The Illinois State Toll Highway Authority

Comprehensive Annual Financial Report

For the Year Ended December 31, 2013

ILLINOIS STATE TOLL HIGHWAY AUTHORITY

A Component Unit of the State of Illinois

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2013

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 service to our customers.

Prepared by the Finance Department

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

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ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

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INTRODUCTORY SECTION

The Illinois State Toll Highway Authority
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Downers Grove, Illinois 60515-1703
630/241-6800
Fax: 630/241-6100
T.T.Y. 630/241-6898

June 26, 2014

Board of Directors
Illinois State Toll Highway Authority
2700 Ogden Avenue
Downers Grove, IL 60515

Directors:

The Comprehensive Annual Financial Report (CAFR) of The Illinois State Toll Highway Authority (Tollway), for the year ended December 31, 2013, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Tollway. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the Tollway. All disclosures necessary to enable the reader to gain an understanding of the Tollway's financial activities have been included.

The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this letter of transmittal, the Tollway Board of Directors, the Tollway's organizational chart and narrative background about the Tollway. It also discusses the Tollway's current capital program, "*Move Illinois: The Illinois Tollway Driving the Future*". The financial section includes the independent auditor's report, management's discussion and analysis, the basic financial statements including notes to the financial statements and schedules that provide further business and financial information about the operation of the Tollway. The statistical section provides trend and business data, generally on a multi-year basis; includes annual supplemental information that meets the Rule 15c2-12 continuing disclosure requirement; and is useful to existing and potential investors.

We believe that this report provides a full understanding of the Tollway's 2013 financial and operational activities and describes how the Tollway is prepared to meet its financial and operational responsibilities in years to come.

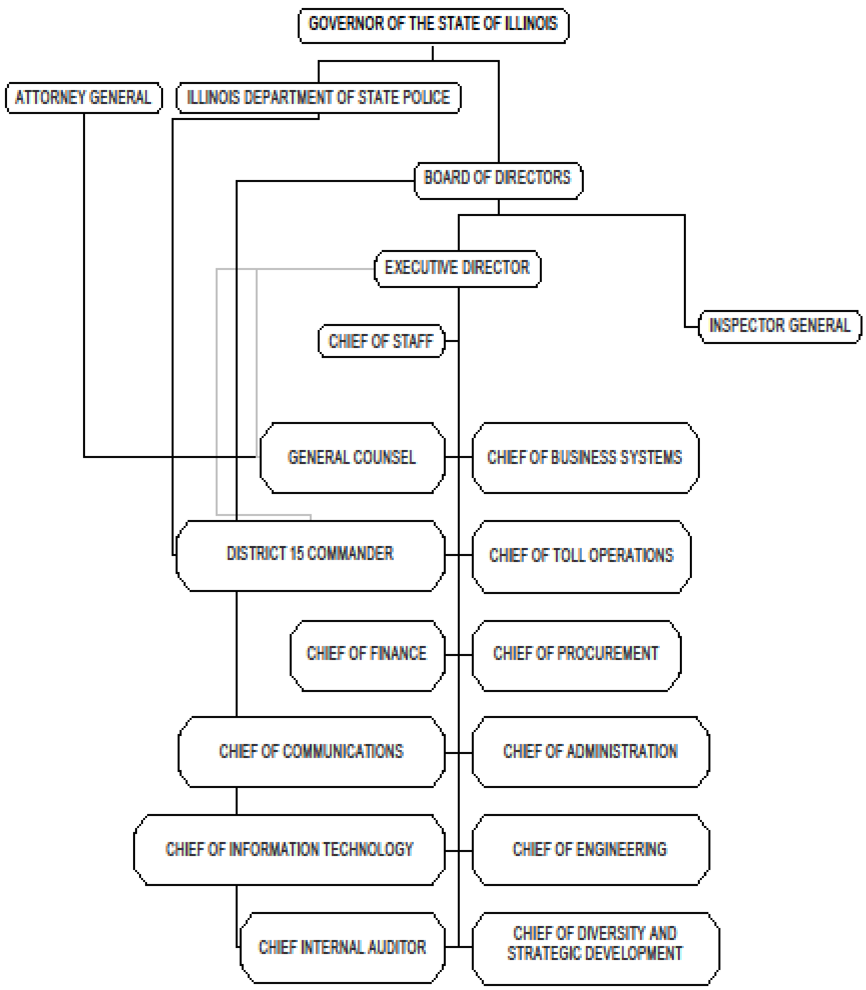
Respectfully submitted,

Kristi Lafleur
Executive Director

Michael J. Colsch
Chief of Finance

Patricia J. Pearn
Controller

ILLINOIS TOLLWAY TABLE OF ORGANIZATION



June 9, 2014

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
AS OF DECEMBER 31, 2013

Board of Directors

	Term Expires[1]
Pat Quinn, Governor, State of Illinois (Ex-Officio)	
Ann L. Schneider, Secretary, Illinois Department of Transportation (Ex-Officio)	
Paula Wolff, Chair	05/01/17
James J. Banks	05/01/17
Terry D'arcy	05/01/15
David Gonzalez	05/01/15
Mark Peterson	05/01/15
Jeffrey Redick	05/01/15
James Sweeney	05/01/17
Earl Dotson, Jr	05/01/17
Tom Weisner	05/01/15

(1) In accordance with Public Act 97-582, effective August 26, 2011 (the effective date), a director appointed after the Effective Date shall not continue in office longer than 60 calendar days after the expiration of that term of office, unless reappointed and qualified in accordance with law.

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Comprehensive Annual Financial Report
Overview of Organization, Background and Functions

DECEMBER 31, 2013

Profile of the agency
The Tollway is a user-financed administrative agency of the State of Illinois. The Illinois State Toll Highway Authority was created by the Toll Highway Act ("Act") to provide for the construction, operation, regulation and maintenance of a system of toll highways within the State of Illinois. Under the Act, the Tollway assumed all of the obligations, powers, duties, functions and assets of its predecessor agency, The Illinois State Toll Highway Commission. 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; establish and amend resolutions, by-laws, rules, regulations and to fix and revise toll rates; acquire, construct, relocate, operate, regulate and maintain the Tollway system; exercise the power of eminent domain; and contract for services and supplies for the various customer service areas on the Tollway system. The Tollway system currently consists of 286 miles of tollroads.

The Tollway is governed by an 11 member Board of Directors that includes the Governor of Illinois, *ex-officio*, 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 the goal of maximizing representation from the areas served by the Tollway system. No more than five directors may be from the same political party.

The Tollway appoints an Executive Director without approval from the state legislature, and employs other personnel to administer the Tollway system and implement the policies of the Board of Directors. The Tollway's organizational structure consists of 14 departments, as outlined in the organization chart presented in this document.

Local economy
The Tollway is an important component of the transportation network in Northern Illinois, with roads running through 12 counties. The Tollway serves both commuter and commercial traffic, with approximately 88% of traffic consisting of passenger vehicles. A large number of Fortune 500 companies are in close proximity to the Tollway, therefore the traffic is impacted by the local economy and unemployment rates. As such, the Tollway experienced a slight decline in traffic during the recent economic downturn, but traffic has rebounded since the recession.

Long term financial planning and major initiatives
The Tollway has adopted a 15 –year, $12 billion capital program, called "*Move Illinois: The Illinois Tollway Driving the Future*" beginning in 2012 through 2026. Following is a sample of some of the projects included in this program:

- Construct a new interchange at the Tri-State Tollway (I-294) and I-57
- Construct the Elgin O'Hare Western Access Project near and around O'Hare International Airport

- Planning for the Illinois Route 53/120 Project and Illiana Expressway
- Rebuild and widen the Jane Addams Memorial Tollway (I-90) from the Tri-State Tollway (I-294) to the I-39 Interchange in Rockford.
- Reconstruct the central Tri-State Tollway (I-294) from 95th Street to Balmoral Avenue
- Facilities improvements and roadway maintenance

This program is being funded by a toll increase that went into effect in 2012 and the anticipated issuance of approximately $5 billion in revenue bonds during the term of the program. The Tollway also affirmed a previously approved increase in commercial vehicle toll rates, which will be phased in over 2015–2017, with an annual Consumer Price Index inflator applied beginning January 1, 2018. As of December 31, 2013, $500 million in bonds had been issued to fund this program.

The Tollway's capital program also includes environmental initiatives, such as wetland and endangered species mitigation, fuel consumption reduction and "green" construction materials and practices and integration of new intelligent transportation systems.

Services Provided

The Illinois Tollway offers a number of convenience and safety services to its customers.

Oases

Seven oases serve the Illinois Tollway system. The Illinois Tollway has entered into leases with two private companies to operate restaurants, stores, and fuel stations at these sites. These facilities contain fuel stations, car washes, food and retail services, restroom facilities, I-PASS Customer Service Centers and other traveler-related conveniences; the oases are open 24-hours a day, 365 days a year. In 2014, the Des Plaines over the road pavilion building was closed in anticipation of removal to facilitate rebuilding and widening of the Jane Addams Tollway. The fuel stations remain at that site.

Tollway Maintenance

Providing Tollway customers with a safe and well-maintained highway is a task assigned to the Maintenance and Traffic Division of the Department of Engineering. Personnel assigned to the 11 maintenance sections, spaced at approximately 25-30 mile intervals along the road, keep the Tollway in safe, convenient, and comfortable driving condition. In winter, maintenance personnel clear the roadway of snow and ice. Year-round they respond to incidents that can disrupt traffic flow.

The Tollway has continued to deploy Intelligent Transportation System (ITS), CCTV cameras, traffic sensors and dynamic message signs to enable the Traffic Operations Center to proactively manage traffic and incidents throughout the system. Traffic sensors now provide full system coverage. These efforts continue to demonstrate improved incident detection, confirmation, resource deployment and clearance, resulting in minimal lane blockage and reduced secondary crashes.

Telecommunications System
The Tollway owns and maintains a microwave and fiber optic voice, data and video communications network. This communications system supports mobile radios, telephones, alarms, CCTV, and computer data transmissions for toll plaza operations, roadway maintenance, Illinois State Police District 15, public safety, emergency vehicles, and security.

Illinois State Police
Illinois State Police District 15 is a unique State Police district in that the community which it serves is a mobile one: travelers from across the country and local commuters, traversing the 286 miles of the Illinois Tollway system. Troopers assigned to District 15 cover 12 different counties and five geographic State Police districts. District 15 has a long history of achieving the highest standards possible in its service to citizens and commuters. The district remains vigilant in ensuring that its areas of responsibility are safe and secure.

Patron Emergency Services
Formal agreements are maintained with public and private service providers along each toll road to provide towing and road service, if needed, and public safety, fire and ambulance response. In addition, the Tollway also supports the *999 Cellular Motorist Assistance Program in the Chicago Metropolitan area.

Since 1997, the Tollway has operated the Highway Emergency Lane Patrol (H.E.L.P.) program as a service to motorists and to further enhance safety and facilitate traffic flow. Specially equipped trucks operated by trained Maintenance and Traffic Division personnel patrol the entire Tollway system during peak traffic periods to assist motorists who may be disabled, stranded or otherwise in need. State Farm is the exclusive sponsor of the H.E.L.P. program. For the calendar year, 2013, H.E.L.P. trucks have assisted 32,752 Tollway customers, driving 1.3 million miles and dispensing 4,008 gallons of gasoline.

Financial Information
The management of the Tollway is responsible for establishing and maintaining an internal control structure designed to ensure that Tollway assets are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). An effective

internal control structure should provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accounting Systems
The Tollway's accounting systems are organized and operated on an "enterprise fund" basis. The accounting practices of the Tollway are more fully described in the summary of significant accounting policies included in the notes to its financial statements in the Financial Section of this report.

Management's Discussion and Analysis
The Financial Section includes a discussion and analysis of the Tollway's financial performance that provides readers with a narrative overview of its financial activities and the changes in its financial position for the periods ended December 31, 2013 and 2012.

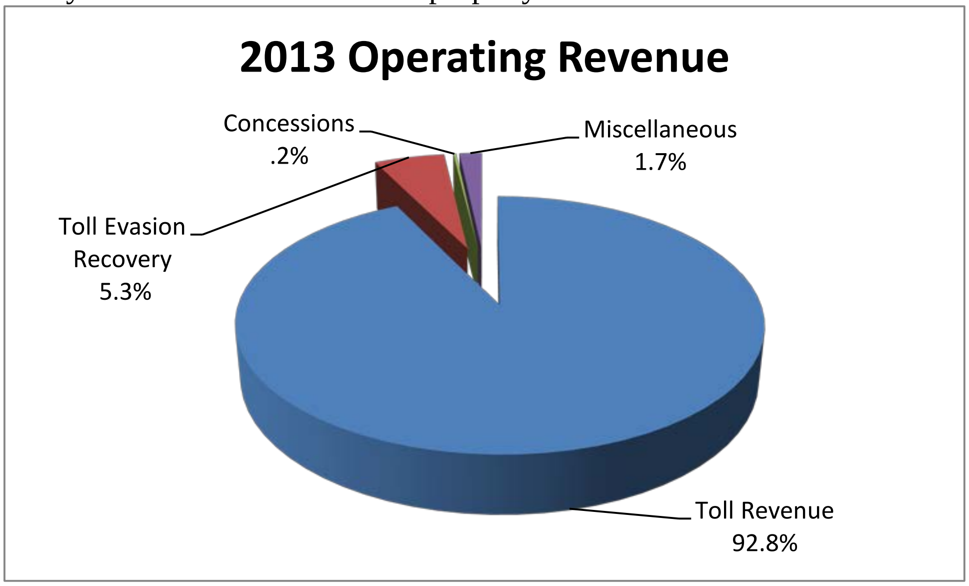
Notes to Financial Statements
The notes provided in the Financial Section of this report should be considered an integral and essential part of adequate disclosures and fair presentation of this financial report. The notes include a Summary of Significant Accounting Policies of the Tollway and other necessary disclosures of pertinent matters relating to its financial position. The notes provide additional informative disclosures not reflected on the face of the financial statements.

Budgetary Controls
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 such fiscal year. The adopted budget is used for control of operating and capital expenses and for financial planning and is prepared in accordance with provisions of the Trust Indenture, not on the basis of generally accepted accounting principles. The budget is approved by the Tollway Board of Directors but does not require the approval of the state legislature.

Basis of Accounting and Measurement
The Tollway employs generally accepted accounting principles similar to those used by private business enterprises with the accrual basis of accounting as its foundation. Under the accrual basis of accounting, revenues are recognized in the periods in which they are earned, and expenses are recognized in the periods in which they are incurred**.** (The Tollway provides supplementary information on a "Trust Indenture Basis"- a basis not inconformity with generally accepted accounting principles.)

Operating Revenue and Expense

Total operating revenue increased approximately 4.9% from $969.8 million in 2012, to $1,016.9 million in 2013. Toll revenue increased 2.2% over the prior year. Toll evasion recovery revenue increased significantly to $ 54.2 million from $ 32.6 million in 2012, an increase of 66.3%. This favorable increase was due to improved license plate image capture techniques, the ability to pursue violators in additional states and a 2012 adjustment that decreased revenue to reflect a change in the accounting method for toll evasion recovery revenue. Miscellaneous operating revenue increased by 37.1% due to the sale of a property easement in 2013.

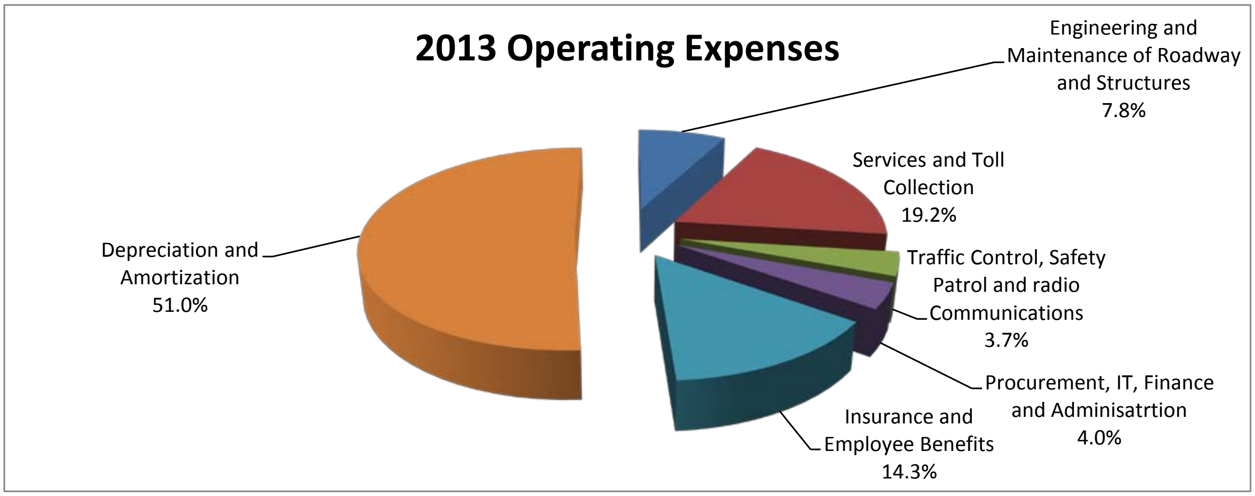


Total operating expenses, excluding depreciation, increased by approximately 10.3% in 2013. This was largely due to an increase in the retirement contribution rate, equipment maintenance and consulting fees. See the Management Discussion and Analysis contained within these statements for further information.

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Comprehensive Annual Financial Report
Overview of Organization, Background and Functions

DECEMBER 31, 2013



Awards and acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Illinois Tollway for the fiscal year ended December 31, 2012. This was the 17th consecutive year that the Tollway has received this award. In order to receive this certificate, the Tollway had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements.

The Illinois Tollway also received the GFOA’s Distinguished Budget Presentation Award for its 2012 annual budget book. To qualify for the Distinguished Budget Presentation Award, the budget book had to be judged proficient as a policy document, a financial plan, an operations guide and a communications device.

The preparation of this report would not have been possible without the skill, effort and dedication of the Finance Department. We wish to extend our appreciation to all Tollway departments for their assistance in providing the data necessary to prepare this report.

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Comprehensive Annual Financial Report
Independent Audit

DECEMBER 31, 2013

Independent Audit

The Trust Indenture requires an annual audit of the Tollway's books and accounts for each fiscal year. The audit is to be conducted by independent certified public accountants and commence by April 30 of each year.

In addition to an independent financial audit, the Tollway is subject to an annual compliance examination as performed by Special Assistant Auditors selected by the Office of the Auditor General of the State of Illinois.

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Comprehensive Annual Financial Report

DECEMBER 31, 2013

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

The Illinois State Toll Highway Authority

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

A certificate of achievement is valid for a period of one year. The Tollway believes that its current CAFR will continue to meet the Certificate of Achievement Program's requirements; this 2013 CAFR will be submitted to the GFOA to determine its eligibility for another certificate.

Acknowledgments

Appreciation is extended to the entire General Accounting and Fiscal Operations staff for their preparation of this financial report. Special thanks also go to all other Tollway staff for their assistance and contributions in compiling this report.

FINANCIAL SECTION

KPMG

KPMG LLP
Aon Center
Suite 5500
200 East Randolph Drive
Chicago, IL 60601-6436

Independent Auditors' Report

Honorable William G. Holland
Auditor General State of Illinois

and

The Board of Directors
Illinois State Toll Highway Authority:

Report on the Financial Statements

As Special Assistant Auditors for the Auditor General, we have audited the accompanying basic financial statements of the Illinois State Toll Highway Authority (the Tollway), a component unit of the State of Illinois, as of and for the year ended December 31, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Illinois State Toll Highway Authority as of December 31, 2013, and the changes in its financial position and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

As discussed in note 16 to the financial statements, the Tollway implemented Governmental Accounting Standards Board Statement No. 65, Items Previously Reported as Assets and Liabilities (GASB 65), effective January 1, 2012.

Report on Summarized Comparative Information

We have previously audited the Tollway's 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 12, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived, with the exception of the effects of the implementation of GASB 65 as discussed in the emphasis of matter paragraph immediately preceding this section.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 4–10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the Tollway's basic financial statements. The accompanying supplementary information in Schedules 1 through 4 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying supplementary information in Schedules 1 through 4 is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information in Schedules 1 through 4 is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

KPMG LLP

Chicago, Illinois
June 20, 2014

This section offers readers a discussion and analysis of the financial performance of the Illinois State Toll Highway Authority (the Tollway), provides an overview of its financial activities, and identifies changes in the Tollway's financial position for the year ended December 31, 2013. Readers should use this section of this report in conjunction with the Tollway's basic financial statements.

2013 Financial Highlights

- In August of 2011, the Tollway's Board of Directors approved a $12 billion capital plan, called "Move Illinois, the Illinois Tollway Driving the Future", which established a guide for infrastructure investments to be made by the Tollway beginning in 2012 through 2026. During 2013, construction and professional engineering services contracts with a combined value of $889 million were awarded under this program.
- The Move Illinois program provides capital investments in addition to investments programmed in the previously approved Congestion Relief program (CRP). About $594 million is approved in the current capital plans to be invested under the CRP for years 2014 through 2016.
- To fund the capital outlays approved for "Move Illinois", the Tollway board set new toll rates for passenger vehicles using the system; these higher rates were effective January 1, 2012. The Tollway also affirmed a previously approved increase in commercial vehicle toll rates, which will be phased in over 2015 – 2017, with an annual Consumer Price Index inflator applied beginning January 1, 2018.
- The anticipated funding for the capital plan will be new revenue bonds to be issued through 2022, totaling about $5 billion. In 2013, new bonds in the amount of $500,000,000 were issued to fund the program.
- In 2013, the Tollway also issued bonds in the amount of $217,390,000 to refund a portion of the 2005A series.
- The Tollway's 2013 operating revenue exceeded that of the previous year by $ 47.1 million, resulting in net operating income that was $ 24.6 million higher than the previous year.
- Amounts on deposit on behalf of I-PASS account holders increased by 5.9% at year-end to $165 million; the percentage of Tollway users paying by I-PASS was 87% in 2013.

Basic Financial Statements

The Tollway accounts for its operations and financial transactions in a manner similar to that used by private business enterprises: the accrual basis of accounting. In these statements revenue is recognized in the period in which it is earned, and an expense is recognized in the period in which it is incurred, regardless of the timing of its related cash flow.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Tollway's basic financial statements. For each fiscal year the Tollway's basic financial statements are comprised of the following:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows
- Notes to the Financial Statements

The Statement of Net Position presents information on all of the Tollway's assets, deferred outflows, liabilities, and deferred inflows, with the difference between these items reported as net position. Increases or decreases in net position, over time, may serve as a useful indicator of whether the financial position of the Tollway is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Position presents revenue and expense information and the change in the Tollway's net position during the measurement period as a result of these transactions.

The Statement of Cash Flows presents sources and uses of cash for the fiscal year, displayed in the following categories: cash flows from operating activities, cash flows from non-capital financing activities, cash flows from capital financing activities and cash flows from investing activities.

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. They are an integral part of the basic financial statements.

Financial Analysis

2013 Results Compared to 2012

Operating Revenue

The Tollway's total 2013 operating revenues exceeded those of the previous year, up $47.1 million (4.9%) at $1,016.9 million, (versus $969.8 million in 2012). The bulk of this increase came from toll evasion recovery revenue which totaled $54.2 million in 2013 (up from $32.6 million in 2012), due to improved image capture and license plate information availability, and a 2012 adjustment that decreased revenue to reflect a change in accounting method for Toll Evasion Recovery revenue. Revenue from tolls was slightly higher (2.2%) than 2012, at $943.1 million in 2013 (versus $ 922.4 million in 2012).

Miscellaneous revenue increased by $4.7 million, mainly due to a sale of an easement.

Operating Expenses

Operating expenses, excluding depreciation, increased $ 27.7 million (10.3%) in 2013. The increased operating cost was due mainly to increased retirement contributions, equipment maintenance and consulting fees. Depreciation expense was stable year over year, 1.7% lower at $308.8 million, from $314.1 million in 2012. The resulting operating income for the year, $411.3 million, was up by $ 24.6 million from the previous year.

Non-operating Revenue and Expense

Net non-operating expense increased this year (by 25.1%) from $206.1 million in 2012 to $257.9 million for 2013, primarily the result of a $27.9 million increase in non-exchange intergovernmental expense, (offset by an increase in non-operating revenue in the same amount). Also contributing to the increased miscellaneous expense was a reclassification of $15 million of dormant project costs to expense, that were previously recorded as construction in progress. There was an increase of $8.9 million (4.5%) in interest and other financing costs which totaled $207.5 million this year (versus $198.7 million in 2012). Again this year the Tollway received an interest rebate from the federal treasury relating to bonds which were issued as Build America Bonds. The 2013 rebate totaled $15.0 million, a decrease of $1.3 million from 2013, due to the U.S. government sequester.

Statement of Changes in Net Position

	2013	2012
Revenues		
Operating revenues:		
Toll revenue	$ 943,152,070	$ 922,390,189
Toll evasion recovery	54,220,590	32,598,735
Concessions	2,305,563	2,272,864
Miscellaneous	17,238,843	12,569,929
Nonoperating revenues:		
Investment income	946,210	1,389,324
Revenues under intergovernmental agreements	35,287,508	7,405,421
Net gain on disposal of property	159,590	-
Bond interest subsidy (Build America Bonds)	14,952,722	16,244,130
Total revenues	1,068,263,096	994,870,592
Expenses		
Operating expenses:		
Engineering and maintenance of roadway and structures	47,314,811	40,054,392
Services and toll collection	116,319,349	107,225,405
Traffic control, safety patrol, and radio communications	22,554,755	22,818,258
Procurement, IT, finance and administration	24,325,930	21,452,099
Insurance and employee benefits	86,277,850	77,543,643
Depreciation and amortization	308,869,419	314,107,807
Nonoperating expenses:		
Expenses under intergovernmental agreements	35,287,508	7,405,421
Net loss on disposal of property	-	70,480
Miscellaneous	15,078,644	360
Interest expense and amortization of financing costs	207,566,638	198,659,178
Total expenses	863,594,904	789,337,043
Capital contributed under intergovernmental agreements	103,915	701,954
Increase (decrease) in net position	204,772,107	206,235,503
Net position, beginning of year	2,041,563,485	1,835,327,982
Net position, end of year	$ 2,246,335,592	$ 2,041,563,485

Changes in Net Position

Net operating income increased in 2013 by $ 24.6 million to $ 411.3 million. After deducting this year's net non-operating expense of $ 206.5 million, the Tollway posted an increase in net position for the year of $ 204.8 million, (compared to $ 190.1 million increase in net position, as restated, for 2012). After this year's result, the Tollway's net position totaled nearly $2.3 billion.

As required by GASB 65 – *Items Previously Reported as Assets and Liabilities,* the 2012 beginning net position was restated to reflect the write off of unamortized bond issuance costs. Refer to Footnote 16 for further discussion.

STATEMENT OF NET POSITION
December 31, 2013 and 2012

		2013		2012
ASSETS				
Current and other assets	$	1,885,634,855	$	1,346,900,663
Capital assets - net		5,429,506,171		5,158,406,316
Total Assets	$	7,315,141,026	$	6,505,306,979
DEFERRED OUTFLOWS OF RESOURCES				
Accumulated decrease in fair value of hedging derivative:	$	136,553,050	$	308,754,779
Net gain on bond refundings		53,689,425		49,435,421
	$	190,242,475	$	358,190,200
LIABILITIES				
Current debt outstanding	$	92,855,000	$	179,465,000
Long-term debt outstanding		4,426,731,373		3,831,701,111
Other liabilities		739,461,536		810,767,583
Total liabilities	$	5,259,047,909	$	4,821,933,694
NET POSITION				
Invested in capital assets, net of related debt	$	1,126,446,163	$	1,196,676,074
Restricted under trust indenture agreements		364,205,442		277,001,048
Restricted for supplemental pension benefits obligations		61,950		65,755
Unrestricted		755,622,037		567,820,608
Total Net Position	$	2,246,335,592	$	2,041,563,485

Capital Assets and Debt Administration

Capital Assets

Capital assets continue to represent the largest category of Tollway assets, totaling $5.4 billion at year-end ($5.2 billion a year ago) comprising 74% of total Tollway assets. See the accompanying Notes to the Financial Statements – notes 1 and 6 - for further information about capital assets.

CAPITAL ASSETS
December 31, 2013

		January 1, 2013 Net Balance	2013 Net Activity	2013 Depreciation		December 31, 2013 Net Balance
Land	$	327,977,023	9,287,521	-	$	337,264,544
Construction in progress		132,755,334	222,768,322	-		355,523,656
Buildings		14,891,365	455,949	(934,324)		14,412,990
Infrastructure		4,602,500,222	331,293,028	(293,650,798)		4,640,142,452
Machinery and equipment		80,282,370	15,413,536	(13,533,377)		82,162,529
Total	$	5,158,406,314	579,218,356	(308,118,499)	$	5,429,506,171

		January 1, 2012 Net Balance	2012 Net Activity	2012 Depreciation		December 31, 2012 Net Balance
Land	$	315,128,948	12,848,075	-	$	327,977,023
Construction in progress		75,878,024	56,877,310	-		132,755,334
Buildings		14,757,727	1,959,171	(1,825,533)		14,891,365
Infrastructure		4,623,322,182	277,931,944	(298,753,904)		4,602,500,222
Machinery and equipment		83,161,933	9,694,371	(12,573,932)		80,282,370
Total	$	5,112,248,814	359,310,871	(313,153,369)	$	5,158,406,314

Long-Term Debt

At year-end 2013, total revenue bonds payable had increased by $432.8 million (from $3.964 billion to $4.397 billion), the result of a principal payment for 2013 and new bond issuances in 2013. All debt issues and related transactions are described more fully in note 8.

Other Debt−Related Information

The 1998 Series B, 2007 Series A-1 and A-2, and 2008 Series A-1 and A-2 bonds were issued as variable rate bonds. In connection with the issuance of these variable rate series, the Tollway entered into ten separate variable-to-fixed interest rate exchange (swap) agreements in total notional amounts and with amortizations matching the total principal amounts and amortizations of the Tollway's three variable rate bond issues. In connection with a refunding of a portion of the 2008 Series A-2 Bonds, one of the ten swap agreements was terminated on July 1, 2010. Nine swap agreements are outstanding as of December 31, 2013. Two swap agreements are associated with the 1998 Series B bonds, in original amounts totaling $123.1 million, both of which are outstanding as of December 31, 2013 and 2012. Four swap agreements are associated with the 2007 Series A-1 and A-2 bonds, in original amounts totaling $700 million, all of which are outstanding as of December 31, 2013 and 2012. Three swap agreements are associated with the 2008 Series A-1 and A-2 bonds, in original amounts totaling $478.875 million, all of which are outstanding as of December 31, 2013 and 2012. The Tollway utilized these nine swap agreements in order to hedge against rising interest rates and to reduce its borrowing rate (as compared to the borrowing rate obtainable by issuing fixed rate bonds). The risks associated with these types of arrangements and the strategies employed by the Tollway to mitigate those risks are discussed in note 9 of the financial statements.

As of December 31, 2013, respectively, fair market value analyses of the swap agreements estimate that if the Tollway had terminated the swap contracts on that date, the Tollway would have been required to make payments, net of accrued interest, of: a total of $11.920 million for the two 1998 Series B swap agreements; a total of $79.453 million for the four

2007 Series A-1 and A-2 swap agreements; and a total of $45.180 million for the three 2008 Series A-1 and A-2 swap agreements.

As more fully described in Note 8, on February 7, 2011 the $478,900,000 2008 Series A Bonds were mandatorily tendered and subsequently remarketed as three separate sub series. As of December 31, 2013, each sub-series was liquidity supported by a standby bond purchase agreement that qualified as a Substitute Liquidity Facility under the Supplemental Indenture for the 2008 Series A Bonds. The Substitute Liquidity Facilities were provided by JPMorgan Chase Bank, N.A. and PNC Bank, N.A.

As more fully described in Note 8, on March 18, 2011 the $700,000,000 2007 Series A Bonds were mandatorily tendered and subsequently remarketed as six separate sub series. As of December 31, 2013, each sub-series was secured by a letter of credit that qualified as a Substitute Credit Facility under the Supplemental Indenture for the 2007 Series A Bonds. The Substitute Credit Facilities were provided by: Citibank, N.A.; PNC Bank, National Association; The Bank of Tokyo Mitsubishi UFJ, Ltd., acting through its New York Branch; Harris N.A.; Northern Trust Company and Wells Fargo Bank, National Association.

The amount of additional senior bonds that the Tollway may issue at any time is limited by the requirement that the projected net revenues are sufficient to meet the Net Revenue Requirement, after giving effect to the debt service attributable to such additional bonds. The Net Revenue Requirement is comprised of the amount necessary to cure deficiencies, if any, in debt service accounts and debt reserve accounts established under the Trust Indenture, plus the greater of (i) the sum of Aggregate Debt Service on Senior Bonds, the Junior Bond Revenue Requirement, and the Renewal and Replacement Deposit for such period, and (ii) 1.3 times the Aggregate Debt Service on Senior Bonds for such period (all capitalized terms as defined in the Trust Indenture). Under the terms of the Trust Indenture the revenue bond debt service coverage ratio for 2013 was 2.46.

Note: Amounts presented in this table exclude unamortized bond premiums and deferred amounts on refunding. Additional information concerning long term debt can be found in note 8.

LONG TERM DEBT ANALYSIS

December 31, 2013

	2013		
	Noncurrent	Current	Total
Revenue bonds payable:			
Issue of 1998 Series A	$ 74,935,000	$ 59,465,000	$ 134,400,000
Issue of 1998 Series B	123,100,000	-	123,100,000
Issue of 2005 Series A	508,415,000	33,390,000	541,805,000
Issue of 2006 Series A-1	291,660,000	-	291,660,000
Issue of 2007 Series A-1	350,000,000	-	350,000,000
Issue of 2007 Series A-2	350,000,000	-	350,000,000
Issue of 2008 Series A-1	383,100,000	-	383,100,000
Issue of 2008 Series A-2	95,800,000	-	95,800,000
Issue of 2008 Series B	350,000,000	-	350,000,000
Issue of 2009 Series A	500,000,000	-	500,000,000
Issue of 2009 Series B	280,000,000	-	280,000,000
Issue of 2010 Series A-1	279,300,000	-	279,300,000
Issue of 2013 Series A	500,000,000	-	500,000,000
Issue of 2013 Series B-1	217,390,000	-	217,390,000
Total revenue bonds payable	$ 4,303,700,000	$ 92,855,000	$ 4,396,555,000

Factors Impacting Operations

In 2013 the Tollway continued the work of its $12 billion Move Illinois capital program. Land acquisition and design work increased significantly for: the widening and rebuilding of the Jane Addams Memorial Tollway (I-90), including an interchange project at Illinois 47; the construction of the I-294/I-57 interchange; and the development of the Elgin-O'Hare Western Access Project. Two new bond series were issued in 2013, one being a refunding issue and the other to fund capital construction. The Tollway forecasts for the fifteen-year span of the Move Illinois program call for about 60% of the program's costs to be funded by toll revenues.

Contacting the Tollway's Financial Management

This financial report is designed to provide our customers, bondholders, employees, and other stakeholders with an overview of the Tollway's finances and to demonstrate the Tollway's accountability for the funds it receives and deploys. Questions concerning this report or requests for additional financial information should be directed to the Controller, Illinois State Toll Highway Authority, 2700 Ogden Avenue, Downers Grove, Illinois 60515

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Statement of Net Position
December 31, 2013
(With Comparative Totals for 2012)

	2013	2012
ASSETS		
Current assets:		
Current unrestricted assets:		
Cash and cash equivalents	$ 812,039,408	$ 656,519,154
Accounts receivable, less allowance for doubtful accounts of $ 27,618,205 and $ 21,972,461, in 2013 and 2012, respectively	8,795,293	6,668,496
Intergovernmental receivables	37,378,453	35,973,926
Accrued interest receivable	212	4,276
Risk management reserved cash and cash equivalents	18,297,141	12,853,085
Prepaid expenses	2,237,667	1,400,778
Total current unrestricted assets	878,748,174	713,419,715
Current restricted assets:		
Cash and cash equivalents - debt service	214,486,678	171,221,885
Cash and cash equivalents - I-PASS accounts	164,702,419	155,398,888
Investments - debt reserve	60,000,000	72,000,000
Accrued interest receivable	1,400	50,533
Supplemental pension benefit assets	27,822	28,638
Total current restricted assets	439,218,319	398,699,944
Total current assets	1,317,966,493	1,112,119,659
Noncurrent assets:		
Capital assets:		
Land, improvements and construction in progress	692,788,200	460,732,357
Other capital assets, net of accumulated depreciation	4,736,717,971	4,697,673,959
Total capital assets	5,429,506,171	5,158,406,316
Other noncurrent assets:		
Accounts receivable less current portion	108,265,566	95,210,088
Prepaid expenses less current portion	7,424,212	8,422,087
Total noncurrent unrestricted assets	115,689,778	103,632,175
Noncurrent restricted assets:		
Cash and cash equivalents - debt service reserve	181,571,008	130,925,234
Supplemental pension benefit assets	191,785	223,595
Cash and cash equivalents - construction	270,215,790	-
Total noncurrent restricted assets	451,978,583	131,148,829
Total assets	7,315,141,026	6,505,306,979
DEFERRED OUTFLOWS OF RESOURCES		
Accumulated decrease in fair value of hedging derivatives	136,553,050	308,754,779
Net loss on bond refundings	53,689,425	49,435,421
	190,242,475	358,190,200

See accompanying notes to the financial statements.

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Statement of Net Position
December 31, 2013
(With Comparative Totals for 2012)

	2013	2012
LIABILITIES		
Current liabilities		
Payable from unrestricted current assets:		
Accounts payable	$ 37,668,878	$ 9,876,536
Accrued liabilities	151,387,709	107,816,976
Accrued compensated absences	5,667,157	4,611,853
Intergovernmental agreement payable	84,445,594	82,688,729
Risk management claims payable	6,000,000	6,000,000
Deposits and retainage	30,101,093	15,201,590
Unearned revenue, net of accumulated amortization of $ 124,208	475,792	-
Total current liabilities payable from unrestricted current assets	315,746,223	226,195,684
Payable from current restricted assets:		
Supplemental pension benefit obligation	157,657	186,478
Current portion of revenue bonds payable	92,855,000	179,465,000
Accrued interest payable	91,853,644	82,527,649
Deposits and unearned revenue- I-PASS accounts	164,702,419	155,529,428
Total current liabilities payable from current restricted assets	349,568,720	417,708,555
Total current liabilities	665,314,943	643,904,239
Noncurrent liabilities:		
Revenue bonds payable, less current portion	4,426,731,373	3,831,701,111
Accrued compensated absences	4,020,291	5,200,600
Risk management claims payable	12,082,622	7,602,326
Derivative instrument liability	136,553,050	308,754,779
Unearned revenue, less accumulated amortization of $ 19,385,613 and $ 17,740,210, respectively	14,345,630	24,770,639
Total noncurrent liabilities	4,593,732,966	4,178,029,455
Total liabilities	5,259,047,909	4,821,933,694
NET POSITION		
Invested in capital assets, net of related debt	1,126,446,163	1,196,676,074
Restricted under trust indenture agreements	364,205,442	277,001,048
Restricted for supplemental pension benefit obligations	61,950	65,755
Unrestricted	755,622,037	567,820,608
Total net position	2,246,335,592	2,041,563,485

See accompanying notes to the financial statements

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Statement of Revenues, Expenses and Changes in Net Position
December 31, 2013
(With Comparative Totals for 2012)

	2013	2012
Operating revenues:		
Toll revenue	$ 943,152,070	$ 922,390,189
Toll evasion recovery	54,220,590	32,598,735
Concessions	2,305,563	2,272,864
Miscellaneous	17,238,843	12,569,929
Total operating revenues	1,016,917,066	969,831,717
Operating expenses:		
Engineering and maintenance of roadway and structures	47,314,811	40,054,392
Services and toll collection	116,319,349	107,225,405
Traffic control, safety patrol and radio communications	22,554,755	22,818,258
Procurement, IT, finance, and administration	24,325,930	21,452,099
Insurance and employee benefits	86,277,850	77,543,643
Depreciation and amortization	308,869,419	314,107,807
Total operating expenses	605,662,114	583,201,604
Operating income	411,254,952	386,630,113
Nonoperating revenues (expenses):		
Revenues under intergovernmental agreements	35,287,508	7,405,421
Expenses under intergovernmental agreements	(35,287,508)	(7,405,421)
Net gain (loss) on disposal of property	159,590	(70,480)
Interest expense and amortization of financing costs	(207,566,638)	(198,659,178)
Bond interest subsidy (Build America Bonds)	14,952,722	16,244,130
Miscellaneous revenue/(expense)	(15,078,644)	(360)
Investment income	946,210	1,389,324
Total nonoperating (expenses)	(206,586,760)	(181,096,564)
Capital contributed under intergovernmental agreements	103,915	701,954
Change in net position	204,772,107	206,235,503
Net position at beginning of year	2,041,563,485	1,850,749,932
Cumulative effect of change in accounting principle	-	(15,421,950)
Net position at beginning of year, as adjusted	2,041,563,485	1,835,327,982
Net position at end of year	$ 2,246,335,592	$ $2,041,563,485

See accompanying notes to the financial statements.

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Statement of Cash Flows
Year Ended December 31, 2013
(With Comparative Totals for 2012)

	2013	2012
Cash flows from operating activities:		
Cash received from sales and services	$ 1,029,028,024	$ 1,003,554,289
Cash received from other governments for services	-	16,529,606
Cash payment to suppliers	(122,708,942)	(119,782,450)
Cash payments to employees	(151,324,265)	(143,200,049)
Net cash provided by operating activities	754,994,817	757,101,396
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(550,055,971)	(312,471,396)
Cash received from other governments for capital assets	13,297,333	701,954
Cash paid for intergovernmental services	(8,742,764)	-
Proceeds from sale of property	318,028	379,967
Bond proceeds	565,345,459	-
Principal paid on revenue bonds	(56,365,000)	(53,040,000)
Payment to defease bonds	(1,015,538)	-
Bond subsidy (Build America Bonds)	14,952,722	16,244,130
Interest expense and issuance costs paid on revenue bonds	(211,313,725)	(206,323,155)
Net cash (used in) capital and related financing activities	(233,579,456)	(554,508,500)
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	12,000,000	-
Purchase of investments	-	(72,000,000)
Interest on investments	946,210	1,389,324
Net cash provided by (used in) investing activies	12,946,210	(70,610,676)
Net (decrease) increase in cash and cash equivalents	534,361,571	131,982,220
Cash and cash equivalents at beginning of year	1,127,170,480	995,188,260
Cash and cash equivalents at end of year	$ 1,661,532,051	$ 1,127,170,480
Reconciliation of cash and cash equivalents:		
Cash and cash equivalents	$ 812,039,408	$ 656,519,154
Risk management reserved cash and cash equivalents	18,297,141	12,853,085
Cash and cash equivalents restricted for debt service	396,057,686	302,147,119
Cash and cash equivalents restricted fro construction	270,215,790	-
Cash and cash equivalents - I-PASS accounts	164,702,419	155,398,889
Supplemental pension benefit assets	219,607	252,233
Total cash and cash equivalents at end of year	$ 1,661,532,051	$ 1,127,170,480

See accompanying notes to the financial statements.

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Statement of Cash Flows
Year Ended December 31, 2013
(With Comparative Totals for 2012)

	2013	2012
Reconciliation of operating income to net cash provided by operating activities:		
Operating Income	$ 411,254,952	$ 386,630,113
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	308,869,419	314,107,807
Provision for bad debt	6,185,355	17,012,217
Amortization of unearned revenue	(1,645,404)	(1,628,357)
Miscellaneous revenue (expense)	-	(360)
Effects of changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(1,439,083)	9,319,540
(Increase) decrease in intergovernmental receivables	(685,584)	3,602,776
Increase (decrease) in prepaid expenses	160,986	(359,573)
Decrease in net assets available for pension benefits	-	35,537
Increase in accounts payable	660,817	1,416,021
Increase in accrued liabilities	18,272,661	2,922,011
Decrease in accrued compensated absences	(125,005)	(168,096)
Decrease in supplemental pension obligation	(28,821)	(31,819)
Increase in intergovernmental agreement payable	566,562	15,000,005
Increase in deposits - I-PASS	3,845,720	9,018,727
Decrease in unearned revenue	4,621,946	-
Increase in risk management claims payable	4,480,296	224,847
Net cash provided by operating activities	$ 754,994,817	$ 757,101,396

The fair value of investments decreased by $-0- in 2013 and 2012.

See accompanying notes to the financial statements.

(1) Summary of Significant Accounting Policies

The accounting policies and financial reporting practices of the Illinois State Toll Highway Authority (the Tollway), a component unit of the State of Illinois, conform to U.S. generally accepted accounting principles (GAAP), as promulgated by of the Governmental Accounting Standards Board (GASB).

(a) Financial Reporting Entity

The Illinois State Toll Highway Authority, a component unit of the State of Illinois, was created by an Act of the General Assembly of the State of Illinois – the Toll Highway Act – for the purpose of constructing, operating, regulating, and maintaining a toll highway or a system of toll highways and, in connection with the financing of such projects, is authorized to issue revenue bonds which shall be retired from revenues derived from the operation of the Tollway. Under the provisions of the Act, no bond issue of the Tollway, or any interest thereon, is an obligation of the State of Illinois. In addition, the Tollway is empowered to issue refunding bonds for the purpose of refunding any revenue bonds issued under the provisions of the Act, which are then outstanding.

The enabling legislation empowers the Tollway's Board of Directors with duties and responsibilities which include, but are not limited to, the ability to approve and modify the Tollway's budget, the ability to approve and modify toll rates and fees charged for use of the system, the ability to employ and discharge employees as necessary in the judgment of the Tollway, and the ability to acquire, own, use, hire, lease, operate, and dispose of personal property, real property, and any interest therein.

Component units are separate legal entities for which the primary government is legally accountable. The Tollway is a component unit of the State of Illinois for financial reporting purposes because exclusion would cause the State's financial statements to be incomplete. The governing body of the Tollway is an 11 member Board of Directors of which nine members are appointed by the Governor of Illinois with the advice and consent of the Illinois Senate. The Governor and the Secretary of the Illinois Department of Transportation are also members of the Tollway's Board of Directors. These financial statements are included in the State's comprehensive annual financial report and the State's separately issued basic financial statements. The Tollway itself does not have any component units.

(b) Basis of Accounting

The Tollway accounts for its operations and financings 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.

Accordingly, the Tollway is accounted for as a proprietary fund (enterprise fund) using the flow of economic resources measurement focus and the accrual basis of accounting. Under this measurement focus, all assets and all liabilities associated with the Tollway's operations are included in the Statement of Net Position. Revenue is recognized in the period in which it is earned and expenses are recognized in the period in which incurred.

Non-exchange transactions, in which the Tollway receives value without directly giving equal value in return, include fines for toll evasion.

(continued)

(c) Cash Equivalents

With the exception of $42 million in locally held funds and cash on hand at December 31, 2013, all cash and investments are held for the Tollway either by the Illinois State Treasurer (the Treasurer) as custodian or by the bond trustee under the Tollway's Trust Indenture.

For purposes of the Statement of Cash Flows, the Tollway considers all highly liquid investments, including assets with a maturity of three months or less when purchased, repurchase agreements and investments held on its behalf by the Treasurer to be cash equivalents, as these investments are available upon demand.

(d) Investments

The Tollway reports investments at fair value in its Statement of Net Position with the corresponding changes in fair value being recognized as an increase or decrease to nonoperating revenue in the Statement of Revenues, Expenses and Changes in Net Position. All investments are held for the Tollway either by the Treasurer as custodian or by the bond trustee under the Tollway's Trust Indenture.

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

All investments in U.S. Treasury and agency issues owned by the Tollway are reported at fair value. Fair value for the investments in Illinois Funds (a state-operated money market fund, sponsored by the Treasurer in accordance with Illinois state law that is rated AAAm by Standard & Poor's rating agency) is equal to the value of the pool shares. Other funds held for the Tollway by the Treasurer are invested in U.S. Treasury and agency issues at the direction of the Tollway and in repurchase agreements which are recorded at face value which approximates fair value. State statute requires that all investments comply with the Illinois Public Funds Investment Act.

The Trust Indenture, as amended, under which the Tollway's revenue bonds were issued, authorizes the Tollway to invest in U.S. Treasury and agency issues, money market funds comprised of U.S. Treasury and agency issues, repurchase agreements thereon, time deposits, and certificates of deposit. All funds held by the Tollway's bond trustee were held in compliance with these restrictions for the year ended December 31, 2013.

(e) Accounts Receivable

The Tollway's accounts receivable consist of various toll charges and amounts due from individuals and commercial, governmental and other entities. A provision for doubtful accounts has been recorded for the estimated amount of uncollectible accounts.

(f) Prepaid Expenses and Inventory

Certain payments made to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses. The Tollway's inventory items consist mostly of consumable supplies that are quickly turned over and therefore the payments for such are directly expensed.

(continued)

(g) Noncurrent Cash and Investments

Cash and investments that are externally restricted for sinking or reserve funds for the purchase or construction of capital or other noncurrent assets are classified as noncurrent assets in the Statement of Net Position.

(h) Capital Assets

Capital assets include the historical cost of land and improvements, easements, roadway and transportation structures (infrastructure), buildings and related improvements, software and equipment, with a cost exceeding $5,000. Most expenses for the maintenance and repairs to the roadway and transportation structures, buildings, and related improvements are charged to operations when incurred. All expenses for land, buildings, infrastructure, and construction in progress that increase the value or productive capacities of assets are capitalized. The Tollway capitalizes interest related to construction in progress. Capital assets are depreciated using the straight line method of depreciation over the asset's useful life, as follows:

Building	20 Years
Infrastructure	5 to 40 Years
Machinery, equipment and software	5 to 30 Years

(i) Accounting for Leases

The Tollway makes a distinction between 1) capital leases that effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets and 2) operating leases under which the lessor effectively retains all such risks and benefits. The Tollway currently is not a party to any capital leases.

Operating leases are accounted for as an operating revenue or expense, depending on whether the Tollway is the lessor or lessee.

(j) Long Term Accounts Receivable

In the course of business the Tollway may enter into contracts with various parties that call for payments to the Tollway to be made at a date more than one year in the future. These receivables are classified as long-term. See note 7.

(k) Debt Refunding

In accordance with GASB 65, *Items Previously Reported as Assets and Liabilitie*s, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow or inflow of resources and recognized as a component of interest expense systematically over the remaining life of the old debt or the life of the new debt, whichever is shorter. Accordingly, $49.4 million has been reclassified in the 2012 Statement of Net Position from revenue bonds payable to a deferred outflow of resources.

(continued)

(l) Unearned Revenue

The Tollway recognizes revenue when earned. Amounts received in advance of the periods in which related services are rendered are recorded as an unearned revenue liability in the Statement of Net Position.

(m) Swap Agreements

In accordance with GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, the Tollway records changes in fair values of the hedging derivative instruments (swaps) as deferred outflows of resources or deferred inflows of resources in the Statement of Net Position.

(n) Net Position

The Statement of Net Position presents the Tollway's assets and liabilities with the difference reported in three categories:

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for revenue bonds and other debt that is attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position results when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position consists of net positions that do not meet the criteria of the two preceding categories.

At December 31, 2013, restrictions on net positions consisted of:

Restricted for Supplemental Pension Obligation reflects monies set aside for a retirement plan established in 1990 and suspended in 1994.

Restricted under Trust Indenture Agreements result when constraints placed on net positions use either externally imposed creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislations.

When both restricted and unrestricted resources are available for a specific use, it is the Tollway's policy to use restricted resources first, then unrestricted resources as they are needed.

(o) Toll Revenue

Toll Revenue is recognized in the month in which the transaction occurs. The fines attributed to Toll evasion recovery are recorded as revenue when received in cash. Both tolls and fines recovered under the evasion recovery enforcement system are recorded as Toll evasion recovery revenue.

(p) Classification of Operating Revenues and Expenses

The Tollway's operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its tollway system. All other revenues and expenses are reported as nonoperating revenues and expenses or as special items.

 (continued)

Toll evasion revenue is shown net of bad debt expense; concession revenue includes only oasis revenue.

The majority of the Tollway's expenses are exchange transactions, which GASB defines as operating expenses for financial statement presentation purposes. Nonoperating expenses include transfers under intergovernment agreements and capital financing costs.

(q) Risk Management

The Tollway has self-insured risk retention programs with stop-loss limits for current employee group health and self-insured reserves for workers' compensation claims and has provided accruals for estimated losses arising from such claims.

(r) Comparative Totals

Comparative total data for the prior year has been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the Tollway's assets, deferred outflows, liabilities, deferred inflows, net position, revenues and expenses. Such prior year information does not include notes to the financial statements which are required to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such prior information should be read in conjunction with the Tollway's financial statements for the year ended December 31, 2012, from which such partial information was derived. Certain 2012 balances have been reclassified as discussed in footnote 22 with the implementation of GASB Statement number 65.

(s) Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(2) Cash and Investments

(a) Custodial Credit Risk -Deposits

Custodial credit risk is the risk that an institution holding Tollway deposits may fail and expose the Tollway to a loss if the Tollway's deposits were not returned upon maturity or demand. State law (30 ILCS 230/2C) requires that all deposits of public funds be covered by FDIC insurance or eligible collateral. The Tollway has no policy that would further limit the requirements under state law. As of December 31, 2013, the Tollway's deposits were not exposed to custodial credit risk.

(b) Schedule of Investments

As of December 31, 2013 the Tollway had the following investments and maturities:

		Investment Maturities (in years)	
Investment Type	**Fair Value**	**Less Than 1**	**1 - 5**
Repurchase agreements	$ 764,720,000	$ 764,720,000	$ -
Money market funds*	666,273,474	666,273,474	-
US Treasury Cert. of Indebtedness-SLGS	60,000,000	60,000,000	-
Illinois Funds*	180,397,803	180,397,803	-
	$ 1,671,391,277	$ 1,671,391,277	$ -

* Weighted average maturity is less than one year.

(c) Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will decrease as a result of an increase in interest rates. As a means of limiting its exposure to fair value losses from rising interest rates, and as a means of managing liquidity, the Tollway's investment policy requires that the majority of Tollway funds be invested in instruments with maturities of less than one year. No investment is to exceed a ten-year maturity.

(d) Credit and Concentration Risks

Credit risk is the risk that the Tollway will not recover its investments due to the inability of the issuer to fulfill its obligation. The Tollway's investment policy limits investment of Tollway funds to securities guaranteed by the United States government; obligations of agencies and instrumentalities of the United States; interest-bearing savings accounts, certificates of deposit, or bank time deposits with institutions

which meet specified capitalization requirements; money market mutual funds registered under the Investment Company Act of 1940; the Illinois Funds; and repurchase agreements of government securities as defined in the Government Securities Act of 1986. Investment policy further requires that the investment portfolio be diversified in terms of specific maturity, specific issuer, or specific class of securities. Final maturities are limited to ten years; the majority of Tollway funds, excluding bond proceeds, should be invested in maturities of less than one year. The Tollway was in compliance with these policies during 2013.

(continued)

The Tollway's investments in debt securities (or the securities underlying the repurchase agreements) were rated by Moody's and Standard & Poor's as follows for the year ended December 31,2013:

	2013 (Moody's/S&P)	
Investment Type	**Fair Value**	**Rating**
Repurchase agreements	$ 764,720,000	AAA/AA+u
Money market funds	666,273,474	Aaa-mf/AAAm
US Treasury Cert. of Indebtedness-SLGS	60,000,000	AAA/AA+u
Illinois Funds	180,397,803	N/R/AAAm

(3) Current Accounts Receivable

The Tollway's accounts receivable consist of various toll charges and other amounts due from individuals and commercial and other entities. A provision for doubtful accounts has been recorded for estimated uncollectible amounts. As of December 31, 2013, the Tollway's accounts receivable balance consists of the following:

December 31, 2013

	Gross accounts receivables	Allowance for doubtful accounts	Net accounts receivable
Tolls	$ 4,727,013	$ (680,105)	$ 4,046,908
Toll evasion recovery	25,087,564	(22,482,073)	2,605,491
Oases receivables	115,392	-	115,392
Damage claims/emergency services	192,637	(180,693)	11,944
Insufficient I-PASS	2,499,789	(2,004,607)	495,182
Over dimension vehicle permit	65,405	(22,090)	43,315
Fiber optic agreements	289,450	(55,489)	233,962
Workers compensation	74,752	-	74,752
Other	3,361,495	(2,193,148)	1,168,347
Total non-governmental receivables	36,413,497	(27,618,205)	8,795,293
Various local and municipal government	6,990,653	-	6,990,653
IAG Agencies	9,850,064	-	9,850,064
Other agencies of the state of Illinois	128,803,303	-	128,803,303
Total intergovernmental receivables	145,644,020	-	145,644,019
Total receivables	$ 182,057,517	$ (27,618,205)	$ 154,439,312

(4) Prepaid Expenses

In the normal course of business the Tollway pays for services that will be consumed beyond the current year. These are established as prepaid expenses. As of December 31, 2013, the Tollway has $ 9.7 million in prepaid expenses. These are categorized as both current and noncurrent.

(continued)

(5) Leases Receivable

During 2002, the Tollway, as lessor, entered into two 25-year lease agreements for the oasis system (a retail lease and a fuel lease). Under the terms of each lease, the lessee is financially responsible for rebuilding and renovating the oasis structures. At the end of each lease, ownership of the improvements reverts to the Tollway. In the retail lease, the lessee is responsible for the payment of all expenses associated with administration and operation of the facilities including the securing of tenants. In the fuel lease, the lessee is responsible for the operation of the service station and car wash facilities.

The fuel lease agreement requires the parties to complete a remediation program to ensure that the oasis system is in compliance with current environmental laws, and that compliance continues for the term of the lease. The Tollway is solely responsible for the remediation program up until the lease commencement date until it has received “No Further Remediation” (NFR) letters from the Illinois Environmental Protection Agency (IEPA). The IEPA issues the letters along with approval for reimbursement of approved expenses from the LUST (Leaking Underground Storage Tank) Fund established by Congress. Remediation work has been completed at all oasis sites. NFR letters have been received by the Tollway for all remediation sites that are the responsibility of the Tollway, except for the Lincoln Oasis North and South locations. The Tollway believes that the remaining NFR letters will be issued without further material remediation costs being incurred.

The future minimum lease payments receivable under these agreements as of December 31, 2013 are as follows:

Year Ended December 31	Retail Lease	Fuel Lease	Total Leases
2014	$ 758,928	$ 900,250	$ 1,659,178
2015	728,571	900,250	1,628,821
2016	728,571	900,250	1,628,821
2017	728,571	900,250	1,628,821
2018	728,571	900,250	1,628,821
Thereafter	7,083,332	7,502,086	14,585,418
	$ 10,756,544	$ 12,003,336	$ 22,759,880

The future minimum leases receivable do not include contingent rents that may be owed under these leases should the lessees generate revenues in excess of specific target amounts. The future minimum lease amounts above will be treated as revenue in the year they are earned.

(6) Capital Assets

Changes in capital assets for the year ended December 31, 2013, are as follows:

	Balance January 1	Additions and transfers in	Deletions and transfers out	Balance December 31
Nondepreciable capital assets:				
Land and improvements	$ 327,977,023	$ 9,287,521	$ -	$ 337,264,544
Construction in progress	132,755,334	549,972,222	(327,203,900)	355,523,656
Total nondepreciable capital assets	460,732,357	559,259,743	(327,203,900)	692,788,200
Depreciable capital assets				
Buildings	54,025,609	455,949	-	54,481,558
Infrastructure	7,056,363,300	331,293,030	(73,540,195)	7,314,116,135
Machinery and equipment	216,833,111	15,571,975	(1,317,580)	231,087,506
Total depreciable capital assets	7,327,222,020	347,320,954	(74,857,775)	7,599,685,199
Less accumulated depreciation				
Buildings	(39,134,241)	(934,328)		(40,068,569)
Infrastructure	(2,453,863,080)	(293,650,798)	73,540,195	(2,673,973,683)
Machinery and equipment	(136,550,741)	(13,533,376)	1,159,141	(148,924,976)
Total accumulated depreciation	(2,629,548,062)	(308,118,502)	74,699,336	(2,862,967,228)
Total depreciable assets, net	4,697,673,958	39,202,452	(158,439)	4,736,717,971
Total capital assets, net	$ 5,158,406,315	$ 598,462,195	$ (327,362,339)	$ 5,429,506,171

(7) Long-Term Accounts Receivable

As of December 31, 2013, long-term accounts receivable consisted of the following:

Village of Lemont - I-355 South Intergovernmental Agreement	$ 125,000
Illinois Department of Transportation	108,140,566
	$ 108,265,566

(8) Revenue Bonds Payable

Changes in revenue bonds payable for the year ended December 31, 2013, are as follows:

Year Ended December 31, 2013

	Balance January 1	Additions	Deletions	Balance December 31	Amounts due within one year*
1998 Series A	$ 190,765,000	$ -	$ (56,365,000)	$ 134,400,000	$ 59,465,000
1998 Series B	123,100,000	-	-	123,100,000	-
2005 Series A	770,000,000	-	(228,195,000)	541,805,000	33,390,000
2006 Series A-1	291,660,000	-	-	291,660,000	-
2007 Series A-1 & A-2	700,000,000	-	-	700,000,000	-
2008 Series A-1 & A-2	478,900,000	-	-	478,900,000	-
2008 Series B	350,000,000	-	-	350,000,000	-
2009 Series A	500,000,000	-	-	500,000,000	-
2009 Series B	280,000,000	-	-	280,000,000	-
2010 Series A-1	279,300,000	-	-	279,300,000	-
2013 Series A-1	-	500,000,000	-	500,000,000	-
2013 Series B	-	217,390,000	-	217,390,000	
Totals	3,963,725,000	717,390,000	(284,560,000)	4,396,555,000	92,855,000
Unamortized bond premium	47,441,111	95,728,365	(20,138,103)	123,031,373	
Current portion of revenue bonds payable	(179,465,000)	(92,855,000)	179,465,000	(92,855,000)	
Revenue bonds payable, net of current portion	$ 3,831,701,111	$ 720,263,365	$ (125,233,103)	$ 4,426,731,373	

* Principal amounts either due or for which required third-party liquidity is expiring within one year and was not renewed prior to report issuance date.

(a) Series 1998A and 1998B Bonds

On December 30, 1998, the Tollway issued $325,135,000 of Refunding Revenue Bonds, consisting of $202,035,000 of Fixed Rate Bonds (1998 Series A) and $123,100,000 of Variable Rate Bonds (1998 Series B). The bonds financed the refunding of a portion ($313,105,000) of the Tollway's Series 1992A Bonds and also financed costs of issuance and accrued interest on the Series 1998A Bonds. The Series 1998A Bonds were sold with fixed interest rates ranging from 4.0% to 5.5% at yields which produced a net Original Issue Premium of $17,414,484. The Series 1998A Bonds, of which $134,400,000 were outstanding as of December 31, 2013, are not subject to redemption prior to maturity. The Series 1998B Bonds were initially issued in a weekly mode and were in a weekly mode during all of 2013. Interest rates on the Series 1998B Bonds are set pursuant to the terms of a remarketing agreement. While in the weekly mode, the Series 1998B Bonds are subject to demand for purchase from bondholders. Any such Series 1998B Bonds tendered for purchase are remarketed pursuant to the terms of a remarketing agreement. Series 1998B Bonds tendered for purchase that are not remarketed to new bondholder(s) are funded, subject to certain conditions, under a

(continued)

Standby Bond Purchase Agreement among the Tollway, the Trustee, and Landesbank Hessen-Thüringen Girozentale, New York Branch.

The stated expiration date of the Standby Bond Purchase Agreement matches the final maturity of the Series 1998B Bonds. Any bonds funded pursuant to the Standby Bond Purchase Agreement that remain unremarketed on their originally scheduled payment dates of January 1, 2016 and January 1, 2017 are required to be paid by the Tollway on such originally scheduled payment dates. The cost of the Standby Bond Purchase Agreement is a per annum fee of 40 basis points times the commitment amount of $129,339,315, which consists of $123,100,000 for payment of principal and $6,239,315 for payment of interest. While in the weekly mode, the Series 1998B Bonds are subject to optional redemption by the Tollway. The expiration date of the Standby Bond Purchase Agreement is January 3, 2017. The scheduled Series 1998B principal payments are $53,900,000 on January 1, 2016 and $69,200,000 on January 1, 2017. The final maturity of the 1998A and 1998B bonds is January 1, 2016 and January 1, 2017, respectively. The scheduled payments of principal and interest of the Series 1998A Bonds and the Series 1998B Bonds are insured by Assured Guaranty Municipal Corp., pursuant to the acquisition of the original bond insurer, Financial Security Assurance Inc., by Assured Guaranty Ltd. on July 1, 2009. The variable interest rate of the Series 1998B Bonds as of December 31, 2013 was 0.35%.

(b) Series 2005A Bonds

On June 22, 2005, the Tollway issued $770,000,000 of Senior Priority Revenue Bonds (2005 Series A). This issuance was the first bond sale utilized to finance capital projects in the Congestion-Relief Program. The bonds also financed a deposit to the Debt Reserve Account and costs of issuance. All maturities of the bonds were sold bearing 5.0% interest rates except for the $101,935,000 par amount maturing on January 1, 2020 which was sold bearing an interest rate of 4.125%. The bonds were sold at yields which produced a net Original Issue Premium of $60,405,414. The bonds are subject to optional redemption on or after July 1, 2015 at a redemption price of 100% of the principal amount plus accrued interest. The scheduled payments of principal and interest of this bond series are insured by Assured Guaranty Municipal Corp., pursuant to the acquisition of the original bond insurer, Financial Security Assurance Inc., by Assured Guaranty Ltd. on July 1, 2009, except for the principal and interest of the $101,935,000 maturing January 1, 2020, which is not insured. The final maturity of the bonds is January 1, 2023. On August 13, 2013, $228,195,000 of the 2005 Series A Bonds that were scheduled to mature on January 1 of 2017, 2018 and 2019 were advance refunded by the Tollway's $217,390,000 Toll Highway Senior Revenue Bonds 2013 Series B-1 (Refunding).

(c) Series 2006A Bonds

On June 7, 2006, the Tollway issued $1,000,000,000 of Senior Priority Revenue Bonds (2006 Series A-1 and Series A-2). This issuance was the second bond sale utilized to fund capital projects in the Congestion-Relief Program. The bonds also financed a deposit to the Debt Reserve Account and costs of issuance. All maturities of the bonds were sold bearing 5.0% interest rates at yields which produced an Original Issue Premium of $40,019,000. The bonds are subject to optional redemption on or after July 1, 2016 at a redemption price of 100% of the principal amount plus accrued interest. The scheduled payments of principal and interest of the bonds are insured by Assured Guaranty Municipal Corp., pursuant to the acquisition of the original bond insurer, Financial Security Assurance Inc., by Assured Guaranty Ltd. on July 1, 2009. On February 7, 2008, $708,340,000 of the 2006 Series A bonds was advance refunded by the Tollway's $766,200,000 Variable Rate Senior Refunding Revenue Bonds (2008 Series A-1 and Series A-2). The final maturity of the bonds is January 1, 2025.

(d) Series 2007A Bonds

On November 1, 2007, the Tollway issued $700,000,000 of Variable Rate Senior Priority Revenue Bonds (2007 Series A-1 and Series A-2). This issuance was the third bond sale utilized to finance capital projects in the Congestion-Relief Program. The bonds also financed a deposit to the Debt Reserve Account and costs of issuance. The bonds were sold at par and initially issued in a weekly mode and remained in a weekly mode through fiscal year end 2013. Interest rates on the bonds are set pursuant to the terms of a remarketing agreement. While in the weekly mode, the bonds are subject to optional redemption by the Tollway. While in the weekly mode, the bonds are subject to bondholder tender for purchase. Any such bonds tendered for purchase are remarketed pursuant to the terms of a remarketing agreement. Funding for any bonds tendered for purchase that failed to be remarketed was available, under certain circumstances, from a Liquidity Facility in the form of a Standby Bond Purchase Agreement provided by Dexia Credit Local, New York Branch, through March 18, 2011, the effective expiration date of that Standby Bond Purchase Agreement. On March 18, 2011, the 2007 Series A Bonds were mandatorily tendered and, on the same day, subsequently remarketed as six separate sub-series, each sub-series secured by a direct-pay letter of credit that qualified as a Substitute Credit Facility under the Supplemental Indenture for the 2007 Series A Bonds. The following provides information regarding each of those sub-series and their respective letters of credit.

(e) Series 2007A-1a Bonds

On March 18, 2011 the Tollway remarketed $175,000,000 of the 2007 Series A-1 Bonds as 2007 Series A-1a (the "Series 2007A-1a Bonds"). While in the weekly mode, the Series 2007A-1a Bonds are secured by a direct-pay letter of credit from Citibank, N.A. pursuant to the terms of the Letter of Credit Reimbursement Agreement dated as of March 1, 2011 between the Tollway and such bank (the "2007A-1a Credit Facility"). The 2007A-1a Credit Facility provides up to $175,000,000 for payment of principal and up to $3,595,891 for payment of interest (equivalent to 50 days' accrued interest at 15%), including for the purpose of paying the principal and interest portions of the purchase price of any bonds tendered and not remarketed. To the extent the 2007A-1a Credit Facility is utilized to purchase bonds tendered and not remarketed, and such bonds continue to fail to be remarketed, then such bonds are required to be repaid by the Authority thirteen months after the termination date of the 2007A-1a Credit Facility. The 2007A-1a Credit Facility, if not extended, is currently scheduled to expire on January 31, 2014. The variable interest rate of the Series 2007A-1a Bonds as of December 31, 2013 was 0.05%.

(f) Series 2007A-1b Bonds

On March 18, 2011 the Tollway remarketed $175,000,000 of the 2007 Series A-1 Bonds as 2007 Series A-1b (the "Series 2007A-1b Bonds"). While in the weekly mode, the Series 2007A-1b Bonds are secured by a direct-pay letter of credit from PNC Bank, National Association pursuant to the terms of the Reimbursement Agreement dated as of March 1, 2011 between the Tollway and such bank (the "2007A-1b Credit Facility"). The 2007A-1b Credit Facility provides up to $175,000,000 for payment of principal and up to $3,236,302 for payment of interest (equivalent to 45 days' accrued interest at 15%), including for the purpose of paying the principal and interest portions of the purchase price of any bonds tendered and not remarketed. To the extent the 2007A-1b Credit Facility is utilized to purchase bonds tendered and not remarketed, and to the extent such bonds continue to either (a) remain unremarketed for 180 days or (b) remain unremarketed on the termination date of the 2007A-1b Credit Facility, then such funded bonds are required to be repaid by the Authority in equal semi-annual principal installments commencing on the earlier of (i) 180 days after the date the bonds were purchased and (ii) the termination date of the 2007A-1b Credit Facility, and ending on the date three years following the date the bonds were purchased. The cost of the 2007A-1b Credit Facility is a per annum fee of 75 basis points times the stated amount of $178,236,302. The variable interest rate of the Series 2007A-1b Bonds as of December 31, 2013 was 0.04%.

(continued)

(g) Series 2007A-2a Bonds

On March 18, 2011 the Tollway remarketed $100,000,000 of the 2007 Series A-2 Bonds as 2007 Series A-2a (the "Series 2007A-2a Bonds"). While in the weekly mode, the Series 2007A-2a Bonds are secured by a direct-pay letter of credit from The Bank of Tokyo-Mitsubishi UFJ, Ltd., acting through its New York Branch pursuant to the terms of the Reimbursement Agreement dated as of March 1, 2011 between the Tollway and such bank (the "2007A-2a Credit Facility"). The 2007A-2a Credit Facility provides up to $100,000,000 for payment of principal and up to $1,849,316 for payment of interest (equivalent to 45 days' accrued interest at 15%), including for the purpose of paying the principal and interest portions of the purchase price of any bonds tendered and not remarketed. To the extent the 2007A-2a Credit Facility is utilized to purchase bonds tendered and not remarketed, and to the extent such bonds continue to remain unremarketed on the first business day of the fourth calendar month immediately succeeding the date the bonds were purchased, then such funded bonds are required to be repaid by the Authority in equal quarterly principal installments commencing on such first business day of the fourth calendar month immediately succeeding the date the bonds were purchased, and ending on the date four (4) years after the date the bonds were purchased. The 2007A-2a Credit Facility, if not extended, is currently scheduled to expire on March 17, 2014. The cost of the 2007A-2a Credit Facility is a per annum fee of 75 basis points times the stated amount of $101,849,316. The variable interest rate of the Series 2007A-2a Bonds as of December 31, 2013 was 0.04%.

(h) Series 2007A-2b Bonds

On March 18, 2011 the Tollway remarketed $107,500,000 of the 2007 Series A-2 Bonds as 2007 Series A-2b (the "Series 2007A-2b Bonds"). While in the weekly mode, the Series 2007A-2b Bonds are secured by a direct-pay letter of credit from Harris, N.A. pursuant to the terms of the Reimbursement Agreement dated as of March 1, 2011 between the Tollway and such bank (the "2007A-2b Credit Facility"). The 2007A-2b Credit Facility provides up to $107,500,000 for payment of principal and up to $1,988,014 for payment of interest (equivalent to 45 days' accrued interest at 15%), including for the purpose of paying the principal and interest portions of the purchase price of any bonds tendered and not remarketed. To the extent the 2007A-2b Credit Facility is utilized to purchase bonds tendered and not remarketed, and to the extent such bonds continue to either (a) remain unremarketed for 180 days or (b) remain unremarketed on the termination date of the 2007A-2b Credit Facility, then such funded bonds are required to be repaid by the Authority in equal quarterly principal installments commencing on the date one year following the earlier of (i) 180 days after the date the bonds were purchased and (ii) the termination date of the 2007A-2b Credit Facility, and ending on the date two years following the earlier of (i) 180 days after the date the bonds were purchased and (ii) the termination date of the 2007A-2b Credit Facility. The 2007A-2b Credit Facility, if not extended, is currently scheduled to expire on March 18, 2014. The cost of the 2007A-2b Credit Facility is a per annum fee of 75 basis points times the stated amount of $109,488,014. The variable interest rate of the Series 2007-2b Bonds as of December 31, 2013 was 0.04%.

(i) Series 2007A-2c Bonds

On March 18, 2011 the Tollway remarketed $55,000,000 of the 2007 Series A-2 Bonds as 2007 Series A-2c (the "Series 2007A-2c Bonds"). While in the weekly mode, the Series 2007A-2c Bonds are secured by a direct-pay letter of credit from The Northern Trust Company pursuant to the terms of the Reimbursement Agreement dated as of March 1, 2011 between the Tollway and such bank (the "2007A-2c Credit Facility"). The 2007A-2c Credit Facility provides up to $55,000,000 for payment of principal and up to $1,017,123 for payment of interest (equivalent to 45 days' accrued interest at 15%), including for the purpose of paying the principal and interest portions of the purchase price of any bonds tendered and not remarketed. To the extent the 2007A-2c Credit Facility is utilized to purchase bonds tendered and not remarketed, and to the extent such bonds continue to either (a) remain unremarketed for 270 days or (b) remain unremarketed on the termination date of the 2007A-2c Credit Facility, then such funded bonds are required to be repaid by the Authority in equal semi-annual principal installments commencing on the next ensuing

January 1 or July 1 after the earlier of (i) 270 days after the date the bonds were purchased and (ii) the termination date of the 2007A-2c Credit Facility, and ending on the date three years following the earlier of (i) 270 days after the date the bonds were purchased and (ii) the termination date of the 2007A-2c Credit Facility. The 2007A-2c Credit Facility, if not extended, is currently scheduled to expire on March 18, 2014. The cost of the 2007A-2c Credit Facility is a per annum fee of 70 basis points times the stated amount of $56,017,123. The variable interest rate of the Series 2007A-2c Bonds as of December 31, 2013 was 0.04%.

(j) Series 2007A-2d Bonds

On March 18, 2011 the Tollway remarketed $87,500,000 of the 2007 Series A-2 Bonds as 2007 Series A-2d (the "Series 2007A-2d Bonds"). While in the weekly mode, the Series 2007A-2d Bonds are secured by a direct-pay letter of credit from Wells Fargo Bank, National Association pursuant to the terms of the Reimbursement Agreement dated as of March 1, 2011 between the Tollway and such bank (the "2007A-2d Credit Facility"). The 2007A-2d Credit Facility provides up to $87,500,000 for payment of principal and up to $1,618,151 for payment of interest (equivalent to 45 days' accrued interest at 15%), including for the purpose of paying the principal and interest portions of the purchase price of any bonds tendered and not remarketed. To the extent the 2007A-2d Credit Facility is utilized to purchase bonds tendered and not remarketed, and to the extent such bonds continue to either (a) remain unremarketed for 181 days or (b) remain unremarketed on the termination date of the 2007A-2d Credit Facility, then such funded bonds are required to be repaid by the Authority in equal semi-annual principal installments commencing on the earlier of (i) 181 days after the date the bonds were purchased and (ii) the termination date of the 2007A-2d Credit Facility, and ending on the date three years following the date the bonds were purchased. The 2007A-2d Credit Facility, if not extended, is currently scheduled to expire on March 18, 2015. The cost of the 2007A-2d Credit Facility is a per annum fee of 70 basis points times the stated amount of $89,118,151. The variable interest rate of the Series 2007A-2d Bonds as of December 31, 2013 was 0.04%.

(k) Series 2008A Bonds

On February 7, 2008, the Tollway issued $766,200,000 of Variable Rate Senior Refunding Revenue Bonds ($383,100,000 2008 Series A-1 and $383,100,000 2008 Series A-2). The bonds advance refunded $708,340,000 of the then-outstanding 2006 Series A Bonds and financed costs of issuance. Payments of principal when due at maturity and interest are insured by Assured Guaranty Municipal Corp., pursuant to the acquisition of the original bond insurer, Financial Security Assurance Inc., by Assured Guaranty Ltd. on July 1, 2009. The bonds were sold at par and initially issued in a weekly mode and have remained in a weekly mode through fiscal year end 2013. On July 1, 2010, $287,300,000 of the 2008 Series A-2 bonds was refunded by the Tollway's $279,300,000 Toll Highway Senior Refunding Revenue Bonds (2010 Series A-1). $383,100,000 of the 2008 Series A-1 Bonds and $95,800,000 of the 2008 Series A-2 Bonds remain outstanding. Interest rates on the bonds are set pursuant to the terms of a remarketing agreement. While in the weekly mode, the bonds are subject to optional redemption by the Tollway. While in the weekly mode, the bonds are subject to bondholder tender for purchase. Any such bonds tendered for purchase are remarketed pursuant to the terms of a remarketing agreement. Funding for any bonds tendered for purchase that failed to be remarketed was available, under certain circumstances, from a Liquidity Facility in the form of a Standby Bond Purchase Agreement provided by Dexia Credit Local, New York Branch, through February 7, 2011, the effective expiration date of that Standby Bond Purchase Agreement. On February 7, 2011, the 2008 Series A Bonds were mandatorily tendered and, on the same day, subsequently remarketed as three separate sub-series, each sub-series secured by a standby bond purchase agreement that qualified as a Substitute Liquidity Facility under the Supplemental Indenture for the 2008 Series A Bonds. The following provides information regarding each of those sub-series and their respective standby bond purchase agreements.

(l) Series 2008A-1a Bonds

On February 7, 2011 the Tollway remarketed $191,500,000 of the 2008 Series A-1 Bonds as 2008 Series A-1a (the "Series 2008A-1a Bonds"). While in the weekly mode, liquidity support is provided for the Series 2008A-1a Bonds by a Standby Bond Purchase Agreement dated February 1, 2011 among the Tollway, the Trustee, and JPMorgan Chase Bank, National Association (the "2008A-1a Liquidity Facility"). The 2008A-1a Liquidity Facility provides up to $191,500,000 for payment of principal and up to $2,203,562 for payment of interest (equivalent to 35 days' accrued interest at 12%) for the purpose of paying the principal and interest portions of the purchase price of any bonds tendered and not remarketed. To the extent the 2008A-1a Liquidity Facility is utilized to purchase bonds tendered and not remarketed, and to the extent such bonds continue to remain unremarketed for 91 days, then such funded bonds are required to be repaid by the Authority in ten equal semi-annual principal installments commencing on the first business day of the sixth full month following the date 91 days after the date the bonds were purchased. The 2008A-1a Liquidity Facility, if not extended, is currently scheduled to expire on February 5, 2016. The cost of the 2008A-1a Liquidity Facility is a per annum fee of 56 basis points times the commitment amount of $193,703,562. The variable interest rate of the Series 2008A-1a Bonds as of December 31, 2013 was 0.08%.

(m) Series 2008A-1b Bonds

On February 7, 2011 the Tollway remarketed $191,600,000 of the 2008 Series A-1 Bonds as 2008 Series A-1b (the "Series 2008A-1b Bonds"). While in the weekly mode, liquidity support is provided for the Series 2008A-1b Bonds by a Standby Bond Purchase Agreement dated February 1, 2011 among the Tollway, the Trustee, and PNC Bank, National Association (the "2008A-1b Liquidity Facility"). The 2008A-1b Liquidity Facility provides up to $191,600,000 for payment of principal and up to $2,141,721 for payment of interest (equivalent to 34 days' accrued interest at 12%) for the purpose of paying the principal and interest portions of the purchase price of any bonds tendered and not remarketed. To the extent the 2008A-1b Liquidity Facility is utilized to purchase bonds tendered and not remarketed, and to the extent such bonds continue to remain unremarketed for 180 days, then such funded bonds are required to be repaid by the Authority in equal semi-annual principal installments commencing on the first business day of the sixth full month following the date 180 days after the date the bonds were purchased and ending on the date five years after the date the bonds were purchased. The 2008A-1b Liquidity Facility, if not extended, is currently scheduled to expire on February 7, 2014. The cost of the 2008A-1b Liquidity Facility is a per annum fee of 75 basis points times the commitment amount of $193,741,721. The variable interest rate of the Series 2008A-1b Bonds as of December 31, 2013 was 0.08%.

(n) Series 2008A-2 Bonds

On February 7, 2011 the Tollway remarketed $95,800,000 of the 2008 Series A-2 Bonds (the "Series 2008A-2 Bonds"). While in the weekly mode, liquidity support is provided for the Series 2008A-2 Bonds by a Standby Bond Purchase Agreement dated February 1, 2011 among the Tollway, the Trustee, and JPMorgan Chase Bank, National Association (the "2008A-2 Liquidity Facility"). The 2008A-2 Liquidity Facility provides up to $95,800,000 for payment of principal and up to $1,102,357 for payment of interest (equivalent to 35 days' accrued interest at 12%) for the purpose of paying the principal and interest portions of the purchase price of any bonds tendered and not remarketed. To the extent the 2008A-2 Liquidity Facility is utilized to purchase bonds tendered and not remarketed, and to the extent such bonds continue to remain unremarketed for 91 days, then such funded bonds are required to be repaid by the Authority in ten equal semi-annual principal installments commencing on the first business day of the sixth full month following the date 91 days after the date the bonds were purchased. The 2008A-2 Liquidity Facility, if not extended, is currently scheduled to expire on February 5, 2016. The cost of the 2008A-2 Liquidity Facility is a per annum fee of 56 basis points times the commitment amount of $96,902,357. The variable interest rate of the Series 2008A-2 Bonds as of December 31, 2013 was 0.05%.

(continued)

(o) Series 2008B Bonds

On November 18, 2008, the Tollway issued $350,000,000 of Toll Highway Senior Priority Revenue Bonds (2008 Series B). This issuance was the fourth bond sale utilized to finance capital projects in the Congestion-Relief Program. The bonds also financed capitalized interest through June 30, 2009 and costs of issuance. The bonds were sold as a term bond maturing on January 1, 2033 bearing a 5.50% interest rate and priced to yield 5.70%, which produced an Original Issue Discount of $9,142,000. The bonds are subject to optional redemption on or after January 1, 2018 at a redemption price of 100% of the principal amount plus accrued interest. The bonds are subject to sinking fund redemption prior to maturity. The bonds are not insured. In connection with the bond issue, a Surety Policy in the face amount of $100,000,000 was purchased from Berkshire Hathaway Assurance Corporation for deposit in the Debt Reserve Account. The Surety Policy expires on January 1, 2033.

(p) Build America Bonds

The American Recovery and Reinvestment Act of 2009 authorized the Tollway to issue taxable bonds known as "Build America Bonds" to finance capital expenditures for which it could issue tax-exempt bonds and to elect to receive a subsidy payment from the federal government equal to 35% of the amount of each interest payment on such taxable bonds. The receipt of such subsidy payments by the Tollway is subject to certain requirements, including the filing of a form with the Internal Revenue Service prior to each interest payment date. The subsidy payments are not full faith and credit obligations of the United States of America. As a result of the impact of sequestration, the federal government reduced the amount of the subsidy payments by 8.7% for subsidies received between March 2013 and September 2013 and by 7.2% for subsidies received after September 2013. The Series 2009A Bonds and Series 2009B Bonds are taxable Build America Bonds. All other Tollway bonds are tax-exempt bonds.

(q) Series 2009A Bonds

On May 21, 2009, the Tollway issued $500,000,000 of Toll Highway Senior Priority Revenue Bonds (Taxable 2009 Series A) (Build America Bonds – Direct Payment). The Tollway made an irrevocable election to designate the bonds as Build America Bonds pursuant to the provisions of Section 54AA(g) of the Internal Revenue Code of 1986. The Tollway covenanted to apply Build America Bonds subsidy payments to the payment of debt service. This issuance was the fifth bond sale utilized to finance capital projects in the Congestion-Relief Program. The bonds also financed a deposit to the Debt Reserve Account and costs of issuance. The bonds were sold as two term bonds maturing on January 1, 2024 and January 1, 2034. The bonds maturing January 1, 2024 bear an interest rate of 5.293%, were sold at a price of 100% of the par amount of the bonds, and are subject to optional redemption on or after January 1, 2019 at a redemption price of 100% of the principal amount plus accrued interest. The bonds maturing January 1, 2034 bear an interest rate of 6.184%, were sold at a price of 100% of the par amount of the bonds, and are subject to optional redemption at a redemption price equal to the greater of: (i) 100% of the principal amount of the bonds to be redeemed; and (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the bonds to be redeemed, discounted to the date on which the bonds are to be redeemed on a semi-annual basis at the yield(s) to maturity as of such redemption date of the United States Treasury security(ies) with a constant maturity(ies) most nearly equal to the period from the redemption date to the maturity date(s) of the bonds to be redeemed, plus 30 basis points, plus, in each case, accrued interest. The bonds are subject to sinking fund redemption prior to maturity. The bonds are not insured.

(r) Series 2009B Bonds

On December 8, 2009, the Tollway issued $280,000,000 of Toll Highway Senior Priority Revenue Bonds (Taxable 2009 Series B) (Build America Bonds – Direct Payment). The Tollway made an irrevocable election to designate the bonds as Build America Bonds pursuant to the provisions of Section 54AA(g) of the Internal Revenue Code of 1986.

(continued)

The Tollway covenanted to apply Build America Bonds subsidy payments to the payment of debt service. This issuance was the sixth bond sale utilized to finance capital projects in the Congestion-Relief Program. The bonds also financed a deposit to the Debt Reserve Account and costs of issuance. In connection with the issuance of the bonds, the Tollway deposited $12,000,000 funds on hand into the debt service account to pay the bond interest due on June 1, 2010 and a portion of the bond interest due on December 1, 2010. The bonds mature on December 1, 2034. The bonds bear an interest rate of 5.851% and were sold at a price of 100% of the par amount of the bonds. The bonds are subject to optional redemption at a redemption price equal to the greater of: (i) 100% of the principal amount of the bonds to be redeemed; and (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the bonds to be redeemed, discounted to the date on which the bonds are to be redeemed on a semi-annual basis at the yield to maturity as of such redemption date of the United States Treasury security with a constant maturity most nearly equal to the period from the redemption date to the maturity date of the bonds, plus 25 basis points, plus, in each case, accrued interest. The bonds are not insured.

(s) Series 2010A-1 Bonds

On July 1, 2010, the Tollway issued $279,300,000 of Toll Highway Senior Refunding Revenue Bonds (2010 Series A-1). The bonds refunded $287,300,000 of the Tollway's $383,100,000 then-outstanding 2008 Series A-2 Bonds. The bonds also financed costs of issuance. Maturities of the bonds ranging from January 1, 2018 through January 1, 2031 were sold bearing interest rates ranging from 3.50% to 5.25%. The bonds were sold at yields which produced a net Original Issue Premium of $9,648,275. The bonds are subject to optional redemption on or after January 1, 2020 at a redemption price of 100% of the principal amount plus accrued interest. In connection with the refunding, the Tollway terminated a variable-to-fixed interest rate exchange (swap) agreement with Depfa Bank plc. The swap agreement was in a notional amount of $287,325,000 and was terminated in its entirety on June 10, 2010. The Tollway made a termination payment of $10,331,527 from Tollway funds on hand in connection with the termination of the swap agreement.

(t) Series 2013A Bonds

On May 16, 2013, the Tollway issued $500,000,000 of Toll Highway Senior Revenue Bonds, 2013 Series A. This issuance was the first bond sale utilized to finance capital projects in the Move Illinois Program. The bonds also financed a deposit to the Debt Reserve Account and costs of issuance. The bonds were sold as serial bonds maturing on January 1 of each of the years 2027 through 2035 and a term bond maturing January 1, 2038. All maturities of the bonds were sold bearing 5.0% interest rates. The bonds were sold at yields which produced an Original Issue Premium of $ 63,601,290. The bonds are subject to optional redemption on or after January 1, 2023 at a redemption price of 100% of the principal amount plus accrued interest. The term bond maturing January 1, 2038 is subject to sinking fund redemption prior to maturity. The bonds are not insured. The final maturity of the bonds is January 1, 2038.

(u) Series 2013B-1 Bonds

On August 13, 2013 the Tollway issued $217,390,000 of Toll Highway Senior Revenue Bonds, 2013 Series B-1 (Refunding). The bonds advance refunded $228,195,000 of the Tollway's $770,000,000 then-outstanding 2005A Bonds. The bonds also financed costs of issuance. Maturities of the bonds ranging from December 1, 2016 through December 1, 2018 all were sold bearing an interest rate of 5.0%. The bonds were sold at yields which produced an Original Issue Premium of $32,127,075. The bonds are not subject to optional redemption. The bonds are not insured. The final maturity of the bonds is December 1, 2018.

(v) Defeased Bonds

On February 7, 2008, the Tollway issued $766.2 million of Variable Rate Senior Refunding Bonds (2008 Series A-1 and A-2) to advance refund $708.34 million of the 2006A ($208.34 million of A-1 and $500 million of A-2) Senior Priority Revenue Bonds with an interest rate of 5.0%. The net proceeds of $758.6 million (after payment of $7.6 million in underwriting, insurance and other issuance costs) plus an additional $8.8 million of 2006A Trustee-held monies were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of 2006A Senior Priority Revenue Bonds. As a result, the refunded portion of 2006A Senior Priority Revenue Bonds is considered to be defeased and the liability for those bonds was removed from the Statement of Net Position in 2008.

On August 13, 2013, the Tollway issued $217.39 million of Toll Highway Senior Revenue Bonds, 2013 Series B-1 (Refunding) to advance refund $228.195 million of the 2005A Senior Priority Revenue Bonds with an interest rate of 5.0%. The net proceeds of $248.53 million (including original issue premium of $32.1 million and after payment of $0.98 million in underwriting and other issuance costs) plus an additional $1.02 million of 2005A Trustee-held monies were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of 2005A Senior Priority Revenue Bonds. As a result, the refunded portion of 2005A Senior Priority Revenue Bonds is considered to be defeased and the liability for those bonds was removed from the Statement of Net Position in 2013.

As of December 31, 2013 the principal amount of Tollway defeased bonds outstanding is $936.535 million.

(w) All Series

Details of oustanding revenue bonds as of December 31, 2013, are as follows:

Issue of 1998 Series A, 5.50%, due on January 1, 2013-2016	$	134,400,000
Issue of 1998 Series B, variable rates, due on January 1, 2016-2017		123,100,000
Issue of 2005 Series A, 4.125% to 5.00%, due January 1, 2014-2023		541,805,000
Issue of 2006 Series A-1, 5.00%, due on January 1, 2018-2025		291,660,000
Issue of 2007 Series A-1, variable rates, due on July 1, 2024-2030		350,000,000
Issue of 2007 Series A-2, variable rates, due on July 1, 2024-2030		350,000,000
Issue of 2008 Series A-1, variable rates, due on January 1, 2018-2031		383,100,000
Issue of 2008 Series A-2, variable rates, due on January 1, 2018-2031		95,800,000
Issue of 2008 Series B, 5.50%, due on January 1, 2032-2033		350,000,000
Issue of 2009 Series A, 5.293% to 6.184%, due on January 1, 2019-2024 and 2032-2034		500,000,000
Issue of 2009 Series B, 5.851%, due on December 1, 2034		280,000,000
Issue of 2010 Series A-1, 3.50%, to 5.25%, due on January 1, 2018-2031		279,300,000
Issue of 2013 Series A-1, 5.00%, due on January 1, 2027-2038		500,000,000
Issue of 2013 Series B, 5.00%, due on December 1, 2016-2018		217,390,000
Totals	$	4,396,555,000
Less current maturities*		(92,855,000)
Plus unamortized bond premium		123,031,373
Total long-term portion	$	4,426,731,373

Accrued interest payable for the year ended December 31, 2013 was $ 91,853,644.

The annual requirements to retire the principal and interest amount for all bonds outstanding at December 31, 2013, are as follows:

(continued)

Year ended December 31	Principal [1]	Interest [1]	Total debt service [1]
2014	$ 92,855,000	$ 215,517,092	$ 308,372,092
2015	97,795,000	207,320,342	305,115,342
2016	138,135,000	202,339,866	340,474,866
2017	158,060,000	196,575,682	354,635,682
2018	112,160,000	190,193,774	302,353,774
2019	40,700,000	184,053,834	224,753,834
2020	144,640,000	179,895,303	324,535,303
2021	150,695,000	172,869,956	323,564,956
2022	157,980,000	165,198,633	323,178,633
2023	165,615,000	157,113,374	322,728,374
2024	223,660,000	148,686,953	372,346,953
2025	198,605,000	138,522,711	337,127,711
2026	181,350,000	130,822,647	312,172,647
2027	260,170,000	122,509,024	382,679,024
2028	220,330,000	113,039,623	333,369,623
2029	230,850,000	103,564,947	334,414,947
2030	241,295,000	93,646,208	334,941,208
2031	126,830,000	83,272,349	210,102,349
2032	254,905,000	74,413,886	329,318,886
2033	268,020,000	59,652,738	327,672,738
2034	561,805,000	43,487,902	605,292,902
2035	20,100,000	18,002,500	38,102,500
2036	111,025,000	14,724,375	125,749,375
2037	116,575,000	9,034,375	125,609,375
2038	122,400,000	3,060,000	125,460,000
Total	$ 4,396,555,000	$ 3,027,518,096	$ 7,424,073,096

[1] Totals may not foot due to rounding.

All Liquidity/Credit Facility agreements that reached their expiration dates prior to issuance of this report have been renewed (see Note 23 - Subsequent Events).

(x)Capitalized Interest

In 2013, the Tollway's total interest expense for revenue bonds equaled $207.1 million, of which $9.95 million was capitalized in respect of construction in progress.

(y) Trust Indenture Agreement

On March 31, 1999, the Tollway executed an Amended and Restated Trust Indenture with the Trustee acting as fiduciary for bondholders. The Indenture establishes the conditions under which the Tollway may issue bonds and the security to be pledged to bondholders. The Indenture establishes two funds: (i) a Construction Fund to account for the spending of Tollway bond proceeds; and (ii) a Revenue Fund to account for the deposit of Tollway revenues. The Construction Fund is divided into different Project Accounts – one for each bond issue that finances new project(s). The Revenue Fund is divided into six different Accounts (some of which are further divided into Sub-Accounts) which establish an order of funding priority through which Tollway revenues flow. Revenues first fund the Operation and Maintenance Account, which is the only Account in the Revenue Fund in which bondholders do not have a security interest. Remaining revenues fund the other Accounts of the Revenue Fund in the following order of priority: the Debt Service Account, the Debt Reserve Account, the Renewal and Replacement Account, the Improvement Account, and the System Reserve Account. (the Indenture also allows for the creation of Junior Lien Bond Accounts; to date the Tollway has never issued Junior Lien Bonds.) All Accounts of the Construction Fund and the Debt Service Account and Debt Reserve Account of the Revenue Fund are held by the Trustee. The classification of Trustee-held funds in these financial statements is detailed in note 11.

(z) Arbitrage Rebate

In the 1980's, Congress determined that arbitrage rebate rules were needed to curb issuance of investment motivated tax-exempt bonds. These rules were designed to create additional safeguards against issuers obtaining an arbitrage benefit by issuing bonds either prematurely or in excess of actual need in order to benefit from an expected spread between tax-exempt borrowing cost and return on investment of bond proceeds. As a result, under certain conditions gain from arbitrage must be rebated to the United States Government. The Tollway determined that as of December 31, 2013, no arbitrage rebate liability had accrued.

(9) Derivative Instruments

The fair value balances and notional amounts of derivative instruments outstanding as of December 31, 2013, classified by type, and the changes in fair value of such derivatives instruments for the year then ended as reported in the 2013 financial statements are as follows (amounts in thousands; debit (credit))

	Changes in fair value		**December 31, 2013**		**Notional**
Cash flow hedges:	**Classification**	**Amount**	**Classification**	**Amount**	**Amount**
Pay fixed, receive variable, interest rate swaps	Deferred outflow	$ (172,202)	Derivative instrument liability	$ (136,553)	$ 1,301,975

As a means of lowering its borrowing costs, the Tollway had entered into ten separate variable-to-fixed interest rate exchange agreements (swaps) in connection with its three variable rate bond issues. Per the terms of the swaps, the Tollway pays a fixed rate of interest to the swap provider in exchange for a variable rate of interest expected to match or closely approximate the variable rate of interest owed by the Tollway to bondholders. At the time each of the swaps was entered into by the Tollway, the Tollway's fixed rate obligation in the swap was less than the fixed rate of interest obtainable by the Tollway from issuing fixed rate bonds.

Four of the swaps became effective February 7, 2008, two of which are associated with the 2008 Series A-1 bonds and two of which were associated with the 2008 Series A-2 bonds. One of the swaps associated with the 2008 Series A-2 Bonds was terminated on June 10, 2010 in connection with the Tollway's refunding of a portion of its 2008 Series A-2 Bonds on July 1, 2010. Four of the swaps became effective November 1, 2007, two of which are associated with the 2007 Series A-1 bonds and two of which are associated with the 2007 Series A-2 bonds. Two of the swaps became effective December 30, 1998 and are associated with the 1998 Series B bonds.

Details of these derivative instruments outstanding are as follows (amounts in thousands):

All #s in 000s

Bond Issues	Outstanding notional amount	Effective date	Swap Termination Date	Fixed rate paid	Variable rate received	Fair value as of 12/31/13	Counterparty	Estimated counterparty credit ratings (Moody's/S&P)
1998B	$ 67,705	12/30/1998	1/1/2017	4.3250%	Bond Rate	$ -6,556	Goldman Sachs Mitsui Marine Derivative Products, L.P.	Aa2 / AAA
1998B	55,395	12/30/1998	1/1/2017	4.325	Bond Rate	-5,364	JP Morgan Chase Bank, N.A.	Aa3 / A+
2007A-1	175,000	11/1/2007	7/1/2030	3.972	SIFMA Index	-19,658	Citibank N.A., New York	A2 / A
2007A-1	175,000	11/1/2007	7/1/2030	3.972	SIFMA Index	-19,658	Goldman Sachs Bank USA	A2 / A-
2007A-2	262,500	11/1/2007	7/1/2030	3.9925	SIFMA Index	-30,103	Bank of America, N.A.	A2 / A
2007A-2	87,500	11/1/2007	7/1/2030	3.9925	SIFMA Index	-10,034	Wells Fargo Bank, N.A.	Aa3 / AA-
2008A-1	191,550	2/7/2008	1/1/2031	3.774	SIFMA Index	-18,115	The Bank of New York Mellon, N.A.	Aa2 / AA-
2008A-1	191,550	2/7/2008	1/1/2031	3.774	SIFMA Index	-18,115	Deutsche Bank AG, New York Branc	A2 / A
2008A-2	95,775	2/7/2008	1/1/2031	3.764	SIFMA Index	-8,950	Bank of America, N.A.	A3 / A
Totals	$ 1,301,975					$ -136,553		

The swap counterparty ratings included in the chart are from Moody's Investors Service and Standard & Poor's Corporation, respectively.

The notional amounts of the swaps match the outstanding principal amounts of the associated bonds, with the exception that the swap associated with the Tollway's $95,800,000 outstanding 2008 Series A-2 bonds is in a notional amount of $95,775,000. The amortizations of the 2008 Series A-2 Bonds and the related swap result in the bond amount outstanding always exceeding the swap notional amount outstanding, with the difference between the two never exceeding $25,000.

Interest rate swaps are not normally valued through exchange-type markets with easily accessible quotation systems and procedures. The fair market values of the swaps were calculated using the zero coupon method as described in GASB 53.

Risks

(a) Credit Risk

Counterparty credit risk is the risk that a swap is terminated and the counterparty fails to make one or more required payments. The termination payment is a market-based payment approximating the value of the swap at the time of termination. The Tollway was not exposed to termination payment credit risk as of December 31, 2013 because the negative market values of each swap would render no payments owing by the counterparties in the event of a termination. If changes in interest rates were to create positive market values for the swaps in the future, the Tollway would be exposed to counterparty credit risk in the amount of those positive fair values. The swaps require full collateralization from the counterparty of any positive fair value of the swaps in the event the counterparty's credit rating falls below a Standard & Poor's rating of A- or a

(continued)

Moody's Investor Services' rating of A3. The swaps require full collateralization from the counterparty of positive market value of the swaps in the event the counterparty's credit rating falls below a Standard & Poor's rating of AA- or a Moody's Investor Services' rating of Aa3 and the amount of the positive market value exceeds certain thresholds as specified in the swap agreements. The swaps require such collateral to be held by a third party custodian in the form of cash, debt obligations issued by the U.S. Treasury or debt issued by federally sponsored agencies. The nine swaps outstanding as of December 31, 2013 are with eight different counterparties from seven different financial firms. The financial firm with the largest notional amount holds 28% of the total notional amount of the outstanding swaps.

(b) Basis Risk

Basis risk is the extent to which the Tollway's variable rate interest payments to bondholders differs from the variable rate payments received from the swap counterparties. The Tollway's variable rate interest payments to bondholders are determined by rates established by remarketing agents on a weekly basis. In the case of the 1998 Series B swaps, the variable rate interest payments received from the swap counterparties are equal to the variable rate interest payments owed to bondholders, which renders this swap to be currently without basis risk. Under certain circumstances as specified in the 1998 Series B swap agreements and upon notice from the swap counterparties, the variable rate payments received from swap counterparties may change from a basis of the actual bond interest rate to the SIFMA 7-day Municipal Swap Index plus eight basis points. During 2013, the average interest rate paid to 1998 Series B bondholders was 0.45%, compared to a SIFMA 7-day Municipal Swap Index of 0.09%. In the case of the 2007 Series A-1 and Series A-2 swaps, the variable rate payments received from the swap counterparties is equal to the SIFMA 7-day Municipal Swap Index, so basis risk is incurred to the extent the rates set by remarketing agents on the Tollway's 2007 Series A-1 and A-2 bonds exceed the SIFMA 7-day Municipal Swap Index. During 2013, the average interest rate paid to Series 2007A bondholders was 0.09%, compared to a SIFMA 7-day Municipal Swap Index of 0.09%. In the case of the 2008 Series A-1 and Series A-2 swaps, the variable rate payments received from the swap counterparties are equal to the SIFMA 7-day Municipal Swap Index, so basis risk is incurred to the extent the rates set by remarketing agents on the Tollway's 2008 Series A-1 and A-2 bonds exceed the SIFMA 7-day Municipal Swap Index. During 2013, the average interest rate paid to Series 2008A bondholders was 0.34%, compared to a SIFMA 7-day Municipal Swap Index of 0.09%.

Low interest rates contributed to the negative December 31, 2013 market valuations (fair values) included in the preceding chart for the Tollway's swaps. At the time the swaps were entered into, the synthetic fixed rates achieved by the swaps were less than the fixed rates that could have been achieved by issuing fixed rate bonds.

(c) Termination Risk

The Tollway's swap agreements do not contain any out-of-the-ordinary termination provisions that would expose it to significant termination risk. Consistent with agreements of this type, the Tollway and the counterparty each have the ability to terminate a swap agreement if the other party fails to perform under the terms of the agreement. The agreements allow either party to terminate in the event of a significant loss of creditworthiness by the other party. If a swap were to be terminated, the associated variable rate bonds would no longer be hedged and the Tollway would be subject to variable rate risk, unless it entered into a new hedge following termination. If variable rate bonds were to be redeemed early, the net payments owing under the associated swap agreement(s) would continue to accrue, unless and until the associated swap(s) were to be terminated. If a swap were to have a negative market value at time of termination, the Tollway would be liable to the counterparty for a payment approximately equal to the market value of such swap.

(d) Rollover Risk

There is no swap rollover risk, given that the swap agreements have final maturities and amortizations that approximately match the final maturities and amortizations of the related bond issues.

Derivative Instrument Payments and Hedged Debt

As of December 31, 2013, aggregate projected debt service requirements of the Tollway's hedged debt and net receipts/payments on associated hedging derivative instruments are presented below. The projected amounts assume that the interest rates on variable-rate debt and reference rates on associated hedging derivative instruments as of December 31, 2013 will remain the same for their terms. As these rates vary, interest payments on variable-rate bonds and net receipts/payments on the associated hedging derivative instruments will vary. The hedging derivative instruments column reflects only the net receipts/payments on derivative instruments that qualify for hedge accounting. All of the Tollway's derivative instruments as of December 31, 2013 qualified for hedge accounting.

Fiscal year ending December 31	Hedged debt		Hedging derivative instruments	
	Principal	Interest	net payments	Total
2014	$ -	1,082,718	50,124,815	51,207,533
2015	-	1,082,718	50,124,815	51,207,533
2016	53,900,000	989,653	49,094,385	103,984,038
2017	69,200,000	773,478	46,564,337	116,537,815
2018	2,375,000	650,259	45,150,918	48,176,177
2019-2023	13,625,000	3,221,945	224,282,265	241,129,210
2024-2028	722,437,500	2,308,663	169,975,542	894,721,705
2029-2031	440,437,500	276,229	22,791,916	463,505,645
	$ 1,301,975,000	10,385,663	658,108,993	1,970,469,656

(10) Unearned Revenue

In the year 2000, the Tollway upgraded its communications network with the addition of a fiber optic system. Excess capacity on the fiber optic lines was leased to other organizations in order to offset the cost of the system. In 1999 and 2000, the Tollway entered into eight twenty-year fiber optic system lease agreements and at those times collected $26,086,389 in total upfront payments; the related revenue will be earned over the lease terms. From 2002 through 2013 the Tollway entered into additional fiber optic leases in the total amount of $ 8,047,557. As before monies were collected at the beginning of each lease. These leases are being accounted for in the same manner.

The total unearned revenue balance for the fiber optic system was $13,832,709 at December 31, 2013, and the amount earned was $ 19,385,613 through December 31, 2013.

The Tollway also invoices annual fiber optic maintenance fees. At December 31, 2013, some of these fees had been paid in advance. These have also been recorded as unearned revenue.

In 2013, some anticipated costs due the Tollway under intergovernmental agreements were invoiced before they were incurred, resulting in unearned revenue related to intergovernmental agreements.

(continued)

On October 1, 2013, the Tollway entered into a 3 - year agreement with Travelers Marketing, LLC, for sponsorship of the Tollway's Highway Emergency Lane Patrol (H.E.L.P.) trucks. In exchange for a sponsorship fee of $ 1,803,000, Travelers has the exclusive right to place its branding on Tollway H.E.L.P trucks and H.E.L.P truck operator uniforms. The unearned portion of the sponsorship fee paid by Travelers in 2013 has been recorded as unearned revenue.

A summary of changes in unearned revenue for the year ended December 31, 2013, is as follows:

	Balance at January 1	Current year activity	Balance at December 31	Current
Unearned revenue				
Fiber optics	$ 33,190,588	503,335	33,693,923	-
Accumulated amortization	(17,740,209)	(1,645,404)	(19,385,613)	-
	15,450,379	(1,142,069)	14,308,310	-
Intergovernmental agreements	9,320,260	(9,357,580)	37,320	-
Accumulated amortization	-	-	-	-
	9,320,260	(9,357,580)	37,320	-
H.E.L.P. Truck advertising revenue	-	600,000	600,000	600,000
Accumulated amortization	-	(124,208)	(124,208)	(124,208)
	-	475,792	475,792	475,792
Totals				
Unearned revenue	42,510,848	(8,254,245)	34,331,243	600,000
Accumulated amortization	(17,740,209)	(1,769,612)	(19,509,821)	(124,208)
Net deferred revenue	$ 24,770,639	(10,023,857)	14,821,422	475,792

(continued)

(11) Restricted Net Position

As of December 31, 2013, the Tollway reported the following restricted net position:

Description		December 31, 2013
Net assets restricted under Trust Indenture agreement		364,205,442
Restricted for pension benefit obligation		61,950
Total	$	364,267,392

(12) Contributions to State Employees' Retirement System

Plan Description: Substantially all of the Tollway's full-time employees, as well as the State Police assigned to the Tollway who are not eligible for any other state-sponsored retirement plan, participate in the State Employees' Retirement System (SERS), which is a component unit of the State of Illinois reporting entity. SERS is a single-employer defined benefit public employee retirement system (PERS) in which state employees participate, except those covered by the State Universities, Teachers, General Assembly and Judges' Retirement Systems. SERS is governed by a 13 member Board of Trustees, consisting of the Illinois Comptroller, six trustees appointed by the Governor with the advice and consent of the Illinois Senate, four trustees elected by SERS members, and two trustees appointed by SERS retirees. SERS issues a separate comprehensive annual financial report (CAFR). The financial position and results of operations for SERS for fiscal years 2012 are also included in the state's Comprehensive Annual Financial Report (CAFR) for the years ended June 30, 2013.

A summary of SERS' benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the SERS' CAFR. Also included therein is a discussion of employer and employee obligations to contribute and the authority under which those obligations are established.

To obtain a copy of SERS' CAFR, write, call, or email:

State Employees Retirement System
2101 S. Veterans Parkway
Springfield, IL. 62794-9255
(217) 785-2340
sers@mail.state.il.us

Funding Policy: The contribution requirements of SERS members and the State are established by State statute and may be amended by action of the General Assembly and the Governor. The required contributions are determined by actuaries on an annual basis. The required contributions are computed in accordance with the Pension Code and a statutory funding plan that would increase the funding ratio of SERS to 90% of actuarial accrued liabilities as of June 30, 2045. The funding plan that was scheduled to become effective on June 1, 2014, incorporating the amendments in amendatory Public Act 98-0599, signed by the Governor on December 5, 2013, would increase the funding ratio of SERS to 100% of actuarial accrued liabilities by June 30, 2044. The Tollway is aware that litigation has been filed raising certain challenges as to the constitutionality or validity of Public Act 98-0599. No assurance can be given that this act will be upheld, that its implementation will not be delayed while such litigation is pending or concerning any impact that a delay or successful challenge to all or part of the act would have on the Tollway. Neither the currently effective

(continued)

funding plan nor the funding plan as amended by Public Act 98-0599 conforms with principles of the Governmental Accounting Standards Board (GASB). As of June 30, 2013, SERS funding ratio was 34.2% of actuarial accrued liabilities.

Tollway employees covered by SERS contribute between 4.0% and 8.5% of their annual covered payroll. The State contribution rates for the State's fiscal years ended June 30, 2013 were determined according to the statutory schedule.

Tollway contribution rates to SERS for the Tollway's SERS covered employees for the State fiscal years ended June 30, 2014, 2013, 2012 and 2011 were 40.312%, 37.987%, 34.190%, and 27.988%, respectively. Tollway payments in the calendar years ended December 31, 2013, 2012 and 2011 were $ 41,924,939, $37,894,514, and $32,790,627, respectively. The Tollway has made all required contributions through December 31, 2013.

In addition to contributions to this retirement plan, effective July 1, 1990, the Tollway adopted, under the provisions of the Tollway Act (605 ILCS 10/1 et. seq.), a noncontributory defined-benefit pension plan which covered employees who were members of SERS and who were not members of any collective bargaining unit. The plan was intended to meet the requirements of a tax-qualified plan under Section 401(a) of the Internal Revenue Code. The plan provided benefits based upon years of service and employee compensation levels. The Tollway's policy was to make contributions consistent with sound actuarial practice. Annual cost was determined using the projected unit credit actuarial method. The Tollway suspended the plan's benefits as of September 15, 1994, and terminated the plan effective December 31, 1994. As of December 31, 2013, the net positions available for these benefits were $219,607 (valued at the lesser of market value or actuarial value), and the pension benefit obligation was recorded as $157,657. As of December 31, 2013, 7 beneficiaries remained in the plan.

Other Post-Employment Benefits (OPEB): Under provisions of SERS, the State of Illinois provides certain health, dental, and life insurance benefits to annuitants who are former Tollway employees. Substantially all Tollway employees may become eligible for post-employment benefits if they eventually become annuitants. As of December 31, 2013, 995 retirees meet the eligibility requirements. Life insurance benefits are limited to $5,000 per annuitant age 60 or older. For the year ended December 31, 2013, the Tollway contributed $5,288,599 towards the state's current cost of benefits.

The actuarially determined annual OPEB cost for providing these benefits and the related OPEB obligations are recorded in the financial statements of the state agencies responsible for paying these benefits. Prior to State Fiscal Year 2013, the Illinois Department of Healthcare and Family Services (HFS) administered the Health Insurance Reserve Fund (for payment of health benefits), and the Department of Central Management Services (CMS) administered the Group Life Insurance Funds (for payment of life insurance benefits). The administrative responsibilities were fully transitioned to CMS by the end of Fiscal Year 2013.

A summary of OPEB benefit provisions, changes in benefit provisions, and the authority under which benefit provisions are established are included as an integral part of the state's CAFR. Also included therein is a discussion of employer and employee obligations to contribute and the authority under which those obligations are established.

(13) Risk Management

The Tollway has a self-insured risk program for workers' compensation claims, and is liable to pay all approved claims. Claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claims liabilities include nonincremental claims adjustment expenses.

 (continued)

The estimated liabilities for asserted workers' compensation claims of $18,082,622 and both asserted and unasserted employee health claims of $294,848 as of December 31, 2013, are included in the accompanying financial statements.

Workers compensation:

Year	Estimated claims payable January 1	Current claims	Claims payments	Estimated claims payable December 31	Current Portion
2013	$ 13,310,641	$ 10,535,827	$ 5,763,846	$ 18,082,622	$ 6,000,000
2012	13,377,479	5,978,245	6,045,083	13,310,641	6,000,000

Health Insurance:

Year	Estimated claims payable January 1	Current claims	Claims payments	Estimated claims payable December 31	Current Portion
2013	$ 291,685	5,754,558	5,751,395	294,848	294,848
2012	445,790	5,478,387	5,632,492	291,685	291,685

Additionally, the Tollway purchases commercial insurance policies for general liability insurance and vehicle liability insurance which have a level of retention of $ 500,000 per occurrence for general liability and $250,000 per occurrence for vehicle insurance. Property insurance coverage for damages to capital assets other than vehicles includes retention of $1,000,000 per occurrence. The Tollway has not had significant reductions in insurance coverage during the current or prior year nor did settlements exceed insurance coverage in any of the last three years.

(14) Compensated Absences

The liability reported in the Statement of Net Position represents the vacation and 50% of unused sick time for the period beginning January 1, 1984, and ending December 31,1997, accrued by the employees, and is payable upon termination or death of the employee. The payment provided shall not be allowed if the purpose of the separation from employment and any subsequent re-employment is for the purpose of obtaining such payment. The Tollway's liability for unused annual vacation leave and sick leave as defined above is recorded in the accompanying financial statements at the employee's pay rate.

Amounts accrued as compensated absences payable at December 31, 2013 are as follows:

	Balance at January 1	Accrued	Used	Balance at December 31	Due within one year
2013	9,812,453	5,381,337	5,506,342	9,687,448	5,667,157

(continued)

(15) Pledges of Future Revenues

All revenue bonds issued under the Tollway's Trust Indenture are secured by a pledge of and lien on Tollway revenues and certain other funds (excluding amounts reserved for the payment of maintenance and operating expenses) as provided in the Trust Indenture.

			December 31, 2013	
Bond issue	**Purpose**		**Future pledged revenues**	**Term of commitment**
1998 Series A Priority Refunding Revenue Bonds (Fixed Rate)	Refund Outstanding Bonds	$	139,403,088	2016
1998 Series B Priority Refunding Revenue Bonds (Variable Rate)	Refund Outstanding Bonds	$	142,888,425	2017
2005 Series A Senior Priority Revenue Bonds	Fund Congestion Relief Program	$	719,955,072	2023
2006 Series A-1 Senior Priority Revenue Bonds	Fund Congestion Relief Program	$	425,114,500	2025
2007 Series A-1 & A-2 Variable Rate Senior Priority Revenue Bonds	Fund Congestion Relief Program	$	1,103,474,218	2030
2008 Series A-1 & A-2 Variable Rate Senior Refunding Revenue Bonds	Refund Outstanding Bonds	$	727,793,699	2031
2008 Series B Senior Priority Revenue Bonds	Fund Congestion Relief Program	$	716,007,675	2033
2009 Series A Senior Priority Revenue Bonds (Build America Bonds - Direct Payment)	Fund Congestion Relief Program	$	1,035,371,910	2034
2009 Series B Senior Priority Revenue Bonds (Build America Bonds - Direct Payment)	Fund Congestion Relief Program	$	624,038,800	2034
2010 Series A-1 Senior Priority Refunding Revenue Bonds	Refund Outstanding Bonds	$	477,628,959	2031
2013 Series A Senior Revenue Bonds	Fund Move Illinois Program	$	1,048,624,750	2038
2013 Series B-1 Senior Revenue Bonds	Refund Outstanding Bonds	$	263,772,000	2018
			7,424,073,096	

Proceeds from the bonds identified above provided financing or refinancing for the construction and/or improvement of the various toll highway systems in Illinois. Annual principal and interest payments on the bonds are expected to require approximately 23 percent of the currently projected pledged net revenues (incorporating approved, as of December 31, 2013, future toll rate increases for commercial vehicles). The total principal and interest remaining to be paid on the bonds is $7.4 billion. Principal and interest paid in the current year and total pledged net revenues were $252.8 million and $732.3 million, respectively. Annual principal and interest payments for synthetic fixed rate bonds (1998 Series B, 2007 Series A and 2008 Series A) are estimated based on rates applicable on December 31, 2013.

(continued)

(16) Change in Accounting Principle

The Tollway adopted the provisions of GASB Statement No, 65, *Items Previously Reported as Assets and Liabilities* (GASB 65), which was effective for years beginning after December 15, 2012. This statement provides guidance on which balances previously reported as assets and liabilities should now be reported as deferred outflows or inflows. In implementing this pronouncement, the Tollway reported an effect of a change in accounting principle which adjusted the beginning net assets as of January 1, 2012, to eliminate the unamortized bond issuance costs previously capitalized, as follows:

Net position, beginning of year, as previously reported	$ 1,850,749,932
Cumulative effect of change in accounting principle	(15,421,950)
Net position, beginning of year, as adjusted	$ 1,835,327,982

This also resulted in a reduction of the 2012 amortization expense in the amount of $883,535.

Additionally, an adjustment was made to the 2012 statement of net position in the amount of $ 49,435,421 to reclassify the net accounting loss on debt refunding from revenue bonds payable to deferred outflow of resources.

(17) Commitments

At December 31, 2013, the remaining obligations against current contracts open for capital programs for CRP and Move Illinois totaled $1.35 billion. The Tollway plans to fund remaining payments under these contracts through revenues, accumulated cash and bond issue proceeds.

(18) Pending Litigation

There are lawsuits pending against the Tollway claiming, among other things, damages for wrongful discharge and personal injury. The Tollway's exposure is generally limited to the self-insured retention of $500,000 per general liability incident. Also pending are various Workers' Compensation claims and numerous Administrative Review actions in which individual parties are challenging the results of toll violation enforcement proceedings against them.

Management, after taking into consideration legal counsel's evaluation of such actions, is of the opinion that the outcome of these matters will have no material adverse effect on the financial position of the Tollway.

(19) Contingent Liabilities

A contingent liability is defined as a liability that is not sufficiently predictable to permit recording in the accounts but in which there is a reasonable possibility of an outcome which might affect financial position or results of operations. It is the opinion of management that the Tollway has no contingent liabilities as of December 31, 2013.

(20) New Governmental Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued the following statements:

Statement No. 61 – *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*. This Statement modifies certain requirements for inclusion of component units in the financial reporting entity. This Statement also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances. This Statement also clarifies the reporting of equity interests in legally separate organizations. No changes were required as a result of implementing this statement as the Tollway does not have component units.

Statement No. 65- *Items Previously Reported as Assets and Liabilities* – The objective of this statement was to issue guidance on which balances previously reported as assets and liabilities should now be reported as deferred outflows or inflows of resources. As discussed in Note 16, the Tollway implemented the provisions of this Statement for the year ending December 31, 2013.

Statement No. 66 – *Technical Corrections – 2012*, an amendment of GASB Statements No. 10 and 62 – The objective of this statement is to resolve conflicting guidance that resulted from the issuance of GASB Statement No. 54 and 62. No changes were required as a result of implementing this statement.

Statement No. 67 –*Financial Reporting for Pension Plans*- The objective of this statement is to amend GASB statement number 25 to improve financial reporting by state and local governmental pension plans. No changes were required as a result of implementing this statement.

Statement No. 68 – *Accounting and Financial Reporting for Pensions* - The objective of this statement is to replace Statement No. 27 to improve accounting and financial reporting for pensions. This statement is effective for fiscal years beginning after June 15, 2014. Management has not yet fully determined the impact this Statement will have on the financial position and results of operations of the Tollway.

Statement No. 69 – *Government Combinations and Disposals of Government Operations* -This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The Tollway does not anticipate this statement will impact its financial statements.

Statement No. 70 – *Accounting and Financial Reporting for Nonexchange Financial Guarantees* -The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. The Tollway does not anticipate this statement will impact its financial statements.

Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date* - The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This statement is effective for fiscal years beginning after June 15, 2014. Management has not yet fully determined the impact this Statement will have on the financial position and results of operations of the Tollway.

(21) Related Parties

The Tollway has entered into various intergovernmental agreements with the State of Illinois, through the Illinois Department of Transportation (IDOT). Intergovernmental receivables of approximately $ 128.7 million are recorded at December 31, 2013, representing construction projects performed by the Tollway that pertain to the infrastructure owned by IDOT. Accrued liabilities totaling approximately $ 69.2 million are recorded for amounts owed to IDOT for construction projects IDOT has performed for infrastructure assets owned by the Tollway.

(continued)

(22) Prior Period Restatement

As discussed in notes (1) *k* & *l*, certain restatements were made to 2012 amounts, due to the implementation of GASB 65. Specifically, the 1/1/2012 net position was restated to reflect the impact of writing off bond issuance costs that were previously capitalized and amortized.

Also, the 2012 Statement of Net Position was changed to reflect deferred amounts on bond refundings as a deferred outflow of resources, as required by GASB 65.

(23) Subsequent Events

On January 9, 2014, Citibank, N.A., at the request of the Tollway, extended the 2007A-1a Credit Facility supporting the $175,000,000 Series 2007A-1a Bonds from January 31, 2014 to January 31, 2017.

On February 7, 2014, Bank of America, N.A. replaced PNC Bank, N.A. as provider of a Liquidity Facility supporting the $191,600,000 Series 2008A-1b Bonds. The stated expiration date of the replacement Liquidity Facility is February 5, 2016.

On February 18, 2014, The Northern Trust Company, at the request of the Tollway, extended the 2007A-2c Credit Facility supporting the $55,000,000 Series 2007A-2c Bonds from March 18, 2014 to March 17, 2017.

On February 19, 2014, BMO Harris Bank, N.A., at the request of the Tollway, extended the 2007A-2b Credit Facility supporting the $107,500,000 Series 2007A-2b Bonds from March 18, 2014 to March 18, 2017.

On February 19, 2014, The Bank of Tokyo-Mitsubishi UFJ, Ltd., at the request of the Tollway, extended the 2007A-2a Credit Facility supporting the $100,000,000 Series 2007A-2a Bonds from March 17, 2014 to March 17, 2017.

On March 18, 2014, Mizuho Bank, Ltd. replaced PNC Bank, N.A. as provider of a Credit Facility supporting the $175,000,000 Series 2007A-1b Bonds. The stated expiration date of the replacement Credit Facility is March 18, 2016.

On March 18, 2014, Royal Bank of Canada replaced Wells Fargo Bank, N.A. as provider of a Credit Facility supporting the $87,500,000 Series 2007A-2d Bonds. The stated expiration date of the replacement Credit Facility is March 17, 2017.

On February 26, 2014 the Tollway issued $378,720,000 of Toll Highway Senior Revenue Bonds, 2014 Series A (the 2014A Bonds). The 2014B Bonds were issued to provide funds that were used, together with $23,094,249 in other available funds, to advance refund $436,545,000 of the Toll Highway Senior Priority Revenue Bonds, 2005 Series A. The Purpose of the refunding was to produce debt service savings for the Tollway.

On June 4, 2014 the Tollway sold $500,000,000 of Toll Highway Senior Revenue Bonds, 2014 Series B (the 2014B Bonds). The 2014B Bonds were issued to finance costs of the Move Illinois Program, a deposit to the Debt Reserve Account and costs of issuance.

The Tollway has been notified by the U.S. Treasury of a 7.2% reduction in U.S. Treasury subsidies of Build America Bond interest payments. This reduction is expected to reduce the subsidy payments received by the Tollway for the Series 2009B interest payment due June 1, 2014 and the Series 2009A interest payment due July 1, 2014 by a total amount of $584,789.

In order to rebuild and widen the Jane Addams Tollway, it is necessary to remove the over the road building at the Des Plaines oasis. Accordingly, effective April 1, 2014, the retail lease was amended to revise the annual rent downward to reflect the closure of the Des Plaines oasis.

Supplementary Information

Schedule 1

Schedule of Changes in Fund Balance - by Fund
Trust Indenture Basis of Accounting (Non GAAP)
Year ended December 31, 2013

	Revenue Fund	Construction Fund	Total
Increases:			
Toll revenue	$ 943,152,070	$ -	$ 943,152,070
Toll evasion recovery	54,220,590	-	54,220,590
Concessions	2,305,563	-	2,305,563
Interest	866,081	80,129	946,210
Miscellaneous	9,231,579	-	9,231,579
Total Increases	1,009,775,883	80,129	1,009,856,012
Decreases:			
Engineering and maintenance of roadway and structures	43,225,062	-	43,225,062
Services and toll collection	106,320,891	-	106,320,891
Traffic control, safety patrol, and radio communications	22,550,784	-	22,550,784
Procurement, IT, finance and administration	19,137,844	-	19,137,844
Insurance and employee benefits	86,277,850	-	86,277,850
Construction	619,977,348	-	619,977,348
Construction expense reimbursed by bond proceeds	(252,831,294)	252,831,294	-
Bond principal payments	56,365,000	-	56,365,000
Gain/loss on defeased bonds	9,391,433	-	9,391,433
Build America bond subsidy	(14,952,722)	-	(14,952,722)
Bond interest and other financing costs	212,074,181	-	212,074,181
Total decreases	907,536,378	252,831,294	1,160,367,672
Net increases	102,239,505	(252,751,165)	(150,511,660)
Bond proceeds	38,371,178	525,165,386	563,536,564
Bond issuance costs	-	(2,201,421)	(2,201,421)
Change in fund balance	140,610,683	270,212,800	410,823,483
Fund balance, January 1	839,780,486	-	839,780,486
Fund balance, December 31	$ 980,391,169	$ 270,212,800	$ 1,250,603,969

Statement of Net Position is presented on the full accrual basis in the basic financial statements

See accompanying independent auditors' report.

Schedule 1

Schedule of Changes in Fund Balance - by Fund
Trust Indenture Basis of Accounting (Non GAAP)
Year ended December 31, 2012

	Revenue Fund	Construction Fund	Total
Increases:			
Toll revenue	$ 922,390,189	$ -	$ 922,390,189
Toll evasion recovery	32,598,735	-	32,598,735
Concessions	2,272,864	-	2,272,864
Interest	1,389,324	-	1,389,324
Miscellaneous	5,103,865	-	5,103,865
Total Increases	963,754,977	-	963,754,977
Decreases:			
Engineering and maintenance of roadway and structures	39,144,462	-	39,144,462
Services and toll collection	93,590,423	-	93,590,423
Traffic control, safety patrol, and radio communications	22,808,159	-	22,808,159
Procurement, IT, finance and administration	19,971,408	-	19,971,408
Insurance and employee benefits	77,543,642	-	77,543,642
Construction	351,491,108	-	351,491,108
Bond principal payments	53,040,000	-	53,040,000
Build America bond subsidy	(16,244,130)	-	(16,244,130)
Bond interest and other financing costs	199,165,007	-	199,165,007
Total decreases	840,510,079	-	840,510,079
Net increases	123,244,898	-	123,244,898
Change in fund balance	123,244,898	-	123,244,898
Fund balance, January 1	716,535,588	-	716,535,588
Fund balance, December 31	$ 839,780,486	$ -	$ 839,780,486

Statement of Net Position is presented on the full accrual basis in the basic financial statements

See accompanying independent auditors' report.

Schedule 2

Schedule of Changes in Fund Balance - Revenue Fund - by Account
Trust Indenture Basis of Accounting (Non GAAP)
Year ended December 31, 2013

	Revenue fund and accounts							
		Maintenance and operations						
	Revenue account	Operating sub account	Operating reserve sub account	Debt service	Debt service reserve	Renewal and replacement	Improvement	Total
Increases:								
Toll revenue	$ 943,152,070	$ -	$ -	$ -	$ -	$ -	$ -	$ 943,152,070
Toll evasion recovery	54,220,590	-	-	-	-	-	-	54,220,590
Concessions	2,305,563	-	-	-	-	-	-	2,305,563
Interest	73,052	-	-	27,785	225,845	364,611	174,789	866,081
Miscellaneous	9,231,579	-	-	-	-	-	-	9,231,579
Intrafund transfers	(1,006,078,768)	268,953,581	-	294,680,906	-	200,000,000	242,444,281	-
Total increases	2,904,085	268,953,581	-	294,708,691	225,845	200,364,611	242,619,070	1,009,775,883
Decreases:								
Engineering and maintenance of								
roadway and structures	-	43,225,062	-	-	-			43,225,062
Services and toll collection	-	106,320,891	-	-	-			106,320,891
Traffic control, safety patrol,								
and radio communications	-	22,550,784	-	-	-			22,550,784
Procurement, IT, finance and administration	-	19,137,845	-	-	-			19,137,845
Insurance and employee benefits	-	86,277,850	-	-	-			86,277,850
Construction expenses	-	-	-	-	-	170,307,017	449,670,329	619,977,346
Construction expenses reimbursed by bond p	-	-	-	-	-		(252,831,294)	(252,831,294)
Bond principal payments	-	-	-	56,365,000	-			56,365,000
Gain/loss on defeased bonds	-	-	-	9,391,433	-			9,391,433
Build America bond subsidy	-	-	-	(14,952,722)	-			(14,952,722)
Interest and other financing costs	-	-	-	211,867,284	206,897			212,074,181
Total decreases	-	277,512,432	-	262,670,995	206,897	170,307,017	196,839,035	907,536,376
Net increase (decrease)	2,904,085	(8,558,851)	-	32,037,696	18,948	30,057,594	45,780,035	102,239,507
Bond proceeds	-	-	-	-	38,371,177	-	-	38,371,177
Change in fund balance	2,904,085	(8,558,851)	-	32,037,696	38,390,125	30,057,594	45,780,035	140,610,684
Fund balance, January 1	9,838,554	14,464,410	27,400,000	102,598,570	207,180,250	309,253,884	169,044,817	839,780,485
Fund balance, December 31	12,742,639	5,905,559	27,400,000	134,636,266	245,570,375	339,311,478	214,824,852	980,391,169

Note: Total may not foot due to rounding.
See accompanying independent auditors' report.

Schedule 2

Illinois State Toll Highway Authority
(A Component Unit of the State of Illinois)
Schedule of Changes in Fund Balance - Revenue Fund - by Account
Trust Indenture Basis of Accounting (Non GAAP)
Year ended 12/31/2012

	Revenue fund and accounts							
		Maintenance and operations						
	Revenue account	Operating sub account	Operating reserve sub account	Debt service	Debt service reserve	Renewal and replacement	Improvement	Total
Increases:								
Toll revenue	$ 922,390,189	$ -	$ -	$ -	$ -	$ -	$ -	$ 922,390,189
Toll evasion recovery	32,598,735	-	-	-	-	-	-	32,598,735
Concessions	2,272,864	-	-	-	-	-	-	2,272,864
Interest	215,252	-	-	42,984	101,759	660,937	368,391	1,389,324
Miscellaneous	5,103,865	-	-	-	-	-	-	5,103,865
Intrafund transfers	(974,131,882)	258,502,976	10,400,000	242,294,539	-	300,000,000	162,934,367	-
Total increases	(11,550,977)	258,502,976	10,400,000	242,337,523	101,759	300,660,937	163,302,758	963,754,977
Decreases:								
Engineering and maintenance of roadway and structures	-	39,144,462	-	-	-	-	-	39,144,462
Services and toll collection	-	93,590,423	-	-	-	-	-	93,590,423
Traffic control, safety patrol, and radio communications	-	22,808,159	-	-	-	-	-	22,808,159
Procurement, IT, finance and administratio	-	19,971,408	-	-	-	-	-	19,971,408
Insurance and employee benefits	-	77,543,643	-	-	-	-	-	77,543,643
Construction expenses	-	-	-	-	-	219,967,216	131,523,891	351,491,108
Bond principal payments	-	-	-	53,040,000	-	-	-	53,040,000
Build America bond subsidy	-	-	-	(16,244,130)	-	-	-	(16,244,130)
Interest and other financing costs	-	-	-	198,958,110	206,897	-	-	199,165,007
Total decreases	-	253,058,094	-	235,753,980	206,897	219,967,216	131,523,891	840,510,079
Net increase (decrease)	(11,550,977)	5,444,882	10,400,000	6,583,543	(105,138)	80,693,721	31,778,867	123,244,898
Unrealized gain/loss on investments	-	-	-	-	-	-	-	-
Transfer of funds for swap termination	-	-	-	-	-	-	-	-
Change in fund balance	(11,550,977)	5,444,882	10,400,000	6,583,543	(105,138)	80,693,721	31,778,867	123,244,898
Fund balance, January 1	21,389,531	9,019,528	17,000,000	96,015,027	207,285,388	228,560,164	137,265,951	716,535,588
Fund balance, December 31	$ $9,838,554	$ 14,464,410	$ 27,400,000	$ 102,598,570	$ 207,180,250	$ 309,253,884	$ 169,044,817	$ 839,780,486

See accompanying independent auditors' report.

(1) Summary of Significant Accounting Policies

The 1999 Amended and Restated Trust Indenture (the Trust Indenture) requires the Tollway to provide separate funds for construction (Construction Fund) and for operations (Revenue Fund), which funds are not appropriated by the Illinois General Assembly. The Trust Indenture permits the Tollway to create additional accounts for the purpose of more precise accounting. The Illinois State Treasurer holds monies for the Tollway as ex-officio custodian and has recorded these monies in a custodian account. This account is part of the Maintenance and Operation Account within the Revenue Fund.

Prior to fiscal year 2005, the Tollway issued separate financial statements, prepared on the basis of accounting described below, in order to demonstrate compliance with the requirements of the Trust Indenture (Trust Indenture Statements). Beginning in 2005, the Tollway has included schedules, prepared on the basis of accounting described below, in the supplementary information section of this report. The Tollway believes that these schedules, along with the GAAP basis financial statements contained in this report, are sufficient to demonstrate compliance with the requirements of the Trust Indenture. As a result, separate Trust Indenture Statements are no longer prepared. Certain items in the presentation of the Trust Indenture information contained herein vary from the presentation previously used in the Trust Indenture Statements. In addition, the schedules contained in this section of the report present only the Revenue Fund and the Construction Fund. Previously, the Trust Indenture Statements included “Infrastructure and Long-term Debt of Accounts,” which was optional reporting allowed under the Trust Indenture.

(a) Basis of Accounting

Under the provisions of the Trust Indenture, the basis of accounting followed for the Construction Fund and the Revenue Fund within the Schedule of Changes in Fund Balance by Fund, differs in certain respects from accounting principles generally accepted in the United States of America.

The major differences are as follows:

1. Capital construction and asset acquisitions are charged against fund balance as incurred. In addition, there is no provision for depreciation.

2. Monies received from sale of assets are recorded as revenue when the cash is received.

3. Monies received for long term fiber optic leases are recorded as revenue when received.

4. Principal retirements on revenue bonds are expensed when paid. The results of defeasement are accounted for as revenue or expense at the time of the transaction.

5. Bond proceeds (including premiums) are recorded as income in the year received. Amounts received from refunding issuances, if any, are recorded net of transfers to the escrow agent.

6. Unrealized gains and losses on Debt Reserve invested funds are netted against interest and other financing costs.

7. Capital lease obligations are not recorded. Payments under capital leases are expensed in the period payments are made.

8. Interest related to construction in progress is not capitalized.

9. Recoveries of expenses are classified as decreases in operating expenses for trust indenture and as miscellaneous operating revenue for GAAP.

10. In trust indenture, transponder purchases and other miscellaneous expenses are reflected in the Renewal and Replacement fund as construction expense. For GAAP the expenses are reflected as an operating expense.

11. Construction expenses incurred under intergovernmental agreements are decreased by payments received under these intergovernmental agreements.

Therefore, the accompanying Schedules of Changes in Fund Balance by Fund, which are prepared in accordance with the aforementioned accounting principles, are not intended to, and do not, present the financial position or the results of operations in accordance with accounting principles generally accepted in the United States of America.

A description of the individual accounts within the Revenue Fund and Construction Fund, as well as the required distribution of revenues collected, is as follows:

(b) The Revenue Fund

All revenues received by the Tollway other than investment income shall be delivered by the Tollway to the Treasurer, for deposit in the Revenue Fund. On or before the 20^{th} day of each month the Treasurer shall, at the direction of the Tollway, transfer or apply the balance as of such date of transfer in the Revenue Fund not previously transferred or applied in the following order of priority:

A. To the Operating Sub-Account, operating expenses set forth in the annual budget for the fiscal year in an amount equal to one-twelfth of the total approved budget, less all other amounts previously transferred by the Treasurer for deposit to the credit of the Operating Sub-Account during that fiscal year, less the balance, if any, which was on deposit to the credit of the Operating Sub-Account on December 31 of the preceding fiscal year.

B. To the Operating Reserve Sub-Account, the amount specified by the Tollway, but not to exceed thirty percent of the amount annually budgeted for operating expenses.

C. To the Interest Sub-Account, an amount equal to interest due on unpaid bonds, plus one-sixth of the difference between the interest payable on bond and interest due within the next six months.

D. To the Principal Sub-Account, an amount equal to any principal due plus one-twelfth of any principal of such outstanding senior bonds payable on the next principal payment date.

E. To the Redemption Sub-Account, an amount for each bond equal to one-twelfth of any sinking fund installment of outstanding bonds payable within the next twelve months.

F. To the Provider Payment Sub-Account, amounts as provided in any supplemental indenture for paying costs of credit enhancement or qualified hedge agreements for bonds or for making reimbursements to providers of credit enhancement or qualified hedge agreements for bonds.

G. To the Debt Service Reserve Account, an amount sufficient to cause the balance in it to equal the debt reserve requirement and to make reimbursement to providers of reserve account credit facilities.

H. To the Junior Bond Debt Service or Junior Bond Debt Reserve Account, any amounts required by supplemental indentures.

I. To the Renewal and Replacement Account, one-twelfth the portion of the renewal and replacement amount set forth in the annual budget for the fiscal year.

J. The balance of such amounts in the Revenue Funds are to be applied as follows:

1) To the credit of the Improvement Account for allocation to a project as determined by the Tollway in its sole discretion, until the balance in the Account is equal to the improvement requirement or a lesser amount as the Tollway may from time to time determine.

2) To the credit of the System Reserve Account, the entire amount remaining in the Revenue Fund after depositing or allocating all amounts required to be deposited to the credit of the above Accounts and Sub-Accounts.

(c) Maintenance and Operation Account

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

Revenues are transferred to the Operating Sub-Account to cover the expenses set forth in the annual budget for the current fiscal year. One-twelfth of the operating expenses outlined in the annual budget are transferred to this account once a month. Revenue is recorded on an accrual basis and as such may not be available for allocation until the cash is collected.

The Operating Reserve Sub-Account receives or retains an amount not to exceed 30% 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 if moneys 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 that amount necessary, the excess will be withdrawn from such Sub-Account and applied as revenues. By resolution, the Board voted to maintain a $25 million fund balance in this account and has subsequently authorized a fund balance of $17 million.

(d) Debt Service Account

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

Revenues are required to be deposited to cover the interest and principal amounts due and unpaid for bonds, 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.

The Debt Service Reserve Account receives funds to provide an amount sufficient to cause the balance in it to equal the debt reserve requirement and to make any required reimbursement to providers of reserve account credit facilities.

(e) Renewal and Replacement Account

Revenues must be credited to the Renewal and Replacement Account in an amount set forth in the annual budget for the renewal and replacement deposit. An amount set forth in the budget shall be determined based on recommendations of the Consulting Engineer. Additional funds can be transferred to this account by the Tollway, based on the capital plan expenditures.

(f) Improvement Account

At the direction of the Tollway, the balance of amounts in the Revenue Fund are applied to the Improvement Account, for allocations to projects, determined by the Tollway, until the balance in the Account is equal to the improvement requirement.

(g) System Reserve Account

At the direction of the Tollway, 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.

(h) The Construction Fund

The Construction Fund is held as a separate segregated fund. The Construction Fund receives funds from the sale of bonds (other than refunding bonds) and investment of proceeds. The Treasurer establishes and maintains within the Construction Fund a separate, segregated account for each Project, the costs of which are to be paid in whole or in part out of the Construction Fund.

(2) Miscellaneous

The following items are reported as Bond Interest and Other Financing Costs:

Components of Bond Interest and Other Financing Costs - 2013

	Debt Service	Debt Reserve	Total
Bond interest expense	$ 207,089,431	-	207,089,431
Other financing costs	4,777,853	206,897	4,984,750
	$ 211,867,284	206,897	212,074,181

Other Information:

- Construction and other capital expenses for Renewal and Replacement and Improvement include accrued expenses.
- Bond Interest expense includes accrued interest payable at December 31.
- In November 2008 the Tollway purchased a $100 million surety bond. This policy is being amortized over the life of the bonds (24.1 years). The amortization is shown in the debt reserve column above.
- Cash balances held by the Trustee at December 31, 2013, are $215 million in the Debt Service accounts and $ 182 million in the Debt Reserve account.
- During 2010 the Tollway Board of Directors authorized $30 million to be transferred from the Improvement fund to the Debt Service fund for swap termination payments only. $10.3 million of these funds were used to

terminate swaps associated with the 2008 A-2 bond series. The remaining balance cannot be used to meet debt service obligations. This amount is included in the Debt Service amount above.

- Insurance and Employee Benefits includes expense for retirement, workers compensation, the employer portion of FICA, and medical insurance.

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Schedule 3

Schedule of Capital Assets by Source [1]
Year Ended 12/31/2013

		2013		2012
Capital assets (at original cost):				
Land and improvements	$	337,264,544	$	327,977,023
Buildings		54,481,558		54,025,606
Infrastructure [2]		7,165,000,043		6,917,204,365
Vehicles		44,324,906		41,818,915
Office equipment		35,882,176		34,869,290
Information systems		150,880,425		140,144,911
Construction in progress		355,523,656		132,755,334
Total Capital Assets	$	8,143,357,308	$	7,648,795,444
Capital assets provided from:				
Bond proceeds net of related interest income		5,752,941,488	$	5,552,273,927
Revenues		2,390,415,820		2,096,521,517
Total sources of Capital assets	$	8,143,357,308	$	7,648,795,444

[1] Prepared in accordance with the Trust Indenture (non-GAAP).

[2] Infrastructure assets do not include capitalized interest totaling $149.1 million and $139.1 million at December 31, 2013 and 2012, respectively.

See accompanying independent auditors' report.

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Schedule 4

Schedule of Changes in Capital Assets [(1) (3)]
Year ended December 31, 2013

	Balance January 1, 2013	Additions	Deletions (2)	Balance December 31, 2013
Land and improvements	$ 327,977,023	$ 9,287,521	$ -	$ 337,264,544
Buildings	54,025,606	455,949	-	54,481,558
Infrastructure	6,917,204,366	321,335,873	(73,540,195)	7,165,000,043
Vehicles	41,818,912	2,966,311	(460,317)	44,324,906
Office equipment	34,869,290	1,781,456	(768,570)	35,882,176
Information systems	140,144,911	10,824,208	(88,693)	150,880,425
Construction in progress	132,755,334	549,972,222	(327,203,900)	355,523,656
Total capital assets	7,648,795,442	896,623,540	(402,061,675)	8,143,357,308

	Balance January 1, 2012	Additions	Deletions (2)	Balance December 31, 2012
Land and improvements	$ 315,128,948	$ 12,848,075	$ -	$ 327,977,023
Buildings	52,066,435	1,959,171	-	54,025,606
Infrastructure	6,743,340,271	273,574,752	(99,710,657)	6,917,204,366
Vehicles	42,150,441	436,280	(767,809)	41,818,912
Office equipment	31,775,059	3,993,978	(899,747)	34,869,290
Information systems	135,092,169	5,714,560	(661,818)	140,144,911
Construction in progress	75,878,024	313,330,333	(256,452,690)	132,755,334
Total capital assets	7,395,431,347	611,856,816	(358,492,721)	7,648,795,442

(1) Prepared in accordance with state compliance requirements, infrastructure assets do not include capitalized interest totaling $149.1 million and $139.1 million as of December 31, 2013 and 012, respectively

(2) Infrastructure deletions above represent assets that are fully depreciated on a GAAP basis.

(3) No depreciation is reflected in this schedule.

See accompanying independent auditors' report.

STATISTICAL SECTION (UNAUDITED)

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Comprehensive Annual Financial Report Statistical Section (Unaudited)
December 31, 2013

Illinois State Toll Highway Authority
Statistical Section

This part of the Tollway's comprehensive annual financial report presents detailed information to amplify the information in the Tollway's financial statements, note disclosures, and required supplementary.

Financial Trends - *These schedules contain trend information to assist the reader in understanding how the Tollway's financial performance and well-being have changed over time.*

Revenue Capacity – *These schedules contain information to help the reader assess the Tollway's most significant revenue source (tolls).*

Debt Capacity – *These schedules present information to help the reader assess the affordability of the Tollway's current levels of outstanding debt and its ability to issue additional debt in the future.*

Demographic and Economic Information – *This schedule offers demoographic indicators to help the reader understand the environment within which the Tollway's operations take place.*

Operating Information – *These schedules contain service and other data to help the reader understand how the information in the Tollway's report relates to the services it provides.*

Sources: Unless otherwise noted, the information in these schedules is derived from the Tollway's comprehensive annual financial reports for the relevant years.

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Net Position by Type (GAAP Basis)
Last Ten Fiscal Years (Unaudited)

Net Position by Type	2013	2012	2011	2010	2009	2008	Restated 2007	2006	2005	Restated 2004
Invested in Capital Assets, net of										
Related Debt	$ 1,126,446,163	$ 1,196,676,074	$ 1,095,891,441	$ 1,196,572,979	$ 1,284,350,633	$ 1,622,755,006	$ 1,577,006,044	$ 1,337,313,700	$ 1,355,863,781	$ 1,183,582,118
Restricted Net Position	364,205,442	277,001,048	295,857,893	272,539,329	234,633,390	282,076,511	288,359,204	249,169,152	167,271,355	74,848,940
Restricted for Pension Benefit Oblig	61,950	65,755	69,473	74,407	360,441	-	-	-	-	-
Unrestricted Net Position	755,622,037	567,820,608	458,931,125	452,800,823	498,549,013	200,324,808	218,238,576	347,153,490	248,815,433	301,687,060
Total Net Position	$ 2,246,335,592	$ 2,041,563,485	$ 1,850,749,932	$ 1,921,987,538	$ 2,017,893,477	$ 2,105,156,325	$ 2,083,603,824	$ 1,933,636,342	$ 1,771,950,569	$ 1,560,118,118

(continued)

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)

Changes in Net Position (GAAP Basis)
Last Ten Fiscal Years

	2013	2012	2011	2010	2009	2008	Restated 2007	2006	2005	Restated 2004
OPERATING REVENUES										
Toll Revenue	$ 943,152,070	$ 922,390,189	$ 652,673,895	$ 628,753,508	$ 592,063,529	$ 583,646,592	$ 572,092,902	$ 567,499,808	$ 580,441,697	$ 391,586,232
Toll Evasion Recovery	54,220,590	32,598,735	33,268,033	34,923,828	54,828,660	77,653,862	6,516,958	196,461	13,256,859	15,767,091
Concessions	2,305,563	2,272,864	2,421,164	2,387,581	2,338,841	2,236,551	3,788,756	3,031,576	2,790,847	2,654,668
Miscellaneous	17,238,843	12,569,929	9,507,791	7,385,229	8,759,200	4,273,563	2,819,131	2,868,573	2,266,957	3,445,212
Total Operating Revenues	$ 1,016,917,066	$ 969,831,717	$ 697,870,883	$ 673,450,146	$ 657,990,230	$ 667,810,568	$ 585,217,747	$ 573,596,418	$ 598,756,360	$ 413,453,203
OPERATING EXPENSES										
Engineering and Maintenance of Roadway and Structures	47,314,811	40,054,392	44,803,170	45,768,938	48,942,122	46,309,976	44,833,917	35,261,319	34,886,799	32,579,707
Services and Toll Collection	116,319,349	107,225,405	106,466,995	112,640,323	116,613,280	110,681,535	86,550,454	84,164,027	82,716,282	78,646,218
Traffic Control, Safet Patrol and Radio Communications	22,554,755	22,818,258	23,071,556	22,821,776	22,649,767	22,374,844	21,246,925	18,743,387	18,034,485	15,340,985
Procurement, IT, Finance and Administration	24,325,930	21,452,099	22,176,542	24,369,106	22,406,891	22,100,592	24,261,781	19,983,865	22,018,346	20,933,265
Insurance and Employee Benefits	86,277,850	77,543,643	69,987,945	71,681,925	72,493,677	59,634,767	52,414,462	49,640,432	44,659,657	47,756,919
Depreciation and Amortization	308,869,419	314,107,807	318,165,918	314,933,272	297,371,719	278,626,714	219,434,538	186,283,372	152,195,010	142,835,466
Total Operating Expenses	$ 605,662,114	$ 583,201,604	$ 584,672,126	$ 592,215,340	$ 580,477,456	$ 539,728,428	$ 448,742,077	$ 394,076,402	$ 354,510,579	$ 338,092,560
Operating Income	$ 411,254,952	$ 386,630,113	$ 113,198,757	$ 81,234,806	$ 77,512,774	$ 128,082,140	$ 136,475,670	$ 179,520,016	$ 244,245,781	$ 75,360,643
NONOPERATING EXPENSES										
Investment Income	946,210	1,389,324	1,064,068	1,749,894	3,199,960	22,979,654	43,367,461	74,738,940	32,298,872	6,966,085
Intergovernmental Contributions	103,915	701,954	2,262,302	(1,858,125)						
Intergovernmental Agreement Revenue	35,287,508	7,405,421	6,753,264	10,734,092	97,983,825	81,091,003	-	-	-	-
Build America Bond Rebate	14,952,722	16,244,130	16,244,130	16,132,636	6,422,870	-	-	-	-	-
Net Increase (Decrease) in Fair Value of Investments	-	-	(299,150)	287,425	(1,365,846)	(221,181)	3,297,367	(2,471,262)	(2,092,025)	(72,859)
Net Gain (Loss) on Disposal of Property	159,590	(70,480)	(1,157,639)	(26,357)	(3,249,477)	377,214	(8,491,090)	(2,240,196)	175,863	1,776,272
Interest Expense and Amortization of Financing Costs	(207,566,638)	(198,659,178)	(206,933,905)	(197,804,008)	(190,168,729)	(130,889,438)	(92,553,608)	(93,613,153)	(62,796,040)	(39,768,842)
Intergovernmental Agreement Expense	(35,287,508)	(7,405,421)	(6,753,264)	(10,734,092)	(97,983,825)	(81,091,003)	-	-	-	-
Miscellaneous Income (Expense)	(15,078,644)	(360)	4,383,831	4,007,969	13,424,947	542,517	(11,461,519)	5,751,428	-	-
Total Nonoperating Revenues (Expenses)	$ (206,482,845)	$ (180,394,610)	$ (184,436,363)	$ (177,510,566)	$ (171,736,275)	$ (107,211,234)	$ (65,841,389)	$ (17,834,243)	$ (32,413,330)	$ (31,099,344)
INCREASE (DECREASE) IN NET POSITION	$ 204,772,107	$ 206,235,503	$ (71,237,606)	$ (96,275,760)	$ (94,223,501)	$ 20,870,906	$ 70,634,281	$ 161,685,773	$ 211,832,451	$ 44,261,299
Capital Contributions				369,821	6,570,819	1,071,429	-	-	-	-
NET POSITION AT BEGINNING OF YEAR	2,041,563,485	1,835,327,982	1,921,987,538	2,017,893,477	2,105,546,159	2,083,603,824	2,012,969,543	1,771,950,569	1,560,118,118	1,515,856,819
NET POSITION AT END OF YEAR	$ 2,246,335,592	$ 2,041,563,485	$ 1,850,749,932	$ 1,921,987,538	$ 2,017,893,477	$ 2,105,546,159	$ 2,083,603,824	$ 1,933,636,342	$ 1,771,950,569	$ 1,560,118,118

(continued)

Illinois State Toll Highway Authority
(A Component Unit of the State of Illinois)
Operating Revenues by Source (GAAP Basis)
Last Ten Fiscal Years (Unaudited)

Operating Revenues by Source (GAAP Basis)
Last Ten Fiscal Years (Unaudited)

	Toll Revenue	Toll Evasion Recovery	Concessions[1]	Miscellaneous [1]	Total Operating Revenue
2004	$ 391,586,232	$ 15,767,091	$ 2,654,668	$ 3,445,212	$ 413,453,203
2005	580,441,697	13,256,859	2,790,847	2,266,957	598,756,360
2006	567,499,808	196,461	3,031,576	2,868,573	573,596,418
2007	572,092,902	6,516,958	3,788,756	2,819,131	585,217,747
2008	583,646,592	77,653,862	2,236,551	4,273,563	667,810,568
2009	592,063,529	54,828,660	2,338,841	8,759,200	657,990,230
2010	628,753,508	34,923,828	2,387,581	7,385,229	673,450,146
2011	652,673,895	33,268,033	2,421,164	9,507,791	697,870,883
2012	922,390,189	32,598,735	2,272,864	12,569,929	969,831,717
2013	943,152,070	54,220,590	2,305,563	17,238,843	1,016,917,066
Change from 2004 to 2013	140.85%	243.88%	-13.15%	400.37%	145.96%

[1] Revenue represented in these columns may not be based on consistent categorizatin between fiscal years.

(continued)

Illinois State Toll Highway Authority
(A Component Unit of the State of Illinois)
Toll Revenue by Toll Plaza (GAAP Basis)
Last Ten Fiscal Years

Toll Plaza	Plaza Number	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
JANE ADDAMS MEMORIAL TOLLWAY (NORTHWEST):												
WESTERN SECTION:												
South Beloit	1	34,924,784	34,761,307	27,882,663	$ 26,907,318	$ 25,235,627	$ 25,322,241	$ 26,830,755	$ 26,383,291	$ 27,583,000	$ 12,958,687	$ 10,447,747
Riverside Drive	2	1,890,552	1,920,431	1,314,702	1,230,394	1,168,112	1,117,439	1,035,965	843,952	774,837	515,755	414,449
South Rockford	3	-		-	-	-	-	-			917,798	1,622,134
Route 173	4	1,228,205	1,209,218	807,356	698,887	614,479	570,041	278,404	-	-	-	-
Belvidere	5	16,272,251	19,309,039	14,871,366	14,842,534	14,026,981	14,072,128	14,305,341	13,969,134	14,453,671	8,066,087	7,609,730
Route 47	6	270,947	-			-			-	-		
Marengo	7	18,920,305	21,706,448	16,123,502	16,193,501	15,901,593	16,224,587	15,775,474	15,811,292	16,109,600	9,290,906	8,701,938
Randall Road	8	1,554,245	1,869,458	1,274,610	1,306,386	1,257,254	1,284,311	1,242,444	1,191,452	1,160,792	834,950	673,515
Elgin	9	32,689,498	35,368,361	24,880,101	25,262,130	24,781,191	24,961,460	24,676,301	23,961,579	24,330,122	15,658,922	14,761,417
		-	-						-			
EASTERN SECTION		-	-						-			
Barrington Road	10	1,703,963	1,618,660	1,021,221	1,075,842	1,091,722	1,119,303	1,134,063	1,254,969	1,287,160	1,066,524	1,077,456
Route 31	11	4,458,524	4,363,422	2,776,034	2,946,956	3,099,635	3,093,940	3,221,424	3,502,222	3,507,383	2,927,477	2,528,554
Roselle Rd	12	1,899,500	1,893,005	1,228,114	1,197,206	1,163,776	1,132,132	1,068,669	1,105,596	1,145,233	989,433	932,678
Route 25	13	1,335,405	1,347,153	913,462	1,018,094	956,875	1,032,590	1,084,534	1,177,995	1,200,037	914,070	815,146
Route 59	14	981,693	1,035,813	635,214	694,209	692,618	691,510	664,398	637,033	627,252	535,065	493,921
Route 53	15	5,044,261	5,195,903	3,345,242	3,164,487	3,527,547	3,415,206	3,440,463	3,551,472	3,458,449	2,540,640	2,126,918
Route 16 (Beverly Rd)	16	2,417,908	2,308,759	1,497,924	1,637,385	1,655,483	1,606,868	1,456,851	1,611,084	1,703,091	1,266,745	1,191,014
Devon Avenue	17	29,056,282	28,335,486	19,151,556	19,806,345	18,073,323	18,593,856	18,475,502	18,098,289	21,095,490	15,167,605	14,917,430
Arlington Heights Rd	18	4,044,006	3,958,170	2,810,731	2,948,562	2,926,321	2,914,846	3,001,904	2,927,023	2,778,785	2,250,750	2,122,100
River Road	19	20,933,337	21,597,563	12,975,006	13,617,594	13,221,147	13,177,712	12,604,155	13,195,475	15,332,230	11,749,287	11,718,731
		$ 179,625,666	$ 187,798,196	$ 133,508,804	$ 134,547,830	$ 129,393,684	$ 130,330,170	$ 130,296,648	$ 129,221,858	$ 136,547,132	$ 87,650,701	$ 82,154,878

(continued)

Illinois State Toll Highway Authority
(A Component Unit of the State of Illinois)
Toll Revenue by Toll Plaza (GAAP Basis)
Last Ten Fiscal Years

Toll Plaza	Plaza Number	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
REAGAN MEMORIAL TOLLWAY (EAST-WEST):												
EASTERN SECTION:												
York Road	51	28,670,167	27,091,268	17,779,544	16,327,184	14,098,853	13,611,550	15,594,535	28,825,800	34,024,883	24,710,761	23,571,972
Meyers Road	52	27,503,571	26,333,861	17,201,189	15,616,653	13,299,792	13,688,586	15,037,979	3,918,875	-	-	-
Spring Road	53	2,387,169	2,353,045	1,385,023	1,337,560	1,092,645	1,117,416	1,308,128	1,281,111	1,247,968	1,135,959	1,129,873
Route 83	54	2,350,300	2,337,468	1,388,837	1,303,527	1,256,377	1,303,216	1,378,382	411,950	-	-	-
Midwest Road	55	1,070,187	992,291	590,361	538,088	513,693	465,140	421,554	971,091	1,420,687	1,311,106	1,247,112
Highland Avenue	56	3,115,052	3,147,312	1,903,676	1,844,849	1,782,123	1,792,728	1,724,252	1,803,764	1,663,700	1,444,287	1,374,887
Naperville Road	57	1,267,617	1,270,949	689,984	685,372	620,527	561,807	247,083	499,242	591,286	585,687	549,182
Winfield Road	58	886,487	880,346	529,411	521,157	509,667	567,139	785,807	605,029	456,027	413,509	375,302
Farnsworth Road	59	6,705,569	6,770,561	4,463,965	4,264,887	4,354,527	4,193,611	3,977,423	4,245,236	4,027,012	2,973,155	2,437,770
Eola Road	60	2,107,748	1,909,699	1,207,219	1,046,808	92,745	-	-	-	-	-	-
Aurora	61	30,316,892	28,244,425	20,138,094	18,664,376	17,449,421	16,976,347	18,127,767	18,531,965	17,773,521	12,555,650	12,316,697
WESTERN SECTION:		-	-		-	-		-	-			
Route 31	63	743,080	712,569	521,275	486,043	335,656	268,255	545,239	552,436	525,237	386,881	330,237
Orchard Rd.	64	895,009	904,810	671,352	669,882	752,448	732,731	640,503	580,702	520,004	387,590	317,910
DeKalb East (Peace Rd)	65	3,268,493	3,368,553	2,181,399	1,851,725	2,094,029	2,058,003	2,023,308	2,045,837	1,748,966	1,254,582	1,060,129
DeKalb Main	66	26,434,904	21,872,233	19,200,594	17,189,127	16,351,774	15,667,524	15,647,288	14,498,904	12,932,195	7,872,356	8,207,759
DeKalb (Annie Glidden Rd)	67	2,174,636	2,106,818	1,577,427	1,925,863	1,549,878	1,468,141	1,484,467	1,596,770	2,061,710	1,664,610	1,656,923
Dixon Mainline	69	18,465,994	17,965,604	15,028,416	14,280,918	13,676,669	13,177,619	13,114,045	11,174,733	9,858,706	5,983,539	6,109,396
Dixon Ramp 1	70	-	-	-	-	-	-	-	198,327	336,070	219,309	188,956
Dixon Ramp 2	71	-	-	-	-	-	-	-	880,429	1,343,021	941,532	805,853
		$ 158,362,875	$ 148,261,812	$ 106,457,766	$ 98,554,019	$ 89,830,824	$ 87,649,813	$ 92,057,760	$ 92,622,201	$ 90,530,993	$ 63,840,513	$ 61,679,958

(continued)

Illinois State Toll Highway Authority
(A Component Unit of the State of Illinois)
Toll Revenue by Toll Plaza (GAAP Basis)
Last Ten Fiscal Years

Toll Plaza	Plaza Number	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
TRI-STATE TOLLWAY:												
NORTHERN SECTION:												
Buckley Road	20	1,367,436	1,314,822	937,786	$ 977,658	$ 1,088,014	$ 908,583	$ 822,451	$ 807,752	$ 885,087	$ 776,180	$ 735,539
Waukegan	21	60,429,979	57,711,916	44,340,887	42,052,993	38,835,619	37,611,917	39,495,418	42,136,567	43,461,370	24,156,452	23,854,103
Route 60	22	1,948,044	1,863,473	1,208,165	1,084,973	1,094,784	950,758	1,064,386	1,116,365	1,131,062	937,919	983,699
Half Day Road	23	1,831,064	1,812,904	1,109,245	1,038,093	904,295	1,042,946	1,144,347	1,194,063	1,247,086	988,235	838,003
Edens Spur	24	24,971,465	24,627,944	16,138,598	14,697,860	15,440,293	14,406,731	15,842,507	16,912,037	18,038,128	11,885,624	11,931,403
Lake Cook Road	26	6,084,853	5,994,838	3,687,200	3,818,083	3,546,201	3,565,800	3,828,910	3,739,047	3,629,646	2,657,684	2,381,347
Willow Road	27	6,226,549	6,049,039	3,792,851	3,764,022	3,368,255	3,302,397	3,050,296	3,481,053	3,293,200	2,842,712	2,536,281
Golf Road	28	6,071,586	5,983,043	3,619,463	3,523,318	3,420,611	3,416,909	3,711,393	3,903,549	3,822,194	2,986,869	2,705,086
CENTRAL SECTION:			-			-						
Touhy Avenue	29	40,863,081	40,185,456	26,180,031	25,038,552	21,875,432	21,501,911	21,990,791	25,301,960	25,565,231	17,941,304	17,758,932
Balmoral Avenue	30	2,564,374	1,924,861	61,098	-	-	-	-	-			
O'Hare West	31	6,536,229	6,548,332	4,068,810	3,698,064	3,581,919	3,831,869	4,075,336	4,173,715	4,074,305	3,181,501	2,899,042
O'Hare East	32	4,804,353	5,289,713	3,933,770	3,867,781	3,600,944	4,058,177	4,260,308	4,276,021	3,957,574	3,085,216	2,791,380
Irving Park Road	33	36,008,810	34,222,893	23,922,769	23,945,428	20,902,093	21,375,825	22,699,363	22,838,478	23,370,770	16,683,523	16,389,690
75th St.(Willow Springs Rd)	34	2,351,698	2,183,696	1,914,905	1,926,293	1,956,474	1,977,680	1,914,772	1,974,737	1,932,731	1,106,766	988,326
Cermak Road	35	58,973,282	56,169,335	43,806,207	42,787,256	39,446,102	39,351,136	41,486,213	40,841,586	41,780,596	27,532,155	27,197,949
SOUTHERN SECTION:			-			-						
82nd Street	36	30,773,883	29,042,174	22,614,216	21,379,401	18,283,772	18,538,749	22,322,985	21,654,345	22,214,041	14,627,647	14,365,694
I-55 (Stevenson Expressway)	37	9,653,892	9,281,349	6,920,622	6,992,320	6,601,247	6,163,670	5,848,223	6,703,122	6,664,951	4,190,522	3,992,882
95th Street	38	4,111,776	4,041,240	2,988,119	2,762,586	2,489,008	2,661,269	2,712,443	2,625,874	2,746,034	1,785,107	1,520,842
83rd Street	39	30,437,564	28,743,679	22,284,370	20,886,442	18,171,747	18,797,801	21,948,441	20,838,615	21,274,482	14,388,180	14,131,225
159th Street	40	3,598,523	3,493,012	2,266,922	2,044,704	2,031,375	2,293,107	3,461,818	5,155,368	3,826,158	2,130,938	1,664,960
163rd Street	41	51,551,347	48,485,195	39,489,367	37,103,594	31,154,805	31,424,656	36,002,318	31,651,475	33,917,099	20,676,961	20,847,280
I-80 Westbound	43	13,585,869	13,357,983	10,103,925	9,764,886	9,480,275	9,003,061	7,849,812	5,997,921	6,496,000	3,891,744	3,915,560
I-80 Eastbound	45	13,057,028	12,917,795	9,772,974	9,596,884	9,329,820	8,860,204	7,790,133	5,631,042	7,306,771	3,790,107	3,885,604
Halsted Street	47	3,309,299	3,293,625	2,229,936	2,217,167	2,049,649	1,971,568	1,530,762	1,142,316	1,356,371	1,225,401	1,127,229
		$ 421,111,984	$ 404,538,317	$ 297,392,236	$ 284,968,358	$ 258,652,734	$ 257,016,724	$ 274,853,426	$ 274,097,008	$ 281,990,887	$ 183,468,747	$ 179,442,056

(continued)

Illinois State Toll Highway Authority
(A Component Unit of the State of Illinois)
Toll Revenue by Toll Plaza (GAAP Basis)
Last Ten Fiscal Years

Toll Plaza	Plaza Number	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
VETERANS MEMORIAL TOLLWAY (NORTH-SOUTH):												
NORTHERN SECTION:												
Army Trail Road	73	44,838,968	45,404,713	28,495,629	26,883,297	29,307,534	29,291,830	28,276,067	28,401,464	28,653,765	22,673,411	21,601,027
North Avenue	75	9,435,024	9,178,507	6,135,998	5,862,790	5,777,117	5,696,651	5,751,292	5,789,741	5,650,694	4,458,268	4,230,735
Roosevelt Road	77	3,862,731	3,805,203	2,299,650	2,183,817	2,140,078	2,048,499	2,043,047	2,068,631	2,037,189	1,765,074	1,615,944
Butterfield Road	79	2,850,026	2,941,591	1,897,076	1,871,201	1,866,968	1,868,556	1,744,271	1,730,117	1,632,444	1,465,721	1,369,738
SOUTHERN SECTION:						-						
Ogden Avenue	81	793,740	782,168	499,283	500,053	471,477	513,554	503,718	454,930	411,798	363,392	360,225
Maple Avenue	83	2,624,031	2,596,039	1,675,154	1,605,583	1,587,843	1,635,285	1,692,871	1,643,775	1,602,975	1,435,226	1,307,007
63rd Street	85	4,135,627	4,175,058	2,483,847	2,380,574	2,388,491	2,407,346	2,497,638	2,532,161	2,390,546	2,157,229	1,883,689
75th Street	87	4,713,845	4,625,024	2,999,514	2,883,422	2,859,632	3,072,069	3,387,915	3,571,094	3,527,218	3,083,565	2,902,724
Boughton Road	89	49,288,477	49,660,462	31,887,683	30,469,118	30,724,140	29,484,987	24,726,212	24,469,221	24,746,569	18,575,052	18,278,807
Boughton Ramp	90	2,189,352	2,218,848	1,438,746	1,383,175	1,299,068	1,193,429	774,066	601,929	470,624	362,058	307,444
127th Street	93	2,424,901	2,447,051	1,604,978	1,545,658	1,544,261	1,331,573	172,240	-	-	-	-
Archer Ave/143Rd Street	95	3,859,491	3,687,539	2,386,403	2,261,939	2,165,616	1,783,164	182,742	-	-	-	-
Route 7 (159th Street)	97	6,905,562	6,870,036	4,327,510	4,056,050	3,882,286	3,466,494	372,119	-	-	-	-
Spring Creek	99	44,807,646	42,229,877	26,389,476	26,060,650	27,450,317	24,313,287	2,461,905	-	-	-	-
Route 6	101	719,074	664,713	407,137	383,754	357,860	266,496	25,245	-	-	-	-
		$ 183,448,495	$ 181,286,829	$ 114,928,084	$ 110,331,081	$ 113,822,688	$ 108,373,220	$ 74,611,348	$ 71,263,063	$ 71,123,822	$ 56,338,996	$ 53,857,340
OVER DIMENSION VEHICLES		603,050	505,035	387,005	352,220	363,599	276,665	273,720	$ 295,677	$ 248,862	$ 287,275	$ 319,626
TOTAL TOLL REVENUE		$ 943,152,070	$ 922,390,189	$ 652,673,895	$ 628,753,508	$ 592,063,529	$ 583,646,592	$ 572,092,902	$ 567,499,807	$ 580,441,697	$ 391,586,232	$ 377,453,858

(continued)

Renewal and Replacement Account (Unaudited)[1]
Trust Indenture Basis
Years Ended December 31, 1999 through 2013

		Total funds Credited (1)
Year:		
1999	$	59,505,292
2000		87,517,692
2001		91,073,256
2002		121,375,438
2003		157,366,445
2004		157,375,682
2005		204,609,580
2006		186,545,035
2007		198,331,687
2008		1,907,175
2009		161,463,238
2010		206,096,487
2011		174,192,997
2012		300,660,937
2013		200,364,611
	$	2,308,385,552

[1] - Includes earnings on the Renewal and Replacement Account

Historical Toll Rates by Vehicle Class
For the Years 1959 to 2013

Vehicle Class		Period							
Classification	Description	1959-1963	1964-1970	1971-1983	1983-2004	2005 - 2011 [1][2] Non-Discounted	2005 - 2011 [1][2] Discounted	2012-2013 [1][2] Non-Discounted	2012-2013 [1][2] Discounted
1	Automobile, motorcycle, taxi, station wagon, ambulance, single unit truck or tractor, two axles, four or less tires	$0.30	$0.35	$0.30	$0.40	$0.80[3]	$0.40[3]	$1.50[4]	$0.75[4]
2	Single unit truck or tractor, buses, two axles, six tires	$0.40	$0.45	$0.30	$0.50	$1.50	$1.00	$1.50	$1.00
3	Three axle trucks and buses	$0.50	$0.50	$0.45	$0.75	$2.25	$1.75	$2.25	$1.75
3	Trucks with four axles	$0.50	$0.60	$0.60	$1.00	$2.25	$1.75	$2.25	$1.75
3	Class 1 vehicle with one axle trailer	$0.50	$0.50	$0.45	$0.60	$2.25	$1.75	$2.25	$1.75
3	Class 1 vehicle with two axle trailer	$0.50	$0.60	$0.60	$0.80	$2.25	$1.75	$2.25	$1.75
4	Trucks with five axles	$0.50	$0.75	$0.75	$1.25	$4.00	$3.00	$4.00	$3.00
4	Trucks with six axles	$0.50	$0.90	$0.90	$1.50	$4.00	$3.00	$4.00	$3.00
4	Miscellaneous, special or unusual vehicles classified above	$0.50	$0.90	$1.00	$1.75	$4.00	$3.00	$4.00	$3.00

[1] Class 1 vehicles making payment via I-PASS or E-Zpass are tolled at the Discounted rate.

[2] Commercial vehicles (Tiers 2 - 4) discounted rate applies overnight from 10PM - 6AM on weekdays and weekends.

[3] The toll rate for Class 1 on I-355 is $0.50 (I-PASS) and $1.00 (Cash) ; I-355 Extension is $1.00 (I-PASS) and $2.00 (Cash).

[4] The toll rate for Class 1 on I-355 is $0.95 (I-PASS) and $1.90 (Cash) ; I-355 Extension is $1.90 (I-PASS) and $3.80(Cash).

(continued)

Illinois State Toll Highway Authority
Toll Revenue Versus Traffic (GAAP Basis)
Last Ten Fiscal Years (Unaudited)
(Amounts in thousands)

		2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Passenger	*Revenue*	$ 622,349	$ 615,957	$ 354,186	$ 348,946	$ 334,520	$ 335,653	$ 321,008	$ 324,556	$ 341,352	$ 287,218
	Traffic	720,513	711,680	743,195	730,797	694,837	688,516	696,055	678,535	695,378	714,120
Commercial	*Revenue*	$ 320,803	$ 306,433	$ 298,488	$ 279,808	$ 257,543	$ 247,994	$ 251,085	$ 242,944	$ 239,090	$ 104,368
	Traffic	95,529	92,100	89,633	86,285	80,516	89,366	92,237	85,590	85,068	109,025
Total	*Revenue*	$ 943,152	$ 922,390	$ 652,674	$ 628,754	$ 592,063	$ 583,647	$ 572,093	$ 567,500	$ 580,442	$ 391,586
	Traffic	816,042	803,780	832,828	817,082	775,353	777,882	788,292	764,125	780,446	823,145
Revenue Percentage											
Passenger		66%	67%	54%	55%	57%	58%	56%	57%	59%	73%
Commercial		34%	33%	46%	45%	43%	42%	44%	43%	41%	27%
Traffic Percentage											
Passenger		88%	89%	89%	89%	90%	89%	88%	89%	89%	87%
Commercial		12%	11%	11%	11%	10%	11%	12%	11%	11%	13%

(continued)

Schedule of Toll Revenue by Class of Vehicles (Unaudited)
For the Years Ended December 31, 2013 and 2012

	2013		2012	
	Average Daily Transactions*	**Revenue**	**Average Daily Transactions***	**Revenue**
Class of Vehicle				
1. Auto, motorcycle, taxi, station wagon, ambulance, single-unit truck or tractor: 2 axles, 4 tires	1,974,009	$622,349,358	1,944,482	$ 615,957,458
2. Single-unit truck or tractor, buses: 2 axles, 6 tires	39,045	19,973,866	37,849	19,432,704
3. Trucks and buses with 3 & 4 axles	39,621	31,526,222	38,122	30,469,546
4. Trucks with 5 or more axles, other vehicles and toll adjustments	183,055	269,302,624	175,668	256,530,481
TOTAL	2,235,730	$943,152,070	2,196,121	$ 922,390,189

* The "Average Daily Transactions" represents the average daily number of vehicles passing through the toll plazas.

(continued)

Annual Toll Transactions
Passenger and Commercial Vehicles (Unaudited)
For selected years from 1959 to 2013
(Transactions in thousands)

Year:

Year	Passenger	Commercial	Total	% Passenger
1959	37,884	5,050	42,934	88.23%
1964	72,721	7,005	79,726	91.21%
1969	146,476	14,488	160,964	91.00%
1974	204,360	28,446	232,806	87.78%
1979	268,051	42,606	310,657	86.29%
1984	308,104	42,890	350,994	87.78%
1989	428,745	57,193	485,938	88.23%
1994	565,601	66,693	632,294	89.45%
1999	648,269	71,835	720,104	90.02%
2000	664,002	72,308	736,310	90.18%
2001	687,856	76,429	764,285	90.00%
2002	715,073	77,763	792,836	90.19%
2003	693,507	108,096	801,603	86.52%
2004	714,120	109,025	823,145	86.76%
2005	695,378	85,068	780,446	89.10%
2006	678,535	85,590	764,125	88.80%
2007	696,055	92,237	788,292	88.30%
2008	688,516	89,366	777,882	88.51%
2009	694,837	80,516	775,353	89.62%
2010	730,797	86,286	817,083	89.44%
2011	743,195	89,633	832,828	89.24%
2012	711,680	92,100	803,780	88.54%
2013	720,513	95,529	816,042	88.29%

1959 was the first full year of toll operations for the Illinois State Toll Highway Authority.

In 2003 with a change to the toll collection system, vehicles were classified by a combination of axle count and actual toll paid. In 2003 and 2004 commercial vehicle counts were inflated by the system due to passenger vehicle overpayments at ramp plazas.

In 2006 the Tollway converted from bidirectional to one-way tolling at the Belvidere and Marengo Mainline Toll Plazas in conjunction with a doubling of the fares at these plazas. Due to this reconfiguration total transactions were reduced by 14.6 million in 2006 with no localized revenue impact.

(continued)

Annual Toll Revenues
Passenger and Commercial Vehicles (Unaudited)
For selected years from 1959 to 2013
(Transactions in thousands)

Year:	Passenger	Commercial	Total	Percentage passenger
1959	$ 11,943	$ 2,593	$ 14,536	82.16%
1964	26,284	4,888	31,172	84.32%
1969	46,872	8,803	55,675	84.19%
1974	55,419	14,891	70,310	78.82%
1979	73,048	24,068	97,116	75.22%
1984	114,233	43,094	157,327	72.61%
1989	155,394	57,387	212,781	73.03%
1994	215,221	66,922	282,143	76.28%
1999	259,448	73,178	332,626	78.00%
2000	268,277	75,668	343,945	78.00%
2001	276,724	78,050	354,774	78.00%
2002	276,763	86,472	363,235	76.19%
2003	275,751	101,703	377,454	73.06%
2004	287,218	104,368	391,586	73.35%
2005	341,352	239,090	580,442	58.81%
2006	324,556	242,943	567,499	57.19%
2007	321,008	251,085	572,093	56.11%
2008	335,653	247,994	583,647	57.51%
2009	334,520	257,543	592,063	56.50%
2010	348,946	279,808	628,754	55.50%
2011	354,186	298,488	652,674	54.27%
2012	615,957	306,433	922,390	66.78%
2013	622,349	320,803	943,152	65.99%

1959 was the first full year of toll operations for the Illinois State Toll Highway Authority.

In 2012, Passenger car tolls were raised. The price of a typical mainline toll was changed from 40 cents to 75 cents for IPASS and from 80 cents to $ 1.50 for cash payers.

Due to the changed rate structures implemented in 2005 and 2012, the percentage of revenues from passenger vehicles decreased in 2005 and increased in 2012.

 (continued)

Summary of Operating Revenues, Maintenance and Operating
Expenses, Net Operating Revenues and Debt Service Coverage
Trust Indenture Basis (Unaudited)
Years ended December 31, 2005 through December 31, 2013
(Amounts in thousands)

	2013 [4]	2012	2011	2010	2009 [3]	2008	2007	2006	2005
Operating revenue:									
Toll revenue	$ 943,152	922,390	652,674	628,754	592,063	583,647	572,093	567,500	580,422
Toll evasion recovery	54,221	32,599	33,268	34,924	54,829	77,654	10,080	195	13,257
Concession & miscellaneous revenue	11,537	7,377	10,410	7,332	7,960	6,832	5,775	5,900	8,014
Investment income [1]	866	1,389	1,064	1,750	3,200	22,980	49,846	33,359	11,321
Total operating revenue	1,009,776	963,755	697,416	672,760	658,052	691,113	637,794	606,954	613,014
Maintenance and operating expenses:									
Engineering and maintenance	43,225	39,144	43,667	45,627	47,895	43,899	44,834	35,559	31,644
Toll Services	106,321	93,590	88,737	88,580	91,541	100,464	79,538	85,887	86,089
Police, safety and communication	22,551	22,808	23,061	22,811	22,650	21,895	21,247	19,145	18,034
Procurement, IT, finance and adminis	19,138	19,971	20,522	22,165	20,605	18,382	24,262	23,279	27,698
Insurance and employee benefits	86,278	77,544	69,988	71,674	72,494	59,635	52,414	49,640	42,110
Total expenses	277,513	253,057	245,975	250,857	255,185	244,275	222,295	213,510	205,575
Net operating revenues	732,263	710,698	451,441	421,903	402,867	446,838	415,499	393,444	407,439
Total debt service [2] [3]	297,708	250,253	249,960	248,108	173,319	198,429	172,284	145,633	99,366
Net revenues after debt service [2]	434,555	460,455	201,481	173,795	229,548	248,409	243,215	247,811	308,093
Debt service coverage [2]	2.46	2.84	1.81	1.7	2.32	2.25	2.41	2.7	4.1

(1) - Excludes investment income on construction funds.
(2) - Includes synthetic fixed interest rates as determined under swap agreements for 1993 Servies B, 1998 Series B, 2007 Series A and 2008 Series A. See Note 8 for specifics.
(3) - In January 2009 the Tollway early retired the 1993B bonds ($44.4 million of principal) from existing funds. The amount is not shown as part of the Total Debt Service above.
(4) - In August, 2013 the Tollway early retired a portion of the 2005 A bonds

(continued)

Operating Revenues, Maintenance and Operating
Expenses and Net Operating Revenues [1] (Unaudited)
Trust Indenture Basis of Accounting (Non-GAAP)
For selected years from 1964 to 2013
(Dollars in thousands)

Year:	Operating Revenue	Maintenance and Operating Expenses	Net Operating Revenues
1964	32,135	6,832	25,303
1969	57,395	13,015	44,380
1974	72,737	23,715	49,022
1979	100,436	39,733	60,703
1984	162,108	56,639	105,469
1989	254,734	85,065	169,669
1994	309,949	116,996	192,953
1995	341,636	121,103	220,533
1996	343,743	127,704	216,039
1997	352,176	131,437	220,739
1998	362,726	134,334	228,392
1999	366,092	146,881	219,211
2000	398,215	150,372	247,843
2001	389,827	160,565	229,262
2002	381,329	166,009	215,320
2003	430,804	187,300	243,504
2004	423,427	198,302	255,125
2005	613,034	205,575	407,459
2006	606,954	213,510	393,444
2007	637,794	222,295	415,499
2008	691,113	244,275	446,838
2009	658,052	255,185	402,867
2010	672,760	250,857	421,903
2011	697,416	245,975	451,441
2012	963,755	253,058	710,697
2013	1,009,776	277,512	732,264

(1) Determined according to the Series 1955 Bond Resolution through December 26, 1985, and in accordance with the Indenture subsequent to December 16, 1985

(continued)

Debt Service Coverage (GAAP Basis) (1)
Last Ten Fiscal Years (Unaudited)

	Gross Revenue (2)	Operating Expenses (3)	Net Revenue Available for Debt Service (5)	Debt Service Requirements Principal	Interest	Total	Debt Service Coverage
2013 (7)	$1,068,367,011	$296,792,695	$ 771,574,316	$ 59,465,000	$ 207,089,431	$ 266,554,431	2.89
2012	995,572,546	269,094,242	726,478,304	56,365,000	193,888,118	250,253,118	2.90
2011	728,578,478	266,506,208	462,072,270	53,040,000	196,920,480	249,960,480	1.85
2010	706,731,983	277,282,065	429,449,918	49,910,000	198,198,124	248,108,124	1.73
2009 (6)	785,592,651	283,105,737	502,486,914	1,065,000	172,254,062	173,319,062	2.90
2008	773,872,385	261,101,715	512,770,670	52,750,000	145,678,579	198,428,579	2.58
2007	646,613,131	252,529,185	394,083,946	50,030,000	122,254,166	172,284,166	2.29
2006	660,874,141	219,291,843	441,582,298	47,350,000	98,283,402	145,633,402	3.03
2005	642,619,648	215,796,147	426,823,501	45,035,000	54,330,616	99,365,616	4.30
2004 (5)	428,790,126	200,524,681	228,265,445	13,455,000	35,262,960	48,717,960	4.69

(1) - Note that for purposes of this chart, debt service owed on January 1st is treated as though due on December 31st of the preceding year.

(2) - Gross revenue includes operating and nonoperating revenue.

(3) - Operating expenses exclusive of depreciation and amortization.

(4) - All debt represents revenue bonds. The Tollway reports only business-type activities. Details about the Tollway's outstanding revenue bonds can be found in the notes to its financial statements.

(5) - Includes impact of $29,895,000 series 1993B bonds originally due January 1, 2005 retired early in December, 2003.

(6) - In January 2009 the Tollway early retired the 1993B bonds ($44.4 million of principal) from existing funds. The amount is not shown as part of the Total Debt Service above.

(7) - In 2013, the Tollway early retired a portion of the 2005 A bonds from the proceeds of a refunding bond issue. The amount is not shown as part of the Total Debt Service above.

Population and Commuting Statistics
Last Ten Fiscal Years (Unaudited)

Year	*County*	*Population*	*Workers Commuting to Work*	*Percentage that Carpool*	*Percentage that drive alone*	*Mean Travel Time in Minutes*
2013	Boone	53,957	n/a	n/a	n/a	n/a
	Cook	5,240,700	n/a	n/a	n/a	n/a
	DeKalb	104,741	n/a	n/a	n/a	n/a
	DuPage	932,126	n/a	n/a	n/a	n/a
	Kane	523,643	n/a	n/a	n/a	n/a
	Lake	703,019	n/a	n/a	n/a	n/a
	McHenry	307,409	n/a	n/a	n/a	n/a
	Will	682,829	n/a	n/a	n/a	n/a
	Winnebago	290,666	n/a	n/a	n/a	n/a
		8,839,090				
2012	Boone	53,859	27,459	9.5%	83.5%	31.9
	Cook	5,227,992	1,705,826	9.2%	62.4%	31.6
	DeKalb	104,622	42,885	11.9%	77.4%	26.4
	DuPage	927,418	404,235	8.4%	78.2%	28.9
	Kane	521,306	219,740	11.1%	79.1%	29.0
	Lake	701,219	283,148	7.8%	77.6%	29.4
	McHenry	307,729	136,759	7.0%	83.1%	32.9
	Will	681,590	287,612	6.1%	83.7%	31.8
	Winnebago	291,844	119,762	8.6%	85.2%	21.5
		8,817,579				
2011	Boone	54,223	23,362	9.8%	83.6%	32.2
	Cook	5,212,589	2,371,364	9.5%	62.7%	31.8
	DeKalb	104,478	50,471	8.9%	79.0%	25.5
	DuPage	923,781	458,954	7.4%	78.3%	29.1
	Kane	520,223	240,006	9.0%	80.5%	29.2
	Lake	701,052	339,866	9.0%	76.4%	30.3
	McHenry	307,913	150,562	8.0%	81.5%	34.2
	Will	680,192	315,251	7.8%	81.9%	33.5
	Winnebago	293,651	130,432	8.8%	84.5%	22.1
		8,798,102				
2010	Boone	54,165	n/a	n/a	n/a	n/a
	Cook	5,194,675	2,214,074	9.4%	62.5%	31.4
	DeKalb	105,160	47,255	7.2%	78.5%	25.8
	DuPage	916,924	432,347	7.5%	78.0%	29.2
	Kane	515,269	224,714	6.7%	83.1%	29.5
	Lake	703,462	308,288	8.2%	78.0%	29.4
	McHenry	308,760	141,058	9.2%	79.6%	33.6
	Will	677,560	290,684	6.9%	81.5%	33.5
	Winnebago	295,266	120,405	9.1%	83.7%	22.1
		8,771,241				

n/a = not available

Source: US Census Bureau - American Fact Finder Website (American Community Surveys)
Source: 2012 American Community Survey

(continued)

Population and Commuting Statistics
Last Ten Fiscal Years (Unaudited)

Year	*County*	*Population*	*Workers Commuting to Work*	*Percentage that Carpool*	*Percentage that drive alone*	*Mean Travel Time in Minutes*
2009	Boone	54,020	21,950	9.9%	82.7%	31.7
	Cook	5,287,037	2,316,366	9.7%	62.9%	31.9
	DeKalb	107,333	48,944	9.0%	78.6%	24.8
	DuPage	932,541	446,261	7.4%	78.7%	28.9
	Kane	511,892	225,732	9.7%	79.9%	28.7
	Lake	712,567	322,462	9.1%	77.3%	30.7
	McHenry	320,961	147,237	8.1%	81.5%	33.7
	Will	685,251	305,101	8.4%	81.6%	33.1
	Winnebago	299,702	129,197	9.2%	84.4%	21.7
		8,911,304				
2008	Boone	54,142	24,690	10.9%	83.2%	32.3
	Cook	5,294,664	2,425,243	9.7%	63.5%	32.0
	DeKalb	106,321	52,790	8.7%	79.9%	24.9
	DuPage	930,528	474,062	7.2%	78.9%	28.9
	Kane	507,579	242,035	10.3%	79.3%	28.9
	Lake	712,453	349,971	9.4%	77.4%	30.9
	McHenry	318,641	159,013	8.3%	81.1%	33.2
	Will	681,097	327,594	7.9%	82.2%	33.9
	Winnebago	300,252	136,231	9.5%	84.6%	21.6
		8,905,677				
2007	Boone	53,531	23,669	11.3%	81.9%	30.7
	Cook	5,285,107	2,379,962	9.9%	63.9%	31.8
	DeKalb	103,729	50,768	8.5%	80.6%	24.4
	DuPage	929,192	466,098	7.1%	79.3%	28.9
	Kane	501,021	235,466	11.2%	79.1%	28.7
	Lake	710,241	342,154	8.5%	78.7%	30.6
	McHenry	315,943	154,228	8.2%	81.6%	33.6
	Will	673,586	314,656	8.6%	81.3%	33.8
	Winnebago	298,759	134,092	9.5%	84.5%	21.6
		8,871,109				
2006	Boone	52,617	n/a	n/a	n/a	n/a
	Cook	5,288,655	2,365,196	1.00%	64.0%	31.7
	DeKalb	100,139	51,295	10.0%	77.7%	24.1
	DuPage	932,670	496,226	6.2%	75.9%	28.6
	Kane	493,735	239,453	10.9%	79.2%	28.3
	Lake	713,076	351,677	8.9%	78.3%	30.6
	McHenry	312,373	160,378	7.0%	82.9%	32.5
	Will	668,217	332,924	8.4%	81.4%	33.0
	Winnebago	295,635	136,215	10.8%	83.0%	21.3
		8,857,117				

n/a = not available
Source: US Census Bureau - American Fact Finder Website (American Community Surveys)
Source: 2012 American Community Survey

(continued)

Population and Commuting Statistics
Last Ten Fiscal Years (Unaudited)

Year	*County*	*Population*	*Workers Commuting to Work*	*Percentage that Carpool*	*Percentage that drive alone*	*Mean Travel Time in Minutes*
2005	Boone	50,419	n/a	n/a	n/a	n/a
	Cook	5,303,943	2,323,617	10.12%	64.80%	31.9
	DeKalb	97,770	46,262	7.55%	84.22%	24.9
	DuPage	931,219	462,182	8.22%	79.02%	27.4
	Kane	483,208	206,014	11.88%	80.46%	27.1
	Lake	704,086	327,738	8.54%	80.14%	30.7
	McHenry	304,701	149,936	8.07%	82.23%	34.4
	Will	642,625	266,490	10.25%	81.64%	32.1
	Winnebago	291,639	131,148	9.09%	85.28%	21.4
		8,809,610				
2004	Boone	48,399	n/a	n/a	n/a	n/a
	Cook	5,326,269	2,294,564	10.70%	64.50%	32.4
	DeKalb	95,358	n/a	n/a	n/a	n/a
	DuPage	929,439	470,816	7.41%	80.25%	27.4
	Kane	473,533	220,983	12.62%	78.48%	27.7
	Lake	693,425	320,526	8.80%	80.60%	30.4
	McHenry	296,625	148,824	7.79%	80.95%	34.6
	Will	617,846	291,934	10.76%	80.65%	32.7
	Winnebago	288,549	127,966	10.59%	83.68%	21.2
		8,769,443				

n/a = not available
Source: US Census Bureau - American Fact Finder Website (American Community Surveys)
Source: 2012 American Community Survey

(continued)

ILLINOIS STATE TOLL HIGHWAY AUTHORITY
(A Component Unit of the State of Illinois)
Average Number of Employees by Function
For the Years Ended December 31, 2005 through 2013

	2013	2012	2011	2010	2009	2008	2007	2006	2005
Tollway Employees									
Executive Office	5	5	4	6	3	4	4	3	5
Directors	9	10	10	10	10	10	10	10	10
Inspector General	5	6	5	4	5	5	4	4	4
Internal Audit	5	9	9	8	8	8	7	8	7
Legal	10	11	10	11	11	11	12	12	12
State Police (Civilians)	15	13	15	16	17	18	16	16	14
Finance	51	44	43	44	49	51	49	51	46
Administration	31	29	29	31	31	40	35	36	84
Operations									
Toll Collectors	439	473	430	495	539	568	582	591	599
Lane Walkers	—	—	—	—	—	—	—	—	18
Plaza Supervisors and Managers	39	38	33	34	39	47	53	53	48
Facilities	139	141	144	147	154	141	139	178	196
Information Technology	43	43	50	54	61	63	62	66	65
Engineering:									
Maintenance:									
Roadway	361	363	368	358	381	381	371	362	379
Transportation	68	71	68	69	69	72	65	69	72
Others	76	74	75	75	73	75	70	62	38
Engineers	46	31	35	35	35	34	32	42	34
Planning	21	18	16	16	17	17	18	15	9
Procurement	46	47	47	50	52	51	51	50	—
Diversity & Strategic Development	4	4	—	—	—	—	—	—	—
Communications	10	10	10	11	10	11	11	5	7
Business Systems	60	60	62	61	63	58	48	12	10
Total Authority Employees	1483	1500	1,463	1,535	1,627	1,665	1,639	1,645	1,657
State Troopers	167	174	168	174	193	196	188	138	148
Total Personnel	1,650	1,674	1,631	1,709	1,820	1,861	1,827	1,783	1,805

10 years of data is not available for presentation.

(continued)

Location Map
December 31, 2013

(continued)

Service Efforts and Accomplishments (Unaudited)
For the Year Ended December 31, 2013

Agency Mission

The Illinois State Toll Highway Authority 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

With the above Mission Statement in mind, the Illinois Tollway is guided by five Strategic Priorities that are consistent with those outlined by the Governor's Office of Management and Budget:

- Promote the regional economy *(Attract, retain and grow business)*
- Foster environmental responsibility and sustainability in roadway and agency operations (*Improve infrastructure safety)*
- Increase collaboration with regional transportation and planning agencies *(Improve Infrastructure safety)*
- Further transparency and accountability *(Support basic functions of government)*
- Enhance customer service for its 1.4 million daily drivers *(Improve Infrastructure safety)*

Summary of Agency Operations

The Illinois Tollway maintains and operates 286 miles of interstate tollways in 12 counties in Northern Illinois, including the Reagan Memorial Tollway (I-88), the Veterans Memorial Tollway (I-355), the Jane Addams Memorial Tollway (I-90) and the Tri-State Tollway (I-94/I-294/I-80).

The Tollway is a user-fee system. No state or federal tax dollars are used to support the maintenance and operation of the Tollway System. The Tollway depends on toll revenues and proceeds from the issuance of revenue bonds for the expansion, reconstruction and improvement of the Tollway system. The Tollway's budget is a balanced budget in which revenues provide sufficient resources for operating and maintenance expenses, debt service and required deposits to the Renewal and Replacement and Improvement Accounts as required by the Trust Indenture.

Key Performance Measures

The following metrics were reported for the year ending December 31, 2013.

1. The percentage of vehicles using I-PASS during rush hour: 90.5%
2. The percentage of vehicles using I-PASS for all hours: 86.5%
3. Travel Time Index Congestion Measure for the A.M. rush hour: 1.02
4. The average Accident Clearance Time for personal injury incidents: 31.1 minutes

(continued)

Miscellaneous Data and Statistics (Unaudited)
For the Year Ended December 31, 2013

Legislation enabled Illinois State Toll Highway Commission to issue bonds	1953
Construction began on tollways	September, 1956
Jane Addams Tollway opened	August, 1958
Tri-State Tollway opened	August, 1958
Ronald Reagan Tollway opened	November, 1958
Veterans Memorial Tollway opened	December, 1989
Veterans Memorial South Extension Tollway opened	November, 2007

Length of Illinois Tollways:

Jane Addams Memorial Tollway	76 miles
Tri-State Tollway	84 miles
Reagan Memorial Tollway	96 miles
Veterans Memorial Tollway	30 miles

Tollway Oases:

Jane Addams Memorial Tollway (I-90)	Tri-State Tollway (I-94/I-294/I-80)	Reagan Memorial Tollway (I-88)
Des Plaines	Chicago Southland Lincoln	DeKalb
Belvidere	Hinsdale	
	O'Hare	
	Lake Forest	

Each oasis includes service stations and concessions.

Number of Employees:

Engineering and maintenance of roadway and structures	572
Services and toll collection	617
Traffic control, safety, patrol, and radio communication	182
Administrative	279

Note: The Tollway does not receive any tax revenue from the State of Illinois.

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