

2009 Budget

Published: March 31, 2009

Governor Pat Quinn
Chairman John Mitola
Acting Executive Director Mike King



Pat Quinn, Governor
Ex-Officio-Member

John Mitola, Chairman
Term expires May 1, 2011

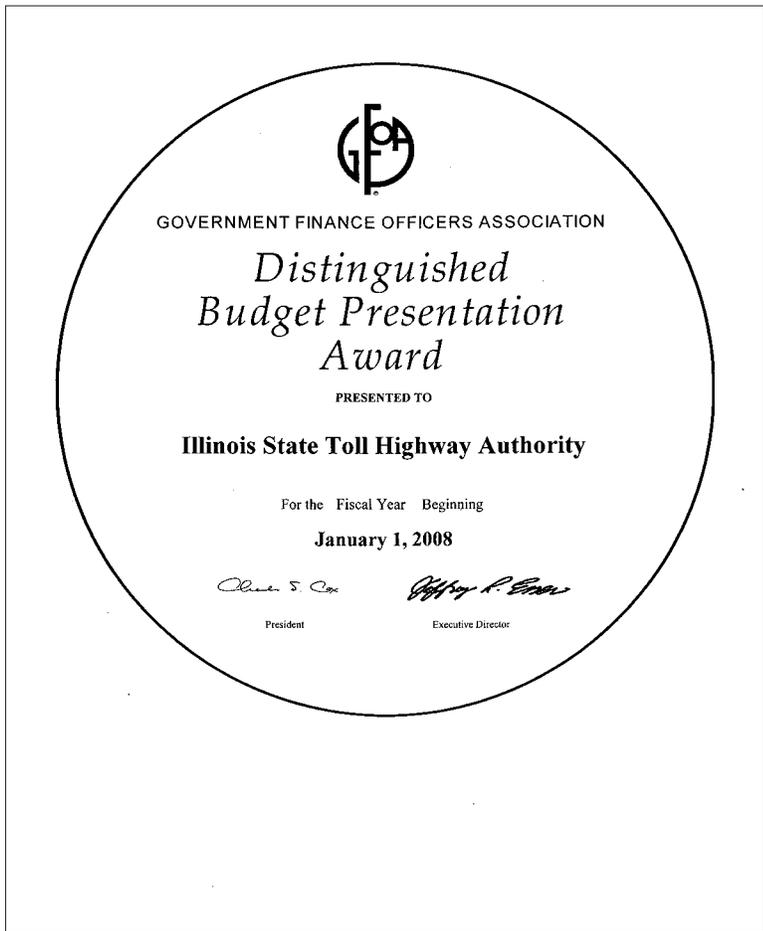


Board of Directors

Top row from left: Thomas Canham, Steven Harris, James M. Roof, David R. Andalcio

Bottom row from left: Carl O. Towns, Chairman John Mitola, George Pradel, Betty-Ann Moore, James J. Banks

Not pictured: Governor Pat Quinn, Ex-officio; Secretary Gary Hannig, IDOT, Ex-officio



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, 2008. 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.

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Executive Letter

December 2008

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 fifth year of the \$6.3 billion Congestion-Relief Program (CRP) – *Open Roads for a Faster Future*.

Our plans for 2009 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 the completion of more than 80 percent of the CRP by the end of this year.

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 end of 2008 finds the Rebuild & Widen Projects throughout our system more than half-way complete and on schedule to wrap up in 2009, adding to the congestion-relief benefits already provided to customers through completion of the \$730 million I-355 South Extension project in 2007, and the \$708.8 million conversion to Open Road Tolling at all 21 mainline plazas in 2006.

Through 2008, the Illinois Tollway has awarded \$3.72 billion in construction contracts related to the Congestion-Relief Program. In addition, we have awarded approximately \$698.7 million in contracts for design, inspection, and other engineering services, and contracts totaling about \$161.4 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 2009, funding dedicated toward the myriad of construction employment opportunities will continue to ensure sustained progress in reaching objectives outlined in the Congestion-Relief Program. By the end of the year the capital program is projected to be more than 80 percent complete with \$5.2 million committed to systemwide restoration and improvements.

Customer Service

In 2009, 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. With more than 81 percent of Tollway drivers using I-PASS for daily travel, support for more than 3.6 million active transponders will continue to be a priority in 2009.

The Tollway will continue to invest in Internet and E-Commerce solutions to improve capacity of the Tollway's Web site, www.illinoistollway.com. Currently more than 63 percent of the 2.8 million I-PASS account holders manage their accounts online at www.getipass.com, 24 hours a day, 7 days a week.

In addition, the Tollway's six Customer Service Centers located in Tollway Oases and at Tollway headquarters provide assistance for customers preferring face-to-face service close to work or home. Approximately 390,000 customers were assisted in 2008 with sales, provide complete I-PASS services, missed toll payments, and violation processing services.

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 to improve Tollway incident response time, and monitor and detect traffic incidents.

In addition, Illinois Tollway District 15 will provide extra coverage in systemwide construction zones and areas with high speed or crash percentages, and allow officers to work toll violation details to reduce the number of toll scofflaws. The 2009 Budget includes funding to equip Troopers with modernized IT equipment such as, IWIN computers, digital In-Car video cameras, LiveScan machines; as well as training opportunities.

Business Efficiencies

Several initiatives that will be implemented in 2009 are geared toward improving the Tollway's technological infrastructure and overall operations. The Tollway will continue implementation of an Enterprise Resource Planning system to more efficiently manage multiple business activities including: the purchase of equipment and supplies, I-PASS sales, finance management, accounting, inventory management and human resources management.

The attached Fiscal Year 2009 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 transforming the agency into an industry leader of Tollway management, design, and construction for the 21st century.

Sincerely,

A handwritten signature in black ink that reads "Michael T. King". The signature is written in a cursive style with a long, sweeping tail on the letter "g".

Michael T. King
Acting Executive Director

Executive Summary

The Illinois Tollway's 2009 Budget reflects the goals of accountability, efficiency and dedication to serving our customers. Throughout 2009, 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.

2008 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.

By the end of 2008, the Tollway will have awarded approximately \$4.5 billion in construction and design contracts in the \$6.3 billion Congestion-Relief Program – Open Roads for a Faster Future.

For the fifth consecutive year, the Government Finance Officers Association (GFOA) awarded the Illinois Tollway with its Distinguished Budget Presentation Award for the 2008 Budget submitted to and approved by the Board, made available to the public through public meetings, and posted on the Tollway's Web site.

2008 is the first full year of usage on the new 12.5 mile southern extension of I-355, which connects I-55 south through Will County to I-80. The new roadway continues to receive rave reviews from area residents and businesses for dramatically cutting average commutes and fostering new growth throughout the corridor.

As the second year of Open Road Tolling on the 286-mile Illinois Tollway System draws to a close, I-PASS continues its steady growth with average usage at 81 percent of the Tollway's 1.4 million daily vehicles. As a result of increasing participation, the number of active I-PASS transponders grew to more than 3.6 million on more than 2.8 million accounts, and customers continue reporting time savings of at least 10 minutes each way on their daily commutes as a result of Open Road Tolling.

Providing Better Service to More Customers

As part of ongoing efforts to enhance customer service and to meet the needs of a growing I-PASS customer base, the Illinois Tollway continued to build on successful customer outreach programs throughout 2008.

Jewel-Osco continues as the Tollway's primary I-PASS retail sales partner, with approximately 180 Jewel-Osco stores in the Chicago metropolitan area. In 2008, Jewel was responsible for the sale of 200,000 I-PASS transponders, while growth of online I-PASS sales exceeded 83,000.

The first full year of service at the Tollway's five Customer Service Centers (CSC), located in Tollway Oases, has successfully extended the availability of I-PASS sales and services and is addressing the needs of occasional and out-of-state users interested in purchasing an active I-PASS transponder while on the road. Staffed by full-time Tollway personnel, the CSC's served approximately 390,000

customers in 2008, facilitating sales and providing complete I-PASS services missed toll payments, as well as violation processing 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 2008, the Tollway continued to enhance its E-Commerce services, which allow I-PASS customers to manage their account on-line, purchase and activate transponders, and now allow on-line payment of violation notices. Currently more than 63 percent of the 2.8 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 was recognized with a 2008 Toll Excellence award, by the International Bridge, Tunnel and Turnpike Association for its outstanding and innovative customer service.

Congestion-Relief Program - Year Four

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

Within the initial 5 years of the Congestion-Relief Program (CRP), the Tollway is planning to invest nearly \$2.1 billion to reconstruct and widen the majority of the Tri-State Tollway (I-94, I-294, I-80). By mid-2010, 76 miles of the 78.5 mile Tollway will have 4 lanes in each direction. By the end of 2008, all of the contracts required to complete this work will have been obligated and \$1,331.7 million is estimated to have been earned.

Phase II of the South Tri-State Rebuild & 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. In 2008, the reconstruction and widening of the southbound lanes will be completed and the construction contracts for the northbound lanes were awarded. Northbound construction is scheduled to begin in 2009 with an anticipated completion in 2010.

In 2008, the Tri-State from Balmoral Avenue to the Wisconsin state line remained under construction. In the central section of the Tri-State Tollway southbound reconstruction and widening from Touhy Avenue to Lake-Cook Road will be completed, while the two remaining southbound construction contracts were awarded in May 2008 with a 2009 scheduled completion. Northbound reconstruction and widening from Balmoral Avenue to Dempster Street will be completed in 2008. The three remaining northbound construction contracts were awarded in September 2008 with a 2009 scheduled completion.

In the northern section of the Tri-State by the end of 2008, reconstruction and widening of the southbound lanes from Stearns School Road to Half Day Road, as well as the northbound reconstruction and widening from Stearns School Road to IL Route 173, reconstruction to Russell Road and resurfacing to the Wisconsin state line will be completed. The remaining four northbound construction contracts have been awarded.

Reagan Memorial Tollway (I-88)

In 2008, an estimated \$296.5 million will be expended bringing total spending for the last four years to approximately \$605 million on the Reagan Memorial Tollway (I-88). In 2008, construction work continued along I-88 between York Road and Orchard Road west of the Fox River with the section between Finley Road and Washington Street, including the Naperville Road and IL Route 53 interchanges, as well as the new eastbound Fox River Bridge scheduled for completion.

By the end of 2008, the reconstruction and widening of the westbound lanes between IL Route 83 and Finley Road and the eastbound lanes between Orchard Road and the Aurora Toll Plaza will be completed. Work continues in both directions between IL Route 83 and York Road. Reconstruction and widening contracts eastbound from IL Route 83 to Finley Road, as well as from Orchard Road to the Aurora Toll Plaza were also awarded.

Jane Addams Memorial Tollway (I-90)

Approximately \$140.3 million is estimated to be expended in 2008 on the Jane Addams Memorial Tollway (I-90) bringing the total CRP spending to \$177.1 million. In 2008, work began on the reconstruction of the Cherry Valley Interchange and the reconstruction and widening on the mainline for the section of I-90 between Cherry Valley and the South Beloit Toll Plaza in the eastbound direction and in both directions between Rockton Road and the South Beloit Toll Plaza. Master planning continued for future work on the corridor and will be completed by the end of the year.

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 (I-355). 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. By the end of 2008 over \$736.4 million will be spent on widening, rehabilitating, and extending the Veterans Memorial Tollway as part of the Congestion-Relief Program.

In 2008, work began to resurface and construct a fourth northbound lane between 75th Street and Ogden Avenue with an estimated expenditure of \$24.5 million. Work will continue in 2009 to include the resurfacing and widening in the southbound direction.

Open Road Tolling (ORT)

As of year-end 2008, the Tollway is estimated to have expended approximately \$720.6 million to deliver Open Road Tolling at the 21 mainline plazas systemwide and reconstruct or rehabilitate the existing plaza cash lanes and facilities. This included reconstruction of the pavement through the plazas to accommodate the new roadway geometry necessary to implement Open Road Tolling.

Congestion Relief - Phase Two Proposal

Tomorrow's Transportation Today

The Governor and the Illinois Tollway recently announced approval of a \$1.8 billion second phase of the Congestion-Relief Program – Tomorrow's Transportation Today. The new capital program includes two key elements; an Interchange Improvement Program with funding for two major interstate-to-interstate interchanges and local access enhancements, and development and implementation of a Green Lanes Plan. Public hearings related to the program were held in all 12 counties served by the Illinois Tollway along with public comments submitted prior to Board action on the plan were met with 60 percent approval. An estimated \$85 million has been allocated in the 2009 budget for initial funding of the Tomorrow's Transportation Today capital program to initiate planning, design, and technology development for Green Lane projects, as well as design oversight and right-of-way support for the interchange projects. It is anticipated that these costs would be funded from the proceeds of junior lien bonds that would pay no interest or principal in 2009.

The funding plan includes a phased in rate increase for commercial vehicles from January 1, 2015 through January 1, 2017, plus an annual inflator applied to commercial vehicles in 2018 and thereafter.

Fiscal Year 2009 Budget

In 2009, the rebuilding of the Illinois Tollway continues as we enter the fifth year of the 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 rebuilding/restoring and widening much of the roads systemwide.

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.

The Tollway is on schedule and well on its way to make the systemwide improvements initiated during the first four 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 in 2003. The 2009 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.

Additionally, funding is allocated in the 2009 Budget for the following initiatives to support the Tollway's Congestion-Relief Program:

**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 purchase of equipment and supplies, I-PASS sales, finance management, accounting, inventory management and human resources management.

**Information Technology Systems
\$7.5 million (capital)**

To improve and maintain the Tollway's Information Technology systems and facilities, the Tollway has included the following projects in the 2009 Budget: new disaster recovery data center; systemwide computer infrastructure modernization including upgrades and replacements; Tollway Website maintenance and enhancement; replace plaza intercom systems; Next Generation Network (NGN) facilities integration; systemwide communication tower preservation and M-4 tower replacement; public safety radio upgrade and replacement and I-PASS data storage expansion.

**Electronic Tolling Systems
\$17.7 million (capital)**

The 2009 Budget allocates funding to continue the Tollway's efforts to improve and enhance the Open Road Tolling System, toll collection and violation processing, and user support network through the Customer Call Center. In addition, \$4.3 million will be spent to implement a Disaster Recovery/Business Continuity strategy that will protect critical information resources and services, minimize the risk of unplanned interruptions, and ensure the availability of the core systems and subsystems associated with the Toll Revenue Management and Maintenance Program (TRMMP).

Intelligent Transportation Systems (ITS)
\$10.8 million (capital)

For 2009, approximately \$10.8 million is allocated to enhance and upgrade the Intelligent Transportation System (ITS) to improve Tollway incident response time, and monitor and detect traffic incidents. These funds will be deployed to: expand and maintain the Tollway's fiber optics operations; install systemwide new CCTV cameras, Weigh-In-Motion and Video Incident Detection system; install wireless CCTV on the North and South Tri-State; install Remote Traffic Microwave Sensors (RTMS) on the North Tri-State Tollway (I-94) and Jane Addams Memorial Tollway (I-90); procure ITS equipment and services for Next Generation Network migration; deploy Dynamic Message Signs (DMS) systemwide; to improve the Gateway Advanced Traveler Information System (ATMS) in conjunction with IDOT; and modernize the Road Weather Information Systems (RWIS).

Signage
\$2.4 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, and night-time and off-peak lane closures. The 2009 Budget allocates funding to provide continuation of systemwide upgrades and enhancements of all roadway signs including new mile markers, exit numbering system signing, improved Open Road Tolling signing and Manual on Uniform Traffic Control Device (MUTCD) electronic toll collecting signing requirements.

Illinois State Police District 15
Personnel and Equipment - \$2 million (capital)

District 15 Troopers will provide extra coverage in systemwide construction zones and areas with high speed or crash percentages, and allow officers to work toll violation details to reduce the number of toll scofflaws. The 2009 Budget includes projects to equip Troopers with modernized IT equipment such as, IWIN computers, digital In-Car video cameras, LiveScan machines; as well as training for programs such as Firearms Animated Training System (FATS) and Firing Range Target Retrieval System.

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 for the expansion, reconstruction and improvement of the Tollway System. The 2009 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 2009

The Tollway's operating revenues for Fiscal Year 2009 ("FY2009") are estimated to total \$680 million. This is an increase of 1.5 percent over Fiscal Year 2008 ("FY2008") operating revenues of \$670 million.

FY2009's \$680 million of estimated operating revenues consist of (i) \$650 million of Toll Revenues and Evasion Recovery; (ii) \$22 million of Investment Income; and (iii) \$8 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 2009 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 2009 will be financed by proceeds from revenue bonds.

The FY2009 Budget allocates \$680 million of Revenues as follows:

\$258 million to fund maintenance and operations, an increase of \$12.3 million or 5 percent over FY2008 revised operating expenses of \$245 million.

\$210 million for debt service transfers, consisting of: \$188.5 million for outstanding debt (excludes six months of capitalized interest on the Series 2008B Bonds and three months of capitalized interest on the Series 2009B Bonds); \$16.5 million for interest on new bonds assumed to be issued April 2009 in the amount of \$400 million; and \$5.0

million for bond-related annual costs and variable rate bond interest costs in excess of corresponding index-based receipts from hedge agreements.

The total budgeted transfers of \$210 million for 2009 represent an estimated increase of \$6 million from 2008 amounts.

\$212 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 FY2009 Operating Budget is \$257.6 million to fund the ongoing operating costs of the Tollway, an increase of \$12.3 million or 5.0 percent over the 2008 Revised Budget.

Personal Services total \$143.6 million including Salaries, Wages, Social Security and Retirement. This category increased \$10.9 million or 8.2 percent over the 2008 amount. Salaries and Wages increased \$5.0 million or 4.8 percent, while Social Security and Retirement contributions increased \$5.9 million or 21.7 percent. The Personal Services category accounts for 55.7 percent of total operating expenses.

The Tollway's insurance costs total \$36.6 million or 14.2 percent of the 2009 Operating Budget, a \$2.0 million or 5.7 percent increase over 2008. 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 a result of higher than anticipated Roadway Maintenance and Violation Enforcement costs due to extra-ordinary circumstances, the Tollway amended the 2008 Operating Budget in September. The Budget was increased by \$9.0 million from \$236.3 million to \$245.3 million. The additional funding was allocated to Materials Operational for Rock Salt; Fuels & Oils; and Other Outside Services, Bank Charges and Telephone to cover expenses for the violation notices.

Funding has been increased in Contracted Outside Service by \$1.3 million in areas such as the ITS maintenance contract (TIMS, DMS, CCTV), the STARCOM radio system and Hearing Officers for violations. Consulting Services increased by \$0.4 million to cover the Tollway's contractual agreement with CTE. Dues, Books, and Subscriptions increased by \$0.2 million to cover the 2009 hosting fees for the IBTTA Conference. Replacement Parts (Fleet), Roadway Equipment (portable arrow boards), and Police Equipment have a combined increase of \$0.3 million.

Budget Challenges

The development of the 2009 operating budget presented several challenges that included required increases in salaries and wages, an increase in the required pension contribution cost and rising health-care costs while still maintaining an overall annual growth rate of five percent.

The Tollway continues to have collective bargaining agreements with the Teamsters, the Metropolitan Alliance of Police (MAP), the Service Employees International Union (SEIU) and the American Federation of State, County and Municipal Employees (AFSCME) union. This budget includes wage and salary increases necessary to accommodate these collective bargaining agreements as well as provide pay increases for salaried employees.

All employees of the Tollway with at least six months of service are covered by the State Employees' Retirement System (SERS), a pension system maintained by the State of Illinois. The Tollway as well as its employees contribute a percentage of each employee's annual salary/wage to the SERS. The Tollway's percentage is expected to increase from 19.1 percent in 2008 to 23.3 percent in 2009, resulting in the budgeted amount for the retirement contribution increasing from \$20.1 million in 2008 to \$25.7 million in 2009.

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, future 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 (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 2009 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 the financial constraints of the Tollway.

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 Tollway 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 customer service areas on the Tollway System.

Board of Directors

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

Exhibit 1		
NAME	INITIAL APPOINTMENT	EXPIRATION OF CURRENT TERM ⁽¹⁾
Gov. Pat Quinn, ex officio	—	—
Secretary Gary Hannig, ex officio	—	—
John Mitola, Chairman	April 29, 2003	May 1, 2011
David R. Andalco	April 29, 2003	May 1, 2011
James J. Banks	September 29, 1993	May 1, 2009
Steven M. Harris	September 26, 2005	May 1, 2009
Thomas Canham	August 30, 2007	May 1, 2011
Betty-Ann Moore ⁽¹⁾	September 26, 2005	May 1, 2007
Arthur George Pradel ⁽¹⁾	October 26, 2001	May 1, 2007
James M. Roolf	April 30, 2004	May 1, 2009
Carl O. Towns	November 14, 2002	May 1, 2009

⁽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, Business Systems, and Illinois State Police District 15. 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 Department of Business Systems is responsible for overseeing the design and development of the Open Road Toll System and collecting toll revenue from toll violators, assessing fines and imposing sanctions. The Department's responsibilities include customer service associated with the issuance of I-PASS transponders and toll collection.

The Communications Department is responsible for all external and internal communications between the Tollway and its constituents, including customers, 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 cash and investments.

The Information Technology Department is responsible for planning, directing, 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.

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.

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.

Labor Relations and Employee Benefits

As of October 2008, unions represent approximately 1531 of the Tollway's 1783 positions. In 2006, the Tollway entered into a three-year agreement ending September 30, 2009 with the State and Municipal Teamsters, Chauffeurs, and Helpers Union Local 726, representing approximately 471 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 720 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, Clerks, Custodians, and Warehouse Workers. The final group of employees, being approximately 312 professional and nonprofessional 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 19.1% in 2008 to 23.3% in 2009, resulting in the Tollway's budgeted amount for the retirement contribution increasing from \$20.2 million in 2008 to \$25.7 million in 2009. 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 (I-90), the Tri-State (I-94, I-294, I-80), the Veterans Memorial (I-355) and the Ronald Reagan Memorial Tollways (I-88).

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 Interstate 90 leading to Madison, Wisconsin.

The Tri-State Tollway (I-94, I-294, I-80), constituting portions of Interstates 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 Reagan Memorial Tollway (I-88) to the western suburbs, the Eisenhower Expressway to downtown Chicago, the Jane Addams Memorial Tollway (I-90) 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 Interstate 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 Interstate 290 spur in Addison on the north and Interstate 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 Lemont, Lockport, Homer Glen, New Lenox, Bolingbrook, Downers Grove, Naperville, Lombard, Glen Ellyn and Wheaton. As part of the Congestion Relief Program (CRP), a 12.5-mile south extension of the Veterans Memorial Tollway through Will County from Interstate 55 to Interstate 80 (the “South Extension”) opened on November 12, 2007, increasing the size of the Veterans Memorial Tollway to 30 miles.

Reagan Memorial Tollway (I-88), formerly the East-West Tollway, constituting a portion of Interstate 88, covers 96.5 miles and begins east of the junction of the Tri-State Tollway (I-294) 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, Interstate 88 is a toll-free facility connecting to Interstate 80 and the Quad Cities.



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 Program.

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 government has the authority 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 versus the additional cost of the tolls. The simulation process uses value of time considerations in modeling path selections.

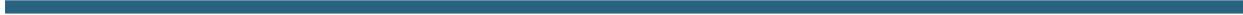
In addition to travel times and toll costs, the modeling process takes into account the physical characteristics of the roadway system, which can change over time. For example, add lane construction activities temporarily change network characteristics which impact traveler route choices during the time 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 Tollway utilizes a general methodology for developing estimates for the following year. 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.



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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 Operations, Debt Service, Renewal/Replacement, Improvement, and System Reserve as well as sub-accounts within the Maintenance and Operations 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 Operations Account;

Second, to the Operating Reserve Sub-Account of the Maintenance and Operations 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 ammendment 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.

Overview of Flow of Funds

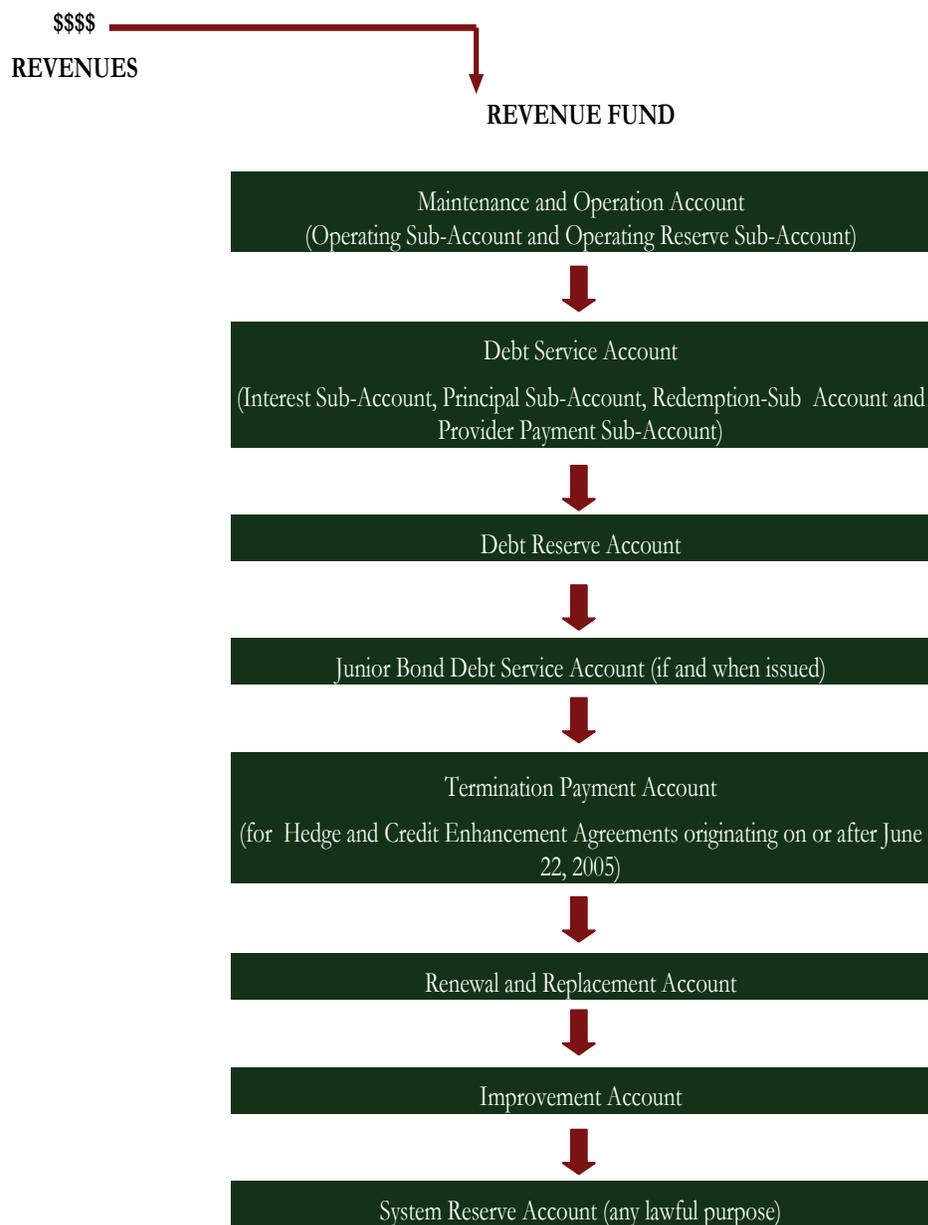


Exhibit 3

Maintenance and Operations Account

The Maintenance and Operations 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 balance in this account and subsequently authorized a 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 are expected to be allocated to this account in 2009.

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 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 2007 - 2009
Statement of Revenues/Expenditures/Transfers and Changes in Account/Fund Balances
(\$ in Millions)

Maintenance & Operations Account	2007	2008	2009
	Actual	Estimate	Budget
Beginning Balance	\$25.0	\$21.1	\$18.7
Transfer from Revenue Fund	218.4	242.9	257.6
Expenditures	(222.3)	(245.3)	(257.6)
Ending Balance	<u>\$21.1</u>	<u>\$18.7</u>	<u>\$18.7</u>

Debt Service Account	2007	2008	2009
	Actual	Estimate	Budget
Beginning Balance	\$48.4	\$62.2	\$61.2
Transfer from Revenue Fund ¹	175.9	204.0	210.0
Bonds Retired	(47.4)	(50.0)	(52.8)
Interest Payments	(114.7)	(155.0)	(157.2)
Ending Balance	<u>\$62.2</u>	<u>\$61.2</u>	<u>\$61.2</u>

Improvement Account	2007	2008	2009
	Actual	Estimate	Budget
Beginning Balance	\$160.5	\$203.1	\$102.1
Transfer from Revenue Fund ¹	35.5	219.1	49.4
Expenditures ²	7.1	(320.1)	(148.0)
Ending Balance	<u>\$203.1</u>	<u>\$102.1</u>	<u>\$3.5</u>

Renewal and Replacement Account	2007	2008	2009
	Actual	Estimate	Budget
Beginning Balance	\$224.5	\$351.7	\$71.3
Transfer from Revenue Fund ¹	198.3	4.0	163.0
Reclass of Expenditures from Construction Fund	0.0	(48.6)	0.0
Expenditures	(71.1)	(235.8)	(164.1)
Ending Balance	<u>\$351.7</u>	<u>\$71.3</u>	<u>\$70.2</u>

Construction Fund	2007	2008	2009
	Actual	Estimate	Budget
Beginning Balance	\$668.3	\$306.4	\$0.0
Bond Proceeds ³ deposited to Construction Fund	657.3	385.1	700.0
Investment Income	22.5	8.3	0.0
Reclass of Expenditures to Renewal and Replacement	0.0	48.6	0.0
Expenditures (reimbursements) Transfers to RR and I	(1041.7)	(748.4)	(700.0)
Ending Balance	<u>\$306.4</u>	<u>\$0.0</u>	<u>\$0.0</u>

¹ Includes Allocation of Interest Income.

² Expenditures reflect cost recovery of \$10 million in 2008 and \$25 million in 2009 pursuant to Intergovernmental Agreements.

³ 2008 Bond Proceeds includes \$57.9 million from the Debt Reserve Account resulting from purchase of Surety Policy.

Fiscal Year 2007 - 2009
Statement of Revenues/Expenditures/Transfers and Changes in Account/Fund Balances
(\$ in Millions)

All Accounts/Funds	2007 Actual	2008 Estimate	2009 Budget
Beginning Balance	\$1,126.7	\$944.5	\$253.3
Transfer from Revenue Fund	628.1	670.0	680.0
Bond Proceeds	657.3	385.1	700.0
Investment Income	22.5	8.3	0.0
Bonds Retired	(47.4)	(50.0)	(52.8)
Interest Payments	(114.7)	(155.0)	(157.2)
Expenditures	(1328.0)	(1549.6)	(1269.7)
Ending Balance	\$944.5	\$253.3	\$153.6

Change in Account/Fund Balances

For budgetary purposes the Tollway groups the revenues and expenses of the Revenue Fund according to the following four Accounts: Maintenance and Operations, 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 2009 the balances in the Renewal/Replacement Account and the Improvement Account will decrease by 2 and 97 percent respectively. For 2009, the balance in the Construction Fund is projected to remain at zero. 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 was less than the costs necessary for the Capital Program, therefore the Tollway began 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 2009 Budget.

Exhibit 4

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Budget Summaries

2009 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	\$650 million	Collections via cash, I-PASS or recovery of violation payments
Concessions	\$ 6 million	Oases, fuel, food and retail sales
Investment Income	\$ 22 million	Interest income on Tollway funds and I-PASS cash escrow accounts
Miscellaneous	\$ 2 million	Revenue from overweight trucks, fines, rental of assets for fiber optics, license fees, etc.
Total Current Revenues	\$680 million	

Operating Expenses

Maintenance and Operations	\$258 million	Related to toll collections, roadway maintenance, traffic control, safety, insurance and administration
Debt Service	\$210 million	Principal and interest payments on outstanding debt
Total Operating and Debt Service Expenditures	\$468 million	

Capital Program Expenditures

\$1,012 million

Capital expenditures for system-wide maintenance, reconstruction and expansion

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.

Sources of Revenue

Fiscal Year 2009

(\$ in Millions)

Sources	FY 2008 <u>Budget</u>	FY 2008 <u>Estimates</u>	FY 2009 <u>Projections</u>
Toll & Evasion Recovery	\$636	\$640	\$650
Investment Income	30	25	22
Concessions & Misc.	4	5	8
Total	\$670	\$670	\$680

Exhibit 6

2009 Revenue Projections

\$680 Million

(\$ in Millions)

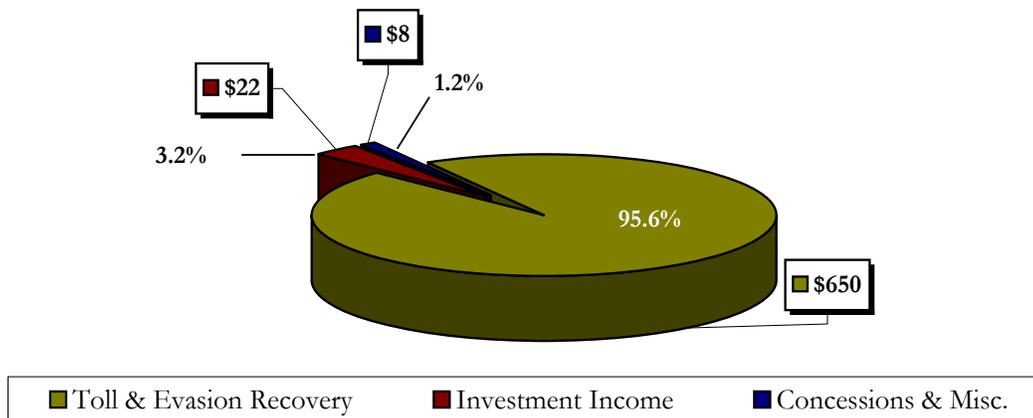


Exhibit 7

Allocation of Revenue

Fiscal Year 2009

(\$ in Millions)

Allocations	FY 2008 <u>Budget</u>	FY 2008 <u>Estimates</u>	FY 2009 <u>Projections</u>
M&O	\$236	\$243	\$258
Debt Service	204	204	210
Deposit to RR & I	230	223	212
Total	\$670	\$670	\$680

Exhibit 8

2009 Projected Allocation of Revenue

\$680 Million

(\$ in Millions)

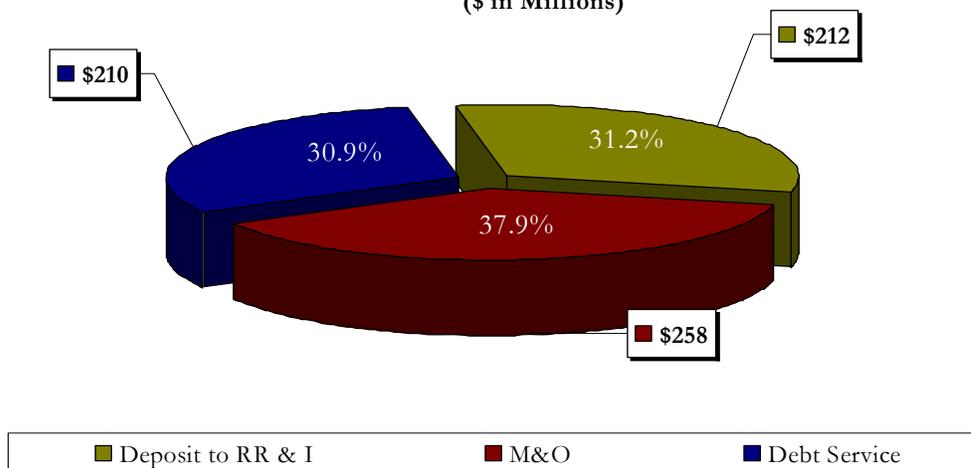


Exhibit 9

Capital Program Projections
Fiscal Year 2009
(\$ in Millions)

	FY 2007 <u>Actual</u>	FY 2008 <u>Estimates</u>	FY 2009 <u>Projections</u>
Beginning Balance	\$1,053	\$861	\$173
Deposit to RRI	234	223	212
Bond Proceeds	657	385	700
Construction Fund Interest	23	8	0
Expenditures *	(1,106)	(1,304)	(1,012)
Total	\$861	\$173	\$73

* Expenditures reflect cost recovery of \$10 million in 2008 and \$25 million in 2009 pursuant to Intergovernmental Agreements.

Exhibit 10

2009 Projected Capital Expenditures
\$1,012 Million
(\$ in Millions)

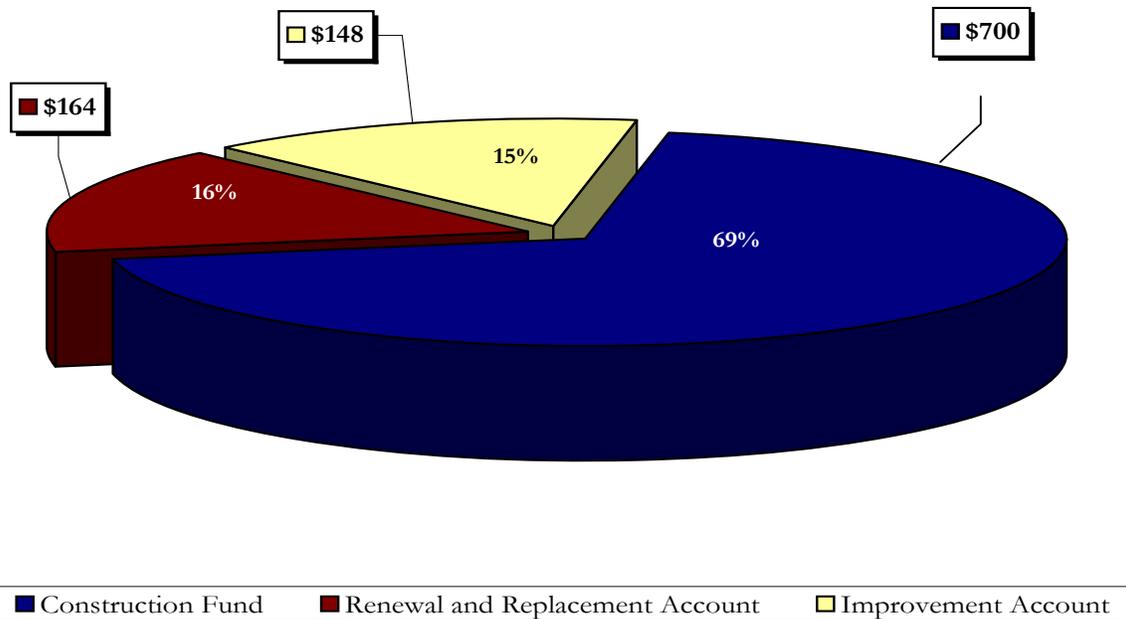


Exhibit 11

2009 Requested Headcount

Department	2006 Budget	2007 Budget	2008 Budget	2009 Request	Change From 2008 Budget
Administration	88	163	168	171	3
Business Systems	12	56	63	69	6
Communications	8	10	12	11	(1)
Engineering	571	577	594	596	2
Executive Management & Board of Directors	6	6	6	7	1
Finance	57	57	57	58	1
Information Technology	77	75	75	75	-
Inspector General	12	15	15	15	-
Legal	12	12	12	12	-
Procurement	-	55	56	56	-
State Police	19	19	19	19	-
Toll Operations	889	705	706	694	(12)
Total Headcount	1,751	1,750	1,783	1,783	-

Exhibit 12

- Administration is adding one Deputy Chief and two Carpenter Shop positions.
- Business Systems is adding six positions consisting of Customer Service Specialists, Business Systems Analysts, Software Developers and a Database Administrator.
- Communications has transferred one position to Executive Management & Board of Directors.
- Engineering is adding two Auto Mechanics to its Maintenance & Traffic Division.
- Finance is adding one Financial Reporting position.
- Toll Operations has reduced its number of Toll Collector vacancies by twelve.

2009 Maintenance & Operations Budget
By Category
(\$ in Millions)

Category	2007 Actual Expenditures	2008 Revised Budget	2009 Budget Request	\$ Change
Salary & Wages	\$ 102.0	\$ 105.4	\$ 110.4	\$ 5.0
FICA & Retirement	21.8	27.3	33.2	5.9
Group Insurance	23.7	26.3	28.0	1.7
Contractual Services	25.4	37.6	38.3	0.7
Employee Development	1.0	1.0	1.3	0.3
Utilities	6.4	8.1	7.9	(0.2)
Operational Materials & Supplies	18.3	11.5	10.6	(0.9)
Parts & Fuels	6.0	7.8	7.6	(0.2)
Equipment / Office Rental / Maintenance	10.8	14.1	13.4	(0.7)
All Other Insurance	8.6	8.3	8.6	0.3
Recovery of Expenses	(1.7)	(2.1)	(1.7)	0.4
Total M&O Costs	\$ 222.3	\$ 245.3	\$ 257.6	\$ 12.3

Exhibit 13

2009 Maintenance & Operations Budget
By Major Account

Major Account Description	2007		2008		2009	\$ Change
	Actual		Revised Budget	Request		
SALARIES & WAGES	\$ 102,048,929	\$	105,374,900	\$	110,406,532	\$ 5,031,632
FICA	\$ 6,781,395	\$	7,136,574	\$	7,477,066	\$ 340,492
RETIREMENT	\$ 15,015,769	\$	20,153,380	\$	25,722,844	\$ 5,569,464
PAYROLL SUB-TOTAL	\$ 123,846,093	\$	132,664,854	\$	143,606,443	\$ 10,941,588
GROUP INSURANCE	\$ 23,660,835	\$	26,317,000	\$	27,950,000	\$ 1,633,000
OTHER OUTSIDE SERVICES	\$ 15,259,476	\$	21,934,371	\$	21,061,177	\$ (873,194)
EQUIPMENT MAINTENANCE	\$ 10,144,269	\$	13,493,150	\$	12,756,872	\$ (736,278)
BANK CHARGES	\$ 7,742,953	\$	11,550,500	\$	11,350,000	\$ (200,500)
MATERIALS - OPERATIONAL	\$ 5,222,206	\$	8,050,171	\$	7,212,300	\$ (837,871)
WORKMAN'S COMP. INSURANCE	\$ 6,860,199	\$	5,873,000	\$	6,100,000	\$ 227,000
FUELS AND OILS	\$ 3,813,886	\$	5,636,415	\$	5,361,150	\$ (275,265)
UTILITIES	\$ 5,098,448	\$	5,000,720	\$	5,001,200	\$ 480
CONSULTING SERVICES	\$ 1,856,798	\$	2,774,389	\$	3,173,400	\$ 399,011
TELEPHONE	\$ 1,340,621	\$	3,082,185	\$	2,849,900	\$ (232,285)
PROPERTY INSURANCE	\$ 1,736,535	\$	2,415,000	\$	2,512,000	\$ 97,000
CONTRACTED OUTSIDE SERVICE	\$ 159,681	\$	865,986	\$	2,194,000	\$ 1,328,014
REPLACEMENT PARTS	\$ 2,099,051	\$	2,034,842	\$	2,156,500	\$ 121,658
SUPPLIES - OPERATIONAL	\$ 919,177	\$	931,292	\$	980,300	\$ 49,008
OTHER EXPENSES	\$ 11,070,270	\$	1,113,334	\$	665,050	\$ (448,284)
EQUIPMENT RENTALS	\$ 690,313	\$	640,150	\$	642,850	\$ 2,700
UNIFORMS & ACCESSORIES	\$ 484,381	\$	529,708	\$	538,800	\$ 9,092
SUPPLIES - OFFICE	\$ 412,692	\$	503,850	\$	515,373	\$ 11,523
POSTAGE AND EXPRESS	\$ 377,388	\$	501,829	\$	473,175	\$ (28,654)
DUES, BOOKS & SUBSCRIPTIONS	\$ 191,591	\$	165,104	\$	402,500	\$ 237,396
EMPLOYEE TRAINING	\$ 195,285	\$	140,200	\$	189,000	\$ 48,800
OTHER CAPITAL EQUIPMENT	\$ 52,787	\$	63,345	\$	184,960	\$ 121,615
BUILDING EQUIPMENT	\$ 115,076	\$	210,963	\$	179,200	\$ (31,763)
TRAVEL AND SUBSISTENCE	\$ 158,452	\$	147,600	\$	179,400	\$ 31,800
ADVERTISING & PROMOTION	\$ 82,370	\$	87,900	\$	158,200	\$ 70,300
PRINTING	\$ 71,027	\$	92,250	\$	146,450	\$ 54,200
ARMORED TRUCK SERVICE	\$ 122,826	\$	160,000	\$	140,000	\$ (20,000)
ROADWAY EQUIPMENT	\$ 49,365	\$	42,500	\$	137,200	\$ 94,700
OFFICE EQUIPMENT	\$ 30,751	\$	97,700	\$	128,500	\$ 30,800
TOOLS & EQUIPMENT	\$ 102,749	\$	108,022	\$	116,800	\$ 8,778
POLICE EQUIPMENT	\$ 36,425	\$	36,000	\$	114,700	\$ 78,700
EMPLOYMENT MEDICAL EXPENSE	\$ 46,978	\$	53,300	\$	54,000	\$ 700
TOLL COLLECTION EQUIPMENT	\$ (38,774)	\$	1,500	\$	50,500	\$ 49,000
BOND TRUSTEE	\$ 9,680	\$	40,000	\$	50,000	\$ 10,000
ADVISORY COMMITTEE EXPENSE	\$ 142	\$	100	\$	100	\$ -
CASH HANDLING EQUIPMENT	\$ 818	\$	1,300	\$	2,000	\$ 700
RECOVERY OF EXPENSES	\$ (1,727,870)	\$	(2,070,200)	\$	(1,688,200)	\$ 382,000
TOTAL NON-PAYROLL COSTS	\$ 98,448,857	\$	112,625,476	\$	114,039,357	\$ 1,413,881
TOTAL M & O COSTS	\$ 222,294,950	\$	245,290,330	\$	257,645,800	\$ 12,355,469

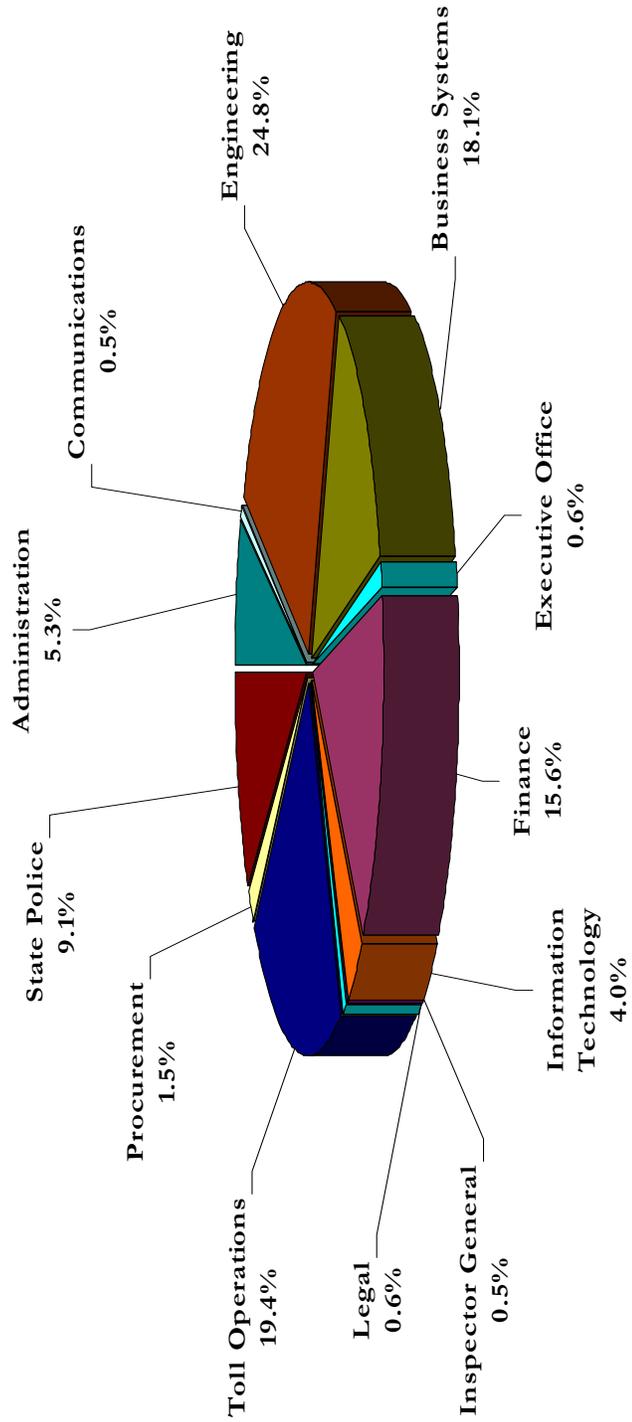
Exhibit 14

2009 Maintenance & Operations Budget by Department
(\$ in Millions)

Department	2007 Actual Expenditures	2008 Revised Budget	2009 Budget Request	\$ Change
Administration	\$13.5	\$12.5	\$13.6	\$1.1
Business Systems	31.8	47.9	46.5	(1.4)
Communications	1.2	1.2	1.3	0.1
Engineering	56.6	61.5	63.9	2.4
Executive Management & Board of Directors	2.0	1.3	1.6	0.3
Finance	35.3	36.6	40.4	3.8
Information Technology	7.0	8.7	10.4	1.7
Inspector General	0.9	1.1	1.2	0.1
Legal	1.4	1.3	1.5	0.2
Procurement	3.3	3.3	3.9	0.6
State Police	22.0	23.1	23.4	0.3
Toll Operations	47.3	46.8	49.9	3.1
Total M&O Costs	\$222.3	\$245.3	\$257.6	\$12.3

Exhibit 15

**2009 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 (12-year Capital Construction 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 system-wide 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.

1. I-PASS Rush Hour Transactions Percentage
2. I-PASS Transactions Percentage (All Hours)
3. Number of I-PASS Express (ORT) Lanes
4. Travel Time Index Congestion Measure
5. Accident Response Time
6. Accident Clearance Time
7. Construction Program Budget to Committed Contract Variance
8. Pavement Rating
9. Operating Expenditure per Lane Mile
10. Operating Expenditure per Transaction
11. Frontline Staff Percentage
12. Total Transactions per Full Time Employee
13. I-PASS Call Center Responsiveness
14. 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 U.S. 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 2008 Accomplishments as well as the 2009 Goals and Objectives for each department. Some relate to the Tollway'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 quantifiable. 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 are measured on a quarterly basis, but year-end numbers may reflect either fourth quarter results or a quarterly average for the year to adjust for seasonality.

Performance Metric #	Aligned with Strategic Priority #	Performance Metric	Performance Metric Purpose	2008 Year End	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.	86%	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.	92	100	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.	AM Peak = 1.14 PM Peak = 1.25 Total Day = 1.12	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 = 6:41 min Fatality Response Time = 8:43 min Property Damage Response Time = 10:56 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 = 34:59 min Fatality Clearance Time = 3:01:22 hr Property Damage Clearance Time = 17:52 min	PIC = 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.	-19.7%	0%	Not Available

Overview of Tollway Strategic Plan

Performance Metric #	Aligned with Strategic Priority #	Performance Metric	Performance Metric Purpose	2008 Year End	Internal Tollway Target	External Benchmark
8	2	Pavement Rating	Measures the condition of the Tollway's roads.	Excellent = 54% Good = 23% Transitional = 6% Fair = 9% Poor = 1% Failed = 0% Not Available = 7%	Excellent=100% Good=0% Transitional=0% Fair=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.	\$34,350	\$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.	\$0.31	\$0.20	\$0.97 - NY Thruway
11	3	Frontline Staff Percentage	Measures the percentage of frontline employees to total employees.	75%	80%	Not Available
12	3	Total Transactions per FTE	Measures the efficiency of service delivery.	1333	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 within 20 seconds = 46.4% 2) Average Abandon Time = 6:04 min 3) Average Time to Address Call = 3:55 min	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.

Performance Measurements - Historical Trends

Performance Metric #	Aligned with Strategic Priority #	Performance Metric	2006 Year End	2007 Year End	2008 Year End
1	1	I-PASS Rush Hour Transactions Percentage	83%	83%	86%
2	1	I-PASS Transactions (all hours) Percentage	78%	80%	81%
3	1	Number of ORT Lanes	90	91	92
4	1	Travel Time Index Congestion Measure	AM Peak = 1.07 PM Peak = 1.11 Total Day = 1.03	AM Peak = 1.11 PM Peak = 1.19 Total Day = 1.06	AM Peak = 1.14 PM Peak = 1.25 Total Day = 1.12
5	1	Accident Response Time	Personal Injury Response Time = 6:34 min Fatality Response Time = 4:56 min Property Damage Response Time = 9:56 min	Personal Injury Response Time = 6:54 min Fatality Response Time = 5:12 min Property Damage Response Time = 10:18 min	Personal Injury Response Time = 6:41 min Fatality Response Time = 8:43 min Property Damage Response Time = 10:56 min
6	1	Accident Clearance Time	Personal Injury Clearance Time = 41:24 min Fatality Clearance Time = 2:33:33 hr Property Damage Clearance Time = 17:03 min	Personal Injury Clearance Time = 35:56 min Fatality Clearance Time = 2:27:32 hr Property Damage Clearance Time = 17:35 min	Personal Injury Clearance Time = 34:59 min Fatality Clearance Time = 3:01:22 hr Property Damage Clearance Time = 17:52 min
7	2	Program Budget to Committed Contract Variance	1.3%	-25.2%	-19.7%

Exhibit 18

Performance Measurements - Historical Trends

Performance Metric #	Aligned with Strategic Priority #	Performance Metric	2006 Year End	2007 Year End	2008 Year End
8	2	Pavement Rating	Excellent = 47% Good = 20% Transitional = 11% Fair = 12% Poor = 0% Failed = 0% Not Available = 10%	Excellent = 62% Good = 23% Transitional = 0% Fair = 9% Poor = 5% Failed = 0% Not Available = 1%	Excellent = 54% Good = 23% Transitional = 6% Fair = 9% Poor = 1% Failed = 0% Not Available = 7%
9	3	Operating Expenditure per Lane Mile	\$29,824	\$33,076	\$34,350
10	3	Operating Expenditure per Transaction	\$0.26	\$0.28	\$0.31
11	3	Frontline Staff Percentage	75%	76%	75%
12	3	Total Transactions per FTE	1280	1331	1333
13	3	I-PASS Call Center Responsiveness	1) Percentage of Calls Answered within 60 seconds = 77% 2) Average Abandon Time = 1:33 min 3) Average Time to Address Call = 22 sec	1) Percentage of Calls Answered within 20 seconds = 63.5% 2) Average Abandon Time = 2:29 min 3) Average Time to Address Call = 1:11 min*	1) Percentage of Calls Answered within 20 seconds = 46.4% 2) Average Abandon Time = 6:04 min 3) Average Time to Address Call = 3:55 min **
14	3	Customer Satisfaction	Identify the number of customers completing surveys as "satisfied" divided by the total number of customers completing surveys. - not available	Identify the number of customers completing surveys as "satisfied" divided by the total number of customers completing surveys. - not available	Identify the number of customers completing surveys as "satisfied" divided by the total number of customers completing surveys. - not available

* Increase due to consolidation of Call Center operations.
 ** Increase due to high volume of calls regarding violation notices.

**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:

Perf Metric #	Aligned with Strat Priority #	Performance Metric	Administration	Communications	Engineering	Executive Office	Finance	Information Technology	Inspector General	Legal	Toll Operations	Business Systems	Procurement	Illinois State Police	Total Cost Identified w/Metric
1	1	I-PASS Rush Hour Transactions Percentage	\$ -	\$ 97,928	\$ 116,131	\$ -	\$ 19,234	\$ -	\$ 8,064	\$ 56,765	\$ -	\$ 933,397	\$ -	\$ -	\$ 1,231,519
2	1	I-PASS Transactions (all hours) Percentage	\$ 470,096	\$ 106,538	\$ 116,131	\$ -	\$ 19,234	\$ 56,379	\$ 8,064	\$ 56,765	\$ -	\$ 933,398	\$ -	\$ -	\$ 1,768,605
3	1	Number of ORT Lanes	\$ -	\$ -	\$ 6,281,076	\$ 64,296	\$ 1,087	\$ 185,022	\$ -	\$ 56,765	\$ -	\$ 414,116	\$ -	\$ -	\$ 7,002,362
4	1	Travel Time Index Congestion Measure	\$ -	\$ 315,513	\$ -	\$ -	\$ 1,087	\$ -	\$ -	\$ 56,765	\$ 4,181,799	\$ 638,293	\$ -	\$ -	\$ 5,193,457
5	1	Accident Response Time	\$ -	\$ -	\$ 5,610,372	\$ -	\$ 1,087	\$ 196,903	\$ -	\$ 56,765	\$ 30,598	\$ 106,382	\$ -	\$ 3,060,012	\$ 9,062,119
6	1	Accident Clearance Time	\$ -	\$ -	\$ 5,282,787	\$ -	\$ 1,087	\$ 298,408	\$ -	\$ 56,765	\$ -	\$ -	\$ -	\$ 7,140,027	\$ 12,779,074
7	2	Program Budget to Awarded Contract Variance	\$ -	\$ -	\$ 2,116,848	\$ 64,296	\$ 403,079	\$ -	\$ -	\$ 56,765	\$ -	\$ 146,652	\$ 170,430	\$ -	\$ 2,958,070
8	2	Pavement Rating	\$ -	\$ -	\$ 6,556,431	\$ -	\$ -	\$ -	\$ -	\$ 56,765	\$ -	\$ -	\$ -	\$ -	\$ 6,613,196
9	3	Operating Expenditure per Lane Mile	\$ 3,592,933	\$ -	\$ 2,979,913	\$ 64,296	\$ 543,358	\$ 180,877	\$ -	\$ 56,765	\$ 5,215,791	\$ 1,276,587	\$ 85,215	\$ 15,592	\$ 14,011,327
10	3	Operating Expenditure per Transaction	\$ 3,592,933	\$ -	\$ 2,979,913	\$ 64,296	\$ 618,084	\$ 202,756	\$ -	\$ 56,765	\$ 5,215,792	\$ 1,276,587	\$ 85,215	\$ 15,592	\$ 14,107,933
11	3	Frontline Staff Percentage	\$ -	\$ 145,585	\$ 4,079,941	\$ 64,296	\$ 19,803,625	\$ -	\$ -	\$ 56,765	\$ 10,362,148	\$ 6,391,151	\$ -	\$ 4,867,219	\$ 45,770,730
12	3	Total Transactions per FTE	\$ -	\$ -	\$ -	\$ -	\$ 2,173	\$ -	\$ -	\$ 56,765	\$ 4,144,859	\$ 744,676	\$ -	\$ -	\$ 4,948,473
13	3	I-PASS Call Center Responsiveness	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,765	\$ -	\$ 11,586,200	\$ -	\$ -	\$ 11,642,965
14	3	Customer Satisfaction	\$ 137,826	\$ -	\$ -	\$ 64,296	\$ 1,087	\$ 556,742	\$ 12,840	\$ 56,765	\$ 2,072,430	\$ 7,807,086	\$ -	\$ 192,375	\$ 10,901,447
TOTAL BY DEPARTMENT			\$ 7,793,788	\$ 665,564	\$ 36,119,543	\$ 385,776	\$ 21,414,222	\$ 1,679,087	\$ 28,968	\$ 794,710	\$ 31,223,417	\$ 32,254,525	\$ 340,860	\$ 15,290,817	\$ 147,991,277

Departmental Allocation to Metrics	57.0%	49.7%	56.6%	24.2%	53.1%	16.2%	2.3%	53.1%	62.6%	69.3%	8.6%	65.4%	57.4%
2009 M&O Budget by Department	\$13,665,795	\$1,339,445	\$63,870,479	\$1,595,900	\$40,357,900	\$10,361,000	\$1,253,000	\$1,496,200	\$49,857,700	\$46,530,302	\$3,950,500	\$23,367,579	\$257,645,800

Tollway Strategic Plan Departmental Budget Allocation to Metrics

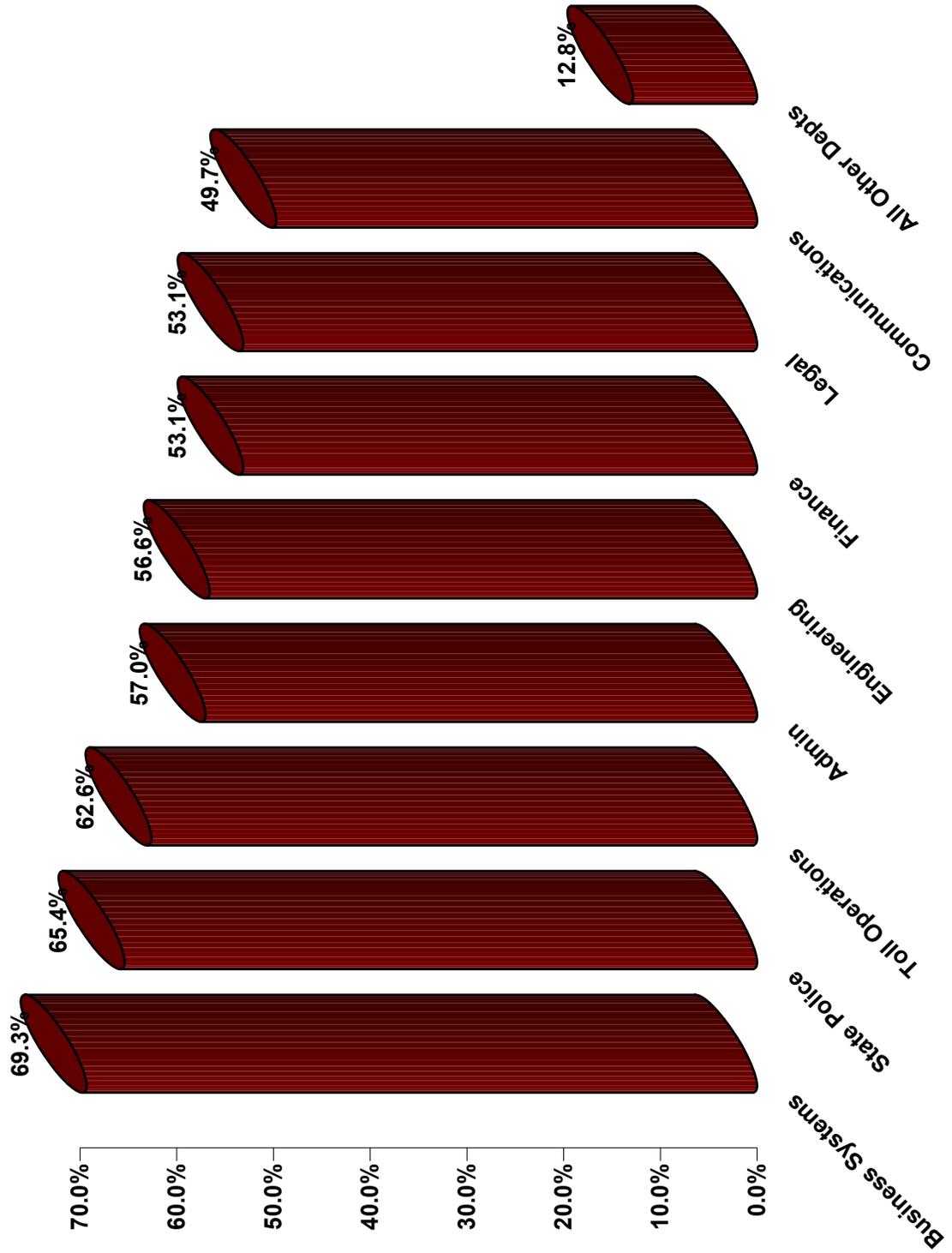


Exhibit 20

Tollway Strategic Plan by Metric and Department

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

INPUTS (Resources Utilized)

Department	Center	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
Inspector General	41	2	\$ 161,281	5%	\$ 8,064	\$ -	\$ 8,064	
Finance	14	1	\$ 108,662	17%	\$ 18,147	\$ -	\$ 18,147	
Finance	14	1	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087	
Communications	53	5	\$ 558,413	11%	\$ 61,928	\$ 36,000	\$ 97,928	
Engineering	86	2	\$ 232,261	50%	\$ 116,131	\$ -	\$ 116,131	
Business Systems	39	8	\$ 793,408	10%	\$ 79,341	\$ 3,000	\$ 82,341	
Business Systems	61	7	\$ 738,225	8%	\$ 59,058	\$ 792,000	\$ 851,058	
Legal	35	12	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765	
Total					\$ 383,441	\$ 848,078	\$ 1,231,519	

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.
 Business Systems - Responsible for Performance Measurement and related projects.
 Business Systems - 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 86%, 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)

<u>Department</u>	<u>Center</u>	<u>Cost</u>	<u>Number of Employees Related to Metric</u>	<u>Annual Salaries/Wages FICA/Retirement</u>	<u>Percentage of Time Spent on Metric</u>	<u>Estimated Personnel Cost</u>	<u>Other Related Expenses</u>	<u>Total Cost Related to Metric</u>
Inspector General	41		2	\$ 161,281	5%	\$ 8,064	-	\$ 8,064
Finance	14		1	\$ 108,662	17%	\$ 18,147	-	\$ 18,147
Finance	14		1	\$ 108,662	1%	\$ 1,087	-	\$ 1,087
Administration	51		4	\$ 212,134	39%	\$ 82,096	\$ 388,000	\$ 470,096
Communications	53		6	\$ 621,478	11%	\$ 70,538	\$ 36,000	\$ 106,538
Engineering	86		2	\$ 232,261	50%	\$ 116,131	-	\$ 116,131
Information Tech	16		6	\$ 389,195	15%	\$ 58,379	-	\$ 58,379
Business Systems	39		8	\$ 793,408	10%	\$ 79,341	\$ 3,000	\$ 82,341
Business Systems	61		7	\$ 738,225	8%	\$ 59,058	\$ 792,000	\$ 851,058
Legal	35		12	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765
Total				\$ 532,527	\$	1,236,078	\$	1,768,605

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.
 Business Systems - Responsible for Performance Measurement and related projects.
 Business Systems - 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%, 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	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Information Tech	82	8	\$ 740,088	25%	\$ 185,022	\$ -	\$ 185,022
Business Systems	39	8	\$ 793,408	25%	\$ 198,352	\$ 3,000	\$ 201,352
Business Systems	61	7	\$ 738,225	2%	\$ 14,764	\$ 198,000	\$ 212,764
Executive Office	31,33	6	\$ 1,285,925	5%	\$ 64,296	\$ -	\$ 64,296
Legal	35	12	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765
Engineering	63,64,65,68,83	456	\$ 34,864,829	14%	\$ 4,881,076	\$ 1,400,000	\$ 6,281,076
Total					\$ 5,384,284	\$ 1,618,078	\$ 7,002,362

OUTPUTS (Activities Performed)

Finance (Budget) - Updating performance measurements for Governor's Quarterly Report.

Information Tech (Toll 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 Plazas and ORT sites.

Business Systems - Responsible for Performance Measurement and related projects.

Business Systems - 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 92.

The internal target number is 100. 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	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	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Communications	53	7	\$ 715,330	27%	\$ 194,713	\$ 120,800	\$ 315,513
Business Systems	61	7	\$ 738,225	6%	\$ 44,293	\$ 594,000	\$ 638,293
Toll Operations	55, 56	670	\$ 41,117,990	10%	\$ 4,111,799	\$ 70,000	\$ 4,181,799
Legal	35	12	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765
Total					\$ 4,391,579	\$ 801,878	\$ 5,193,457

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.
 Business Systems - 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 = 1.25
 Total Day (TD) = 1.12

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	\$ 507,581	10%	\$ 50,758	\$ 74,000	\$ 124,758
Engineering	67	71	\$ 6,107,500	15%	\$ 916,125	\$ 777,708	\$ 1,693,833
Engineering	64,81	414	\$ 31,348,379	11%	\$ 3,457,953	\$ 333,828	\$ 3,791,781
Finance	14	1	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Information Tech	16	2	\$ 246,754	20%	\$ 49,351	\$ -	\$ 49,351
Information Tech	82	7	\$ 491,842	30%	\$ 147,553	\$ -	\$ 147,553
Toll Operations	45	34	\$ 2,747,310	1%	\$ 27,473	\$ 3,125	\$ 30,598
Business Systems	61	7	\$ 738,225	1%	\$ 7,382	\$ 99,000	\$ 106,382
Legal	35	12	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765
State Police	37	196	\$ 20,280,078	15%	\$ 3,042,012	\$ 18,000	\$ 3,060,012
Total					\$ 7,739,380	\$ 1,322,739	\$ 9,062,119

OUTPUTS (Activities Performed)

Engineering (Traffic) - Traffic Incident Management Systems (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 (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.
 Business Systems - 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) = 6:41 min
 Fatality Response Time (Current) = 8:43 min
 Property Damage Response Time (Current) = 10:56 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	\$ 507,581	49%	\$ 248,715	\$ 141,911	\$ 390,626
Engineering	67	71	\$ 6,107,500	15%	\$ 916,125	\$ 777,708	\$ 1,693,833
Engineering	64,81	414	\$ 31,348,379	9%	\$ 2,912,650	\$ 285,678	\$ 3,198,328
Finance	14	1	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Information Tech	16	3	\$ 368,555	25%	\$ 92,139	\$ -	\$ 92,139
Information Tech	82	6	\$ 519,591	25%	\$ 129,898	\$ -	\$ 129,898
Information Tech	48	3	\$ 254,574	30%	\$ 76,372	\$ -	\$ 76,372
Legal	35	12	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765
State Police	37	196	\$ 20,280,078	35%	\$ 7,098,027	\$ 42,000	\$ 7,140,027
Total					\$ 11,514,700	\$ 1,264,375	\$ 12,779,074

OUTPUTS (Activities Performed)

Engineering (Traffic) - 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 (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 (PIC) (Current) = 34:59 min
 Fatality Clearance (FC) Time (Current) = 3:01:22 hr
 Property Damage Clearance (PDC) Time (Current) = 17:52 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)

<u>Department</u>	<u>Cost Center</u>	<u>Number of Employees Related to Metric</u>	<u>Annual Salaries/Wages FICA/Retirement</u>	<u>Percentage of Time Spent on Metric</u>	<u>Estimated Personnel Cost</u>	<u>Other Related Expenses</u>	<u>Total Cost Related to Metric</u>
Finance	11	12	\$ 597,076	33%	\$ 197,035	\$ -	\$ 197,035
Finance	14	1	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Finance	14	1	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Finance	14	3	\$ 291,243	70%	\$ 203,870	\$ -	\$ 203,870
Business Systems	39	8	\$ 793,408	5%	\$ 39,670	\$ 600	\$ 40,270
Business Systems	61	7	\$ 738,225	1%	\$ 7,382	\$ 99,000	\$ 106,382
Executive Office	31,33	6	\$ 1,285,925	5%	\$ 64,296	\$ -	\$ 64,296
Legal	35	12	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765
Procurement	49	26	\$ 1,704,300	10%	\$ 170,430	\$ -	\$ 170,430
Engineering	63,83	59	\$ 3,023,150	33%	\$ 1,008,968	\$ 1,107,880	\$ 2,116,848
Total			\$ 1,733,512	\$	\$ 1,733,512	\$ 1,224,558	\$ 2,958,070

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.
 Business Systems - Responsible for Performance Measurement and related projects.
 Business Systems - 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 the Chief of Engineering staff and the Permits & Utilities 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) = -19.7%.
 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)

<u>Department</u>	<u>Cost Center</u>	<u>Number of Employees Related to Metric</u>	<u>Annual Salaries/Wages FICA/Retirement</u>	<u>Percentage of Time Spent on Metric</u>	<u>Estimated Personnel Cost</u>	<u>Other Related Expenses</u>	<u>Total Cost Related to Metric</u>
Engineering	63,64	421	\$ 31,875,029	18%	\$ 5,679,995	\$ 876,436	\$ 6,556,431
Legal	35	12	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765
Total			\$ 5,719,682		\$ 5,719,682	\$ 893,514	\$ 6,613,196

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) = 54%
 Good (Current) = 23%
 Transitional (Current) = 6%
 Fair (Current) = 9%
 Poor (Current) = 1%
 Failed (Current) = 0%
 Not Available (Current) = 7%

EFFECTIVENESS (Benchmarking)

External Benchmark - Oregon DOT:
 Excellent = 25%
 Good = 59%
 Transitional = 0%
 Fair = 10%
 Poor = 6%
 Failed = 0%
 Not Available = 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	\$ 645,600	34%	\$ 216,276	\$ -	\$ 216,276
Finance	14	1	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Finance	14	1	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Finance	14	6	\$ 499,858	65%	\$ 324,908	\$ -	\$ 324,908
Information Tech	15	3	\$ 363,570	15%	\$ 54,536	\$ -	\$ 54,536
Information Tech	16	9	\$ 842,273	15%	\$ 126,341	\$ -	\$ 126,341
Business Systems	61	7	\$ 738,225	12%	\$ 88,587	\$ 1,188,000	\$ 1,276,587
Executive Office	31,33	6	\$ 1,285,925	5%	\$ 64,296	\$ -	\$ 64,296
Toll Operations	45	34	\$ 2,747,310	35%	\$ 961,559	\$ 109,375	\$ 1,070,934
Toll Operations	56	675	\$ 40,856,090	10%	\$ 4,085,609	\$ 59,250	\$ 4,144,859
Administration	72	24	\$ 1,727,218	40%	\$ 690,887	\$ 115,560	\$ 806,447
Administration	73	24	\$ 2,088,636	40%	\$ 835,454	\$ 84,800	\$ 920,254
Administration	76	3	\$ 295,945	40%	\$ 118,378	\$ 88,400	\$ 206,778
Administration	77	73	\$ 3,869,536	40%	\$ 1,547,814	\$ 111,640	\$ 1,659,454
Legal	35	12	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765
Procurement	49	26	\$ 1,704,300	5%	\$ 85,215	\$ -	\$ 85,215
State Police	37	6	\$ 486,384	3%	\$ 14,592	\$ 1,000	\$ 15,592
Engineering	All Eng CC's	596	\$ 45,888,129	5%	\$ 2,294,406	\$ 685,506	\$ 2,979,913
Total					\$ 11,550,718	\$ 2,460,609	\$ 14,011,327

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.
 Business Systems - 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 = \$34,350. 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	\$ 494,221	15%	\$ 74,726	\$ -	\$ 74,726
Finance	11	12	\$ 645,600	34%	\$ 216,276	\$ -	\$ 216,276
Finance	14	1	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Finance	14	1	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Finance	14	6	\$ 499,858	65%	\$ 324,908	\$ -	\$ 324,908
Information Tech	48	13	\$ 1,013,781	20%	\$ 202,756	\$ -	\$ 202,756
Business Systems	61	7	\$ 738,225	12%	\$ 88,587	\$ 1,188,000	\$ 1,276,587
Executive Office	31,33	6	\$ 1,285,925	5%	\$ 64,296	\$ -	\$ 64,296
Toll Operations	45	34	\$ 2,747,310	35%	\$ 961,559	\$ 109,375	\$ 1,070,934
Toll Operations	56	675	\$ 40,856,090	10%	\$ 4,085,609	\$ 59,250	\$ 4,144,859
Administration	72	24	\$ 1,727,218	40%	\$ 690,887	\$ 115,560	\$ 806,447
Administration	73	24	\$ 2,088,636	40%	\$ 835,454	\$ 84,800	\$ 920,254
Administration	76	3	\$ 295,945	40%	\$ 118,378	\$ 88,400	\$ 206,778
Administration	77	73	\$ 3,869,536	40%	\$ 1,547,814	\$ 111,640	\$ 1,659,454
Legal	35	12	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765
Procurement	49	26	\$ 1,704,300	5%	\$ 85,215	\$ -	\$ 85,215
State Police	37	6	\$ 486,384	3%	\$ 14,592	\$ 1,000	\$ 15,592
Engineering	All Eng CC's	596	\$ 45,888,129	5%	\$ 2,294,406	\$ 685,506	\$ 2,979,913
Total					\$ 11,647,324	\$ 2,460,609	\$ 14,107,933

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.
 Business Systems - 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 = \$0.31. 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)

<u>Department</u>	<u>Cost Center</u>	<u>Number of Employees Related to Metric</u>	<u>Annual Salaries/Wages FICA/Retirement</u>	<u>Percentage of Time Spent on Metric</u>	<u>Estimated Personnel Cost</u>	<u>Other Related Expenses</u>	<u>Total Cost Related to Metric</u>
Finance	40	3	\$ 126,876	40%	\$ 50,750	\$ -	\$ 50,750
Finance	14	1	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Finance	14	1	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Finance	46	1381	\$ -	100%	\$ -	\$ 19,750,701	\$ 19,750,701
Communications	53	4	\$ 391,962	22%	\$ 84,585	\$ 61,000	\$ 145,585
Business Systems	61	7	\$ 738,225	16%	\$ 118,116	\$ 1,584,000	\$ 1,702,116
Business Systems	43	43	\$ 2,264,588	40%	\$ 905,835	\$ 3,783,200	\$ 4,689,035
Executive Office	31,33	6	\$ 1,285,925	5%	\$ 64,296	\$ -	\$ 64,296
Toll Operations	56	675	\$ 40,856,090	25%	\$ 10,214,023	\$ 148,125	\$ 10,362,148
Legal	35	12	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765
State Police	37	215	\$ 20,280,078	24%	\$ 4,867,219	\$ -	\$ 4,867,219
Engineering	63,64,75,81	456	\$ 34,247,829	10%	\$ 3,424,783	\$ 655,158	\$ 4,079,941
Total					\$ 19,771,467	\$ 25,999,262	\$ 45,770,730

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.
 Business Systems - 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 = 75%.
 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	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Finance	14	1	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Business Systems	61	7	\$ 738,225	7%	\$ 51,676	\$ 693,000	\$ 744,676
Toll Operations	56	675	\$ 40,856,090	10%	\$ 4,085,609	\$ 59,250	\$ 4,144,859
Legal	35	12	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765
Total					\$ 4,179,145	\$ 769,328	\$ 4,948,473

OUTPUTS (Activities Performed)

Finance (Budget) - Updates performance measurements for Governor's Quarterly Report.
 Business Systems - 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 FTE's. Current = 1333 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)

<u>Department</u>	<u>Center</u>	<u>Metric</u>	<u>Number of Employees Related to Cost</u>	<u>Annual Salaries/Wages FICA/Retirement</u>	<u>Percentage of Time Spent on Metric</u>	<u>Estimated Personnel Cost</u>	<u>Other Related Expenses</u>	<u>Total Cost Related to Metric</u>
Business Systems	43	0	-	\$ -	0%	\$ -	\$ 11,586,200	\$ 11,586,200
Legal	35	12	1,236,350	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765
Total				\$ 1,236,350		\$ 39,687	\$ 11,603,278	\$ 11,642,965

OUTPUTS (Activities Performed)

Business Systems - 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 within 20 seconds. Current = 46.4%
 2) Average Abandon Time. Current = 6:04 min.
 3) Average Time to Address Call. Current = 3:55 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	\$ 65,776	5%	\$ 3,289	\$ -	\$ 3,289
Inspector General	41	1	\$ 95,505	10%	\$ 9,551	\$ -	\$ 9,551
Finance	14	1	\$ 108,662	1%	\$ 1,087	\$ -	\$ 1,087
Information Tech	16	7	\$ 721,922	30%	\$ 216,576	\$ -	\$ 216,576
Information Tech	48	6	\$ 606,383	30%	\$ 181,915	\$ -	\$ 181,915
Information Tech	82	6	\$ 527,502	30%	\$ 158,251	\$ -	\$ 158,251
Business Systems	39	8	\$ 793,408	30%	\$ 238,022	\$ 3,600	\$ 241,622
Business Systems	61	7	\$ 738,225	5%	\$ 36,911	\$ 495,000	\$ 531,911
Business Systems	43	43	\$ 2,264,588	60%	\$ 1,358,753	\$ 5,674,800	\$ 7,033,553
Executive Office	31,33	6	\$ 1,285,925	5%	\$ 64,296	\$ -	\$ 64,296
Toll Operations	56	675	\$ 40,856,090	5%	\$ 2,042,809	\$ 29,625	\$ 2,072,430
Administration	72	24	\$ 1,727,218	1%	\$ 17,272	\$ 28,890	\$ 46,162
Administration	76	3	\$ 295,945	1%	\$ 2,959	\$ 22,100	\$ 25,059
Administration	77	73	\$ 3,869,536	1%	\$ 38,695	\$ 27,910	\$ 66,605
Legal	35	12	\$ 1,236,350	3%	\$ 39,687	\$ 17,078	\$ 56,765
State Police	37	196	\$ 19,237,522	1%	\$ 192,375	\$ -	\$ 192,375
Total					\$ 4,602,444	\$ 6,299,003	\$ 10,901,447

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.
 Business Systems - Responsible for Performance Measurement and related projects.
 Business Systems - Manages the maintenance contract for the Electronic Tolling Equipment, supports the E-ZPass Reciprocity System and the Interagency Group membership.
 Business Systems - 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%.

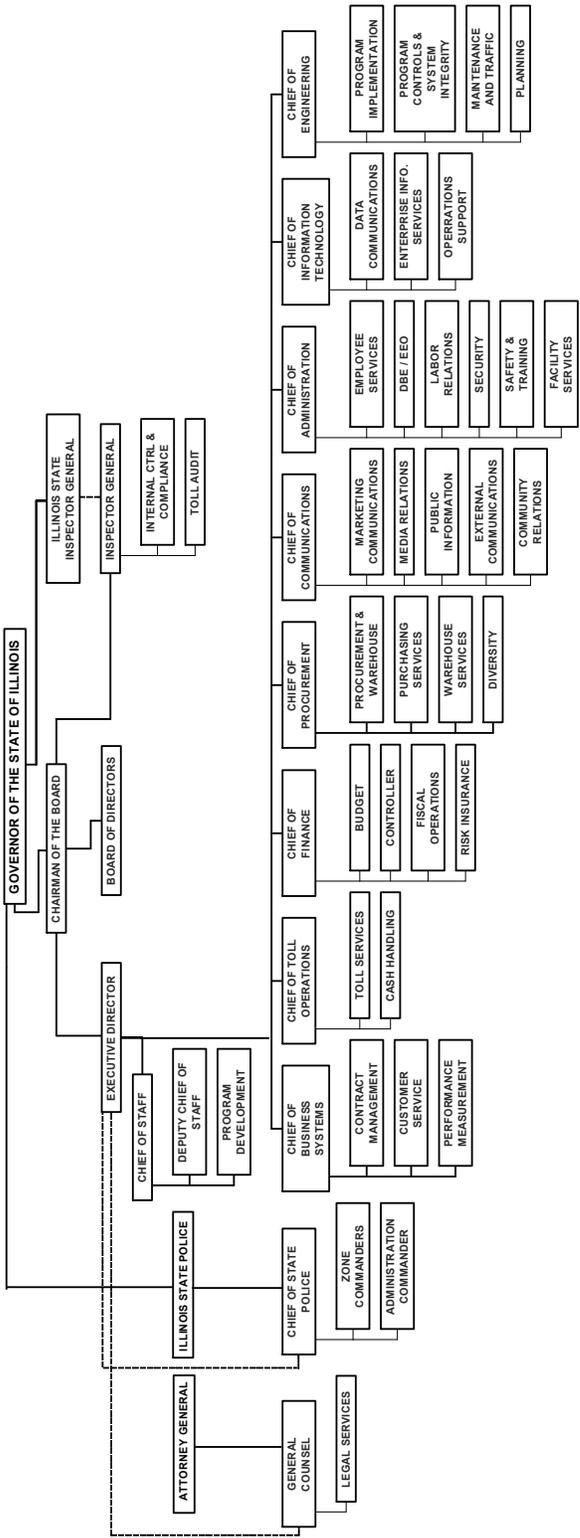
EFFECTIVENESS (Benchmarking)

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.

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2009 Departmental Budgets and Narratives

TABLE OF ORGANIZATION



February 9, 2009

Exhibit 21

Departmental Budgets and Narratives

Department	Functions	2009 Budget	Total Headcount
Administration	Responsible for the development and implementation of administrative policies and procedures and employee compliance therewith	\$13,665,795	171
Business Systems	Responsible for overseeing the design and development of the Open Road Tolling system and collection of toll revenue from toll violators	\$46,530,302	69
Communications	Responsible for all external and internal communications between the Tollway and its constituents	\$1,339,445	11
Engineering	Responsible for the planning, design, construction, program management and maintenance of the roadway	\$63,870,479	596
Executive Management & Board of Directors Office	Set Policies for the organization and overall management of the Tollway	\$1,595,900	7
Finance	Responsible for managing all cash and investments, general accounting, budgeting, treasury functions, and financial reporting	\$40,357,900	58
Information Technology	Responsible for planning, directing, managing and controlling all information technologies and telecommunications throughout the Tollway	\$10,361,000	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	\$1,253,000	15
Legal	Legal advisor and attorney for the Tollway	\$1,496,200	12
Procurement	Responsible for all purchasing and procurement issues, and is authorized to execute contracts and place orders for goods and services	\$3,950,500	56
Illinois State Police District 15	Responsible for providing comprehensive law enforcement services	\$23,367,578	19
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	\$49,857,500	694

Exhibit 22

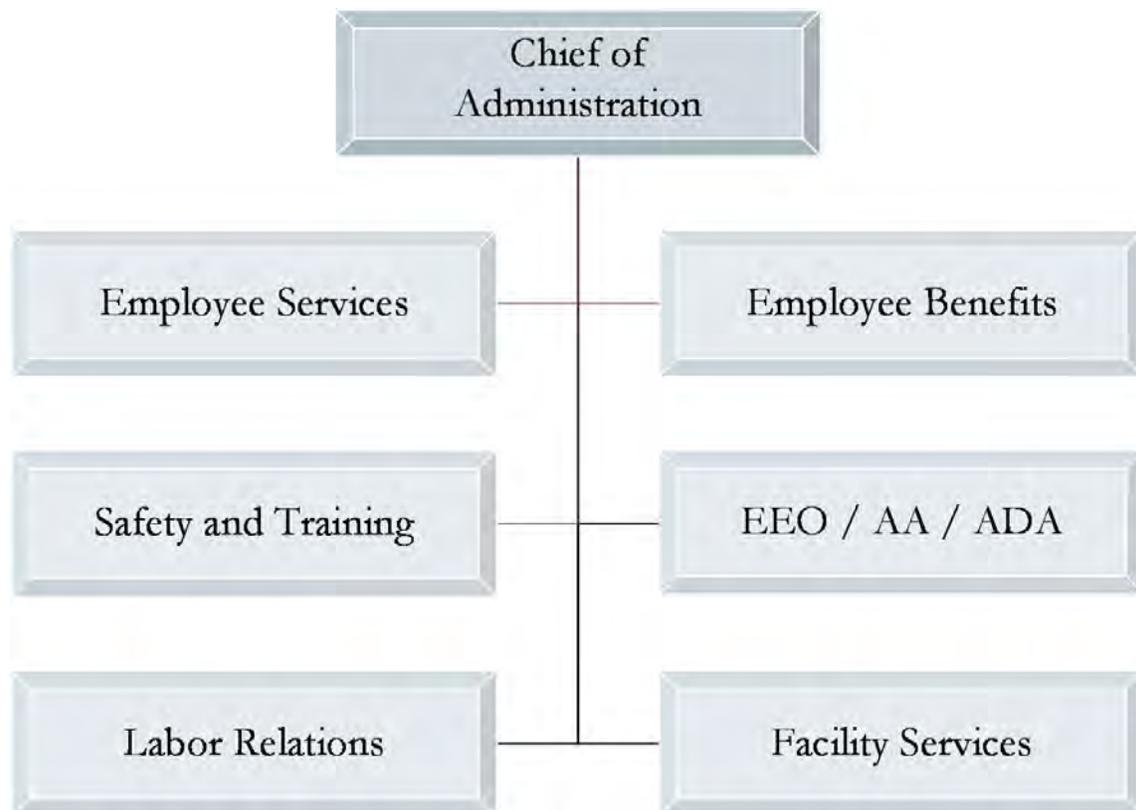
Administration

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.

The Administration Department oversees 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



Administration continued

MAJOR ACCOUNT DESCRIPTION	2007 Actual	2008 Revised Budget	2009 Request	\$ Change
SALARIES & WAGES	\$7,653,599	\$7,678,600	\$8,459,500	\$780,900
BENEFITS	1,698,960	2,055,024	2,605,195	550,171
TELEPHONE & TELEGRAPH	648,735	700,000	725,000	25,000
OTHER OUTSIDE SERVICES	470,166	375,000	405,300	30,300
EQUIPMENT RENTALS	349,584	314,200	330,650	16,450
SUPPLIES - OPERATIONAL	274,989	296,200	286,000	(10,200)
MATERIALS - OPERATIONAL	212,516	151,200	157,500	6,300
CONTRACTED OUTSIDE SERVICE	88,724	115,000	115,000	-
REPLACEMENT PARTS	127,848	102,200	107,300	5,100
BUILDING EQUIPMENT	33,930	62,500	100,000	37,500
SUPPLIES - OFFICE	75,537	112,100	94,300	(17,800)
UNIFORMS & ACCESSORIES	29,731	83,600	67,500	(16,100)
OFFICE EQUIPMENT	13,329	46,200	66,200	20,000
EMPLOYMENT MEDICAL EXPENSE	46,978	53,300	54,000	700
EQUIPMENT MAINTENANCE	26,873	331,000	47,000	(284,000)
TOOLS & EQUIPMENT	17,820	31,000	31,000	-
EMPLOYEE TRAINING	15,215	20,500	26,000	5,500
POSTAGE AND EXPRESS	42,446	3,820	10,700	6,880
DUES, BOOKS & SUBSCRIP.	7,510	6,000	9,000	3,000
TRAVEL AND SUBSISTENCE	1,970	2,000	8,900	6,900
ADVERTISING & PROMOTION	-	2,400	5,000	2,600
OTHER EXPENSES	1,589,171	4,112	5,000	888
OTHER MINOR ACCOUNTS	32,764	3,150	4,250	1,100
SUBTOTAL	\$13,458,395	\$12,549,106	\$13,720,295	\$1,171,189
RECOVERY OF EXPENSES	\$(6,343)	\$(12,500)	\$(54,500)	\$(42,000)
DEPARTMENT TOTAL	\$13,452,052	\$12,536,606	\$13,665,795	\$1,129,189

Administration continued

The Fiscal Year 2009 Budget Request is \$13.6 million, an increase of \$1.1 million or 9.0% over the Fiscal Year 2008 Revised Budget amount. Total payroll is \$11.1 million and includes 171 positions.

Department M&O Highlights:

- Salaries and Wages increased \$781 thousand over the 2008 Revised Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; an increase of 3 positions; and funding for currently vacant positions.
- Benefits increased by \$550 thousand over the 2008 Revised Budget due to the SERS Pension Contribution Rate increase from 19.1% to 23.3%.
- Telephone and Telegraph increased by \$25 thousand or 3.6% based on additional usage and price increases.
- Other Outside Services increased by \$30 thousand to cover the Employee Health Fair as well as maintenance projects for Facility Services.
- Equipment Rentals increased by \$16 thousand to cover maintenance of copy closet copiers/fax machines.
- Building Equipment increased by \$38 thousand to handle anticipated repairs/replacement at CA and remote sites.
- Office Equipment increased by \$20 thousand to cover planned replacement of worn out chairs at CA.
- Equipment Maintenance decreased by \$284 thousand due to the transfer of KRONOS maintenance to the IT Department.

Accomplishments:

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

Goals and Objectives:

- Successful re-negotiation of the SEIU Collective Bargaining Agreement.
- Successful re-negotiation of the Teamster Collective Bargaining Agreement.
- Monitor and track security related issues assigned for completion by Open Road Tolling Contractors.
- Monitor and manage the proposed Security Camera contract.
- Revise the Tollway Policy and Procedure Manual.
- Design and implement internal procedures to remain in compliance with the new 2009 FMLA federal guidelines.
- Restructure Tollway employee training.

Administration	Number of Positions		
	Fiscal Year		
	2007	2008	2009
Position Titles			
Administration Secretary	1	1	1
Administrative Manager	0	1	1
Benefits FMLA Coordinator	1	1	1
Building Maintenance Manager	2	2	2
Carpenter Shop Clerk	1	1	1
Carpenter Shop Manager - Operations	1	1	1
Carpenter Shop Supervisor	1	1	1
Chief of Administration	1	1	1
CIS Specialist	1	1	1
CIS Supervisor	1	1	1
Clerk	2	2	2
Custodial Manager	1	1	1
Custodial Supervisor	3	3	3
Custodian 1	1	1	1
Custodian 2	57	57	57
Custodian 3	11	11	11
Customer Relations Coordinator	1	1	1
Customer Services Supervisor	1	1	1
Deputy Chief of Administration	1	0	1
EEO/AA Officer	1	1	1
Employee Benefits Clerk	1	1	1
Employee Benefits Manager	1	1	1
Employee Benefits Specialist	1	1	1
Employee Services Coordinator	1	1	1
Employee Services Manager	1	0	0
Equipment Operator/Laborer (EOL)	1	1	1
Facility Services Manager	1	1	1
Generator Maintenance Technician	1	1	1
H.R. Coordinator	1	1	1
H.R. Placement Specialist	3	4	4

Administration	Number of Positions		
	Fiscal Year		
	2007	2008	2009
Position Titles			
H.R. Representative	0	0	0
Information Customer Service Representative	1	1	1
Intake Specialist	1	1	1
Labor Relations Analyst	1	1	1
Labor Relations Manager	1	1	1
Labor Relations Specialist	1	1	1
Mail & Duplication Clerk	3	3	3
Mechanic/Electrician (Mech/Elec)	15	18	18
Painter	10	9	10
Safety & Training Manager	1	1	1
Safety Supervisor	1	1	1
Safety Inspector	1	1	1
Secretary II	2	1	1
Secretary III	1	2	2
Senior Building Inspector	3	3	3
Senior Manager of Employee Services	0	1	1
Structural	9	12	13
Supervisor Workers Compensation Claims	1	1	1
Switchboard Operator	4	4	4
System Maintenance Technician	2	1	1
Training Specialist	1	1	1
Training Supervisor	1	1	1
Water Sewer	<u>2</u>	<u>2</u>	<u>2</u>
	163	168	171

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

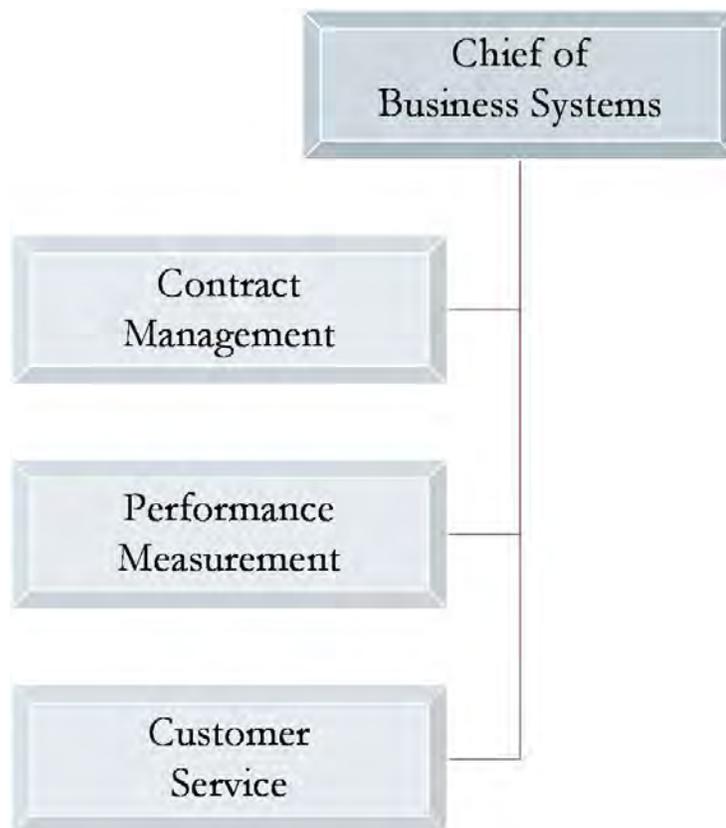
Business Systems

Description:

The Department of Business Systems is responsible for the operation and maintenance of the Electronic Tolling System hardware and software which includes collecting toll revenue from toll violators and assessing fines and imposing sanctions. The Department monitors the contracts and performance of the structure surrounding the Electronic Open Road Tolling 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.

Business Systems oversees the following functions:

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



Business Systems continued

MAJOR ACCOUNT DESCRIPTION	2007 Actual	2008 Revised Budget	2009 Request	\$ Change
SALARIES & WAGES	\$2,219,003	\$2,551,000	\$3,248,000	\$697,000
BENEFITS	481,209	682,724	1,004,395	321,670
OTHER OUTSIDE SERVICES	11,611,013	19,198,529	16,972,012	(2,226,517)
BANK CHARGES	8,492,486	11,410,500	11,200,000	(210,500)
EQUIPMENT MAINTENANCE	8,257,450	11,103,000	10,346,272	(756,728)
TELEPHONE & TELEGRAPH	363,957	1,908,285	1,560,000	(348,285)
OTHER EXPENSES	3,661	-	600,000	600,000
CONTRACTED OUTSIDE SERVICE	14,750	250,000	434,000	184,000
POSTAGE AND EXPRESS	281,716	445,500	400,750	(44,750)
EQUIPMENT RENTALS	242,679	246,200	243,600	(2,600)
SUPPLIES - OFFICE	103,282	128,000	129,073	1,073
OTHER CAPITAL EQUIPMENT	-	-	108,700	108,700
DUES, BOOKS & SUBSCRIP.	-	70,000	96,000	26,000
CONSULTING SERVICES	-	373,000	96,000	(277,000)
PRINTING	-	5,000	40,000	35,000
ADVERTISING & PROMOTION	6,470	-	15,000	15,000
EMPLOYEE TRAINING	1,995	2,000	14,000	12,000
TRAVEL AND SUBSISTENCE	1,859	3,000	9,000	6,000
OFFICE EQUIPMENT	1,212	3,800	8,500	4,700
OTHER MINOR ACCOUNTS	(32,587)	10,822	5,000	(5,822)
<i>SUBTOTAL</i>	\$32,726,655	\$48,391,360	\$46,530,302	\$(1,861,059)
RECOVERY OF EXPENSES	\$(855,996)	\$(500,000)	-	\$500,000
<i>DEPARTMENT TOTAL</i>	\$31,870,659	\$47,891,360	\$46,530,302	\$(1,361,059)

The Fiscal Year 2009 Budget Request is \$46.5 million; a decrease of \$1.4 million or 2.8% under the Fiscal Year 2008 Revised Budget amount. Total payroll is \$4.3 million and includes 69 positions.

Business Systems continued

Department M&O Highlights:

- Salaries and Wages increased by \$700 thousand over the 2008 Revised Budget. This increase includes annual salary increases as well as increases required by collective bargaining agreements. This increase is partially offset by the phasing of currently vacant positions.
- Benefits increased by \$322 thousand over the 2008 Revised Budget due to the SERS Pension Contribution Rate increase from 19.1% to 23.3%.
- During 2008, the Authority increased its violation collection efforts. One component of that effort was to review backlogged images in order to produce violation notices. This significantly increased the expenses in the Other Outside Services category. In 2009, it is expected that the Authority will have completed the review of backlogged images so the 2009 Budget reflects a decrease of \$2.2 million in this category.
- Bank Charges decreased by \$211 thousand due to the completion of the Post-Pay to Pre-Pay conversion and backlogged violation notice payment.
- Equipment Maintenance has decreased by \$757 thousand due to efficiencies in contract management and the transfer of licensing fees from the vendor to the Tollway.
- Telephone and Telegraph decreased by \$348 thousand due to the completion of the backlogged violation notices. The Call Center should start to see less call volume when it returns to normal operation.
- Other Expenses increased by \$600 thousand due to the transfer of the Oracle License fee from the vendor to the Tollway.
- Additional staff will require both hardware and software purchases in 2009 so Other Capital Equipment has been increased by \$109 thousand.

Accomplishments:

- Surpassed 3.5 million active I-PASS transponders involving 2.8 million accounts.
- I-PASS electronic toll transactions reached 81 percent of daily traffic volume - a performance metric in the Strategic Plan.
- System improvements such as converting Post-Pay accounts to corporate Pre-Pay, enhancement of t-tolling program which allows identification and collection of I-PASS related violations prior to notice issuance, and clean-up of insufficient I-PASS accounts resulted in an estimated \$750 thousand annual savings.
- Customer service improvements, which is an integral part of the Strategic Plan allowed on-line downloads of I-PASS account history and enhanced gift card redemption, as well as providing customers greater privacy and security.

- Violation processing improvements resulted in a record year the issuance of 2.1 million violation notices and the collection of \$58 million in violation revenue.
- Addition of front end cameras improved ability to identify and capture more toll violators.

Goals and Objectives:

- Continue to improve and enhance services through the Customer Call Center in concert with the Strategic Plan.
- Continue to improve on-line toll violation payment program.
- Continue to explore enhancements and services for the I-PASS Program.

Business Systems	Number of Positions		
	Fiscal Year		
Position Titles	2007*	2008	2009
Administrative Assistant ORT	1	0	0
Administrative Manager of DET	0	1	1
Business Analyst	0	1	1
Business Intelligence Analyst	0	1	1
Business System Analyst	0	0	1
Business System Analyst	0	0	1
Cashier	0	0	0
Chief of Electronic Tolling	0	1	1
Chief of Open Road Tolling	1	0	0
Customer Service Analyst	0	2	2
Customer Service Inventory Specialist	0	1	1
Customer Service Inventory Supervisor	0	1	1
Customer Service Representative	5	35	35
Customer Service Supervisor	1	4	4
Database Administrator	0	0	1
DET Manager	0	1	1
General Manager Contract Management	0	1	1
General Manager Performance Measurement	0	1	1
ORT Manager	1	0	0
ORT Special Project Manager	1	0	0

Business Systems	Number of Positions		
	Fiscal Year		
Position Titles	2007*	2008	2009
Performance Measurement Project Administrator	0	2	2
Project Administrator	0	4	4
Project Coordinator/DET	1	1	1
Secretary III	1	2	2
Senior Manager of Customer Service	1	1	1
Senior Projects Manager	0	2	2
Software Developer	0	0	1
Software Developer	0	0	1
Software Developer	0	0	1
System Administrator	<u>0</u>	<u>1</u>	<u>1</u>
	13	63	69

*During 2007, the I-PASS and Performance Management units were transferred from Toll Operations into the Business Systems Department.

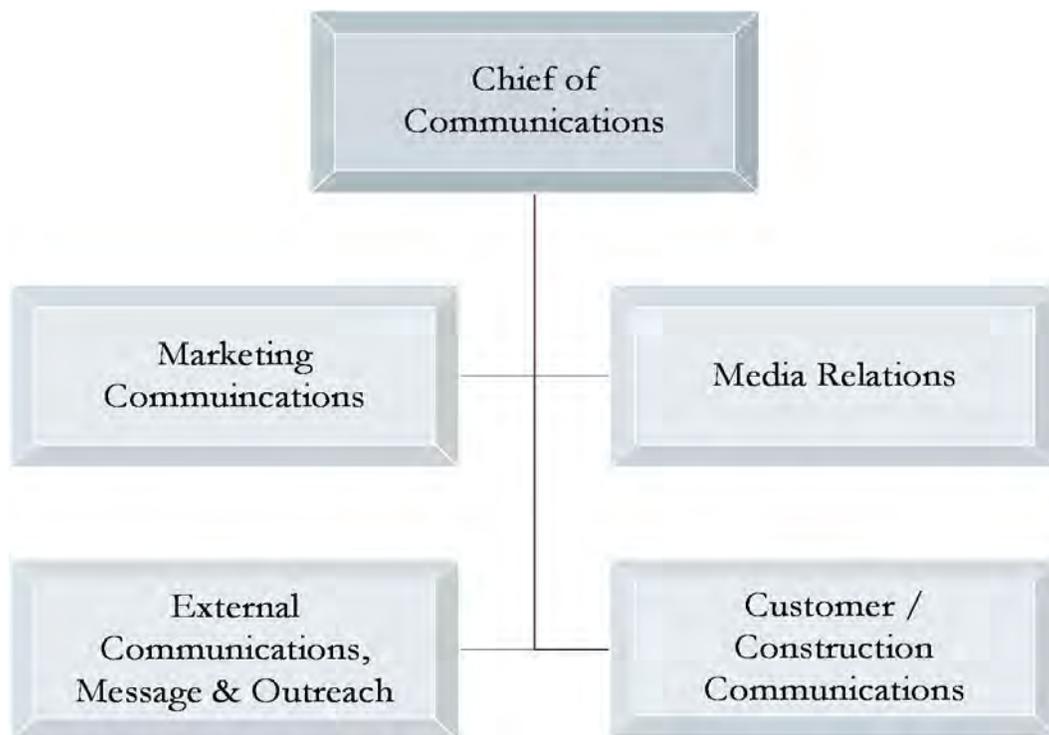
Communications

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 Department oversees the following functions:

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



Communications continued

MAJOR ACCOUNT DESCRIPTION	2007	2008	2009	\$ Change
	Actual	Revised Budget	Request	
SALARIES & WAGES	\$646,439	\$760,711	\$739,000	\$(21,711)
BENEFITS	123,078	203,589	228,720	25,131
ADVERTISING & PROMOTION	64,616	70,000	115,000	45,000
PRINTING	50,160	50,000	66,000	16,000
CONSULTING SERVICES	-	55,000	60,000	5,000
OTHER OUTSIDE SERVICES	327,376	15,000	44,465	29,465
OTHER CAPITAL EQUIPMENT	4,382	6,400	26,560	20,160
EQUIPMENT RENTALS	-	8,000	18,900	10,900
SUPPLIES - OFFICE	7,451	7,400	10,500	3,100
TRAVEL AND SUBSISTENCE	6,805	5,500	10,000	4,500
EMPLOYEE TRAINING	598	4,000	5,000	1,000
POSTAGE AND EXPRESS	6,793	5,000	4,000	(1,000)
DUES, BOOKS & SUBSCRIP.	2,942	3,000	3,200	200
OTHER MINOR ACCOUNTS	5,094	6,200	8,100	1,900
DEPARTMENT TOTAL	\$1,245,734	\$1,199,800	\$1,339,445	\$139,645

The Fiscal Year 2009 Budget Request is \$1.3 million, an increase of \$140 thousand or 11.6% over the Fiscal Year 2008 Revised Budget amount. Total payroll is \$968 thousand and includes 11 positions.

Department M&O Highlights:

- Salaries and Wages decreased by \$22 thousand from the 2008 Revised Budget. This decrease reflects the reduction of one position in the Communications Department.
- Benefits increased by \$25 thousand over the 2008 Revised Budget due to the SERS Pension Contribution Rate increase from 19.1% to 23.3%.
- Advertising & Promotion increased by \$45 thousand. The primary focus will be for the Congestion-Relief Program Phase II and the IBTTA awards submission.
- Printing increased by \$16 thousand to cover printing costs associated with the IBTTA Meeting, the annual Veterans Memorial Tollway Run, and various child safety events.

Communications continued

- Other Outside Services increased by \$29 thousand to fund various services for the Congestion-Relief Program Phase II and the annual Veterans Memorial Tollway Run.
- Other Capital Equipment increased by \$20 thousand for the purchase of departmental software, video equipment, and peripherals.
- Equipment Rentals increased by \$11 thousand for twelve county public hearings regarding Congestion-Relief Program Phase Two.

Accomplishments:

- Received various awards from the Association of Marketing and Communication Professionals, Hermes Creative Award and Transportation Marketing and Communications Association.
- 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.
- Designed/distributed more than 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 I-PASS services.
- Designed/distributed more than 10,000 palm cards for distribution by toll collectors to Tollway patrons.
- Planned/staged or participated in over media events/press conferences.
- Developed/distributed eight E-newsletters to more than 900,000 I-PASS customers.
- Maintained successful NBC in-kind TIMS partnership.
- Updated Tollway 800-TOLLYFI and hold line messages for incoming calls.
- Launched consumer education programs – Captain Tollway/Know Before You Go driver safety and education and Be Safe Be Wise/Save Gas Save Lives speed reduction and fuel economy promotion.

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.
 - o Drive I-PASS sales and service to Oasis-based Customer Service Centers
 - o Increase Mobile I-PASS presence at corporate campuses; and
 - o Decrease VES rates by increasing transponder mounting and user education.
- Introduce new I-PASS programs to expand usability.
- As part of the Strategic Plan, continue to provide customer communications support to I-PASS, VES and any other new Tollway programs/policies.

Communications continued

Communications	Number of Positions		
	Fiscal Year		
Position Titles	2007	2008	2009
Assistant Multimedia Project Specialist	1	1	1
Assistant Press Secretary	1	1	1
Chief of Communications	1	1	1
Community Relations Coordinator	0	1	1
Executive Secretary	1	1	1
Graphic Designer	0	1	1
Marketing Communications Manager	1	1	1
Multimedia Project Specialist	1	1	1
Press Secretary	1	1	1
Program Development Manager	1	1	0
Senior Manager of Communications	1	1	1
Writing Specialist	<u>1</u>	<u>1</u>	<u>1</u>
	10	12	11

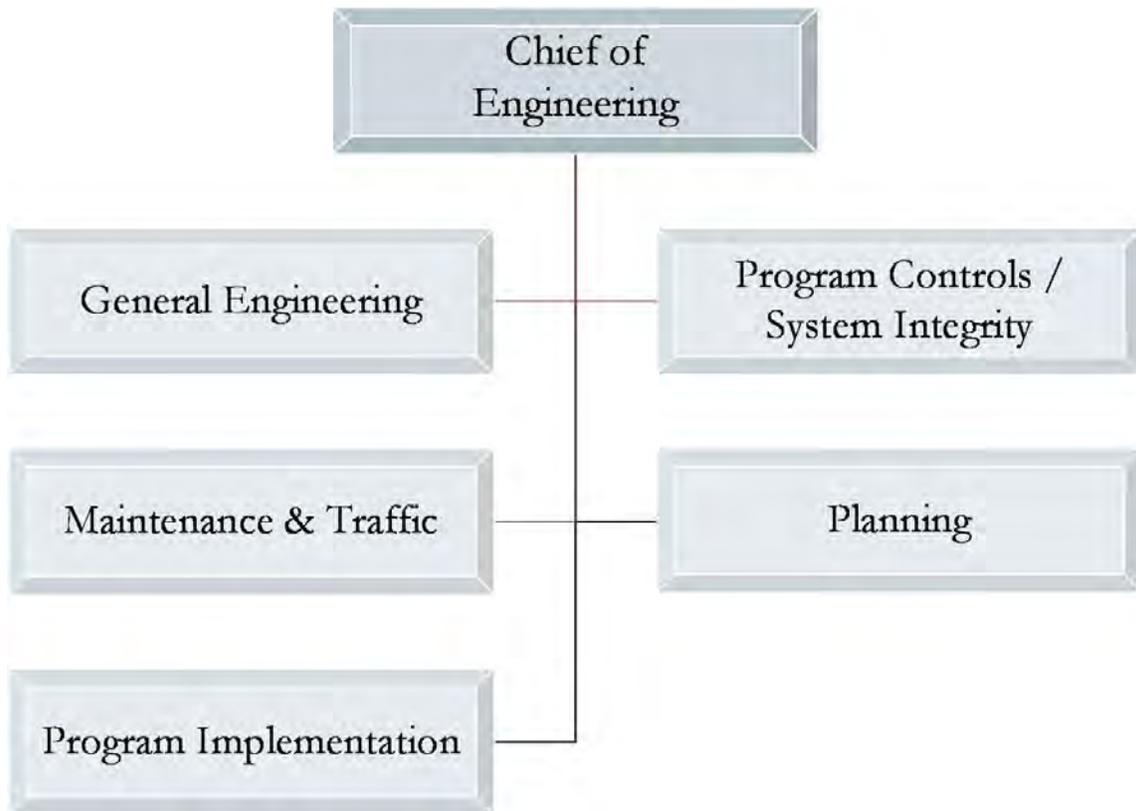
Engineering

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 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 oversees the following functions:

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



Engineering continued

ACCOUNT DESCRIPTION	2007	2008	2009	\$ Change
	Actual	Revised Budget	Request	
SALARIES & WAGES	\$33,398,117	\$34,625,784	\$35,042,800	\$417,016
BENEFITS	7,297,445	9,266,899	10,845,329	1,578,430
MATERIALS - OPERATIONAL	5,003,955	7,880,671	7,044,500	(836,171)
FUELS AND OILS	3,794,816	5,635,815	5,360,050	(275,765)
REPLACEMENT PARTS	1,690,722	1,726,942	1,793,000	66,058
CONSULTING SERVICES	1,401,768	1,286,389	1,750,000	463,611
CONTRACTED OUTSIDE SERVICE	37,007	83,686	830,000	746,314
EQUIPMENT MAINTENANCE	515,763	617,500	697,150	79,650
OTHER OUTSIDE SERVICES	725,234	663,000	625,900	(37,100)
SUPPLIES - OPERATIONAL	307,396	319,342	373,800	54,458
ROADWAY EQUIPMENT	49,365	42,500	137,200	94,700
UNIFORMS & ACCESSORIES	92,162	105,725	118,000	12,275
SUPPLIES - OFFICE	82,017	75,300	81,000	5,700
TOOLS & EQUIPMENT	74,751	69,500	78,100	8,600
BUILDING EQUIPMENT	58,593	138,625	66,200	(72,425)
DUES, BOOKS & SUBSCRIP.	28,715	10,524	62,500	51,976
EQUIPMENT RENTALS	83,303	61,600	42,000	(19,600)
EMPLOYEE TRAINING	24,926	23,000	37,000	14,000
OTHER CAPITAL EQUIPMENT	16,254	41,800	34,200	(7,600)
TRAVEL AND SUBSISTENCE	39,124	28,000	28,000	-
OFFICE EQUIPMENT	2,923	22,800	15,600	(7,200)
PRINTING	9,685	15,100	15,200	100
POSTAGE AND EXPRESS	9,361	8,509	12,250	3,741
OTHER EXPENSES	2,573,932	3,762	6,000	2,238
OTHER MINOR ACCOUNTS	1,673	5,120	5,900	780
<i>SUBTOTAL</i>	\$57,319,007	\$62,757,893	\$65,101,679	\$2,343,786
RECOVERY OF EXPENSES	\$(718,751)	\$(1,271,200)	\$(1,231,200)	\$40,000
<i>DEPARTMENT TOTAL</i>	\$56,600,256	\$61,486,693	\$63,870,479	\$2,383,786

The Fiscal Year 2009 Budget Request is \$63.9 million, an increase of \$2.4 million or 3.9% over the Fiscal Year 2008 Revised Budget amount. Total payroll is \$45.9 million and includes 596 positions.

Engineering continued

Department M&O Highlights:

- Salaries and Wages reflect an increase of \$417 thousand over the 2008 Revised Budget. This increase includes annual salary increases as well as increases required by collective bargaining agreements; this increase is partially offset by a major reduction in overtime from last winter combined with the phasing of currently vacant positions. The Roadway Maintenance & Traffic Division of Engineering is adding 2 Auto Mechanics for its M-14 site.
- Benefits increased by \$1.6 million over the 2008 Revised Budget due to the SERS Pension Contribution Rate increase from 19.1% to 23.3%.
- Materials-Operational, which includes the supply of de-icing salt and other roadway materials, was severely depleted by last winter's storms. Replenishment of that supply for 2008-09 was met by a significant increase in the cost of salt per ton. This price increase necessitated the transfer of budget funds as well as a 2008 Budget Amendment. Although the 2009 Request reflects higher pricing at the beginning of the year, it also assumes a price reduction on salt in late 2009. Therefore, 2009 shows a decrease of \$836 thousand.
- During 2008, Fuel and Oil pricing also continued to escalate which resulted in budget transfers as well as the eventual 2008 Budget Amendment. As more lane miles are added to the Tollway, additional maintenance trucks and ISP squad cars are required resulting in increased fuel consumption. With estimated fuel consumption and some price stabilization factored in, the 2009 Request reflects a decrease of \$276 thousand.
- Replacement Parts increased by \$66 thousand due to increased Fleet size as well as higher prices for OEM and aftermarket parts such as snow plow blades.
- Consulting Services increased by \$464 thousand based upon estimates provided by CTE for independent engineering consulting services required under the Trust Indenture for on-going and up-coming Tollway projects.
- Contracted Outside Service increased by \$746 thousand to cover the ITS maintenance and support contract for TIMS, Toll Services and Security Cameras throughout the Authority. The contract also includes maintenance and technical support for DMS issues.
- Equipment Maintenance increased by \$80 thousand partially due to the normal escalation of wages and the continued expansion of the system under the Delcan maintenance contract for TIMS. This account also includes maintenance increases for the Fleet AVL System, Dispatch CAD System and Planning's ESRI Software.
- Roadway Equipment for Fleet increased by \$95 thousand for additional solar powered arrow boards, mowers, sandblasters, air compressors, pressure washers, etc.
- Building Equipment for Fleet was decreased by \$72 thousand to accommodate the greater need for Roadway Equipment mentioned above.

Engineering continued

Accomplishments:

Construction

- The Engineering Department awarded more than \$947 million in total work during 2008: \$859 million in construction and \$88 million in Professional Services resulting in an estimated \$168 million in bid award savings for 2008. This is a performance measurement tracked by the Strategic Plan.
- Continued implementation of the Proliance Web-Based Management system. The Web-based Project Management System accelerates and improves project communications to allow for rapid decision making.
- The American Public Works Association (APWA) awarded the Illinois Tollway a 2008 Diversity Exemplary Practices Award for outstanding contribution to diversity through the Disadvantaged Business Enterprises (DBE) Program.
- ISO 9001:2000 Certification was maintained in 2008 through successful completion of the Triennial Assessment audit that evaluated the Quality Management System (QMS) implementation.
- The International Bridge, Tunnel & Turnpike Association (IBTTA) awarded its 2008 Toll Excellence Award for Technology to the Illinois Tollway.

Planning

- Combined efforts of Planning and Traffic Engineer consulting staff resulted in identifying opportunities to improve toll collection and reduce violations on behalf of Business Systems and Finance.
- Monitored traffic and revenue trends on the Tollway's highly dynamic system, which allowed measurement of system performance and economic influences against other national toll roads.
- American Road Transportation Builders Association (ARTBA) recognized the Tollway's environmental efforts on the I-355 South Extension, and awarded the Engineering team with a Globe Award for the Blanding's Turtle Conservation Efforts.
- Worked in partnership with the Forest Preserve District of Will County to complete restoration of the 300 acre Spring Creek Wetland Mitigation Site. This project was recognized for Excellence in Conservation by the Chicago Wilderness.
- The Tollway was recognized by the US Environmental Protection Agency, as well as, the Respiratory Health Association of Greater Chicago for embracing an initiative to improve air quality.
- The Illinois Tollway was recently selected to receive a Special Achievement in Government Award from ESRI, the world's leading geographic information systems (GIS) software vendor.

Engineering continued

- Partnered with CMAP, RTA, Pace, and IDOT on two Federal Urban Partnership Program grant applications for congestion pricing and transit funds for program implementation. Also partnered with Metropolitan Planning Council and CMAP on a regional congestion pricing study for all Interstates in Northeast Illinois.

Goals and Objectives:

Construction

- 2009 is the fifth year of the Tollway's Congestion-Relief Program (CRP). This year is expected to be the most aggressive, with \$1 billion of 2008 construction entering closeout in conjunction with \$1 billion in construction work.
- Continue to effectively execute the fast-paced, complex Congestion-Relief Program. Overall the program and soft services costs are tracking at 16.3 percent which is significantly less than the transportation industry average (25.5 percent to 34.0 percent).
- The Tollway will continue to maintain a high level of quality construction through continued implementation of the Quality Management approach that ensures inspection by both contractor and construction management teams.

Maintenance and Traffic Operations

- Committed to providing roadway signage that communicates changes in traffic patterns, day and night time lane closures, as well as alternative driving routes. The Tollway's focus in 2009 will be to upgrade and enhance roadway signs.
- Work with IDOT and CMS to ensure adequate supply of winter materials (salt) at reasonable prices.
- To provide Highway Emergency Lane Patrols (H.E.L.P.) along the 286 miles of the Tollway system to assist stranded motorists.
- To continue the Tollway's green efforts by utilizing solar powered arrow boards during construction, through the expansion of our Ethanol-85 capable fleet vehicles.

Planning

- Partner with local communities, transportation officials and regional transportation agencies to provide comprehensive strategic transportation solutions for Northern Illinois.
- Continue to establish and convene Corridor Planning Councils to strengthen partnerships between the Tollway and its surrounding communities, as well as provide updates regarding upcoming and on-going construction projects.
- Develop a traffic and I-PASS usage monitoring system to establish camera and equipment maintenance cycles to ensure optimal efficiency with Optical Character Recognition (OCR) image review and toll collection.

Engineering	Number of Positions		
	Fiscal Year		
	2007	2008	2009
Position Titles			
Administration Manager	1	1	1
Auto Mechanic	52	52	54
Automotive Attendant	2	2	2
Automotive Body Technician	2	2	2
Budget Procurement & Maintenance Systems Manager	0	1	1
Central Shop Area Supervisor	1	1	1
Central Shop Clerks	4	4	4
Central Shop Manager	1	1	1
Central Shop Supervisor	1	1	1
Chief Engineer	1	1	1
Chief of Planning	1	0	0
Civilian Call Taker	7	7	7
Communications Supervisor	4	4	4
Community Relations Coordinator	1	1	1
Construction Contract Supervisor	1	1	1
Construction Services Manager	1	1	1
Contract Administrator	1	1	1
Contract Payment Expeditor	3	3	3
Data Technician	1	1	1
Deputy Chief of Engineering for Planning	1	1	1
Deputy Chief of Program Controls/System Integrity	1	1	1
Deputy Chief of Program Implementation	1	1	1
Dispatch Manager	1	1	1
Engineering Document Administrator	0	1	1
Engineering Project Analyst	2	2	2
Engineering Project Coordinator	1	0	0
Engineering Project Liaison	1	1	1
Environmental Engineer	1	1	1
Environmental Planner	1	4	4
Equipment Operator Laborer	299	318	318

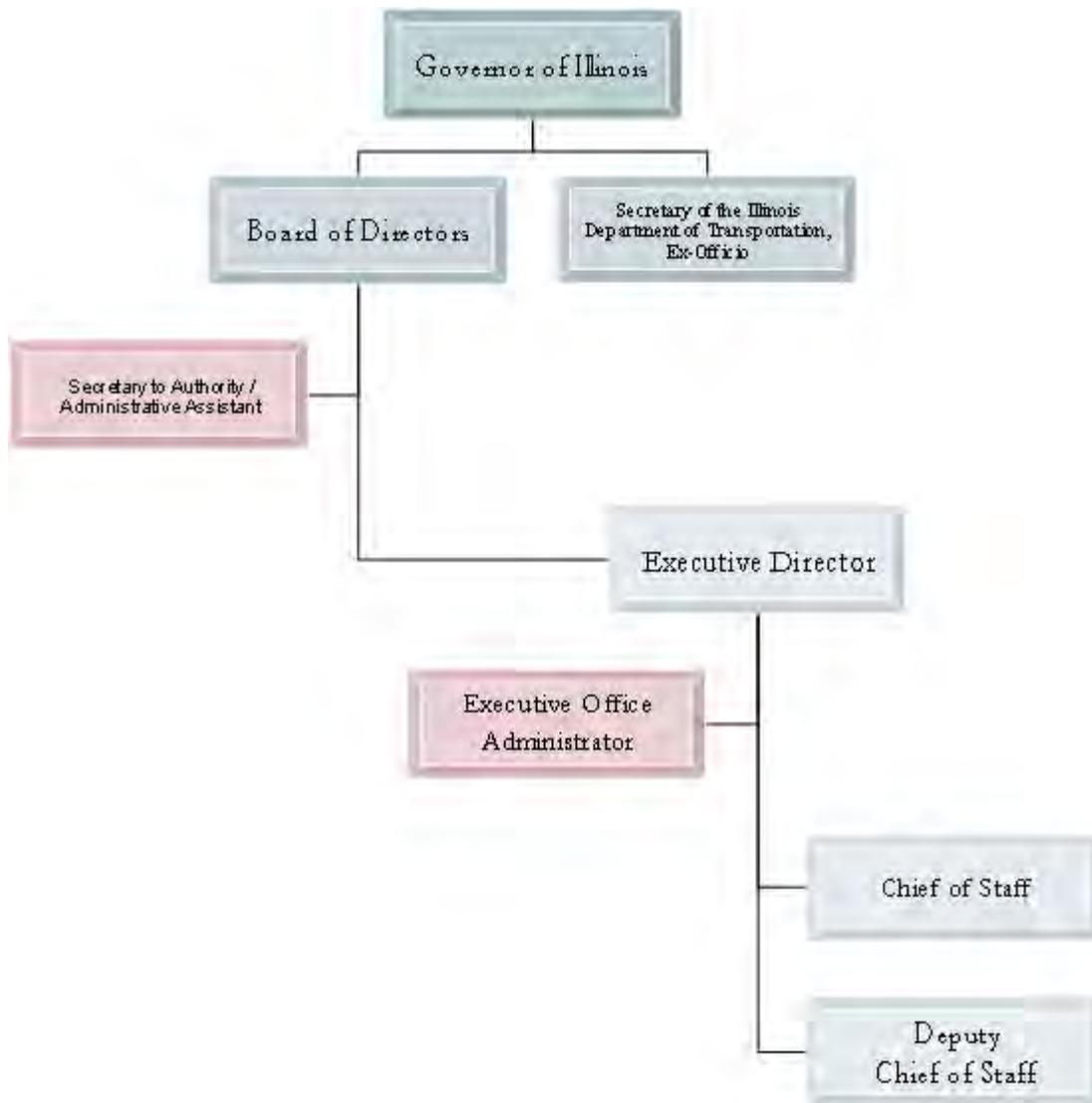
Engineering	Number of Positions		
	Fiscal Year		
Position Titles	2007	2008	2009
Executive Project Engineer	1	3	3
Executive Project Manager	0	1	1
Executive Secretary	3	3	3
Fleet District Manager	2	2	2
Fleet Manager	1	1	1
Fleet Systems Administrator	1	0	0
Fleet Systems Analyst	1	1	1
General Manager for Fiber	0	1	1
General Manager of Engineering	1	1	1
General Manager, Maintenance & Traffic	1	1	1
Geometrics Engineer	1	1	1
GIS Application DB Support Specialist	2	1	1
GIS Systems Manager DBA Administrator	1	1	1
Incident Manager	1	1	1
ITS Deployment Engineer	1	1	1
Land Acquisition Manager	1	1	1
Legislative & Policy Analyst	1	1	1
Maintenance Section Manager	11	12	12
Maintenance Section Supervisor	11	11	11
Maintenance Systems Analyst	1	1	1
Maintenance Systems Support Clerk	1	1	1
Materials Operations Specialist	0	1	1
Materials Engineer	1	1	1
Oasis Project Manager	1	1	1
Policy & Environmental Planner	1	0	0
Policy Analyst	1	1	1
Project Coordinator	1	0	0
Project Engineer	2	1	1
Project Manager	5	1	1
Project Manager - Engineering	0	5	5
Project Technician	7	0	0
Property Specialist	1	1	1

Engineering	Number of Positions		
	Fiscal Year		
	2007	2008	2009
Position Titles			
Relocation and Acquisition Specialist	1	1	1
Roadway Electrical Manager	1	1	1
Roadway Lighting Laborer	11	12	12
Roadway Maintenance District Manager	2	2	2
Roadway Maintenance Manager	1	1	1
Secretary II	2	1	1
Secretary III	4	5	5
Section Clerk	22	22	22
Senior Landscape Architect	1	1	1
Senior Manager of Strategic Planning & Programming	1	1	1
Senior Project Engineer	8	7	7
Senior Project Engineer - GIS	0	1	1
Senior Project Manager	5	3	3
Senior Project Manager - Engineering	0	1	1
Senior Project Manager - Utilities	0	1	1
Sign Maker Hanger	15	15	15
Sign Shop Clerk	1	1	1
Sign Shop Manager	1	1	1
Sign Shop Supervisor	1	1	1
Technical Manager for Utilities	1	1	1
Telecommunicator	21	21	21
Traffic & Revenue Analyst	1	1	1
Traffic Operations Control Supervisor	1	1	1
Traffic Operations Manager	1	1	1
Traffic Operations Technician	5	5	5
Traffic Permit Technician	1	1	1
Utility Administrator	1	1	1
Utility Technician	2	2	2
Web Based Application Support	2	0	0
Welder	7	8	8
	577	594	596

Executive Management and Board of Directors Office

Description:

The Executive Management and Board of Directors Office is 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 the Strategic Plan that allows for the efficient and effective use of all available resources to accomplish the mission of the Tollway.



Executive Office continued

MAJOR ACCOUNT DESCRIPTION	2007 Actual	2008 Revised Budget	2009 Request	\$ Change
SALARIES & WAGES	\$447,165	\$861,000	\$982,000	\$121,000
BENEFITS	92,849	230,429	303,925	73,496
DUES, BOOKS & SUBSCRIP.	40,157	33,900	184,100	150,200
OTHER OUTSIDE SERVICES	79,033	75,000	80,000	5,000
TRAVEL AND SUBSISTENCE	11,340	12,850	16,000	3,150
OTHER EXPENSES	1,284,635	96,000	8,500	(87,500)
ADVERTISING & PROMOTION	-	1,000	4,600	3,600
SUPPLIES - OFFICE	2,335	2,500	4,500	2,000
EMPLOYEE TRAINING	125	500	3,300	2,800
OTHER CAPITAL EQUIPMENT	-	1,200	3,000	1,800
OTHER MINOR ACCOUNTS	3,274	2,450	5,975	3,525
DEPARTMENT TOTAL	\$1,960,913	\$1,316,829	\$1,595,900	\$279,071

Fiscal Year 2009 Budget Request is \$1.6 million; an increase of \$279 thousand or 21.2 % over the Fiscal Year 2008 Revised Budget amount. Total payroll is \$1.3 million and includes 7 positions.

Department M&O Highlights:

- Salaries and Wages reflect an increase of \$121 thousand over the 2008 Revised Budget. This increase reflects annual salary increases and funding for currently vacant positions.
- Benefits increased by \$73 thousand over the 2008 Revised Budget due to the SERS Pension Contribution Rate increase from 19.1% to 23.3%.
- Dues, Books & Subscriptions increased by \$150 thousand due to the hosting fees for the 2009 IBTTA conference.
- Other Expenses decreased by \$88 thousand dollars due to the discontinuation of the state administrative surcharge.

Executive Office Continued

Accomplishments:

- Supported the completion of year four 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 customer services

Goals & Objectives:

- Uphold the Tollway’s Mission Statement.
- Continue to support year five of the Congestion-Relief Program.
- Coordinate the improved efficiency of daily operations.

Executive Management and Board of Directors	Number of Positions		
	Fiscal Year		
Position Titles	2007	2008	2009
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
Senior Manager of Program Development	<u>1</u>	<u>1</u>	<u>2</u>
	6	6	7

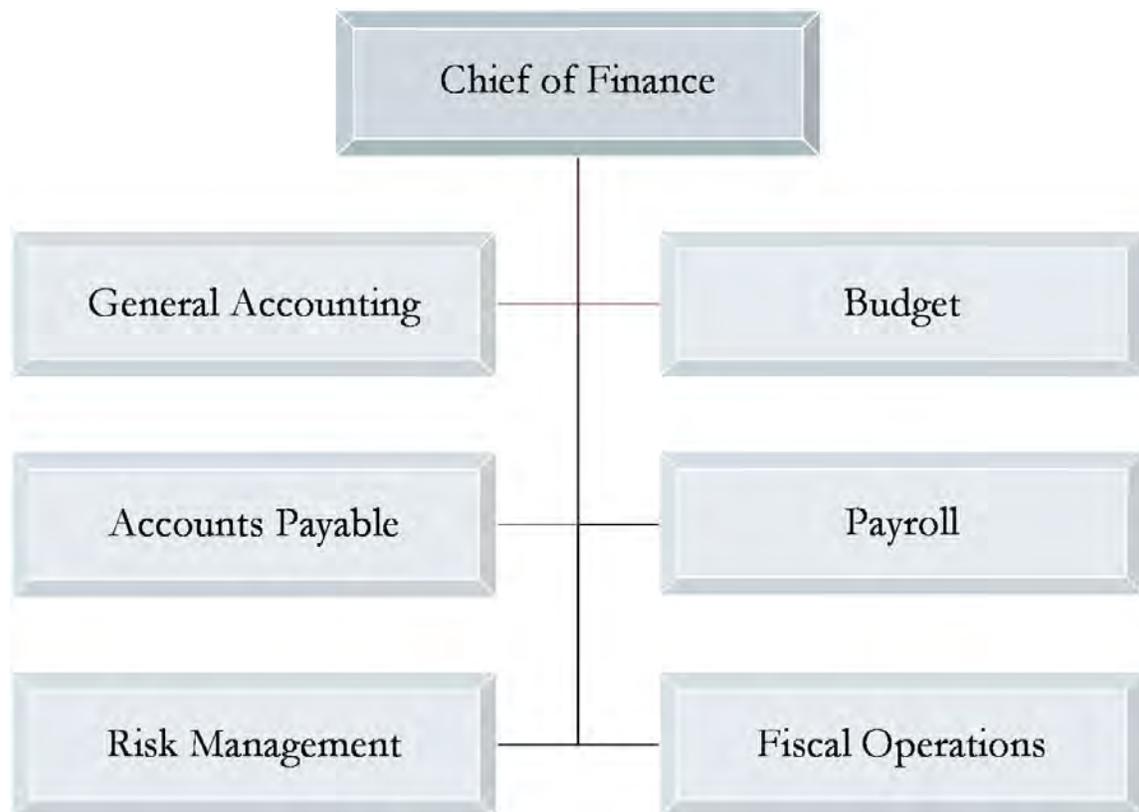
Finance

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 oversees the following functions:

- General Accounting
- Budget
- Accounts Payable
- Payroll
- Risk Management
- Fiscal Operations



Finance continued

MAJOR ACCOUNT DESCRIPTION	2007 Actual	2008 Revised Budget	2009 Request	\$ Change
SALARIES & WAGES	\$2,596,655	\$2,550,033	\$2,914,912	\$364,879
BENEFITS	573,767	695,541	902,288	206,747
GROUP INSURANCE	21,392,951	23,800,000	25,500,000	1,700,000
WORKER'S COMPENSATION INSURANCE	6,860,199	5,873,000	6,100,000	227,000
OTHER OUTSIDE SERVICES	1,530,095	1,275,000	2,450,000	1,175,000
PROPERTY INSURANCE	1,736,535	2,415,000	2,512,000	97,000
BANK CHARGES	(1,190,997)	140,000	150,000	10,000
BOND TRUSTEE	9,680	40,000	50,000	10,000
SUPPLIES - OFFICE	21,101	20,000	22,000	2,000
DUES, BOOKS & SUBSCRIP.	6,659	10,000	10,000	-
POSTAGE AND EXPRESS	6,711	8,000	8,500	500
EQUIPMENT MAINTENANCE	2,467	7,700	8,000	300
OFFICE EQUIPMENT	1,739	10,000	8,000	(2,000)
EMPLOYEE TRAINING	4,929	3,000	6,000	3,000
OTHER EXPENSES	1,788,762	4,300	5,000	700
OTHER MINOR ACCOUNTS	11,699	12,150	16,200	4,050
<i>SUBTOTAL</i>	<i>\$35,352,952</i>	<i>\$36,863,724</i>	<i>\$40,662,900</i>	<i>\$3,799,176</i>
RECOVERY OF EXPENSES	\$(102,349)	\$(250,000)	\$(305,000)	\$(55,000)
<i>DEPARTMENT TOTAL</i>	<i>\$35,250,603</i>	<i>\$36,613,724</i>	<i>\$40,357,900</i>	<i>\$3,744,176</i>

The Fiscal Year 2009 Budget Request is \$40.4 million; an increase of \$3.7 million or 10.2% over the Fiscal Year 2008 Revised Budget amount. Total payroll is \$3.8 million and includes 58 positions.

Department M&O Highlights:

- Salaries and Wages increased by \$365 thousand over the 2008 Revised Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased by \$207 thousand over the 2008 Revised Budget due to the SERS Pension Contribution Rate increase from 19.1% to 23.3%.

Finance continued

- Group Insurance was increased by \$1.7 million or 7.1% due to rising healthcare costs and projected employee enrollment. This account includes group medical, dental, optical and life as well as retiree health and life insurance.
- Worker's Compensation Insurance increased by \$227 thousand or 3.9% based on the latest actuarial study which projects a rise in the value of claims for 2009.
- Other Outside Services increased by \$1.2 million based on projected collection agency fees, external audit fees and emergency road services (fire & ambulance).
- Property Insurance increased by \$97 thousand or 4.0% to cover buildings, bridges, vehicles and liability insurance.

Accomplishments:

- Continued to accommodate an increasing work load while improving service levels, internal controls and accountability.
- Continued to manage and enhance the capital budgeting and financial reporting Catapult system, resulting in improved timeliness and accuracy of financial information critical to the management of the CRP.
- Completed the fourth 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.

Finance continued

- 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.

Finance	Number of Positions		
	Fiscal Year		
	2007	2008	2009
Position Titles			
Accountant	2	2	2
Accounting Manager	1	0	0
Accounts Payable Clerk	2	2	2
Accounts Payable Representative	4	4	4
Accounts Payable Specialist	1	1	1
Assistant Supervisor Accounts Payable	1	1	1
Budget Analyst	4	2	2
Budget Records Specialist	2	2	1
Budget/General Accounting Clerk	1	1	1
Capital Budget Analyst	2	3	3
Capital Budget Manager	1	1	1
Capital Budget Specialist	0	0	0
Cash Management Position	0	0	0
Cashier	2	2	2
Cashier Supervisor	1	1	1
Cashier/General Accounting Assistant	1	1	1
Chief Accountant	1	2	2
Chief of Finance	1	1	1
Claims Adjuster	1	1	1
Clerical Support	0	0	0
Construction Insurance Analyst	1	1	1
Controller	1	1	1

Finance	Number of Positions		
	Fiscal Year		
Position Titles	2007	2008	2009
Cost Accountant III	1	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	0	0	0
Fiscal Operations Manager	1	1	1
General Accounting Assistant	2	2	2
General Accounting Clerk	0	0	0
Insurance Claims Supervisor	1	1	1
Insurance Clerk	0	0	0
Insurance Risk Manager	1	1	1
M & O Budget Manager	1	1	1
Payroll Analyst	0	1	1
Payroll Clerk	1	1	1
Payroll Manager	1	1	1
Payroll Specialist	2	2	2
Payroll Supervisor	1	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	5
Senior Financial Analyst	1	1	1
Senior Financial Planning Analyst	0	0	0
Senior Manager of Financial Reporting	0	0	1
Supervisor Workers Compensation Claims	0	0	0
Support Clerk	<u>1</u>	<u>1</u>	<u>1</u>
	57	57	58

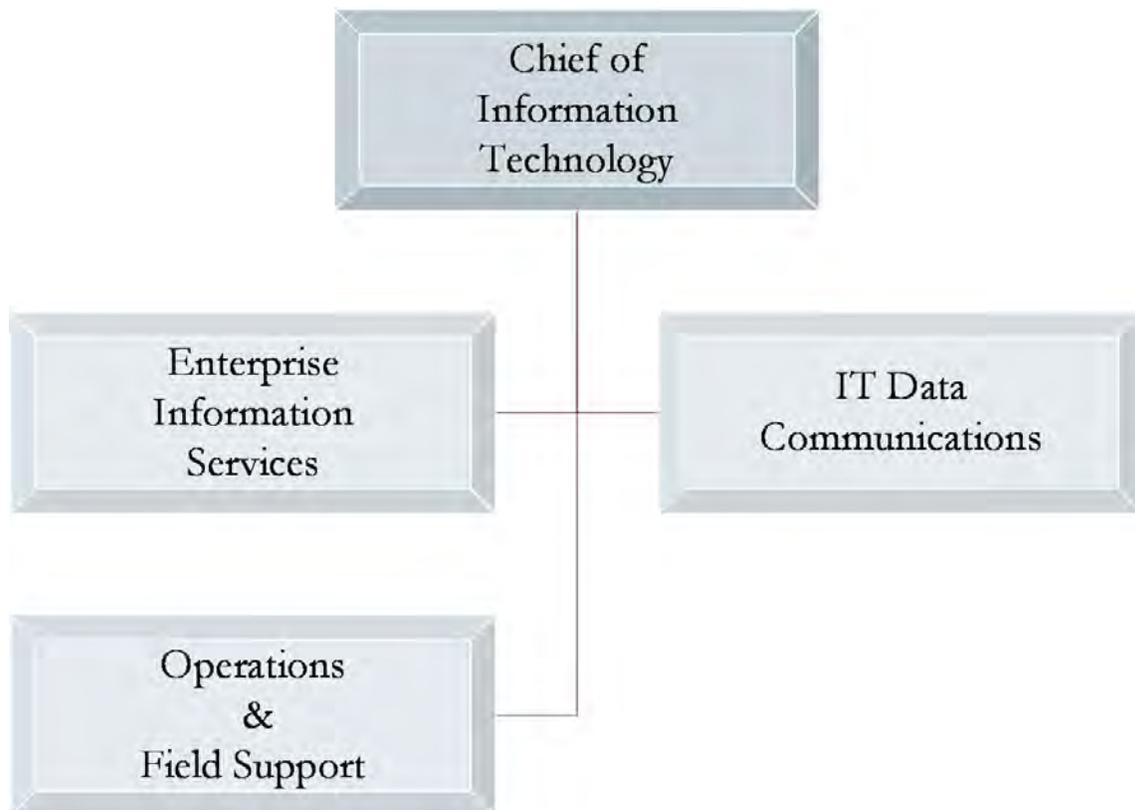
Information Technology

Description:

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

Information Technology oversees the following functions:

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



Information Technology continued

MAJOR ACCOUNT DESCRIPTION	2007	2008	2009	\$ Change
	Actual	Revised Budget	Request	
SALARIES & WAGES	\$4,028,650	\$4,148,964	\$4,492,000	\$343,036
BENEFITS	861,667	1,110,387	1,390,250	279,863
EQUIPMENT MAINTENANCE	963,755	1,250,300	1,425,000	174,700
CONSULTING SERVICES	452,930	1,060,000	1,267,400	207,400
CONTRACTED OUTSIDE SERVICE	-	370,300	770,000	399,700
TELEPHONE & TELEGRAPH	266,002	445,000	530,000	85,000
OTHER OUTSIDE SERVICES	191,685	50,342	191,000	140,658
REPLACEMENT PARTS	90,333	128,000	150,000	22,000
EMPLOYEE TRAINING	104,611	45,000	47,700	2,700
SUPPLIES - OPERATIONAL	37,319	52,700	45,300	(7,400)
MATERIALS - OPERATIONAL	15,360	15,000	10,000	(5,000)
SUPPLIES - OFFICE	9,275	7,650	10,000	2,350
TRAVEL AND SUBSISTENCE	3,927	6,000	6,000	-
UNIFORMS & ACCESSORIES	353	2,625	6,000	3,375
OTHER MINOR ACCOUNTS	3,755	22,373	20,350	(2,023)
DEPARTMENT TOTAL	\$7,029,622	\$8,714,641	\$10,361,000	\$1,646,359

The Fiscal Year 2009 Budget Request is \$10.4 million; an increase of \$1.6 million or 18.9% over the Fiscal Year 2008 Revised Budget amount. Total payroll is \$5.9 million and includes 75 positions.

Department M&O Highlights:

- Salaries and Wages increased by \$343 thousand over the 2008 Revised Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased by \$280 thousand over the 2008 Revised Budget due to the SERS Pension Contribution Rate increase from 19.1% to 23.3%.
- Equipment Maintenance increased by \$175 thousand to cover anticipated failure rate of older PC's and Printers as well as increased cost for E-Commerce, KRONOS and Unisys mainframe maintenance.
- Consulting Services increased by \$207 thousand to cover Web and IVR hosting services using new hardware as well as the hosting of the DBE-EEO server. This account also includes consulting services for KRONOS and the mainframe.

Information Technology continued

- Contracted Outside Service increased by \$400 thousand to support 1220 user fees for the STARCOM State-wide Public Safety Radio System.
- Telephone increased by \$85 thousand reflecting the addition of nine T1 Lines for the Customer Call Center, wireless card charges and PBX maintenance fees.
- Other Outside Services increased by \$141 thousand to cover Intellect circuit card repairs.

Accomplishments:

- Continued to support and enhance Lisle Call Center data communications requirements.
- Completed the Next Generation Network (NGN) router and switch upgrades.
- Continued to negotiate communication tower lease agreements to increase Tollway's miscellaneous revenues.
- Continued to upgrade and enhance E-Commerce technology to support Tollway's award winning websites at www.getipass.com and www.illinoistollway.com.
- Expanded the Kronos Time and Attendance system to additional locations and employee groups in coordination with the Administration Department.
- Implemented an upgrade of the Tollway's Enterprise Servers.

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	Number of Positions		
	Fiscal Year		
	2007	2008	2009
Position Titles			
Antenna Specialist	2	2	2
Asset & Inventory Supervisor	0	0	0
Assistant Multimedia Project Specialist	0	0	0
Assistant Web Master	1	1	1
Business Analyst	0	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	1	1	1
Data Communications Technician	1	2	2
Database Manager	0	0	0
Desktop Support Technician	1	1	1
Enterprise Information Services Manager	1	1	1
ERP Manager	1	1	1
ETC System Technician	2	0	0
Executive Secretary	1	1	1
Field Network Engineer	5	6	6
Field Operations Manager	1	1	1
GIS Systems Manager DBA Administrator	1	0	0
Inventory Control Clerk	1	1	1
IT Business Development Coordinator	1	1	1
IT Projects Coordinator	0	1	1
IT Security Manager	1	1	1
IT Special Projects Coordinator	1	1	1
IT Training Coordinator	1	0	0
Manager of Project Management Office	1	1	1

Information Technology	Number of Positions		
	Fiscal Year		
	2007	2008	2009
Position Titles			
Mobile Installer	3	3	3
Mobile Shop Manager	1	1	1
Multimedia Project Specialist	0	0	0
Network Administrator	3	3	3
Network Support Administrator	1	1	1
Network Support Manager	2	1	1
Operations & Customer Support Manager	1	1	1
Oracle DBA	1	1	1
PBX Administrator	0	1	1
PBX Technician	1	1	1
Project Manager	5	5	5
Project Specialist	1	1	1
Secretary III	2	2	2
Security Administrator	0	0	0
Senior Computer Operator	2	2	2
Senior Network Administrator	0	1	1
Senior Software Engineer	3	3	3
Senior Systems Analyst	3	3	3
SQL/Access Developer	1	1	1
System Technician 1	6	6	6
System Technician 2	1	0	0
Systems Architecture & Engineering Manager	1	1	1
Systems Manager	0	0	0
Systems Supervisor	1	1	1
UNIX Administrator	0	1	1
Voice Communications Coordinator	1	1	1
Webmaster	0	1	1
WEB Development Coordinator	1	1	1
Wireless Network Administrator	<u>1</u>	<u>1</u>	<u>1</u>
	75	75	75

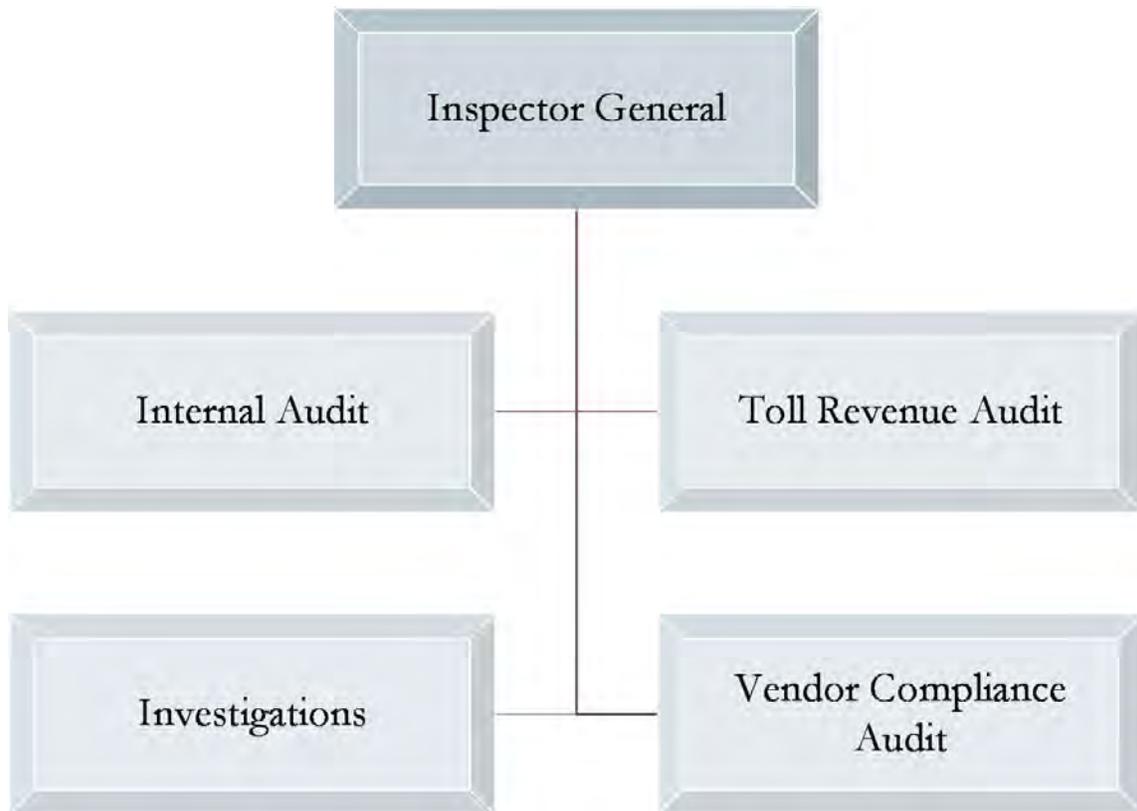
Office of Inspector General

Description:

The Office of Inspector General (“OIG”) at the Illinois Tollway was created in accordance with the Governor’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 Inspector General oversees the following functions:

- Internal Audit
- Toll Revenue Audit
- Investigations
- Vendor Compliance Audit



Inspector General continued

MAJOR ACCOUNT DESCRIPTION	2007 Actual	2008 Revised Budget	2009 Request	\$ Change
SALARIES & WAGES	\$681,745	\$852,000	\$926,500	\$74,500
BENEFITS	145,612	228,021	286,700	58,680
DUES, BOOKS & SUBSCRIP.	7,516	5,000	8,000	3,000
EMPLOYEE TRAINING	8,349	7,700	7,500	(200)
EQUIPMENT MAINTENANCE	-	-	6,500	6,500
SUPPLIES - OFFICE	5,508	5,000	5,500	500
OFFICE EQUIPMENT	-	3,000	3,000	-
BUILDING EQUIPMENT	15,346	1,000	3,000	2,000
TRAVEL AND SUBSISTENCE	601	2,000	2,000	-
OTHER CAPITAL EQUIPMENT	-	1,000	2,000	1,000
OTHER MINOR ACCOUNTS	143	1,218	2,300	1,082
DEPARTMENT TOTAL	\$864,820	\$1,105,939	\$1,253,000	\$147,062

The Fiscal Year 2009 Budget Request is \$1.3 million; an increase of \$147 thousand or 13.3% over the Fiscal Year 2008 Revised Budget amount. Total payroll is \$1.2 million and includes 15 positions.

Department M&O Highlights:

- Salaries and Wages increased by \$75 thousand over the 2008 Revised Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased over the 2008 Revised Budget by \$59 thousand due to the SERS Pension Contribution Rate increase from 19.1% to 23.3%.
- Dues, Books & Subscriptions increased by \$3 thousand to cover additional certifications, memberships and reference materials for new employees.
- Equipment Maintenance increased by \$7 thousand to cover software and hardware maintenance.

Inspector General continued

Accomplishments:

Toll Audit

- Audited, reconciled, and reported over \$580 million in toll revenues and adjusted and reported approximately 780 million toll transactions.
- Performed twelve money room audits, fourteen oasis audits, two IPASS audits, a review of the Customer Call Center, 53 plaza audits, and an IPASS tag inventory audit to ensure compliance with state statutes, the Tollway's Trust Indenture, Tollway policy and procedures. Assessed policies and procedures in the areas reviewed to ensure that state funds are properly secured, accounted for, deposited and reported.
- Developed a new automated vault/bag tracking audit system utilizing ETC software.
- Assisted in the development of Violation filters so that the Tollway may pursue violations involving failure to pay at coin only lanes (ACM).
- Compiled, analyzed, and prepared various reports for the IG investigative unit for cases of fraud and theft.

Control and Compliance Unit (CCU)

- Completed six internal cycle audits of purchasing and contracting; electronic data processing; administrative support services; property, equipment and inventory; budgeting, accounting and reporting; and revenues, receivables and cash.
- Conducted internal audit of I-PASS Customer Services Center to ensure compliance with Tollway policies and procedures.
- Completed Vendor Billing Audits of \$4.35 Million in professional services contracts and identified \$664 Thousand in recoveries.
- Initiated a review of the construction bidding process to ensure the Tollway receives competitive quotes.
- Completed a review of the Customer Call Center resulting in operational improvements that have significantly reduced the risk of loss.
- Completed contract compliance audits for two construction contracts to assure compliance with requirements from the Fair Labor Standards Act (FLSA), minimum wage provisions, payroll tax withholding and Disadvantaged Business Enterprise (DBE) reporting requirements.

Investigation Unit

- Conducted and closed eleven investigative consultations and fifteen preliminary investigations.
- Completed a case review of all 2008 and 2007 files to ensure that the files were complete, accurate and contained all supporting documentation.

Inspector General continued

- Innovated and upgraded the surveillance equipment, photography, and audio interview technology with little or no cost to the Tollway.

Goals and Objectives:

- Complete a Peer Review to assure compliance with State of Illinois Internal Audit Advisory Board (SIAAB) requirements.
- Update and expand the ISTHA Audit Universe and develop a risk-based priority ranking for key auditable entities.
- Conduct \$440 Million in contract compliance reviews to ensure costs charged to the Tollway through contracts and agreements with outside entities were authorized and appropriate.
- Conduct five internal cycle audits pursuant to Illinois Statute and three risk based internal audits of the electronic revenue collection systems and violation enforcement systems.
- Conduct pre-implementation reviews of new electronic data processing systems.
- Provide consulting services to management on an as-requested, risk-based basis.
- Timely investigating reports of fraud, waste and abuse. We expect to review 45 cases and conduct 30 substantive investigations.
- Audit, reconcile, and report over \$600 million in toll revenues and adjust and report approximately 780 million toll transactions.
- Continue to test and verify accuracies in the areas of IPASS collection, violation filtering, automatic vehicle classification implementation, and general toll revenue collection processes.
- Perform safe audits and bank reconciliations of IPASS and Violation revenues collected at the Central Administration Business Center, Customer Call Center and Oasis locations.
- Continue to evaluate electronic collection data and processes for effectiveness and to identify and report any areas of revenue leakage.

Inspector General	Number of Positions		
	Fiscal Year		
Position Titles	2007	2008	2009
Audit Manager	1	1	1
Executive Secretary	1	1	1
General Manager of Control & Compliance	1	1	1
Inspector General	1	1	1
Internal Auditor	3	3	3
Internal Control & Compliance Manager	1	1	1
Investigator	1	1	1
Manned Lanes Audit/Project Analyst	0	0	0
Manned Lanes Control Clerk	1	1	1
Revenue Auditor	1	1	1
Revenue Loss Specialist	1	1	1
Senior Inspector	0	0	0
Toll Audit Clerk	1	1	1
Toll Audit Manager	1	1	1
Toll Audit Supervisor	<u>1</u>	<u>1</u>	<u>1</u>
	15	15	15

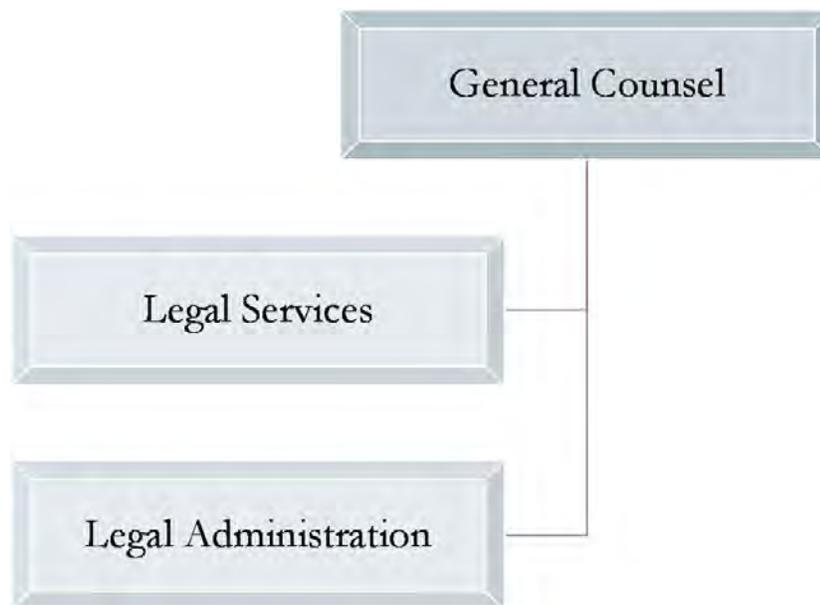
Legal

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 oversees the following functions:

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



Legal continued

MAJOR ACCOUNT DESCRIPTION	2007 Actual	2008 Revised Budget	2009 Request	\$ Change
SALARIES & WAGES	\$938,006	\$855,308	\$944,150	\$88,842
BENEFITS	201,494	228,906	292,200	63,294
OTHER OUTSIDE SERVICES	233,199	185,000	200,000	15,000
OTHER EXPENSES	9,443	10,000	20,000	10,000
DUES, BOOKS & SUBSCRIP.	17,357	18,000	18,000	-
TRAVEL AND SUBSISTENCE	4,850	6,500	6,500	-
SUPPLIES - OFFICE	4,783	5,000	6,000	1,000
OFFICE EQUIPMENT	472	500	5,000	4,500
EMPLOYEE TRAINING	3,896	1,500	4,000	2,500
OTHER MINOR ACCOUNTS	4,238	3,500	5,350	1,850
<i>SUBTOTAL</i>	\$1,417,738	\$1,314,214	\$1,501,200	\$186,986
RECOVERY OF EXPENSES	\$(3,511)	\$(3,500)	\$(5,000)	\$(1,500)
<i>DEPARTMENT TOTAL</i>	\$1,414,227	\$1,310,714	\$1,496,200	\$185,486

The Fiscal Year 2009 Budget Request is \$1.5 million; an increase of \$185 thousand or 14.2% over Fiscal Year 2008 Revised Budget amount. Total payroll is \$1.2 million and includes 12 positions.

Department M&O Highlights:

- Salaries and Wages increased \$89 thousand over the 2008 Revised Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased by \$63 thousand over the 2008 Revised Budget due to the SERS Pension Contribution Rate increase from 19.1% to 23.3%.
- Other Outside Services increased by \$15 thousand due to projected costs for required outside counsel.

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 and Objectives:

- 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.

Legal	Number of Positions		
	Fiscal Year		
	2007	2008	2009
Position Titles			
Assistant Attorney General	2	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	5	5	5
	12	12	12

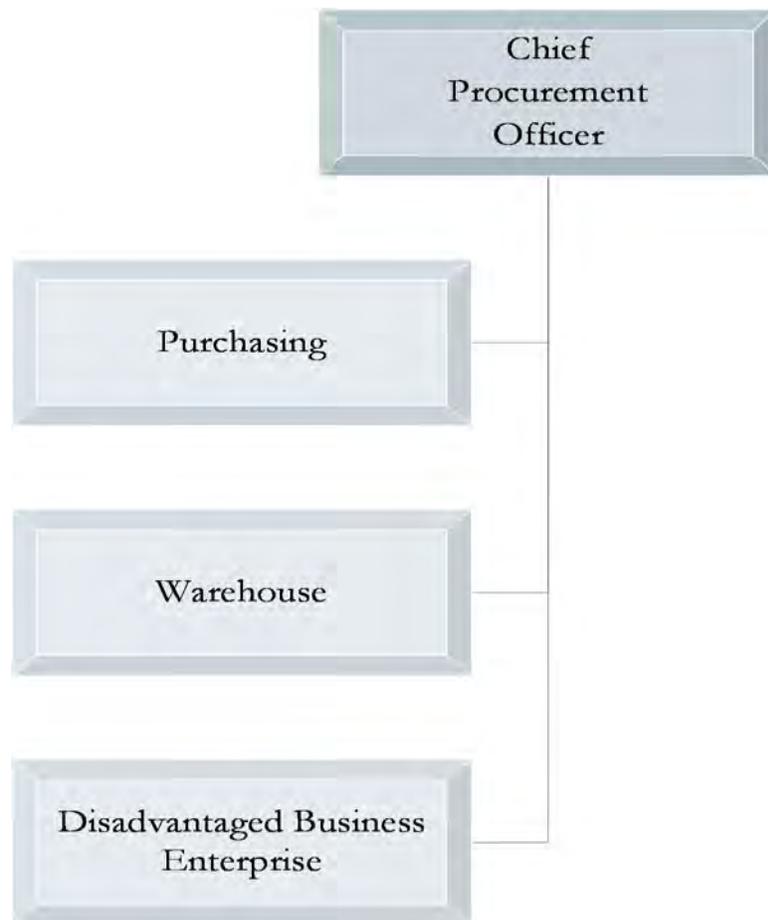
Procurement

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 oversees the following functions:

- Purchasing
- Central Warehouse
- Disadvantaged Business Enterprise Program



Procurement continued

MAJOR ACCOUNT DESCRIPTION	2007	2008	2009	\$ Change
	Actual	Revised Budget	Request	
SALARIES & WAGES	\$2,451,844	\$2,542,500	\$2,942,500	\$400,000
BENEFITS	529,351	680,449	910,700	230,251
SUPPLIES - OFFICE	1,178	15,000	18,000	3,000
ADVERTISING & PROMOTION	11,284	14,000	17,600	3,600
OTHER OUTSIDE SERVICES	29,312	11,000	11,000	-
EMPLOYEE TRAINING	4,824	4,500	8,500	4,000
PRINTING	2,325	10,100	8,000	(2,100)
TRAVEL AND SUBSISTENCE	3,758	2,250	6,000	3,750
EQUIPMENT RENTALS	4,862	3,000	6,000	3,000
DUES, BOOKS & SUBSCRIP.	6,732	2,500	5,000	2,500
SUPPLIES - OPERATIONAL	8,208	2,400	5,000	2,600
OFFICE EQUIPMENT	3,453	3,000	4,000	1,000
POSTAGE AND EXPRESS	2,060	3,250	3,500	250
EQUIPMENT MAINTENANCE	11,817	3,000	3,200	200
OTHER CAPITAL EQUIPMENT	1,759	2,000	2,000	-
OTHER MINOR ACCOUNTS	188,462	5,890	4,500	(1,390)
<i>SUBTOTAL</i>	\$3,261,229	\$3,304,839	\$3,955,500	\$650,661
RECOVERY OF EXPENSES	\$(6,335)	\$(3,000)	\$(5,000)	\$(2,000)
<i>DEPARTMENT TOTAL</i>	\$3,254,894	\$3,301,839	\$3,950,500	\$648,661

The Fiscal Year 2009 Budget Request is \$4.0 million; an increase of \$649 thousand or 19.6% over the Fiscal Year 2008 Revised Budget amount. Total payroll is \$3.9 million and includes 56 positions.

Procurement continued

Department M&O Highlights:

- Salaries and Wages increased by \$400 thousand over the 2008 Revised Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased by \$230 thousand over the 2008 Revised Budget due to the SERS Pension Contribution Rate increase from 19.1% to 23.3%.
- Supplies-Office increased by \$3 thousand to support anticipated price increases during 2009.
- Advertising & Promotion increased by \$4 thousand to support vendor outreach and Diversity Program which requires a ready stock of promotional materials throughout the year.
- Employee Training increased by \$4 thousand to maintain and enhance skills of Procurement as well as Warehouse staff.
- Travel and Subsistence also increased by \$4 thousand to cover vendor outreach efforts as well as outreach to CMS in Chicago and Springfield.

Accomplishments:

- Completed audits of all 20 inventory stocking locations
- Continued to assist in implementation of increased DBE participation in all professional service consulting contracts and construction contracts.
- 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.
- Contractors for the Earned Credit Program.
- Provided improved inventory accountability and reduced opportunity for audit findings related to asset/inventory management.
- Improved reporting to department chiefs with respect to asset management, purchasing and receiving functions.
- Ensured 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.
- Continued the IDOT/Tollway Disparity Study and incorporate modifications in the DBE Special Provisions.

Procurement continued

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.
- Complete the IDOT/Tollway Disparity Study and incorporate modifications in the DBE Special Provisions.

Procurement	Number of Positions		
	Fiscal Year		
	2007	2008	2009
Position Titles			
Assistant Inventory Auditor	1	1	1
Buyer	7	7	7
Chief of Procurement	1	1	1
Clothing Room Clerk	1	0	0
Clothing Room Supervisor	1	1	1
Contract Administrator	2	2	2
Cost Analyst	2	1	1
Data Entry Clerk	1	1	1
EEO Program Mgr-Const. Svsc	1	1	1
ERP Program Manager	1	1	1
Executive Secretary	0	1	1
Information Customer Services Representative	0	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	2	2
Messenger/Drivers	9	9	9

Procurement	Number of Positions		
	Fiscal Year		
Position Titles	2007	2008	2009
Messenger Services Manager	1	1	1
Procurement & Construction Services Manager	0	0	0
Procurement & Warehouse Manager	1	1	1
Property Control Auditor	1	2	2
Property Control Supervisor	1	1	1
Purchasing Coordinator	1	0	0
Purchasing Manager	0	0	0
Purchasing Services Manager	1	1	1
Purchasing Supervisor	1	2	2
Secretary III	2	1	1
Senior Cost Analyst	1	1	1
Shipping & Receiving Auditor	1	1	1
Switchboard Operator	1	1	1
Warehouse & Materials Distribution Supervisor	1	1	1
Warehouse Manager	1	1	1
Warehouse Workers	5	5	5
	55	56	56

State Police

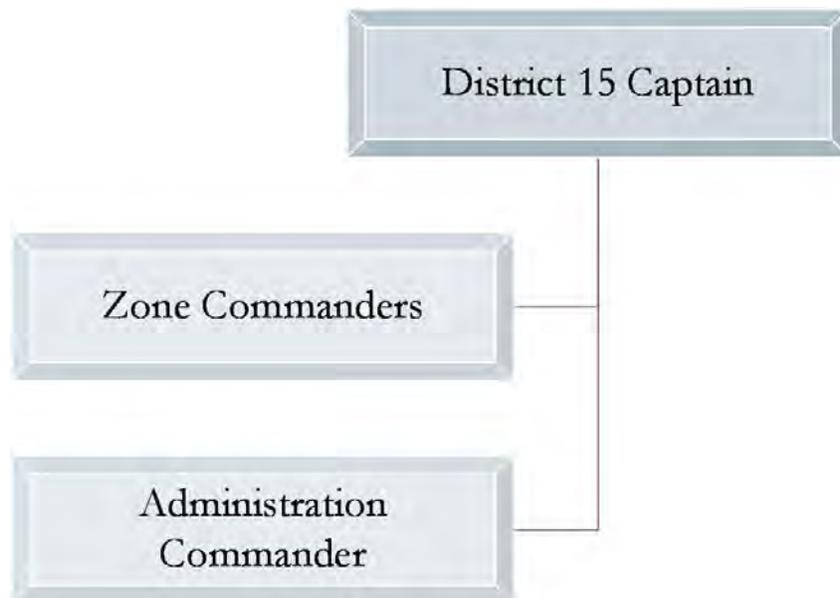
Description:

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 vehicles. 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 oversees the following functions:

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



State Police continued

MAJOR ACCOUNT DESCRIPTION	2007 Actual	2008 Revised Budget	2009 Request	\$ Change
SALARIES & WAGES	\$15,575,658	\$15,731,000	\$16,217,170	\$486,170
BENEFITS	2,390,229	3,285,482	4,062,908	777,426
GROUP INSURANCE	2,267,884	2,517,000	2,450,000	(67,000)
EQUIPMENT MAINTENANCE	110,179	150,000	174,000	24,000
POLICE EQUIPMENT	36,425	36,000	114,700	78,700
SUPPLIES - OPERATIONAL	98,978	89,000	106,000	17,000
UNIFORMS & ACCESSORIES	73,704	92,000	99,500	7,500
OTHER OUTSIDE SERVICES	52,504	75,000	75,000	-
SUPPLIES - OFFICE	19,918	28,000	35,000	7,000
REPLACEMENT PARTS	15,439	28,000	30,000	2,000
TELEPHONE & TELEGRAPH	67,891	25,000	30,000	5,000
POSTAGE AND EXPRESS	21,977	22,000	24,000	2,000
EMPLOYEE TRAINING	17,153	20,000	20,000	-
TRAVEL AND SUBSISTENCE	5,048	5,000	8,000	3,000
OTHER EXPENSES	1,313,751	980,000	-	(980,000)
OTHER MINOR ACCOUNTS	8,785	6,300	8,800	2,500
<i>SUBTOTAL</i>	<i>\$22,075,523</i>	<i>\$23,089,782</i>	<i>\$23,455,078</i>	<i>\$365,296</i>
RECOVERY OF EXPENSES	\$(34,585)	\$(30,000)	\$(87,500)	\$(57,500)
<i>DEPARTMENT TOTAL</i>	<i>\$22,040,938</i>	<i>\$23,059,782</i>	<i>\$23,367,578</i>	<i>\$307,796</i>

The Fiscal Year 2009 Budget Request is \$23.4 million; an increase of \$308 thousand or 1.3% over the Fiscal Year 2008 Revised Budget amount. Total payroll is \$20.3 million for 19 civilian positions and 196 troopers.

Department M&O Highlights:

- Salaries and Wages increased by \$486 thousand or 3.1% over the 2008 Revised Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.
- Benefits increased by \$777 thousand over the 2008 Revised Budget due to the SERS Pension Contribution Rate increase from 19.1% to 23.3%.
- Group Insurance decreased by \$67 thousand due to the transfer of troopers to other districts throughout the year.

State Police continued

- Equipment Maintenance increased by \$24 thousand due to increased contract costs for the district's laptop computer system (IWIN).
- Police Equipment increased by \$79 thousand in order to outfit the district's new squad cars.
- Operational Supplies increased by \$17 thousand due to the increased contract cost for ammunition.

Accomplishments:

- Earned third place in the Illinois Traffic Safety Challenge recognizing results-driven enforcement programs; District 15 has won awards in this statewide competition three of the last five years.
- Completed over 1,275 Seatbelt Enforcement Zones in 2008, and achieved a seatbelt compliance rate of 94.5% on the Tollway System.
- Assisted in activities leading to the lowest fatality rate in twenty-two years on the Tollway System.

Goals and Objectives:

- Partner with Toll Operations to identify toll plazas with higher-than average violation rates, to identify habitual toll violators and take proper enforcement action to encourage compliance.
- Continue to increase seatbelt compliance rate for patrons on the Tollway System by continuing to perform Seatbelt Enforcement Zones (twenty per patrol zone per month).
- 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.
- Utilize Investigations personnel to partner with the Tollway Inspector Generals to efficiently investigate criminal acts on tollway property and conduct employee background checks.
- Partner with Tollway engineers and the Traffic Incident Management System (TIMS) center, utilizing intelligence led policing concepts to promote public safety by improving in the four areas of traffic safety: Education, Enforcement, Engineering, and Emergency Medical Services.

State Police	Number of Positions		
	Fiscal Year		
Position Titles	2007	2008	2009
Administration Secretary	2	2	2
Civilian Call Taker	0	0	0
Crash Report Call Taker	2	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	4	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	<u>1</u>	<u>1</u>	<u>1</u>
Department Total	19	19	19

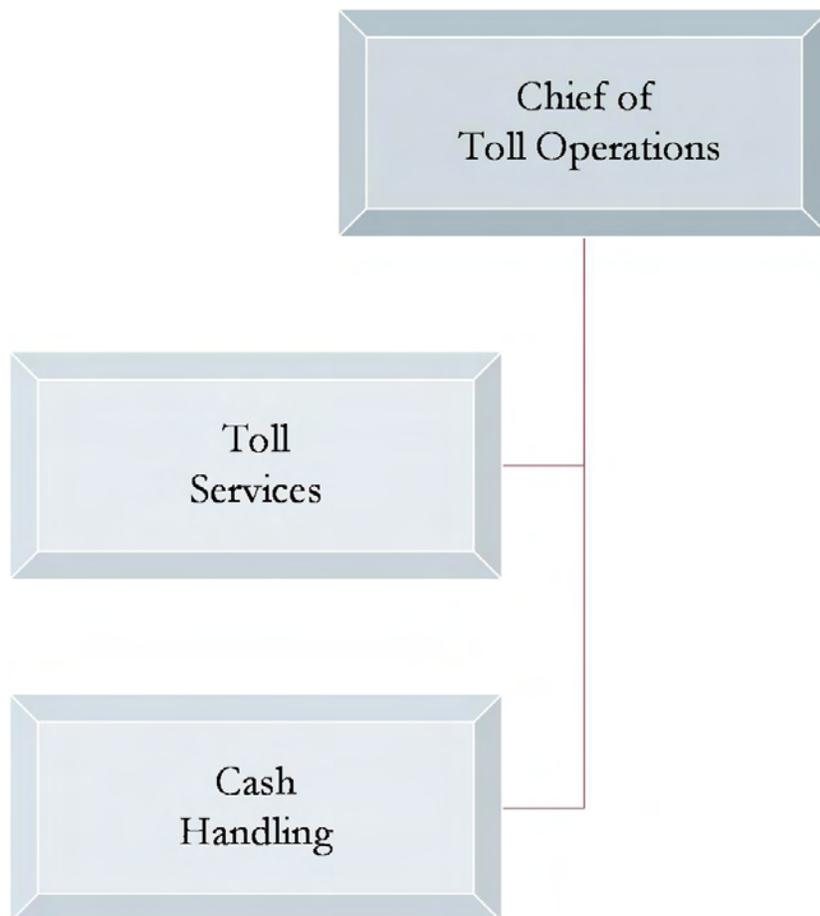
Toll Operations

Description:

The Toll Operations Department is responsible for providing the necessary resources and support services to manage and control the Tollway's toll collection and counting operations.

The Toll Operations Department oversees the following functions:

- Toll Collection
- Cash Handling
- Operational Support Services



Toll Operations continued

MAJOR ACCOUNT DESCRIPTION	2007 Actual	2008 Revised Budget	2009 Request	\$ Change
SALARIES & WAGES	\$31,412,048	\$32,218,000	\$33,498,000	\$1,280,000
BENEFITS	7,401,503	8,622,503	10,367,300	1,744,797
UTILITIES	5,098,448	5,000,000	5,000,000	-
UNIFORMS & ACCESSORIES	228,478	240,600	242,000	1,400
SUPPLIES - OPERATIONAL	181,183	162,000	156,000	(6,000)
ARMORED TRUCK SERVICE	122,826	160,000	140,000	(20,000)
SUPPLIES - OFFICE	80,307	97,900	99,500	1,600
REPLACEMENT PARTS	64,645	46,000	75,200	29,200
TRAVEL AND SUBSISTENCE	77,480	72,000	75,000	3,000
TOLL COLLECTION EQUIPMENT	-	1,500	50,500	49,000
EQUIPMENT MAINTENANCE	20,765	29,000	46,500	17,500
CONTRACTED OUTSIDE SERVICE	19,200	47,000	45,000	(2,000)
OTHER EXPENSES	2,490,139	11,600	16,500	4,900
OFFICE EQUIPMENT	3,152	3,000	10,500	7,500
EMPLOYEE TRAINING	8,664	8,500	10,000	1,500
BUILDING EQUIPMENT	7,207	8,500	10,000	1,500
OTHER OUTSIDE SERVICES	9,859	11,500	6,000	(5,500)
PRINTING	1,755	1,700	2,000	300
CASH HANDLING EQUIPMENT	818	1,300	2,000	700
DUES, BOOKS & SUBSCRIP.	69,896	1,000	1,500	500
OTHER MINOR ACCOUNTS	11,859	8,800	4,200	(4,600)
DEPARTMENT TOTAL	\$47,310,232	\$46,752,403	\$49,857,700	\$3,105,297

The Fiscal Year 2009 Budget Request is \$49.9 million, an increase of \$3.1 million or 6.6% over the Fiscal Year 2008 Revised Budget amount. Total payroll is \$43.9 million and includes 694 positions.

Department M&O Highlights:

- Salaries and Wages increased by \$1.3 million over the 2008 Revised Budget. This increase reflects annual salary increases; increases required by collective bargaining agreements; and funding for currently vacant positions.

Toll Operations continued

- Benefits increased by \$1.7 million over the 2008 Revised Budget due to the SERS Pension Contribution Rate increase from 19.1% to 23.3%.
- Armored Truck Service decreased by \$20 thousand due to efficiencies and volume decrease.
- Replacement Parts increased by \$29 thousand to maintain ready inventory of parts for coin counting machines.
- Toll Collection Equipment increased by \$49 thousand to cover the purchase of new currency counting machines at all Plazas.
- Equipment Maintenance increased by \$18 thousand to cover maintenance contract costs associated with the new currency counting machines.
- Office Equipment increased by \$8 thousand for the purchase of filing cabinets, printers and 23 shredders.

Accomplishments:

- Completed implementation of Plaza Cash Management System (PCMS) at all mainline toll plazas to allow for recording of toll collector money bag deposits via a scanner instead of manual recording.
- Continued 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.
- Lowered mileage paid road-wide to all toll collectors relocated to more distant plaza locations by approximately \$6 thousand.
- For the fourth consecutive year, improved operational controls and training of personnel to reduce total number of TC-32's (toll collector overage/ shortage variances).

Goals and Objectives:

- Introduce Over Dimensional Vehicle (ODV) permitting which will electronically record all truck permits on the system.
- Negotiate new Collective Bargaining Agreement with SEIU Local 73 for all Toll Collection and Money Room union employees.
- Continue to adjust staffing levels based on traffic demand.
- Continue to reduce mileage compensation paid to Toll Collectors relocated to more distant toll plazas.
- Continue to reduce toll collector's cash variances
- Train all Plaza Management in life saving CPR.
- Retain all Collector's In Charge (CIC).

Toll Operations	Number of Positions		
	Fiscal Year		
	2007	2008	2009
Positions			
Administrative Support Manager	1	1	1
Building Maintenance Manager	0	0	0
Business System Project Administrator	1	0	0
Business System Project Manager	1	0	0
Carpenter Shop Clerk	0	0	0
Carpenter Shop Manager	0	0	0
Cash Handling Manager	1	1	1
Cash Handling Supervisor	1	1	1
Chief of Operations	1	1	1
Clerk	0	0	0
Coin Counter Full-Time	15	16	16
Commercial I-PASS Account Manager	1	0	0
Custodian II	0	0	0
Custodian III	0	0	0
Custodian Manager	0	0	0
Custodian Supervisor	0	0	0
Customer Services Representative - I-PASS	10	0	0
Customer Services Representative - Mobile I-PASS	0	0	0
District Supervisor	3	3	3
Equipment Operator Laborer	0	0	0
Executive Secretary	1	1	1
E-Z Pass Analyst	1	0	0
Facility Services Manager	0	0	0
General Manager Toll Services	1	1	1
General Manager I-PASS & Business Partnership	1	0	0
Generator Maintenance Technician	0	0	0
I-PASS Analyst	1	0	0
I-PASS Clerk	4	0	0
I-PASS Commercial Supervisor	1	0	0
I-PASS Customer Services Representative	6	0	0

Toll Operations	Number of Positions		
	Fiscal Year		
	2007	2008	2009
Positions			
I-PASS Inventory Specialist	1	0	0
I-PASS Manager	1	0	0
I-PASS Operations Supervisor	1	0	0
I-PASS Senior Supervisor	1	0	0
I-PASS Special Project Supervisor	1	0	0
I-PASS Supervisor	1	0	0
Lane Walker	0	0	0
Lead Supervisor Money Room	1	1	1
Mechanical Electrical	0	0	0
Mobile I-PASS/CSR	2	0	0
Mobile I-PASS Program Supervisor	1	0	0
Mobile I-PASS Supervisor	0	0	0
Money Room Clerk	1	1	1
Money Truck Driver	11	12	12
Office Supervisor	1	1	1
Operational Planning Analyst	1	0	0
Operations Project Administrator	3	0	0
Painter	0	0	0
Plaza Manager	23	23	23
Plaza Supervisor	37	37	37
Project Administrator	2	0	0
Secretary II	1	1	1
Secretary III	3	1	1
Structural	0	0	0
Supervisor Money Room	1	1	1
System Maintenance Technician	0	0	0
Toll Collector	602	602	590
Toll Compliance Specialist	1	1	1
Toll Services Manager	0	0	0
	748	706	694



Capital Program

The fiscal year 2009 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 fifth year of the \$6.3 billion, multi-year, Congestion-Relief Program (CRP), the largest capital improvement program in its 50 year history. In fiscal year 2009, \$977.1 million is allocated to the CRP and \$118.6 million is allocated to support other needs such as roadway equipment and vehicles, building repair and improvements, and technological equipment and enhancements.

Fiscal Year 2009 - Capital Program

(\$ in millions)

	2007 Actual (earned)	2008 Budget	2009 Request
Tri-State Tollway (I-294/ I-94)	\$ 350.1	\$ 738.6	\$ 562.9
Jane Addams Memorial Tollway (I-90)	30.9	112.6	121.6
Reagan Memorial Tollway (I-88)	172.9	272.4	140.2
Veterans Memorial Tollway (I-355)	352.6	38.2	40.9
Open Road Tolling (ORT)	102.5	20.5	-
Systemwide Improvements	38.9	88.5	111.6
Congestion-Relief Program Subtotal	\$ 1,047.9	\$ 1,270.8	\$ 977.1
* "Other" Capital Projects Subtotal	\$ 52.1	\$ 108.6	\$ 118.6
TOTAL CAPITAL PROGRAM	\$ 1,100.0	\$ 1,379.4	\$ 1,095.7

* \$60m Estimated to be Earned in 2009

Exhibit 23

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, and 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 2009, approximately \$212 million of current revenues and \$700 million in new bond proceeds will be combined with balances in the Renewal/Replacement Account, Improvement Account and Construction Fund to finance 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 2009 capital budget is comprised of the fifth 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 2009 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 many miles of toll roads;
- Extending I-355 south to accommodate the needs of growing communities (*opened 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 context sensitive improvements such as noise walls and bike paths; and
- Implementing Intelligent Transportation Systems to better serve its customers.

Capital Planning

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 promotes a fair distribution of benefits by meeting the needs of one community.

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 instrumental in the successful development and implementation of regionally significant projects. Additionally, ongoing dialog with local businesses promotes 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 needs and to 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 a transparent fashion. The process includes analyzing and evaluating the needs of the Tollway and its surrounding communities, developing strategies to increase system efficiency, taking into consideration the condition of 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. Projects are evaluated 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 traffic flow and 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 condition 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 alternative plans based on budget constraints, and recommendations are presented to key decision makers. Alternatives continue to be developed until a final program is established. The public has several opportunities to get involved during the comprehensive planning process when the Tollway reaches out to communities by attending local board meetings, meeting 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 related to revenues and expenditures as well as fund balances. The proforma cashflow model allows the Tollway to assess alternative debt structures, and provides an analysis of the impact of various debt financing options on net revenues considered for debt service and fund balances.

The Tollway has issued \$2.85 billion par amount of debt in 2005-2008 to finance a portion of its \$6.3 billion CRP, and will issue another \$800 million par amount during 2009. 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 an important achievement. Two significant reasons are (a) the Tollway's proactive 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;
- 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); and
- appropriately managing the variable rate /fixed rate balance of its debt portfolio.

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 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 the 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 ongoing 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 of projects as requested by the Chief of Finance.

The revised proposed project list is compiled and reviewed again with the department chiefs prior to presentation to Executive Management. Review and sign off is completed by the 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.

Use of Funds

Fiscal year 2009 capital expenditures are related to the fifth 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 Systemwide 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 2009 capital budget for the Tri-State Tollway corridor is \$562.9 million. The Tri-State Tollway (I-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 just south of the Wisconsin State Line. As part of the Congestion-Relief Program (CRP), the Tollway is planning to invest nearly \$2.1 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 4 lanes in each direction. By the end of 2008, all of the contracts required to complete this work will have been obligated and nearly \$1,331.7 million will have 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 \$279.1 million; four lanes are now open in both directions. Phase II includes the reconstruction and widening of approximately 11.3 miles in both directions from 159th Street to 95th Street which began in 2007.

Approximately \$177.4 million is budgeted for 2009 mainline rebuild and widen work from 159th Street to 95th Street. Northbound construction is scheduled to begin in 2009. Rebuild and widen work includes reconstruction of the 95th Street and Cicero Avenue/127th Street interchanges as well as noise walls. Fourteen local crossroads that run underneath the Tollway will be impacted by construction with daily lane closures affecting; 147th Street, Kedzie Avenue, Rexford Road, Crawford Road, Midlothian Turnpike, 135th Street, 131st Street, Ridgeland Avenue, 115th Street, 111th Street, 107th Street, SW Highway, Harlem Avenue, and 95th Street.

Central/North 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. This work is divided into two sections 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 area includes new retaining walls, noise walls, and the 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.

A total of \$133.6 million and \$125.7 million is estimated to be expended in 2008, with a 2009 projected spending of \$44.8 million and \$124.9 million for the Balmoral Avenue to Dempster Street and Dempster Street to Lake-Cook Road projects respectively.

The Tri-State Corridor includes reconstruction and widening of approximately 19.5 miles of the North Tri-State Tollway from Half Day Road to IL Route 137. 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 Tollway will also resurface from Russell Road to the Wisconsin State Line. The 2009 capital budget allocates \$214.5 million for the north Tri-State Tollway work. By year end, \$100.2 million and \$135.9 million is estimated to be expended in 2008, with 2009 projected spending of \$136.7 million and \$77.8 million for both sections respectively. 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.

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

Project	Scope	Length (miles)	Estimated Construction Period	2009 Request (millions)
Reconstruct				
Reconstruct / Add Lane	159 th Street to 95 th Street (MP 6.3 to 17.6)	11.3	2007-2009	\$177.4
Reconstruct / Add Lane	Balmoral Avenue to Dempster Street (MP 40.2 to 44.5)	4.3	2006-2009	\$44.8
Reconstruct / Add Lane	Dempster Street to Lake Cook Road (MP 44.5 to 52.9)	8.4	2007-2010	\$124.9
Reconstruct / Add Lane	Half Day Road to IL 137 (MP 56.5 to 64.4)	7.9	2007-2009	\$136.7
Reconstruct / Add Lane	IL 137 to Russell Road (MP 64.4 to 78.5)	14.1	2007-2009	\$77.8
Sub Total:				\$561.6
Regional Growth				
Interchange Improvement	I-294/ I-57 Interchange Inter-Agency Project	0	2016	\$1.3
Sub Total:				\$1.3
Tri-State Tollway Total:				\$562.9



Concrete pavement being recycled on site with portable crushers for reuse in new pavement section on the South Tri-State (I-294)

Jane Addams Memorial Tollway (I-90)

The current CRP budget for the Jane Addams Memorial Tollway is \$777.3 million. The Jane Addams Memorial Tollway runs in a northwest direction from near O'Hare International Airport to near South Beloit. By the end of 2008 \$177.1 million is estimated to be expended, which includes approximately \$140.3 million expended solely in 2008. The 2009 capital budget for the Jane Addams Memorial Corridor is \$121.6 million.

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 in early 2008, the contracts required to reconstruct and widen the section of roadway from Newburg Road to Rockton Road in the eastbound direction were awarded. By late spring, all traffic was shifted to the westbound side of the road while the 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.

Jane Addams Memorial Tollway (I-90)

Project	Scope	Length (miles)	Estimated Construction Period	2009 Request (millions)
Reconstruct				
Interchange Improvement	I-39/ I-90 Interchange (MP 60.8 to 62.4)	0	2008-2009	\$27.1
Reconstruct / Add Lane	Newburg Road to Rockton Road (MP 61.8 to 76.1)	14.3	2008-2009	\$88.1
Sub Total:				\$115.2
Regional Growth				
Interchange Improvement	East Riverside Interchange Inter-Agency Project	0	2008	\$6.5
Sub Total:				\$6.5
Design				
Master Plan for Reconstruct / Add Lane	Kennedy Expressway to Newburg Road (MP 0.0 to 61.8) - Design Only	61.8	2007-2009	\$0.0
Sub Total:				\$0.0
Jane Addams Memorial Tollway Total:				\$121.6

Reagan Memorial Tollway (I-88)

The current CRP budget for the Reagan Memorial Tollway (I-88) is \$1,027.4 million. In 2008, an estimated \$296.5 million will be expended bringing total spending to approximately \$605 million. The 2009 capital budget for the Reagan Memorial Tollway Corridor is \$140.2 million. The Reagan Memorial Tollway runs east-west from Hillside to Rock Falls.

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 2009 capital budget for this project is \$31.0 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.

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 2009, \$49.9 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.

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; completion is scheduled by the end of 2009. 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 2009 capital budget allocates \$12.9 million for this project.

Aurora Toll Plaza to Orchard Road

The 2009 capital budget for work from the Aurora Toll Plaza to Orchard Road is \$46.4 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 is being constructed immediately south of the existing bridge. Additional work includes replacement of the existing Fox River Bridge beginning in 2009, 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.

Ronald Reagan Memorial Tollway (I-88)

Project	Scope	Length (miles)	Estimated Construction Period	2009 Request (millions)
Reconstruct				
Reconstruct / Add Lane	York Road to IL 83 (MP 137.0 to 139.2)	2.2	2007-2009	\$31.0
Reconstruct / Add Lane	IL 83 to Finley Road (MP 131.9 to 137.0)	5.1	2008-2009	\$49.9
Reconstruct / Add Lane	Finley Road to Washington Street (MP 126.5 to 132.2)	5.7	2006-2009	\$12.9
Reconstruct / Add Lane	Aurora Plaza to Deerpath Road (MP 114.3 to 117.5)	3.2	2007-2009	\$46.4
Reconstruct / Add Lane	Deerpath Road to IL 56 (MP 113.3 to 114.3)	1.0	2015	\$0.0
Sub Total:				\$140.2
Ronald Reagan Memorial Tollway Total:				\$140.2



Fox River 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. By the end of 2008 over \$736.4 million will be spent on widening, rehabilitating and extending the Veterans Memorial Tollway as part of the Congestion-Relief Program. The 2009 capital budget for the Veterans Memorial corridor is \$40.9 million.

75th Street to Ogden Avenue

This 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 began in April 2008 and will be completed in late 2008. Southbound resurface and widen work will begin in April 2009

Additional work includes the installation of noise walls and retaining walls, as well as widening existing mainline bridges over Jackson Avenue, Hitchcock Avenue and Burlington Northern Railroad.

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.

Additional work which began in late 2008 included two landscaping projects covering the north and the south portions of the South Extension and a roadside improvement project which includes roadside enhancements, noise analysis, fuel tanks, installation of access roads, and environmental work.



Des Plains River Valley Bridge

Veterans Memorial Tollway (I-355)

Project	Scope	Length (miles)	Estimated Construction Period	2009 Request (millions)
Restore				
Resurfacing / Add Lane	75th Street to I-88 (MP 15.5 to 20.0)	4.5	2008-2009	\$37.9
Resurfacing	I-55 to Army Trail Road	13.0	2009-2011	\$1.5
Sub Total:				\$39.4
Regional Growth				
South Extension	I-355 South Extension (I-55 to I-80)	12.5	2004-2007	\$1.4
Sub Total:				\$1.4
Veterans Memorial Tollway Total:				\$40.9



Northbound view of the Des Plaines River Valley Bridge

Open Road Tolling

The work to convert 20 mainline toll plazas to Open Road Tolling (ORT) for non-stop I-PASS travel, was completed on budget and on schedule in 2006. As part of the Congestion-Relief Program the Tollway invested nearly \$730 million to provide for systemwide 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.



Open Road Tolling at the South Beloit Toll Plaza

Systemwide Projects

The 2009 capital budget allocates \$111.6 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 \$664.7 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 of pavement condition evaluations, bridge inspections and the review of various roadway appurtenances by the Tollway's general Consulting Engineer. Appurtenances included drainage structures, embankments, guardrails, barriers, pavement markings, fencing, signage, lighting, and other miscellaneous structures.

Systemwide Improvements

Project	Scope	Length (miles)	Estimated Construction Period	2009 Request (millions)
Systemwide Needs				
Bridge Improvements	Bridge Improvements	-	Annual	\$38.3
Plaza Improvements	Plaza Improvements	-	Annual	\$0.0
Interchange Improvements	Interchange Improvements	-	Annual	\$34.7
Environmental / Program Mgmt & Miscellaneous	Systemwide	-	Annual	\$15.3
Pavement Improvements	Pavement Improvements	-	Annual	\$23.2
Systemwide Total:				\$111.6

2009 Other Capital Projects

In addition to the Congestion-Relief Program, other capital projects are needed to support on-going operations of the Tollway and ensure that the existing roadway network is maintained and safe for travel. While the CRP is the largest component of the Tollway's Capital Program, other elements include new technologies to manage congestion, reduce travel time and provide enhanced customer service; improvements to maintenance buildings and other structures to maintain the Tollway's assets; and additional equipment for the State Police and maintenance staff to improve efficiency and enhance public safety. The 2009 capital budget allocates \$118.6 million which includes \$58.6 million for 2008 carryovers and \$60.0 million for 2009 new requests. The Tollway anticipates that approximately \$60 million will be expended in 2009.

Building Repairs and Maintenance

The 2009 capital budget allocates \$22.2 million for Building Repairs and Maintenance. This includes nearly \$11.8 million for upgrades to 12 maintenance yard facilities, repairs to salt domes, and HVAC unit replacements and expansions. Additionally, \$3.9 million is included for roof replacements, UPS units, lighting upgrades, and other similar improvements systemwide. Also included is \$2.6 million of upgrades to the Central Administration Building, such as fire safety/prevention improvements and electrical upgrades. Approximately \$3.9 million is allocated for plazas and radio towers, which includes oases automatic access gates, a new disaster recovery center, tower preservation, and M4 tower replacement.

Equipment

The Tollway has allocated nearly \$61.6 million to the Equipment portion of the 2009 capital budget. Approximately \$35.5 million will be devoted to upgrade various technologies, including electronic tolling disaster recovery implementation and system enhancements, transponder purchases, Next Generation Network, LAN/WAN, Oasis Mobile I-PASS, and security improvements. The 2009 capital budget for Equipment also includes \$13.5 million for replacement and new roadway vehicles and trucks; approximately \$1.8 million for equipment machinery/ tools, and other miscellaneous equipment purchases.

The Equipment portion of the capital budget also includes nearly \$10.8 million for Intelligent Transportation Systems (ITS), which provides real time feedback on major roadway traffic conditions. ITS collaborates vital data from field equipment, such as Closed Circuit TV (CCTV) cameras, Dynamic Message Signs (DMS), Road Weather Information Systems (RWIS), and Remote Traffic Microwave Systems (RTMS). This timely data is further integrated by the Traffic Information Management System (TIMS) which allows the Tollway to manage incidents quickly and proficiently in an effort to improve traffic flow and alleviate congestion. ITS budgeting also includes Phase I implementation of a Weigh-in-Motion System which helps protect the integrity of the pavement by detecting overweight loads moving on the roadway, in real time. This enables the accurate deployment of overweight vehicle enforcement by the Illinois State Police.

Professional Services

The 2009 capital budget for Professional Services related to capital projects is \$17.3 million. This includes environmental services required for road improvements, management services related to maintenance facilities, general engineering and traffic engineering consulting, as well as financial services necessary for the implementation of the capital program.

Roadway

The Tollway allocated \$17.4 million for the roadway portion of the capital budget. This includes annual roadway and facility maintenance costs, parking lot expansions, systemwide pavement marking, aerial surveying, and other miscellaneous improvements to support the Congestion-Relief Program.

2009 OTHER CAPITAL PROJECT HIGHLIGHTS	2008 Carryover	2009 New Request	2009 Budget
\$'s in thousands (1,000)			
BUILDING REPAIRS AND MAINTENANCE	15,006.1	7,229.8	22,235.8
MAINTENANCE SITES	6,811.5	4,971.2	11,782.7
Roadway Maintenance Yard Facility Repairs - M1 thru M14	4,636.7	4,347.2	8,983.9
Salt Dome Repairs - M2 Cermak, M14 Finley & M12 IL Route 251	933.6	-	933.6
Boiler Replace - M11 DeKalb & M12 Dixon	-	380.0	380.0
Rebuild & Remodel Restrooms - M4 Grand, M6 Marengo & M7 Rockford	180.0	180.0	360.0
Replace Air Make-Up Units - CSC Finley	300.0	-	300.0
Inground Vehicle Hoist Replacement - M3 Touhy, M4 Grand & CAG Finley	210.0	-	210.0
HVAC Rooftop Units Replace & Upgrade - M3 Touhy, M14 Finley & CW	155.2	35.0	190.2
Install Generator - CSC Finley	160.0	-	160.0
Coray Vac Infrared Heating System Replacement - M1, M2 & M4 thru M8	100.0	-	100.0
Other Miscellaneous Projects	136.0	29.0	165.0
SYSTEMWIDE	2,130.0	1,765.5	3,895.5
Roof Replace, excluding new ORT Plazas & Plaza 89 Bldg Facility	550.0	500.0	1,050.0
Upgrade HVAC Network Control System	400.0	600.0	1,000.0
Replace UPS Units	-	665.5	665.5
Asbestos Removal	500.0	-	500.0
Upgrade HVAC	350.0	-	350.0
Lighting Upgrades	300.0	-	300.0
Modular Partitions	30.0	-	30.0
CENTRAL ADMINISTRATION	2,533.0	68.0	2,601.0
Replace Liebert Units AC Backup System	622.9	-	622.9
Replace Main Fire Panel	616.1	-	616.1
Electrical Main Service & Back-Up Emergency Electrical Upgrade	250.0	-	250.0
Update Halon Fire Suppression System	230.0	-	230.0
Cooling Tower Upgrades	222.0	-	222.0
Upgrade VAV System & Perimeter Radiation Controls	186.0	-	186.0
Plant Renovation/ Display Cases	111.0	-	111.0
Cafeteria Sliding Door w/ Controlled Access	100.0	-	100.0
Other Miscellaneous Projects	195.0	68.0	263.0
PLAZAS	2,611.6	125.0	2,736.6
Oases Automatic Access Gates	1,125.0	125.0	1,250.0
New Disaster Recovery Data Center	1,121.6	-	1,121.6
Replace Heating & AC Units (Electric) - Unmanned Sites	200.0	-	200.0
Replace Portable AC Units (2) with Central Air - DR Site PL-35 Cermak	85.0	-	85.0
Replace Heating & AC Units (Gas) - Unmanned Sites	80.0	-	80.0
RADIO TOWER	920.0	300.0	1,220.0
Tower Preservation	470.0	-	470.0
Replace Tower M4 Grand	450.0	-	450.0
Generator Replace & Electrical Services Upgrade - Lisle	-	300.0	300.0

2009 OTHER CAPITAL PROJECT HIGHLIGHTS	2008 Carryover	2009 New Request	2009 Budget
	\$'s in thousands (1,000)		
EQUIPMENT	31,697.4	29,870.8	61,568.2
TECHNOLOGY	17,509.7	18,013.6	35,523.2
Transponder Purchases	-	11,000.0	11,000.0
Enterprise Resource Planning System	11,000.0	-	11,000.0
TRMMP Disaster Recovery Services & Implementation	-	4,264.9	4,264.9
Mainframe Legacy System Replacement and Upgrade	1,000.0	-	1,000.0
Electronic Tolling Operations System Enhancements	-	989.0	989.0
Cameras Digital/ Video In-Car - State Police	902.7	-	902.7
Web and E-Commerce	585.3	200.0	785.3
LAN/ WAN Maintenance Upgrade	521.9	-	521.9
Computer Infrastructure Modernization	-	500.0	500.0
Oasis Mobile I-PASS/ Customer Service Stores	485.2	-	485.2
Security Improvements	50.0	345.0	395.0
Disaster Recovery System	358.4	-	358.4
1 Giga Ethernet Upgrade	350.0	-	350.0
Replace Plaza Intercom	350.0	-	350.0
Next Generation Network (NGN)	342.4	-	342.4
IWIN Computers	331.9	-	331.9
800 HZ Communication Upgrade Radio Replacement	250.0	-	250.0
Dispatch Logging Recorder	195.0	-	195.0
Replace Field Server	184.9	-	184.9
Contingency Software Needs	80.1	100.0	180.1
Help Truck Incident Camera System	-	168.0	168.0
DVD Security Cameras and Equipment	150.0	-	150.0
LiveScan Machines	-	120.0	120.0
Other Miscellaneous Projects	371.9	326.6	698.5
INTELLIGENT TRANSPORTATION SYSTEMS	6,140.0	4,634.3	10,774.3
ITS and Fiber Optics Program Management and Support	200.0	1,234.3	1,434.3
Weigh-In-Motion Installation	-	1,000.0	1,000.0
CCTV and RTMS Installation Tri-State Balmoral - Russell	1,380.0	-	1,380.0
CCTV Install & Relocate - Systemwide	1,225.0	-	1,225.0
TIMS Operation and Maintenance	50.0	1,000.0	1,050.0
TIMS Security - NGN Migration	1,000.0	-	1,000.0
Dynamic Message Sign Installation	700.0	700.0	1,400.0
Wireless CCTV Installation Tri-State IL 394 - I-55	500.0	100.0	600.0
Fiber Optics Design Upon Request	500.0	-	500.0
ITS Design and Construction Upon Request	-	500.0	500.0
Gateway ATMS Enhancement	150.0	100.0	250.0
Video Incident Detection	200.0	-	200.0
Upgrade Road Weather Information System (RWIS)	150.0	-	150.0
Other Miscellaneous Projects	85.0	-	85.0
ROADWAY VEHICLES AND TRUCKS	6,938.2	6,578.0	13,516.2
Vehicles and Trucks	6,838.2	6,578.0	13,416.2
Fleet Emission Reduction Initiative	100.0	-	100.0
EQUIPMENT MACHINERY/TOOLS	594.0	45.0	639.0
Trailer Mounted Portable Generators (Six)	300.0	-	300.0
Standby Generators for Plazas (Fourteen)	135.0	-	135.0
Other Miscellaneous	159.0	45.0	204.0

2009 OTHER CAPITAL PROJECT HIGHLIGHTS	2008 Carryover	2009 New Request	2009 Budget
	\$'s in thousands (1,000)		
EQUIPMENT (Continued)	31,697.4	29,870.8	61,568.2
MISCELLANEOUS EQUIPMENT SYSTEMWIDE	320.0	500.0	820.0
Capital Equipment Purchases	320.0	300.0	620.0
Replace Automatic Coin Machine Cabinet	-	200.0	200.0
STATE POLICE	195.5	100.0	295.5
Automatic External Defibrillator	195.5	-	195.5
Indoor Firing Range Target Retrieval System	-	100.0	100.0
PROFESSIONAL SERVICES	4,942.4	12,400.0	17,342.4
MISCELLANEOUS PROJECTS	1,414.6	12,400.0	13,814.6
General and Traffic Engineering Consulting Services	450.0	8,550.0	9,000.0
Pavement Roadway Management Services	500.0	1,250.0	1,750.0
Maintenance Facility Program Manager	-	1,500.0	1,500.0
Manpower for Construction Sites - State Police OT	-	500.0	500.0
Right-of-Way & Survey Services	-	500.0	500.0
Congestion Pricing Study	364.6	-	364.6
Print & Web Plan Services, Advertising	100.0	100.0	200.0
ENVIRONMENTAL	2,461.0	-	2,461.0
Biotic and Aquatic Species Surveys	1,808.8	-	1,808.8
IL State Geological Survey	498.3	-	498.3
Salt Spray Studies - Veterans Memorial	154.0	-	154.0
DIVERSITY AND EEO PROGRAMS	401.8	-	401.8
Diversity Program	401.8	-	401.8
GEOGRAPHIC INFORMATION SYSTEM	225.0	-	225.0
Infrastructure Management Services	225.0	-	225.0
FINANCIAL	440.0	-	440.0
Trustee and Bond Transactional Advisors Fees	152.0	-	152.0
Miscellaneous Project Wrap-Up Costs	100.0	-	100.0
General Financial Advisors	88.0	-	88.0
Other Miscellaneous Services	100.0	-	100.0
ROADWAY	6,944.3	10,494.5	17,438.8
MAINTENANCE, REPAIRS AND IMPROVEMENTS	5,331.8	9,744.5	15,076.3
CRP Phase II Start-Up	-	5,000.0	5,000.0
Annual Roadway & Facility Maintenance	-	3,600.5	3,600.5
Misc Repairs, Clean Drainage System, Guardrail, Fence	3,504.3	-	3,504.3
Pavement Marking	909.5	940.0	1,849.5
Aerial Photograph Survey Update	500.0	-	500.0
CA Parking Lot Expansion	390.0	-	390.0
Oasis Truck Parking Expansion at Lake Forest	-	200.0	200.0
Other Miscellaneous Projects	28.0	4.0	32.0
SIGNAGE	1,612.5	750.0	2,362.5
Roadway Signing for Sign Shop	-	750.0	750.0
Aluminum Extrusion Refurbishing	112.5	-	112.5
Roadway Sign Upgrades and Enhancements	1,500.0	-	1,500.0
2009 OTHER CAPITAL PROJECTS TOTAL	58,590.2	59,995.1	118,585.3

Capital Projects Operating Impacts

The capital program is an integral element of the Tollway's budgeting process. The cost of operating new and enhanced 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 19% and 25% 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's responsibilities include design, construction and maintenance of the roadway. These two departments are 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 2009, Toll Operations has a budgeted headcount of 694 employees. The headcount for this department has decreased substantially as the Open Road Tolling projects have come on-line 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 and 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 maintaining the desired quality, agreed budget and schedule.
- 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.

From 2005 to 2009 the number of Engineering personnel has increased by 36. The implementation of the CRP has had two effects on the Engineering Department. In the design and construction areas, additional engineers are required to implement the design and construction phases of the projects. The second effect of the CRP implementation is 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.

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 necessary actions to bring the anticipated project performance into line with the project plan.

- Change Order Reports reflect the original budget and indicate 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 Management 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 Contract Cost Change Controls Committee (C5) 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
Executive Director	Up to \$150,000
Chairman	Up to \$200,000
Board	Over \$200,000

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.

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 billion 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, 2009, the Tollway has scheduled principal payments due totaling \$52,750,000. After making these principal payments on January 1, 2009, the Tollway has \$3,340,140,000 par amount of bonds outstanding. Bonds which have financed a portion of the CRP total \$2,877,860,000, and the remaining \$462,280,000 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, 2009.

Illinois Tollway Outstanding Bonds as of January 1, 2009*

<u>Series</u>	<u>Maturing</u>	<u>Principal Outstanding</u>	<u>Interest Rate</u>
1992 Series A	1/1/2012	\$100,665,000	Fixed
1993 Series B	1/1/2010	44,400,000	Variable
1998 Series A	1/1/2016	194,115,000	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	291,660,000	Fixed
2007 Series A-1**	7/1/2030	350,000,000	Variable
2007 Series A-2**	7/1/2030	350,000,000	Variable
2008 Series A-1**	1/1/2031	383,100,000	Variable
2008 Series A-2**	1/1/2031	383,100,000	Variable
2008 Series B	1/1/2033	<u>350,000,000</u>	Fixed
Totals		\$3,335,030,000	

* Amounts shown are after any payments due on 1/01/2009, the funds for which are remitted to the Trustee in the previous fiscal year.

** CRP financing.

Exhibit 25

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.

Planned 2009 Debt Issuance

An additional \$800 million of bond financing is expected to be issued in 2009 to finance the Congestion-Relief Program. This budget assumes that the \$800 million bonds will be issued as follows: \$400 million on April 1, 2009 and \$400 million on October 1, 2009. These financings represent the expected completion of the debt financed portion of the Congestion-Relief Program financing.

In addition to the financings described in the preceding paragraph, there may also be 2009 bond financing needs associated with the recently announced Congestion-Relief Program Phase Two – Tomorrow's Transportation Today. An estimated \$85 million will be allocated for Phase Two initiatives in 2009. It is anticipated that these costs would be funded from the proceeds of junior lien bonds that would pay no interest or principal in 2009.

Debt Service Obligations

The Tollway's budget for debt service assumes \$800 million of bonds expected to be issued in 2009. Interest on a portion of the 2009 bonds will be capitalized through June 30, 2010. The following graph shows debt service net of any actual and projected amounts of capitalized interest.

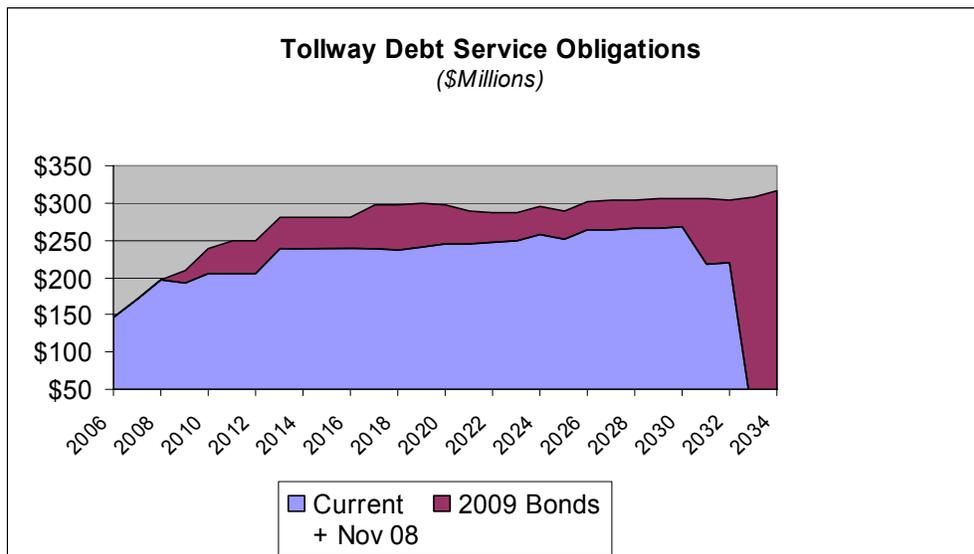


Exhibit 26

The duration of the Tollway's Bonds and level of graduation of its debt service are very reasonable given the long average economic life of the assets financed and the projected growth of Tollway revenues.

Security for the Bonds

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 2007 debt service coverage was 2.4x, 2008 debt service coverage is estimated at 2.2x and 2009 debt service coverage is projected at 2.0x, 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 December 1, 2008, MADS is \$261.7 million (the debt service obligation for fiscal year 2030), and the Debt Reserve Account has a market value of \$263.3 million, consisting of \$163.3 million in investments and a \$100 million surety bond policy from Berkshire Hathaway Assurance Corporation. Taking into account the projected debt service on the 2009 new issues, MADS would increase to \$310 million. The Debt Reserve Account also includes a Surety Policy from MBIA, but this policy is currently not accorded any value in the Debt Reserve Account due to downgrades of MBIA's ratings during 2008. The surety from MBIA was originally purchased in connection with the Series 1993 bonds and it expires when the 1993 Bonds mature on January 1, 2010. As a result of the rating downgrades, the Tollway may choose to replace the MBIA surety in advance of its expiration.

Debt Service Coverage Ratios

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 2003 through 2007, estimated debt service coverage for 2008 and budgeted debt service coverage for 2009.

	Actual					Estimated	Budgeted
	2003	2004	2005	2006	2007	2008	2009
Operating Revenues	\$430,804	\$423,427	\$613,034	\$606,954	\$637,794	\$670,000	\$680,000
Operating Expenses	<u>\$187,300</u>	<u>\$198,302</u>	<u>\$205,575</u>	<u>\$213,510</u>	<u>\$222,295</u>	<u>\$244,600</u>	<u>\$258,000</u>
Net Operating Revenues	\$243,504	\$225,125	\$407,459	\$393,444	\$415,499	\$425,400	\$422,000
Debt Service Net Revs After Debt Service	<u>\$109,552</u>	<u>\$48,380</u>	<u>\$99,366</u>	<u>\$145,643</u>	<u>\$172,168</u>	<u>\$195,949</u>	<u>\$210,000</u>
Debt Service Coverage (X)	2.22	4.65	4.10	2.70	2.41	2.17	2.01

Exhibit 27

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. The underlying ratings of the Tollway's bonds are Aa3, AA- and AA- by Moody's Investor Services, Fitch Ratings and Standard and Poor's, respectively. These ratings were confirmed in February 2008 in connection with the Tollway's issuance of the 2008 Series A-1 & A-2 Senior Refunding Revenue Bonds and again in November 2008 in connection with the Tollway's issuance of the 2008 Series B Senior Priority Revenue Bonds.

Interest Rate Exchange Agreements

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 a variable rate of interest intended to approximate the variable rate of interest owed to bondholders. 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. The Tollway has entered into one swap for the Series 1993B Bonds, two swaps for the Series 1998B Bonds, four swaps for the Series 2007 Bonds and four swaps for the Series 2008 Bonds.

The Series 1993B and 1998B Swaps were entered into as "interest-cost-based" swaps – swaps in which swap providers pay a variable rate amount equal to the variable rate amount owed to bondholders. In certain events, these swaps may convert to SIFMA-based Swaps, in which the swap providers pay a variable interest rate amount based on an index known as the USD SIFMA Municipal Swap Index. In the third quarter of 2008 an event occurred which changed the 1993B Swap from an interest-cost-based swap to a SIFMA-based swap. The Tollway has assumed that the actual interest rates on the Series 1993B Bonds will be approximately the same as the SIFMA Index in 2009, so minimal budgetary impact is expected. The term of the 1993B Swap ends on January 1, 2010 when the Series 1993B Bonds mature. No such events have occurred on the 1998B Swaps; thus the 1998B swaps remain interest-cost-based.

The Series 2007 swaps and Series 2008 swaps are all SIFMA-based swaps. The Tollway exchanges a fixed rate payment to swap providers for a variable rate payment based on the USD SIFMA Municipal Swap Index. Historically the difference between the interest rates set on Tollway variable rate bonds and the SIFMA Index have been immaterial. That changed in the first quarter of 2008 when the credit deterioration of the 2007 bond insurer, XLCA, caused the variable rates on the 2007 bonds to rise significantly above the SIFMA Index, increasing to levels several hundred basis points above the SIFMA Index. The Tollway immediately began the process of removing the bond insurer and this process was completed on March 20, 2007.

The removal of the bond insurer returned the interest rates on Tollway variable rate bonds to approximately the same as the SIFMA Index until September of 2008, when credit concerns regarding financial institutions escalated dramatically. Given that the Tollway's variable rate bonds (as well as nearly all variable rate bonds) require a bank to provide liquidity in the event bondholders tender their bonds for purchase, the increased concerns about the banks providing such liquidity caused interest rates on variable rate bonds to increase significantly – the SIFMA Index began September 2008 at 1.84% and finished September at 7.96%. The impact of this increase to the Tollway during this month of September was negligible because the variable rates on Tollway bonds were approximately the same as the SIFMA Index. During October, however, the variable rates on Tollway bonds rose significantly above the SIFMA Index, primarily because the Tollway's liquidity bank for its 2007 and 2008 bonds, Dexia, began trading unfavorably relative to some other liquidity providers.

Thus far, the negative impact of the divergences of Tollway variable rates from the SIFMA Index on the 2008 budget for debt service is \$3.7 million. This negative variance is offset by debt service reductions related to delaying the scheduled sale of bonds in 2008. Also the 2008 budget assumed a \$500 million new money issue closing September 1, 2008, which instead was a \$350 million new money issue which closed on November 18, 2008.

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.

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 approve or deny 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.

Revised budget requests are returned 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. Analysis 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.

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.

2009 BUDGET PLANNING CALENDAR

EVENT	DATE(S)
The Budget Office begins preparing spreadsheets that include a 2008 Forecast as well as a Preliminary 2009 Budget containing 2009 economic assumptions for Salaries, Wages, FICA and Retirement. The spreadsheets are prepared at cost center and departmental summary levels.	7/1/2008
The Budget Office sends out instructions with the spreadsheets to each department requesting any new planning requirements, initiatives, programs, headcount changes or other assumptions that should be incorporated into their 2009 Departmental Budget Request.	7/21/2008
The completed 2009 Departmental Budget Requests are returned to the Budget Office for review. These Departmental Requests are then compared to the 2008 Forecast as well as the Preliminary 2009 Budget that was initially sent out. Dollar and percent changes as well as justifications are analyzed.	8/18/2008
The Budget Office presents the 2009 Departmental Budget Requests to the CFO. Financial impacts are discussed and the CFO will approve or deny specific requests based on the justification provided by the department.	9/2/2008
The Budget Office meets with the Department Chiefs and/or their direct reports to further clarify any justifications that were denied by the CFO. Revisions are incorporated into the Departmental Budget Requests.	9/3/08 - 9/9/08
Meetings are held with Budget staff, Department Chiefs and the CFO to discuss and finalize the 2009 Departmental Budget Requests.	9/10/08 - 9/16/08
An M&O and Capital Budget review meeting is held with the Executive Director, CFO and Budget Office resulting in a Tentative Budget.	9/24/2008
The Budget Office makes any modifications resulting from the Tentative Budget meeting. Then the cross-checking process begins, to make sure all budget information is correct and up to date.	09/25/08-10/03/08
Charts, graphs, tables and narratives are prepared for the Budget Book.	10/6/08-10/10/08
Wilbur Smith & CTE submit their Annual Toll Revenue Certificate and R&R Deposit Letter respectively for inclusion in the Budget Book.	10/10/2008
The Budget Book is sent to the Communications Department for their review.	10/15/2008
The CFO and Executive Director do a final review and sign off on the Budget Book.	10/21/2008
The Budget Book is emailed to the Directors and Executive Management.	10/24/2008
As soon as the Budget Books are printed, they are mailed to the Directors for their review.	10/27/2008
The 2009 Tentative Budget is presented by the CFO (M.Colsch) to the Board of Directors on October 30th.	10/30/2008
Any requested changes by the Board and Executive Management are incorporated into the Tentative Budget.	10/30/2008-11/5/2008
Public Hearings are held on the 2009 Tentative Budget.	11/12/2008
The Revised Tentative Budget is presented to the Board on November 20th.	11/20/2008
The Budget Office reviews and incorporates any changes from the Board, Executive Management, or Public Comments.	11/21/08 - 12/12/2008
The 2009 Final Budget is presented and then adopted by the Board on December 18th.	12/18/2008

Exhibit 28

12/18/08

5.2/4

RESOLUTION NO. 18558

WHEREAS, Article VII, Section 710, of the "Amended and Restated Trust Indenture (3/31/1999)" (the "Trust Indenture") of 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 there from, 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 2009 is \$257,645,800 in the estimated classifications and divisions as set forth below:

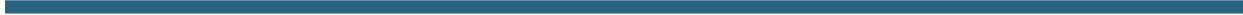
Business Systems	\$46,530,302
Engineering Management, Planning and Infrastructure Maintenance	\$63,870,479
Executive Management, Policy Administration and Community Relations	\$16,601,141
Financial Services, Investments and Insurance Management	\$40,357,900
Information and Communication Technology	\$10,361,000
Inspector General and Audit Functions	\$1,253,000
Legal Services	\$1,496,200
Operational Services, Toll Collection and Cash Handling	\$49,857,700
Procurement	\$3,950,500
State Police and Public Safety	<u>\$23,367,578</u>
Total Operating Expense Budget	\$257,645,800

2. The amount budgeted for the Required Renewal and Replacement Deposit for the fiscal year 2009, as recommended by the Consulting Engineer, is \$161,000,000.

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: _____





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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 2009. 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:
 - Offset unexpected downturns or revisions in revenues
 - Provide a sufficient cash flow for daily financial needs at all times
 - 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.
2. 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.
3. 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.

4. 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.

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 2007 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 2007. 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 105,000. 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.

More recent estimates from the U.S. Census Bureau reflect the continued substantial growth of the "outer ring" suburban communities. From 2000 to 2007, the twelve-county region grew by approximately 370,000 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.

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%
De Kalb	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%

*US Census Bureau, 1980 and 2000 censuses

Exhibit 29

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 Boone Kane, Lake, and McHenry. Will County is anticipated to pass the 1 million mark by 2030, becoming the third most populous county in the Tollway service area.

County	2000 Population*	2007 Population Estimate*	Net Change	Percent Change
Boone	41,786	53,531	11,745	28%
Cook	5,376,741	5,285,107	-91,634	-2%
De Kalb	88,969	103,729	14,760	17%
DuPage	904,161	929,192	25,031	3%
Kane	404,119	501,021	96,902	24%
Lee	36,062	35,450	-612	-2%
Lake	644,356	710,241	65,885	10%
McHenry	260,077	315,943	55,866	21%
Ogle	51,032	55,011	3,979	8%
Whiteside	60,653	59,198	-1,455	-2%
Will	502,266	673,586	171,320	34%
Winnebago	278,418	298,759	20,341	7%
Total:	8,648,640	9,020,768	372,128	4%

*US Census Bureau, 2000 Census and July 1, 2007 estimates

Exhibit 30

County	2000 Population	2007 Population*	2030 Population**	Forecast Average Annual Percent Change 2000-2030
Boone	41,786	53,531	71,522	1.81%
Cook	5,376,741	5,285,107	5,368,585	-0.01%
De Kalb	88,969	103,729	134,497	1.39%
DuPage	904,161	929,192	1,217,850	1.00%
Kane	404,119	501,021	711,882	1.91%
Lake	644,356	35,450	950,657	1.30%
Lee	36,062	710,241	36,875	0.07%
McHenry	260,077	315,943	473,955	2.02%
Ogle	51,032	55,011	64,037	0.76%
Whiteside	60,653	59,198	60,114	-0.03%
Will	502,266	673,586	1,110,060	2.68%
Winnebago	278,418	298,759	346,722	0.73%
Total:	8,648,640	9,020,768	10,546,756	0.66%

*US Census Bureau estimates for July 1, 2007

**Sources:

- (1) Chicago Metropolitan Agency for Planning (CMAP), "2030 Forecasts of Population, Household and Employment", September 27, 2006. Retrieved from CMAP's Web Site, February 2, 2009.
- (2) "Year 2035 Long-Range Transportation Plan for the Rockford Metropolitan Planning Area", Rockford Area Transportation Study (predecessor agency of the Rockford Metropolitan Agency for Planning), August 2005, Table 2-5, p 13. The published forecast is for the combined Boone and Winnebago Counties; the county-specific forecasts are from the working papers for the 2035 Plan.
- (3) Illinois Department of Transportation study adopted by the Northeastern Illinois Planning Commission in 2005.
- (4) Illinois Department of Commerce and Economic Opportunity, "Population Projections", downloaded from Department's Web Site February 2, 2009.

Exhibit 31

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 2008, the twelve-county service area is estimated to grow by adding over 165,000 jobs.

Tollway Service Area Employment 2000-2007

The largest increases are estimated for Will, Lake and DuPage Counties, which together are projected to add more than 140,000 jobs in the service area. The largest growth rates are estimated for Will County, where employment has grown by nearly 40% since 2000. Kane, Boone, Dekalb and McHenry Counties also are estimated to have double digit employment growth rates. Cook, Lee, Whiteside and Winnebago counties are estimated to have lost jobs since 2000.

County	2000 Employment*	2008 Employment Estimate**	Net Change	Percent Change
Boone	18,905	22,027	3,122	16.51%
Cook	3,351,990	3,320,347	-31,643	-0.94%
DeKalb	47,454	55,838	8,384	17.67%
DuPage	702,575	735,838	33,263	4.73%
Kane	241,766	269,832	28,066	11.61%
Lake	418,842	454,863	36,021	8.60%
Lee	18,108	17,316	-792	-4.37%
McHenry	111,702	133,067	21,365	19.13%
Ogle	25,465	25,745	280	1.10%
Whiteside	31,115	29,307	-1,808	-5.81%
Will	186,145	259,823	73,678	39.58%
Winnebago	176,590	171,670	-4,920	-2.79%
Total:	5,330,657	5,495,673	165,016	3.10%

Employment reported based on U.S. Commerce Dept. Bureau of Economic Analysis definition.

*Woods & Poole Economics, Inc. (W&P), "2008 Complete Economic and Demographic Data Source (CEDDS)."

**The last W&P "actual" statistics are for 2006. The 2008 estimate is derived through comparative analysis of W&P with Bureau of Labor Statistics employment data

Exhibit 32

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 21 years than the population. By 2030, the number of jobs in the service area is forecast to grow by over 1.5 million.

County	2000 Employment*	2030 Forecasted Employment**	Net Change	Annual % Change 2000-2030
Boone	18,905	29,000	10,095	1.44%
Cook	3,351,990	3,870,000	518,010	0.48%
DeKalb	47,454	75,000	27,546	1.54%
DuPage	702,575	930,000	227,425	0.94%
Kane	241,766	405,000	163,234	1.73%
Lake	418,842	560,000	141,158	0.97%
Lee	18,108	18,000	-108	-0.02%
McHenry	111,702	200,000	88,298	1.96%
Ogle	25,465	30,000	4,535	0.55%
Whiteside	31,115	30,000	-1,115	-0.12%
Will	186,145	520,000	333,855	3.48%
Winnebago	176,590	221,000	44,410	0.75%
Total:	5,330,657	6,888,000	1,557,343	0.86%

Employment reported based on U.S. Commerce Dept. Bureau of Economic Analysis definition.

*Woods & Poole Economics, Inc. (W&P), "2008 Complete Economic and Demographic Data Source (CEDDS)."

**Wilbur Smith Associates' estimate based on Woods and Poole Economics, U.S. Census Bureau, Chicago Metropolitan Agency for Planning, Rockford Metropolitan Agency for Planning, and an Illinois Dept. of Transportation study.

Exhibit 33

Appendix



October 23rd, 2008

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 2008 and toll revenue estimates for 2009. Estimates are based on the current toll rate structure that went into effect on January 1, 2005.

Toll revenue estimates presented herein incorporate adjustments for the current state of the national and regional economy, and expectations of the depth and duration of the current economic slowdown. The recent sharp increase in gasoline prices and their anticipated persistence over the forecast period was another significant factor addressed in developing the toll revenue estimates.

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 2008 system-wide expected toll revenue estimate is \$634,666,000. This estimate includes the Illinois Tollway’s adjusted expected revenues for the first eight months of 2008, and WSA estimates for the four remaining months. Monthly figures are presented in Table 1.

Estimated system-wide expected revenue for 2009 is \$646,160,000. Monthly expected revenue estimates for 2009 are presented in Table 2. The estimates take into account available information from the Illinois Tollway revenue and transaction reporting system through August 2008. The estimates assumed 2009 construction activity as per the approved Congestion-Relief Program.

Estimates for both 2008 and 2009 are based on a detailed review of recent traffic and revenue trends; an assessment of economic conditions within the Tollway study area; and evaluations of potential impacts of construction projects on and off the Tollway system.

Michael Colsch
October 23, 2008
Page 2 of 6

Construction Impacts

Construction projects associated with the Illinois Tollway's Congestion-Relief Program will continue through 2009. Several active projects on the Tri-State Tollway are scheduled to continue through 2009, including widening of the southern section between 159th Street and 95th Street; widening on the northern portion from Balmoral Avenue to Lake-Cook Road, from Half Day Road to IL 173 and reconstruction between IL 173 and Russell Road. Reconstruction and widening is scheduled for two segments of the Ronald Reagan Memorial Tollway in 2008 and 2009: between York Road and Washington Street and between Orchard Road and the Aurora Plaza. On the Jane Addams Tollway major reconstruction and reconfiguration of the Cherry Valley interchange and an add lane project between Newburg and Rockton Roads began in 2008 and are scheduled to be completed by the end of 2009. On the Veterans Memorial Tollway an add lane/resurfacing project between 75th Street and Ogden Avenue that began in 2008 will continue through 2009. While it is anticipated that the existing number of mainline lanes will be in operation at reduced width at all times during all the add lanes projects, construction activity is still expected to negatively impact usage. This has been assumed in developing the toll revenue estimates provided herein.

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 2009 construction activity and maintenance of traffic plans, the estimates may be revised.

National and Regional Economy

The national economy has experienced a significant downturn since early to mid 2007. According to the Federal Reserve's July 2008 Monetary Policy Report, weakness in housing-related activity that was initially triggered by a sharp increase in delinquencies and defaults on subprime mortgages, continued through the second quarter of 2008. The spillover of problems in the housing and financial markets to other sectors was initially limited, with the national real Gross Domestic Product (GDP) rising in the third quarter of 2007 at almost 5 percent. In the fourth quarter of 2007, however, revised real GDP showed a decrease of 0.2 percent, with only a 0.9 percent increase in real GDP in the first quarter of 2008. Real GDP grew in the second quarter of 2008 by 2.8 percent, although much of this growth has been attributed to the economic stimulus payments to tax payers and improved exports due to the weaker U.S. dollar.

The Federal Reserve, in its July 2008 Monetary Policy report projected real GDP to increase by 1 to 1.6 percent for the entire year of 2008, increasing to between 2 and 2.8 percent in 2009. In 2010, real GDP was projected to increase by 2.5 to 3 percent. However, the Congressional Budget Office, in its September 2008 Budget and Economic Outlook Update, projects real GDP to only increase by 1.5 percent in 2008 and 1.1 percent in 2009.

The recent turmoil in the financial markets stemming from the mortgage crisis has resulted in the failure of several large banks, the placement of Fannie Mae and Freddie Mac into conservatorship by the government, and the takeover of some investment banks by commercial banks brokered by the Federal Reserve Bank and the US Treasury Department.

Consumer confidence has moderated somewhat in the last three months. The Conference Board's Consumer Confidence Index declined for the seven straight months, bottoming out at 49.2 in June. However, the index showed gains in July, August and September, recovering to 58.5 in September, although the September consumer confidence survey did not capture all of the tumultuous events in the financial sector in the month.

Michael Colsch
October 23, 2008
Page 3 of 6

In the labor market, private sector payrolls slowed markedly in late 2007 and early 2008. Private sector employment declined in the first half of 2008 at an average monthly rate of 94,000 jobs nationally, and the national unemployment rate rose to 5.5 percent.

The sluggish pace of hiring, higher energy prices, lower equity prices and softening home prices have impacted consumer confidence and consumer spending. The Federal Reserve took several steps to stabilize the financial markets, extending credit to financial institutions and cutting the Federal Funds Rate beginning with a 50 basis point cut in September 2007. The Federal Reserve's Open Market Committee has cut the Federal Funds Rate six more times since September 2007, bringing the Federal Funds Rate to its current 2.0 percent level.

Motor Fuel Prices

A critical factor affecting the national and regional economy has been the sharp rise in energy prices, with crude oil trading at about \$83 per barrel higher in early July 2008 compared to June 2007. According to the September 2008 Energy Information Administration's (EIA) Short Term Energy Outlook, the price of West Texas Intermediate crude oil increased sharply from approximately \$58 per barrel in the first quarter of 2007 to approximately \$145 per barrel in July 2008, falling back to approximately \$117 per barrel in August 2008. National retail gasoline prices have moderated similarly, from a peak of \$4.11 per gallon for regular gasoline for the week of July 14, 2008 to \$3.81 per gallon for the week of August 11, 2008. Retail diesel prices have changed similarly, up from a national average of \$2.55 per gallon in the first quarter of 2007 to approximately \$4.76 per gallon on July 14th, to \$4.35 per gallon on August 11, 2008.

The EIA's September 2008 Short-Term Energy Outlook report forecasts crude oil prices to average \$116 per barrel in 2008, and \$126 per barrel in 2009. Regular-grade gasoline is projected to average \$3.61 per gallon nationally in 2008. Prices are forecast to remain high in 2009, with the average price of \$3.88 per gallon in 2009. Diesel prices are forecast to average \$4.09 per gallon nationally in 2008, and \$4.26 per gallon in 2009. The domestic economic slowdown has dampened demand for gasoline and diesel, contributing to lower forecast prices later this year.

Impact of Economy and Motor Fuel Prices on Travel

The effect of the slowing economy and rising motor fuel prices on travel has been felt both nationally and regionally. The July 2008 issue of Traffic Volume Trends, published by the Federal Highway Administration (FHWA), based on approximately 4,000 continuous traffic counting locations nationwide, indicated that the estimated vehicle-miles of travel on all roads and streets nationwide declined by 3.6 percent compared to July 2007. The cumulative vehicle-miles of travel for the first seven months of 2008 was estimated to be 3.0 percent lower than the same period in 2007.

The FHWA estimated that travel on urban arterial roads in Illinois declined by 0.8 percent in July 2008 compared to July 2007. This follows a decline of 4.5 percent in vehicle-miles traveled in June 2008 compared to the same month a year ago.

It is anticipated that the effects of the economic slowdown and high gasoline prices will continue to be felt through the rest of 2008 and 2009.

Traffic and Revenue Forecasts

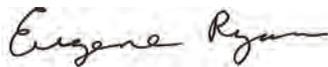
It was observed that revenues for the first eight months of 2008 were 3.6 percent lower than our prior forecast. We believe the decline in travel caused by the economic situation and motor fuel price increases will continue through 2009. The toll revenue forecasts provided herein reflect negative adjustments for the economy and high motor fuel prices for the rest of 2008 and all of 2009.

Michael Colsch
October 23, 2008
Page 4 of 6

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



Eugene Ryan
Regional Manager

Attachments

Michael Colsch
 October 23, 2008
 Page 5 of 6

Table 1
Illinois Tollway
2008 Monthly Systemwide
Expected Revenue Estimates

EXPECTED REVENUES		
(thousands)		
JANUARY	\$50,180	¹
FEBRUARY	47,365	¹
MARCH	52,218	¹
APRIL	52,859	¹
MAY	55,362	¹
JUNE	54,867	¹
JULY	56,924	¹
AUGUST	56,799	¹
SEPTEMBER	52,060	²
OCTOBER	54,210	²
NOVEMBER	51,000	²
DECEMBER	50,821	²
TOTAL	\$634,666	

¹ Adjusted expected revenue from the Illinois Tollway

² WSA estimate of expected revenue

Michael Colsch
October 23, 2008
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Table 2
Illinois Tollway
2009 Monthly Systemwide
Expected Revenue Estimates

EXPECTED REVENUES	
(thousands) ¹	
JANUARY	\$51,176
FEBRUARY	46,608
MARCH	53,213
APRIL	53,960
MAY	56,494
JUNE	56,066
JULY	58,110
AUGUST	57,990
SEPTEMBER	53,232
OCTOBER	55,399
NOVEMBER	52,073
DECEMBER	51,841
YEARLY TOTAL	\$646,160

¹ WSA estimate of expected revenue

CTE
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October 22, 2008

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

Subject: 2008 Renewal and Replacement Deposit - Amended

Dear Mr. Colsch:

Based on actual 2008 expenditures and revised cash flow projections, Tollway Finance has asked CTE to review the 2008 Renewal and Replacement (R&R) deposit recommendation for the R&R Account. Tollway Finance has provided a cash flow analysis for the account for 2008-2009. In addition, CTE obtained program expenditures from the Program Manager which includes the General Engineering Consultant's input for system-wide improvements. Tollway Finance is projecting that without the recommended \$100,000,000 deposit, the R&R account will have a balance of approximately \$70 million dollars by the end of 2008.

Based on the information provided, it is our opinion that the \$100,000,000 deposit for 2008 could be deferred until 2009. The projected balance of approximately \$70 million dollars is an adequate reserve for any unanticipated maintenance and rehabilitation needs of the system for 2009. The R&R deposit of the deferred \$100,000,000 will be included in the amount recommended for deposit in 2009. The 2009 R&R Deposit will be addressed under a separate letter.

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

Sincerely,

Consoer Townsend Envirodyne Engineers, Inc.



Jeffrey P. Heilstedt, P.E.
Vice President

c: D. Catuara, Tollway
P. Kovacs, Tollway
G. Stukel, Tollway
R. Zuccherro, Tollway
S. Banak, Tollway
M. Molliconi, Tollway
File: 60040580, 201, 207

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December 1, 2008

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

Subject: 2009 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 2009. 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.

A cash flow analysis prepared by the Program Manager and Tollway Finance was furnished to CTE on October 21, 2008. Based on this analysis, we recommend depositing \$161,000,000 to the R&R Account for 2009 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 \$50 million of additional revenue will be available for projects.

Total draws for the R&R Program in 2009 are estimated to be \$164.1 million. 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 \$60.0 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 Envirodyne Engineers, Inc.



Jeffrey P. Heistert, P.E.
Vice President

c: J. Dailey, Tollway
D. Catuara, Tollway
G. Stukel, Tollway
S. Banak, Tollway
P. Kovacs, Tollway
R. Zuccherro, Tollway
M. Molliconi, Tollway
File: 60040580, 201, 207

2009 BUDGET
ILLINOIS STATE TOLL HIGHWAY AUTHORITY
CERTIFICATE OF AUTHORIZED OFFICER

Set forth 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 2008 and 2009. 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 2008	FY 2009
Net Revenues :			
Actual Revenues - First Eight Months :			
	Toll Revenue *	\$391.4	
	Evasion Recovery	35.7	
	Investment Income	18.2	
	Concession and Miscellaneous	4.2	
	First Eight Months Revenues	\$449.5	
Estimated Revenues - Last Four Months :			
	Toll Revenue *	\$193.6	
	Evasion Recovery	19.3	
	Investment Income	\$6.8	
	Concession and Miscellaneous	\$0.8	
	Last Four Months Revenues	\$220.5	
Estimated Revenues :			
	Toll Revenue *	\$585.0	\$605.0
	Evasion Recovery	55.0	45.0
	Investment Income	25.0	22.0
	Concession and Miscellaneous	5.0	8.0
	Total Estimated Revenues	\$670.0	\$680.0
	Less: Total Budgeted Operating Expenses	\$245.3	\$257.6
	Estimated Net Revenues	\$424.7	\$422.4
Net Revenue Requirement			
	Aggregate Debt Service Requirement	\$204.0	\$210.0
	Renewal/Replacement Deposit per CTE	0.0	161.0
	Estimated Investment Income on Renewal and Replacement Account	4.0	2.0
	Estimated Net Revenue Requirement	\$208.0	\$373.0
	Additional Available for Deposit to Renewal, Replacement and Improvement	\$216.7	\$49.4

* Wilbur Smith and Associates has estimated expected toll revenues to total \$634,666,000 in 2008 and \$646,148,000 in 2009. The amounts included in this certificate are adjusted to reflect the Tollway's estimate of overpayments, underpayments, and evaded tolls. The adjustments reduce toll revenues by \$49,666,000 for 2008, and \$41,148,000 for 2009.

<u>Acronyms:</u>	
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 Envirodyne
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.

