



2011 Budget Analysis

(Unaudited)

Quarterly Financial Review

January 1 - March 31, 2011

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INTRODUCTION

In December 2010, the Tollway Board of Directors adopted the annual budget for 2011. To monitor performance against this budget, each quarter the Finance Department reviews and compares actual revenue and expenditures of the Tollway to the budget, and presents the resulting analysis in this quarterly report to the Board's Audit Committee.

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

Tollway revenue sources include Toll Revenue and Evasion Recovery, Concessions, Investment Income, and Miscellaneous Income.

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

This report provides an analysis of actual revenue and expenditures through the first quarter of fiscal year 2011. The purpose of this analysis is to assess the actual financial performance of the Tollway relative to the 2011 Budget. The report indicates variances from budgeted amounts. A favorable variance contributes to a higher fund balance, while an unfavorable variance reduces the fund balance.

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

BUDGET SUMMARY

Budgeted Revenue 2011

In December 2010, the Tollway Board of Directors approved an annual budget for 2011. The budget estimates annual revenue totaling \$680 million, including \$670 million from tolls and evasion recovery, \$2 million from investment income, and \$8 million from concessions and miscellaneous revenue.

Allocation of Budgeted Revenue 2011

2011 Revenue Sources and Allocations (\$ millions)	
SOURCES OF REVENUE	
	2011 Budget
Toll & Evasion Recovery	\$670
Investment Income	2
Concessions & Misc.	8
Total Revenue	\$680
ALLOCATION OF REVENUE	
	2011 Budget
Maintenance and Operations	\$255
Debt Service Transfers	251
Deposit to RR & I	174
Total Allocation	\$680

The Tollway's 2011 Budget allocates \$255 million for Maintenance and Operations (M&O), \$251 million for Debt Service Transfers, and \$174 million for deposit to the Renewal & Replacement & Improvement (RR&I) Accounts.

FIRST QUARTER RESULTS SUMMARY

Revenue

Revenue for the first quarter 2011 totaled to \$159.4 million, \$3.5 million more than budgeted for the period. Toll and evasion recovery revenue totaled \$157.2 million, \$3.7 million more than budgeted for the first quarter 2011. Concessions Income totaled \$559 thousand, \$33 thousand less than budgeted. Investment Income totaled \$413 thousand, \$87 thousand less than budgeted for the first quarter. Miscellaneous Income totaled \$1.3 million, \$98 thousand less than budgeted for the first three months of 2011.

Expenditures

The Tollway's 2011 first quarter operating expenditures totaled \$61.1 million, representing a \$786 thousand favorable variance compared to budget. The first quarter expenditures comprise 24 percent of the \$255 million annual Maintenance and Operations budget.

The Tollway's 2011 first quarter Debt Service transfers totaled \$60.4 million, or \$2 million less than the budgeted amount. The first quarter Debt Service transfers comprise 24.1 percent of the \$251 million annual budget.

The Tollway's Capital Program expenditures totaled \$16.2 million compared to the budget of \$35.5 million through March 31, 2011. The first quarter Capital expenditures included \$9.3 million for the Congestion-Relief Program expenses and \$6.9 million for the Non-CRP project expenses.

Outlook

Toll revenue growth for 2011 is projected to be 1.2 percent over the 2010 actual revenue. With improved economic conditions and continued efforts to improve toll and violation collection, the Tollway estimates toll revenue will continue to grow at or near the budgeted amount for the remainder of the year.

Overall, the Maintenance and Operations expenses were under budget for the first quarter. The Tollway will continue to monitor the two categories that were over budget, including roadway winter materials and fuel.

The Capital Program is under budget for the first quarter and projected to remain under budget for the rest of 2011 based on aggressive contract bids and effective program management. The Tollway will continue to monitor the Capital Program and project progress.

REVENUE SUMMARY

Budget vs. Unaudited Actual

First Quarter 2011

(\$ thousands)

	1st Qtr		Variance	
	Budget	Actual	\$	%
Toll Revenue & Evasion Recovery	\$153,424	\$157,152	\$3,728	2.4%
Concessions	593	559	(33)	-5.6%
Investment Income	500	413	(87)	-17.5%
Miscellaneous	1,353	1,255	(98)	-7.2%
Total Revenue	\$155,870	\$159,380	\$3,510	2.3%

% of BUDGET REALIZED (Unaudited)

YTD March 31, 2011

(\$ thousands)

	2011		% Realized
	Budget	YTD Actual	
Toll Revenue & Evasion Recovery	\$670,000	\$157,152	23.5%
Concessions	\$2,500	\$559	22.4%
Investment Income	\$2,000	\$413	20.6%
Miscellaneous	\$5,500	\$1,255	22.8%
Total Revenue	\$680,000	\$159,380	23.4%

Analysis

Revenue for the first quarter ending March 31, 2011 totaled \$159.4 million, or \$3.5 million more than budgeted for the same period. The first quarter revenue comprised 23.4 percent of the 2011 budget.

Toll and evasion recovery variance totaled \$3.7 million for the first quarter. Year-over-year toll revenue and transaction growth are summarized as follows:

- Toll Revenue increase for all classes of vehicles totaled 5 percent.
- Toll Transaction growth was 1.7 percent; passenger vehicle growth was 1.2 percent while commercial vehicle growth was 6.4 percent.
- Evasion Recovery growth was 44.4 percent due in part to improved evasion recovery efforts and a reduction in the percentage allowance for doubtful accounts.

MAINTENANCE AND OPERATIONS (M&O) SUMMARY

Budget vs. Unaudited Actual First Quarter 2011

(\$ thousand)

	1st Qtr		Variance	
	Budget	Actual	\$	%
Payroll and Related Costs	\$35,911	\$35,830	\$81	0.2%
Group Insurance	6,981	6,855	125	1.8%
Contractual Services	7,528	7,265	263	3.5%
Materials/Oper. Supplies/Other Exp.	2,815	3,128	(313)	-11.1%
Utilities	1,843	1,436	407	22.1%
All Other Insurance	2,681	2,686	(5)	-0.2%
Parts & Fuel	1,215	1,499	(284)	-23.3%
Equipment / Office Rental & Maint.	3,330	2,858	472	14.2%
Employee Development	221	206	15	6.8%
Recovery of Expenses	(600)	(624)	24	4.0%
Total Maintenance & Operations Expenditures	\$61,926	\$61,140	\$786	1.3%

% of BUDGET REALIZED (Unaudited)

YTD March 31, 2011

(\$ thousands)

	2011		% Realized
	Budget	YTD Actual	
Payroll and Related Costs	\$143,644	\$35,830	25%
Group Insurance	27,923	6,855	25%
Contractual Services	39,233	7,265	19%
Materials/Oper. Supplies/Other Exp.	8,729	3,128	36%
Utilities	7,374	1,436	19%
All Other Insurance	10,725	2,686	25%
Parts & Fuel	5,562	1,499	27%
Equipment/Office Rental & Maint.	13,320	2,858	21%
Employee Development	883	206	23%
Recovery of Expenses	(2,399)	(624)	26%
Total Maintenance & Operations Expenditure	\$254,994	\$61,140	24%

Analysis

The Tollway's 2011 first quarter operating expenditures totaled \$61.1 million, representing a favorable variance of \$786 thousand. The first quarter expenditures comprise 24 percent of the \$255 million annual Maintenance and Operations budget.

The most significant variances to budget during the first quarter of 2011 are explained below:

Contractual Services expenses totaled \$7.3 million, \$263 thousand under budget. This variance is attributable to reduced costs in Business Systems as a result of a price decrease for image review, reduced phone call volume in the I-PASS Customer Call Center and less expenditures for Secretary of State and Hearing Officer services. In addition, ITS maintenance under Traffic Operations as well as building maintenance for CA and Plaza facilities under Toll Operations were both below the first quarter budget.

Materials/Operational Supplies/Other Expenses totaled \$3.1 million, with an unfavorable variance of \$313 thousand compared to budget. This variance is the result of the severe winter weather and heavy demand for winter roadway materials such as rock salt, calcium chloride and abrasives. Roadway Maintenance is currently exploring ways to cut costs in other areas to offset the impact that the recent winter storm events have had on the 2011 budget.

Utilities expenses, which include electricity, natural gas, water and telephone costs, totaled \$1.4 million resulting in a favorable variance of \$407 thousand compared to budget. Electricity, natural gas and water expenses were on budget while telephone costs were \$400 thousand under budget due in large part to delayed billing.

Parts and Fuel expenses totaled \$1.5 million resulting in an unfavorable variance of \$284 thousand compared to budget. Recent price increases on gasoline and diesel fuel combined with heavy consumption by snowplow trucks during the winter months have had an adverse effect on the fuel budget. Nevertheless, the Tollway fully expects to meet its 2011 objectives regarding fuel consumption. Unfortunately, these efforts will be negatively impacted by the current spike in fuel prices and the changeover to seasonal gasoline blends during the summer months.

Equipment/Office Rental & Maintenance totaled \$2.9 million, for a favorable variance of \$472 thousand compared to budget. The majority of this variance is due to reduced expenditures for the maintenance of electronic tolling equipment. The maintenance contract was restructured to include certain items that at one time were based on time and material and are now included in a fixed cost per month. In addition, certain aspects of electronic tolling equipment maintenance and application development have been temporarily delayed.

DEBT SERVICE SUMMARY

Between December 2010 and March 2011, the Tollway successfully replaced or renewed the liquidity facilities for all \$1.3 billion of its variable rate bonds. The Tollway significantly diversified its pool of liquidity providers, increasing its number of providers from two to eight, and reducing the amount of liquidity provided by any one provider from 91% to 28%. Due to market changes in the cost of such facilities, the average annual cost of the facilities increased from 30 to 74 basis points. This increased cost was known prior to the finalization of the 2011 budget and accommodated within the budget.

Transfers for Debt Service and Other Bond-Related Costs

For annual budget and quarterly reporting purposes, debt service consists of the sum of monthly transfers from the Revenue Account to the Trustee-held Debt Service Account, as required by the Indenture, to provide for the payment of:

- (i) Interest due on outstanding bonds;
- (ii) The retirement of principal at maturity or redemption; and
- (iii) Other bond-related costs related to credit/liquidity agreements, remarketing agreements, and bond ratings.

Budget vs. Unaudited Actual

First Quarter 2011

(\$ thousands)

	1st Qtr		Variance	
	Budget	Actual	\$	%
Debt Service Transfers	\$62,420*	\$60,383	\$2,037	3.3%
Total Debt Service Transfers	\$62,420	\$60,383	\$2,037	3.3%

% of BUDGET REALIZED (Unaudited)

YTD March 31, 2011

(\$ thousands)

	2011		% Realized
	Budget	Actual	
Debt Service Transfers	\$251,000**	\$60,383	24.1%
Total Debt Service Expenses	\$251,000	\$60,383	24.1%

NOTES:

* \$8.1 million of the funds in the Debt Service Account as of March 31, 2011 were from direct payment subsidies associated with the Tollway's Series 2009A and Series 2009B Build America Bonds.

** An additional \$8.1 million is anticipated to be received in June and July of 2011.

Analysis

The favorable variance was due to a combination of: (i) timing issues related to transfers for the Series 2007A and 2008A synthetic fixed rate bonds which resulted in larger-than-anticipated 2010 year-end balances which reduced the transfers required for those Series in January 2011; and (ii) a budget provision for additional debt service to accommodate refunding synthetic fixed rate bonds which was not realized because such a refunding did not occur in the first quarter of 2011.

Derivatives

The Tollway employed the use of interest rate exchange agreements (agreements) and forward-starting interest rate exchange agreements (forward agreements) to hedge against increases in interest rates and to provide synthetic fixed rates associated with the Tollway's variable rate bonds. The following chart presents the Tollway's swap portfolio as of March 31, 2011. The four swap agreements related to the Series 2007A Bonds were originally entered into as forward agreements in September 2005, and became effective upon the closing of the Series 2007A Bonds on November 1, 2007. The three agreements attached to the Series 2008A Bonds were originally entered into in December 2007, and became effective upon the closing of the Series 2008A Bonds on February 7, 2008.

Illinois State Toll Highway Authority						
Swap Portfolio as of March 31, 2011						
(Note: Valuations do not include Accrued interest)						
(\$ thousands)						
Series	Provider	Notional Amount	Fixed Rate Paid	Variable Rate Rec'd	Maturity	Valuation
1998 SERIES B	Goldman Sachs Mitsui Marine	67,705	4.3250%	Actual	1/1/2017	(7,700)
1998 SERIES B	JP Morgan Chase Bank *	55,395	4.3250%	Actual	1/1/2017	(6,300)
1998 SERIES B TOTAL		\$123,100				(\$14,000)
2007 SERIES A-1	Citibank N.A., New York	175,000	3.9720%	SIFMA	7/1/2030	(14,417)
2007 SERIES A-1	Goldman Sachs Bank USA	175,000	3.9720%	SIFMA	7/1/2030	(14,417)
2007 SERIES A-1 TOTAL		\$350,000				(\$28,834)
2007 SERIES A-2	Bank of America, N.A.	262,500	3.9925%	SIFMA	7/1/2030	(22,299)
2007 SERIES A-2	Wells Fargo Bank **	87,500	3.9925%	SIFMA	7/1/2030	(7,433)
2007 SERIES A-2 TOTAL		\$350,000				(\$29,732)
2008 SERIES A-1	The Bank of New York	191,550	3.7740%	SIFMA	1/1/2031	(12,014)
2008 SERIES A-1	Deutsche Bank AG, New York Branch	191,550	3.7740%	SIFMA	1/1/2031	(12,014)
2008 SERIES A-1 TOTAL		\$383,100				(\$24,028)
2008 SERIES A-2	Merrill Lynch Capital Services, Inc.***	95,775	3.7640%	SIFMA	1/1/2031	(5,888)
2008 SERIES A-2 TOTAL		\$95,775				(\$5,888)
TOTAL		\$1,301,975				(\$102,482)

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

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

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

*** Merrill Lynch acquisition by Bank of America completed in December 2008; swap still in name of Merrill Lynch Capital Services, Inc.

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

CAPITAL PROGRAM SUMMARY

Introduction

Capital expenditures include Renewal/Replacement costs related to repairs of the existing system and non-roadway capital investments, and Improvement costs related to expanded system capacity and Open Road Tolling (ORT).

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

Capital Budget 2011

The fiscal year 2011 capital budget reflected the Tollway's pledge to maintain and upgrade the existing facilities and infrastructure of the system. The budget included funding for the seventh year of the multi-year Congestion-Relief Program (CRP). In December 2010, the Tollway's Board of Directors approved \$278.8 million for the Fiscal Year 2011 Capital Budget. The budget allocated \$192 million to the CRP and \$86.9 million to support other needs such as roadway equipment and vehicles, building repair and improvements and technological equipment and enhancements. The 2011 budget anticipated spending \$45 million of the \$86.9 million budgeted for the Non-CRP projects.

Additionally, \$35.8 million of CRP expenditures anticipated for 2010 did not occur by the end of 2010. Approximately \$13.8 million of the \$35.8 million was attributed to recovery of expenses related to Intergovernmental Agreements. Additionally, approximately \$7 million is credited to realized project savings mainly related to resurfacing and rehabilitation from I-55 to Army Trail Road on the Veterans Memorial Tollway and on the Edens Spur and Design efforts for rehabilitation and resurfacing from Sandwald Road to Newburg Road on the Jane Addams Memorial, which were accommodated through an existing contract. The remaining \$15 million is due to schedule changes of which work will occur in 2011 and can be accommodated within the 2011 CRP Budget of \$192 million.

CAPITAL PROGRAM 2010 Estimate & Expenditures; 2011 Approved Budget

	(\$ million)		
	2010 October Estimate	2010 Earned Expenditure	2011 Approved Budget
Tri-State Tollway (I-94/I-294/I-80)	\$65.8	\$60.8	\$14.4
Reagan Memorial Tollway (I-88)	10.4	9.3	7.6
Jane Addams Memorial Tollway (I-90)	22.3	16.8	104.9
Veterans Memorial Tollway (I-355)	55.1	53.2	5.2
Open Road Tolling (ORT)	3.7	1.0	0.5
Systemwide Improvements	64.1	58.4	59.4
IGA Reimbursement		(13.8)	
Congestion-Relief Program Subtotal	\$221.4	\$185.6	\$192.0
"Other" Capital Projects	45.0	38.1	86.9*
Total Capital Program	\$266.4	\$223.7	\$278.8

*The Non-CRP portion of the Capital Program Budget for 2011 totals \$86.9 million; \$45 million is anticipated to be expended.

Allocation of Capital Budget 2011

The Tri-State Tollway

\$14.4 Million

Construction efforts will continue with the construction of bioswales in a Cook County Forest Preserve Easement from Touhy Avenue to Lake-Cook Road and to substantially complete the North Chicago Wetland Mitigation project. In 2011, design efforts will be underway for rehabilitation for bridges and roadway from 95th Street to Balmoral Avenue, which is scheduled for construction in 2012. Additionally, funding is allocated for the completion of landscaping and noise wall installation on the Edens Spur and design of the rehabilitation of I-94 between Edens Spur and Half Day Road.

The Reagan Memorial Tollway

\$7.6 Million

Budgeted work includes remaining landscaping and closeout work for projects completed in 2010 and for design services to be performed for the resurfacing of Deerpath Road to IL Route 251 scheduled to start construction in 2012.

The Jane Addams Memorial Tollway

\$104.9 Million

Anticipated work includes roadway rehabilitation/ resurfacing from Barrington Road to the Elgin Toll Plaza and US 20 to Genoa Road. The existing Hot Mix Asphalt (HMA) overlay will be removed, the underlying 52-year old concrete pavement will be patched and a new asphalt overlay will be placed in both sections. Design efforts for roadway and bridge rehabilitation between the Kennedy Expressway and Barrington Road will also be performed.

The Veterans Memorial Tollway

\$5.2 Million

Budgeted work includes completion of remaining landscaping and closeout work for the 2010 projects that were substantially complete and open to traffic.

Open Road Tolling (ORT)

\$0.5 million

Funding allocated for the Traffic Revenue Maintenance and Management Program (TRMMP) and for the reconstruction of mainline pavement to accommodate modifications to existing cash lanes at several Toll Plazas.

Systemwide

\$59.4 million

Budget includes funding to maintain the integrity of the existing Tollway System. This includes the preservation, replacement, repairs, renewal and reconstruction or modification of the Tollway's infrastructure system and landscaping improvements. Also included is funding for personnel costs (Salary/ Wage, FICA, and Retirements, and Group Health Insurance) for staff working on the CRP.

Non-CRP Projects

\$86.9 million

In addition to the CRP, other projects are needed to support on-going operations of the Tollway and to ensure that the existing roadway network is maintained and safe for travel. While the CRP is the larger component of the Tollway's Capital Program, other elements include new technologies to manage traffic, reduce travel times, and provide enhanced customer service; improvements to maintenance buildings and other structures to maintain Tollway assets; and additional equipment to the State Police and maintenance staff to improve efficiency and enhance public safety. The 2011 Budget anticipates spending \$45 million of the \$86.9 million budgeted for Non-CRP projects.

Capital Program Expenditures

**Budget vs. UnAudited Actual
First Quarter 2011**

(\$ thousands)

	1st Qtr		Variance	
	Budget	Actual*	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$7,026	\$3,254	\$3,772	53.7%
Reagan Memorial Tollway (I-88)	1,344	201	1,143	85.0%
Jane Addams Memorial Tollway (I-90)	5,261	2,140	3,120	59.3%
Veterans Memorial Tollway (I-355)	3,176	186	2,990	94.1%
Open Road Tolling (ORT)	205	138	67	32.8%
Systemwide Improvements	10,800	3,431	7,369	68.2%
Congestion-Relief Program Subtotal	\$27,812	\$9,351	\$18,461	66.4%
"Other" Capital Projects Subtotal	7,650	6,850	800	10.5%
CRP & "Other" Subtotal	\$35,462	\$16,201	\$19,261	54.3%
Other Miscellaneous Adjustments**	0	(55)	55	N/A
Total Capital Program Expenditures	\$35,462	\$16,146	\$19,316	54.5%

*Capital Program Actual included \$11.7 million in work completed for which payments have not been made as of March 31, 2011.

**Other miscellaneous adjustments included accounting adjustments made for the quarter.

% of BUDGET REALIZED (Unaudited)

YTD March 31, 2011

(\$ thousands)

	2011		%
	Budget	YTD Actual*	
Tri-State Tollway (I-94/I-294/I-80)	\$14,371	\$3,254	22.6%
Reagan Memorial Tollway (I-88)	7,641	201	2.6%
Jane Addams Memorial Tollway (I-90)	104,877	2,140	2.0%
Veterans Memorial Tollway (I-355)	5,178	186	3.6%
Open Road Tolling (ORT)	462	138	29.9%
Systemwide Improvements	59,437	3,431	5.8%
Congestion-Relief Program Subtotal	\$191,966	\$9,351	4.9%
"Other" Capital Projects**	45,000	6,850	15.2%
CRP & "Other" Subtotal	\$236,966	\$16,201	6.8%
Other Miscellaneous Adjustments***	0	(55)	N/A
Total Capital Program Expenditures	\$236,966	\$16,146	6.8%

*Capital Program Actual included \$11.7 million in work completed for which payments have not been made as of March 31, 2011.

**The Non-CRP portion of the Capital Program Budget for 2011 totals \$86.9 million, of which it is anticipated \$45 million will be earned.

*** Other miscellaneous adjustments included accounting adjustments made for the quarter.

Analysis

Capital expenditures are reported on an accrual basis. For the quarter ending March 31, 2011, unaudited capital program expenditures totaled \$16.1 million. This amount included expenses paid during the first quarter, as well as \$11.7 million of work completed during the quarter for which payments have not been made as of March 31, 2011. CRP expenditures totaled \$9.3 million, and Non-CRP project expenditures totaled \$6.9 million.

The Tri-State Tollway

\$3.3 Million

The Edens Spur roadway and bridge rehabilitation contract punch list and landscaping work are ongoing, and the Intelligent Transportation Systems (ITS) integration is underway. During the first quarter, design efforts continue for roadway resurfacing and bridge improvements on the Central Tri-State between 95th Street and Balmoral Avenue, as well as a new exit ramp from northbound Tri-State to Balmoral Avenue. Environmental efforts along the Tri-State Tollway include final punch list and maintenance items for the bioswale stormwater/ water quality treatment project from Touhy Avenue to Lake-Cook Road and construction work for the wetland mitigation from IL Route 60 to IL Route 137. Compared to budget, the favorable variance for this corridor totaled \$3.8 million which is attributed to timing of payments associated with right-of-way and slowing of design efforts on the 95th Street to Balmoral roadway resurfacing and bridge repairs projects.

The Reagan Memorial Tollway

\$201 thousand

Project/ Construction Management services continued for work which was completed on the CN/EJ & E Railroad Bridge. The favorable variance for this corridor of \$1.1 million is mainly attributed to timing of payments associated with utilities.

The Jane Addams Memorial Tollway

\$2.1 Million

Roadside improvements and noise wall construction between the Cherry Valley Interchange and Rockton Road continue during the first quarter. Roadway rehabilitation, resurfacing, patching and bridge repairs are underway from Newburg Road to Sandwald Road, Elgin Toll Plaza to Barrington Road, and the Kennedy Expressway to the Elgin Toll Plaza. The favorable variance of \$3.1 million for this corridor is primarily attributed to reduced scope and delayed start associated with construction of roadway and bridge rehabilitation between Newburg Road and Sandwald Road.

The Veterans Memorial Tollway

\$186 thousand

Work on the noise wall replacement from Finley Road to Army Trail Road and landscape improvements between Boughton Road and I-55 Interchange are continuing. Other ongoing work includes punch list items between I-55 and Finley Road. The favorable variance of \$3 million for the Veterans Memorial corridor is attributed to project savings associated with the two construction contracts which performed roadway resurfacing and bridge rehabilitation from I-55 to Army Trail Road.

Open Road Tolling (ORT)

\$138 thousand

The favorable variance for this corridor is attributed to a lower than projected Traffic Revenue Maintenance and Management Program (TRMMP) expenditures.

Systemwide

\$3.4 million

Completed work included Farnsworth toll plaza improvement, pavement repair and resurfacing at the IL Route 251 exit ramp, and the Peace Road interchange and ramp reconstruction. Ramp improvements at the Genoa Road interchange continued during the first quarter. Two contracts have been awarded for landscaping and improvements along I-88, I-355, and I-94/I-294. Intermittent pavement repair and sign fabrication and installation to meet new signage guidelines are on-going. The favorable variance of \$7.4 million for this corridor is attributed to weather delays affecting the completion of the Ramp projects. Of the \$7.4 million, approximately \$3.8 million is attributed to interchange improvements for which projects have not started.

Non-CRP Projects

\$6.9 million

Project expenditures in this corridor included Fleet, General Engineering and Traffic Consultant services, the purchase of transponders, Maintenance Facility Management Program services, Traffic Incident Management System (TIMS), Intelligent Transportation Systems (ITS), and other small capital equipment purchases. The favorable variance of \$800 thousand is attributed to slower than anticipated spending.

Quarterly Financial Review March 31, 2011

ILLINOIS TOLLWAY				
BUDGET vs. UNAUDITED ACTUAL				
First Quarter Ending March 31, 2011				
	1st Quarter		Variance	
	Budget	Actual	\$	%
REVENUE				
Toll Revenue & Evasion Recovery	\$153,424,445	\$157,152,366	\$3,727,921	2.4%
Concessions	592,500	559,442	(33,058)	-5.6%
Investment Income	500,000	412,715	(87,285)	-17.5%
Miscellaneous	1,353,000	1,255,202	(97,798)	-7.2%
Total Revenue	\$155,869,945	\$159,379,724	\$3,509,779	2.3%
Maintenance & Operations (M&O) Expenditures				
Payroll and Related Costs	\$35,910,892	\$35,830,356	\$80,537	0.2%
Group Insurance	6,980,750	6,855,324	125,426	1.8%
Contractual Services	7,527,719	7,264,664	263,055	3.5%
Materials/Oper. Supplies/Other Exp.	2,815,219	3,128,160	(312,942)	-11.1%
Utilities	1,843,394	1,436,342	407,052	22.1%
All Other Insurance	2,681,250	2,685,969	(4,719)	-0.2%
Parts & Fuel	1,215,448	1,498,960	(283,512)	-23.3%
Equipment/Office Rental & Maint.	3,330,091	2,858,351	471,740	14.2%
Employee Development	220,822	205,801	15,021	6.8%
Recovery of Expenses	(599,675)	(623,558)	23,883	4.0%
Total M&O Expenditures	\$61,925,909	\$61,140,368	\$785,540	1.3%
Net Revenue				
Revenue Less M&O Expenditures	\$93,944,036	\$98,239,356	\$4,295,319	4.6%
Debt Service Transfers				
Existing Debt	\$62,420,253	\$60,383,265	\$2,036,988	3.3%
New Debt	-	-	\$0	N/A
Total Debt Service Transfers	\$62,420,253	\$60,383,265	\$2,036,988	3.3%
Net Revenue Less Debt Service Transfers	\$31,523,783	\$37,856,091	\$6,332,307	20.1%

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ILLINOIS TOLLWAY				
BUDGET vs. UNAUDITED ACTUAL				
First Quarter Ending March 31, 2011				
	1st Quarter		Variance	
	Budget	Actual**	\$	%
Capital Program*				
Tri-State Tollway (I-94/I-294/I-80)	\$7,026,089	\$3,254,031	\$3,772,058	53.7%
Reagan Memorial Tollway (I-88)	1,343,830	200,980	1,142,850	85.0%
Jane Addams Memorial Tollway (I-90)	5,260,630	2,140,443	3,120,187	59.3%
Veterans Memorial Tollway (I-355)	3,176,475	186,347	2,990,128	94.1%
Open Road Tolling (ORT)	205,252	137,983	67,269	32.8%
Systemwide Improvements	10,800,020	3,431,040	7,368,980	68.2%
Congestion-Relief Program (CRP) Subtotal	\$27,812,296	\$9,350,824	\$18,461,472	66.4%
"Other" Capital Projects Subtotal	7,650,000	6,850,463	799,537	10.5%
CRP & "Other" Subtotal	\$35,462,296	\$16,201,287	\$19,261,009	54.3%
Other Miscellaneous Adjustments***	-	(55,000)	55,000	N/A
Total Capital Program Expenditures	\$35,462,296	\$16,146,287	\$19,316,009	54.5%
* Capital Program expenses are financed by funds available in the Renewal/ Replacement and Improvement accounts.				
**Capital Program Actual included \$11.7 million in work completed for which payments have not been made as of March 31, 2011.				
*** Other miscellaneous adjustments included accounting adjustments made for the quarter.				

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ILLINOIS TOLLWAY			
% of BUDGET REALIZED (UNAUDITED)			
YTD March 31, 2011			
	2011		%
	Budget	YTD Actual	Realized
REVENUE			
Toll Revenue & Evasion Recovery	\$670,000,000	\$157,152,366	23.5%
Concessions	2,500,000	559,442	22.4%
Investment Income	2,000,000	412,715	20.6%
Miscellaneous	5,500,000	1,255,202	22.8%
Total Revenue	\$680,000,000	\$159,379,724	23.4%
Maintenance & Operations (M&O) Expenditures			
Payroll and Related Costs	\$143,643,567	\$35,830,356	24.9%
Group Insurance	27,923,000	6,855,324	24.6%
Contractual Services	39,233,411	7,264,664	18.5%
Materials/Oper. Supplies/Other Exp.	8,728,950	3,128,160	35.8%
Utilities	7,373,575	1,436,342	19.5%
All Other Insurance	10,725,000	2,685,969	25.0%
Parts & Fuel	5,561,580	1,498,960	27.0%
Equipment/Office Rental & Maint.	13,320,365	2,858,351	21.5%
Employee Development	883,286	205,801	23.3%
Recovery of Expenses	(2,398,700)	(623,558)	26.0%
Total M&O Expenses	\$254,994,034	\$61,140,368	24.0%
Net Revenue			
Revenue Less M&O Expenditures	\$425,005,966	\$98,239,356	23.1%
Debt Service Transfers			
Existing Debt	\$251,000,000	\$60,383,265	24.1%
New Debt	-	-	N/A
Total Debt Service Transfers	\$251,000,000	\$60,383,265	24.1%
Net Revenue Less Debt Service Transfers	\$174,005,966	\$37,856,091	21.8%

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ILLINOIS TOLLWAY			
% of BUDGET REALIZED (UNAUDITED)			
YTD March 31, 2011			
	2011		%
	Budget	YTD Actual**	Realized
Capital Program*			
Tri-State Tollway (I-94/I-294/I-80)	\$14,371,442	\$3,254,031	22.6%
Reagan Memorial Tollway (I-88)	7,640,664	200,980	2.6%
Jane Addams Memorial Tollway (I-90)	104,877,280	2,140,443	2.0%
Veterans Memorial Tollway (I-355)	5,177,974	186,347	3.6%
Open Road Tolling (ORT)	461,732	137,983	29.9%
Systemwide Improvements	59,436,625	3,431,040	5.8%
Congestion-Relief Program Subtotal	\$191,965,717	\$9,350,824	4.9%
"Other" Capital Projects	45,000,000	6,850,463	15.2%
CRP & "Other" Subtotal	\$236,965,717	\$16,201,287	6.8%
Other Miscellaneous Adjustments***	0	(55,000)	N/A
Total Capital Program Expenditures	\$236,965,717	\$16,146,287	6.8%
* Capital Program expenses are financed by funds available in the Renewal/ Replacement and Improvement accounts.			
**Capital Program Actual included \$11.7 million in work completed for which payments have not been made as of March 31, 2011.			
*** Other miscellaneous adjustments included accounting adjustments made for the quarter.			

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ILLINOIS TOLLWAY				
2010 Actual vs. 2011 Unaudited Actual				
First Quarter Ending March 31st				
	1st Qtr Actual		Variance	
	2010	2011	\$	%
REVENUE				
Toll Revenue & Evasion Recovery	\$146,908,779	\$157,152,366	\$10,243,587	7.0%
Concessions	565,047	559,442	(5,605)	-1.0%
Investment Income	226,889	412,715	185,826	81.9%
Miscellaneous	676,178	1,255,202	579,024	85.6%
Total Revenue	\$148,376,893	\$159,379,724	\$11,002,831	7.4%
Maintenance & Operations (M&O) Expenditures				
Payroll and Related Costs	\$36,443,023	\$35,830,356	\$612,668	1.7%
Group Insurance	6,662,719	6,855,324	(192,605)	-2.9%
Contractual Services	7,201,127	7,264,664	(63,537)	-0.9%
Materials/Oper. Supplies/Other Exp.	2,897,174	3,128,160	(230,986)	-8.0%
Utilities	2,184,001	1,436,342	747,659	34.2%
All Other Insurance	2,402,011	2,685,969	(283,958)	-11.8%
Parts & Fuel	1,406,026	1,498,960	(92,933)	-6.6%
Equipment/Office Rental & Maint.	1,853,064	2,858,351	(1,005,288)	-54.3%
Employee Development	211,343	205,801	5,542	2.6%
Recovery of Expenses	(442,186)	(623,558)	181,372	41.0%
Total M&O Expenditures	\$60,818,302	\$61,140,368	(\$322,067)	-0.5%
Net Revenue				
Revenue Less M&O Expenditures	\$87,558,591	\$98,239,356	\$10,680,765	12.2%
Debt Service Transfers				
Existing Debt	\$52,914,595	\$60,383,265	(\$7,468,670)	-14.1%
New Debt	-	-	-	N/A
Total Debt Service Transfers	\$52,914,595	\$60,383,265	(\$7,468,670)	-14.1%
Net Revenue Less Debt Service Transfers	\$34,643,996	\$37,856,091	\$3,212,094	9.3%

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ILLINOIS TOLLWAY					
2010 Actual vs. 2011 Unaudited Actual					
First Quarter Ending March 31st					
	2010	1st Qtr Actual		Variance	
		2011		\$	%
Capital Program					
Tri-State Tollway (I-94/I-294/I-80)	\$10,259,399	3,254,030.95	\$7,005,368	68.3%	
Reagan Memorial Tollway (I-88)	6,608,831	200,980	6,407,850.6	97.0%	
Jane Addams Memorial Tollway (I-90)	3,856,463	2,140,443	1,716,020.6	44.5%	
Veterans Memorial Tollway (I-355)	1,672,763	186,347	1,486,416	88.9%	
Open Road Tolling (ORT)	337,944	137,983	199,960.9	59.2%	
Systemwide Improvements	6,351,189	3,431,040	2,920,148.7	46.0%	
Congestion-Relief Program Subtotal	\$29,086,588	\$9,350,824	\$19,735,765	67.9%	
"Other" Capital Projects Subtotal	6,823,534	6,850,463	(26,930)	-0.4%	
CRP & "Other" Subtotal	\$35,910,122	\$16,201,287	\$19,708,835	54.9%	
Other Miscellaneous Adjustments*	11,450	(55,000)	66,450	N/A	
Total Capital Program Expenditures	\$35,921,573	\$16,146,287	\$19,775,285	55.1%	
*Other miscellaneous adjustments included accounting adjustments made for the quarter.					