008. This statement is prepared for the purpose of determining whether the Net Revenues, as projected will be sufficient to at least equal the Net Revenue Requirements for such years, in accordance with the requirements of Section 713 of the Trust Indenture.

| | | (millions) | |
|---|--|----------------|----------------|
| | | FY 2007 | FY 2008 |
| Net Revenues : | | | |
| Actual Revenues - First Eight Months : | | | |
| | Toll Revenue and Evasion Recovery | \$389.5 | |
| | Investment Income | 33.0 | |
| | Concession and Miscellaneous | 1.9 | |
| | First Eight Months Revenues | \$424.4 | |
| Estimated Revenues - Last Four Months : | | | |
| | Toll Revenue and Evasion Recovery* | \$202.5 | |
| | Investment Income | \$7.0 | |
| | Concession and Miscellaneous | \$2.1 | |
| | Last Four Months Revenues | \$211.6 | |
| Estimated Revenues : | | | |
| | Toll Revenue and Evasion Recovery * | \$592.0 | \$636.0 |
| | Investment Income | 40.0 | 30.0 |
| | Concession and Miscellaneous | 4.0 | 4.0 |
| | Total Estimated Revenues | \$636.0 | \$670.0 |
| | | | |
| | Less: Total Budgeted Operating Expenses | \$224.6 | \$236.3 |
| | Estimated Net Revenues | \$411.4 | \$433.7 |
| | | | |
| | Net Revenue Requirement | | |
| | Aggregate Debt Service Requirement | \$172.2 | \$204.0 |
| | Renewal/Replacement Deposit per CTE | 175.0 | 100.0 |
| | Estimated Net Revenue Requirement | \$347.2 | \$304.0 |
| | | | |
| | Additional Available for Deposit to Renewal, Replacement and Improvement | \$64.2 | \$129.7 |

* Wilbur Smith and Associates has estimated expected toll revenues to total \$634,360,000 in 2007 and \$663,238,000 in 2008. The amounts included in this certificate are adjusted to reflect the Tollway's estimate of overpayments, underpayments, and evaded tolls as well as amounts recovered through the violation enforcement program. The adjustments result in a net reduction of \$42,360,000 in 2007 and \$27,238,000 in 2008.

| Acronyms: | |
|------------------|--|
| AASHTO | American Association of State Highway and Transportation Officials |
| ADT | Average Daily Traffic |
| ANSI | American National Standards Institute |
| ASA | American Standards Association |
| ASCE | American Society of Civil Engineers |
| AUTOCAD | Auto Computer Aided Dispatch |
| BSI | Business Systems Integration |
| CA | Central Administration for the Illinois Tollway |
| CAD | Computer Aided Dispatch |
| CAFR | Comprehensive Annual Financial Report |
| CATS | Chicago Area Transportation Study |
| CCC | Customer Call Center |
| CCTV | Closed Circuit Television |
| CECI | Consulting Engineers Council of Illinois |
| CMS | Central Management System |
| CRP | Congestion-Relief Program |
| CSC | Consolidated Customer Service Center |
| CSS | Central Sign Shop |
| CTE | Consoer Townsend Environdyne |
| CW | Central Warehouse |
| DBE | Disadvantaged Business Enterprise |
| DMS | Dynamic Message Signs |
| ERP | Enterprise Resource Planning |
| ES | Edens Spur |
| EW | East-West Tollway |
| FHWA | Federal Highway Administration, Department of Transportation |
| FOIA | Freedom of Information Act |
| GAAP | Generally Accepted Accounting Principles |
| GCM | Gary-Chicago-Milwaukee |
| GFOA | Government Finance Officers Association |
| IBTTA | International Bridge, Tunnel & Turnpike Association |
| IDOT | Illinois Department of Transportation |
| IEPA | Illinois Environmental Protection Agency |
| IPO | I-PASS Only |

| Acronyms: | |
|------------------|---|
| ISO | International Organization for Standardization |
| IT | Information Technology |
| ITS | Intelligent Transportation System |
| LIBOR | London Inter-Bank Offering Rate |
| M&O | Maintenance & Operations |
| MADS | Maximum Annual Debt Service |
| MOMS | On-Line Management System |
| MP | Mile Post |
| M-Site | Maintenance Site |
| MUMS | Online Management System |
| NIPC | Northern Illinois Planning Commission |
| NGN | Next Generation Network |
| NS | North-South Tollway |
| OIG | Office of the Inspector General |
| ORT | Open Road Tolling |
| PCMS | Portable Changeable Message Signs |
| PSB | Professional Service Bulletin |
| RRI | Renewal Replacement and Improvement |
| SERS | State Employees Retirement System |
| SIFMA | Securities Industry and Financial Markets Association |
| SLGS | State and Local Government Series Securities from the US Treasury |
| TS | Tri-State Tollway |
| VES | Violation Enforcement System |
| VPS | Violation Processing Center |

APPROPRIATION – Spending authority from a specific fund for a specific amount, purpose and time period.

AVAILABLE FUND BALANCE – The total money in a fund at a particular point in time, typically at the beginning of a month or year end.

BASIS OF ACCOUNTING – The method of accounting used to track and report revenues and expenditures, for example, cash, budgetary, or accrual.

BEST PRACTICES - Best practices are the processes, practices, and systems identified in public and private organizations that performed exceptionally well and are recognized as improving an organization's performance and efficiency in specific areas. Successfully identifying and applying best practices can reduce business expenses and improve organizational efficiency.

BOND FUND - A fund that receives proceeds from the sale of bonds to be used for capital projects.

BOND RATING - An assessment of the credit risk with respect to a specific bond issue.

BOND RETIREMENT AND INTEREST - A fund used to repay principal and interest on bonds or other debt obligations, typically spent pursuant to a continuing and irrevocable appropriation.

ORIGINAL BUDGET - The budget as approved by the Board of Directors.

REVISED BUDGET - Reflects the transfer of funds between accounts.

BUDGET REQUEST - Represents the budget office's recommended budget to be presented to the Board for final approval.

DEPARTMENTAL REQUEST – This request represents the various departmental budgets to be presented to the budget office.

CAPITAL EXPENDITURE - Non-recurring expenditures for the preservation, replacement, repair, renewal, reconstruction, modification, or expansion of the Tollway System.

COLLECTOR-IN-CHARGE – A Senior Toll Collector or a Toll Collector assigned to be responsible for the plaza operation in the absence of a supervisor.

CONSOER TOWNSEND ENVIRONDYNE (CTE) - General Consulting Engineer for the Illinois State Toll Highway Authority.

CONSTRUCTION SECTION - Any one of the numerous divisions into which construction of the roadway, facilities and appurtenances of the Toll Highway may be divided for the purpose of awarding contracts.

CONSTRUCTION SECTION ENGINEER (CSE) - The Engineer or firm of engineers and

their duly authorized employees, agents and representatives engaged by the Authority to observe the work to determine whether or not it is being performed and constructed in compliance with the Contract.

CONSULTING ENGINEER - The Engineer or firm of Engineers retained by the Tollway for the purpose of carrying out the duties imposed on the Consulting Engineer by the Trust Indenture and such other duties as assigned.

DEPARTMENT - A major administrative division of the Tollway which has overall management responsibility for an operation or group of related operations within a functional area.

DEBT SERVICE - Payment of principal, interest and other obligations associated with the retirement of debt.

DYNAMIC MESSAGE SIGN (DMS) - Dynamic Message Signs are the changeable message signs that TIMS uses to communicate with patrons.

ELECTRONIC TOLL COLLECTION (ETC) - An electronic means for motorists to pay toll charges without using coins or currency. Motorists attach an electronic signal device, known as a transponder, on their windshield to automatically deduct the toll charge as they drive through a toll plaza. ETC is used by many toll highway systems, including the Illinois Tollway which calls it "I-PASS".

EMPLOYEE RETIREMENT CONTRIBUTIONS - Line item for payment of an employee's required contribution to the State Employee's Retirement System (SERS), which an agency has chosen or contracted to make on behalf of the employee.

E-ZPASS – Program which allows Illinois Tollway customers with an I-PASS to use their transponders to pay tolls in all states that accept E-ZPass.

FISCAL YEAR - The Tollway's fiscal year is January 1 through December 31. This is the period in which obligations are incurred, encumbrances are made and appropriations are expended. The State of Illinois's fiscal year is July 1 through June 30.

FULL-TIME EMPLOYEE - A full-time employee's work is based on a 40 hour work week for 52 weeks, or 2080 hours per year.

FUND - An account established by the bond indenture to hold money for specific programs, activities or objectives.

FUND BALANCE - The difference between fund assets and fund liabilities remaining at year-end. For budgetary purposes, this represents the sum of over-realized or unanticipated revenues and unspent reserves at the end of each fiscal year.

GROUP INSURANCE - Line item for life and health insurance program for all Tollway employees, retirees and their dependents.

HALON SYSTEM – Fire suppression system for the computer rooms.

HEADCOUNT - A statement or description of the number of employees for a specific time period, usually the actual number or the calculated full-time equivalent.

H.E.L.P. TRUCKS - Highway Emergency Lane Patrol program was designed to enhance roadside assistance given to Tollway customers.

IMPROVEMENT - Any System Expansion Project or any acquisition, installation, construction, reconstruction, modification or enhancement of or to any real or personal property (other than Operating Expenses) for which a currently effective resolution of the Authority has been adopted authorizing the deposit of revenues to the credit of the Improvement Account for such System Expansion Project or acquisition, installation, construction, reconstruction, modification or enhancement including, without limitation, the cost of related feasibility studies, plans, designs or other related expenditures.

I-PASS - The Illinois Tollway's electronic toll collection system.

LIMITED ACCESS TOLL HIGHWAY - A toll highway system (e.g., Illinois Tollway) in which the user pays tolls at plazas along the toll road.

MAINLINE PLAZAS - The type of toll collection plazas that span the roadways and are located throughout the system. These plazas may have manual, automatic and I-PASS lanes.

MAINTENANCE & OPERATIONS (M&O) - Maintenance & Operations covers the day-to-day operating cost of the Illinois State Toll Highway Authority.

MILLION VEHICLE MILE - MVM is a common highway industry model that can be compared to other cost factors to compute a measure of performance.

MONEY ROOM - The Tollway's centralized cash and coin counting operation.

OASIS - Junction on the system which provides services to patrons such as food, gas and rest rooms, and generally a safe area for patrons to relax. It also provides a rest area for interstate commerce such as truck stops.

PART-TIME EMPLOYEE - An employee who performs less than 2,080 hours of work in one fiscal year.

PERSONAL SERVICES - Line item for salaries and wages to be paid to employees.

PORTABLE CHANGEABLE MESSAGE SIGN (PCMS) - Signs located throughout the system which the Tollway uses to communicate to patrons regarding traffic flow, or more specifically traffic incidents.

POST PAY ACCOUNT – Accounts where the payment of tolls is after the toll has been incurred. Invoices are sent monthly.

PRE-PAY ACCOUNT - Customers deposit funds into an account for each transponder. As tolls are incurred the amount is automatically withdrawn from the transponder balance.

PROFESSIONAL SERVICE BULLETIN (PSB) - Contains information pertaining to the advertisement for Statements of Interest and Requests for Proposals for professional services for the Illinois State Toll Highway Authority.

PROJECT - Any Improvement or Renewal and Replacement.

RECOVERY OF EXPENSES - This process claims and recovers damages caused to Tollway property or fixtures such as light poles, guard rails, toll gates, etc. Charges for emergency vehicles such as Ambulances, and Fire Equipment are also recovered.

RENEWAL AND REPLACEMENT - Preservation, replacement, repairs, renewals and reconstruction or modification of the Tollway System or any part of it constituting real or personal property, whether leased or purchased, but does not include System Expansion Projects.

RESERVE - Portion of appropriation intentionally set aside and not spent either to increase lapse or as a contingency for increased liabilities in other line items.

RETIREMENT PICK-UP - Line item for employer's share of contributions to the state retirement system.

REVENUES - (i) all tolls, fees, charges, rents, and other income and receipts derived from the operations of the Tollway System, (ii) the proceeds of any use and occupancy insurance relating to the Tollway System and of any other insurance which insures against loss of revenues, (iii) investment income from any moneys or securities held in Funds, Accounts or Sub-Accounts established under the Amended and Restated Trust Indenture, other than the Construction Fund and (iv) amounts transferred from the Construction Fund to the Revenue Fund and transfers to the Trustee by the Authority from the System Reserve Account pursuant to subsection 1 of Section 512 of the Amended and Restated Trust Indenture. Revenues excludes Federal or State grants and appropriations, loan proceeds, gifts or donations of any kind, transfers, if any, to the Authority as permitted under any Escrow Agreement and receipts not related to the Authority's performance of its obligations under the Amended and Restated Trust Indenture or to the operations of the Tollway System.

REVENUE BONDS - A certificate of debt issued by an organization in order to raise revenue. Revenue Bonds guarantee payment of the original investment plus interest by a specified date using the organization's revenues.

RIGHT-OF-WAY - A general term denoting land, property, or interests therein, acquired for or devoted to a highway.

SPECIFICATIONS - The general term comprising the direction, provision, instruction, and requirement.

SYSTEM - The 286-miles which makes up the roadway/Tollway.

SYSTEM EXPANSION PROJECT - Any acquisition, improvement, betterment, enlargement or capital addition which extends the Tollway System.

TOLL - A fee for usage or passage such as over a highway.

TOLL BOOTH - A booth on a highway where tolls are taken.

TOLL COLLECTOR - A Tollway employee hired to take tolls manually from customers.

TOLL HIGHWAY OR TOLLWAY - The limited access highway built or proposed to be built by the Authority, including all facilities and appurtenances thereto.

TOLLWAY SYSTEM - Collectively, (i) the toll highways operated and maintained by the Authority as of December 1, 1985, (ii) and Projects and (iii) all properties, equipment and facilities to the extent used in connection with the operation and maintenance of the facilities listed in clause (i) or (ii) of this definition.

TRANSPONDER - The device that communicates through radio signals with the toll plaza as the vehicle it is attached to passes through the lane, making a record of a paid toll.

TRANSPORTATION INFORMATION MANAGEMENT SYSTEM (TIMS) - System which allows the Tollway to monitor weather, traffic incidents, and construction areas which may affect the flow of traffic. This system can also alert patrons by communicating to them, specific areas of interests or concern, by using the message signs along the system. The system also generates travel times that are available to motorists via the Gary-Chicago-Milwaukee Corridor Web site - www.gcmtravel.com.

TREADLE - An electronic device located under the pavement of lanes at toll plazas. Treadles count the number of axles on each vehicle going through the lane.

TRUST INDENTURE - A contract between the Tollway and its bondholders that establishes the rights and obligations of both parties (e.g., it creates a pledge of toll revenue to the bondholders).

UNMANNED PLAZA - Points of toll collection where toll collectors are not present. Customers who do not have I-PASS accounts drop tolls in coin baskets.

VEHICLE MILES TRAVELED (VMT) - The number of miles driven annually by all vehicles using the roadway.

VIOLATION ENFORCEMENT SYSTEM (VES) - A system that has been developed for the Tollway to collect unpaid tolls from violators. The system takes photographs of license plates of the vehicle and a fine notice will be mailed to toll violators.

WILBUR SMITH ASSOCIATES (WSA) - The Traffic Engineer for the Illinois Tollway.

