



2011 Fourth Quarter Budget to Actual Review

**Preliminary and Unaudited
March 14, 2012**

2011 Revenue Sources and Allocations

Budget Projection – December 2010

(\$ millions)

SOURCES OF REVENUE

	2011 Budget
Toll Revenue & 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

2011 Financial Overview – Preliminary Actual

☐ Revenue

- Traffic transactions grew 1.9 percent over 2010
- Revenue totaled \$697 million, more than Budget by \$17 million
 - Toll revenue and evasion recovery totaled \$686 million, more than Budget by nearly \$16 million

☐ Operating costs totaled \$246 million, less than Budget by \$9 million

☐ Debt service transfers totaled \$244 million, less than Budget by \$7 million

☐ Capital program expenses totaled \$167 million, less than Budget by \$70 million

2011 Revenue

Budget vs. Actual (\$ thousands)

	2011		Variance	
	Budget	Actual	\$	%
Toll Revenue & Evasion Recovery	\$670,000	\$685,942	\$15,942	2.4%
Concessions	2,500	2,346	(154)	-6.2%
Investment Income	2,000	1,064	(936)	-46.8%
Miscellaneous	5,500	8,064	2,564	46.6%
Total Revenue	\$680,000	\$697,416	\$17,416	2.6%

2011 M&O Expenditures

Budget vs. Actual (\$ thousands)

	2011		Variance	
	Budget	Actual	\$	%
Payroll and Related Costs	\$143,644	\$140,685	(\$2,958)	-2.1%
Group Insurance	27,923	27,345	(578)	-2.1%
Contractual Services	39,233	39,618	385	1.0%
Materials/Oper. Supplies/Other Exp.	8,729	8,404	(325)	-3.7%
Utilities	7,374	6,603	(770)	-10.4%
All Other Insurance	10,725	4,960	(5,765)	-53.8%
Parts & Fuel	5,562	6,469	907	16.3%
Equipment / Office Rental & Maint.	13,320	13,163	(158)	-1.2%
Employee Development	883	710	(173)	-19.6%
Recovery of Expenses	(2,399)	(2,196)	202	8.4%
Total Maintenance & Operations Expenditures	\$254,994	\$245,762	(\$9,232)	-3.6%

2011 Capital Program Expenditures

(\$ thousands)

	2011			Estimate to Actual Variance	
	Budget	October Estimate	Actual ¹	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$14,371	\$21,169	\$13,758	(\$7,411)	-35.0%
Reagan Memorial Tollway (I-88)	7,641	5,985	4,475	(1,509)	-25.2%
Jane Addams Memorial Tollway (I-90)	104,877	72,331	62,620	(9,711)	-13.4%
Veterans Memorial Tollway (I-355)	5,178	6,291	4,322	(1,969)	-31.3%
Open Road Tolling (ORT)	462	4,436	1,667	(2,768)	-62.4%
Systemwide Improvements	59,437	46,241	35,587	(10,654)	-23.0%
Congestion-Relief Program Subtotal	\$191,966	\$156,452	\$122,429	(\$34,022)	-21.7%
"Other" Capital Projects ²	86,866	45,800	44,928	(872)	-1.9%
Total Capital Program	\$278,831	\$202,252	\$167,357	(\$34,894)	-17.3%
Intergovernmental Agreement Reimbursements and Other Adjustments ³	-	(21,748)	(24,659)	(2,911)	N/A
Capital Program Net of Reimbursements	\$278,831	\$180,503	\$142,698	(\$37,805)	-20.9%

¹ Capital Program Actual included \$19,561 thousand in work completed for which payments have not been made as of December 31, 2011.

² The Other Projects portion of the Capital Program Budget for 2011 totals \$86.9 million, of which \$45 million was anticipated to be earned.

³ Intergovernmental Agreement Reimbursements were for work performed in prior periods, and Other Adjustments were accounting adjustments made year-to-date.



2011 Capital Program Expenditures

Budget vs. Actual

(\$ millions)

Capital Program - Budget		\$ 279
Other Capital Projects Variance		(42)
<input type="checkbox"/> \$45M of the 2011 Budget of \$86.9M was anticipated to be earned		
CRP Variance		(70)
<input type="checkbox"/> Scope reductions	\$28.7	
<input type="checkbox"/> Project cost savings	\$18.4	
<input type="checkbox"/> Scheduling changes	\$22.4	
IGA Reimbursements		<u>(25)</u>
Capital Program – Actual (Net of IGA Reimbursements)		\$ 143

2011 Capital Program - CRP Summary

Budget to Actual

(\$ millions)

<input type="checkbox"/> Jane Addams Memorial Tollway		(\$42.3)
▪ Scope reductions in anticipation of future Move Illinois projects	(\$24.0)	
▪ Contract bid savings	(\$18.4)	
<input type="checkbox"/> Systemwide Improvements		(23.9)
▪ Scheduling changes	(\$16.0)	
▪ Scope reduction	(\$ 4.7)	
▪ Scheduling delays	(\$ 3.2)	
<input type="checkbox"/> Reagan Memorial Tollway		(3.2)
▪ Design scheduling changes		

2011 Traffic Transactions (millions)

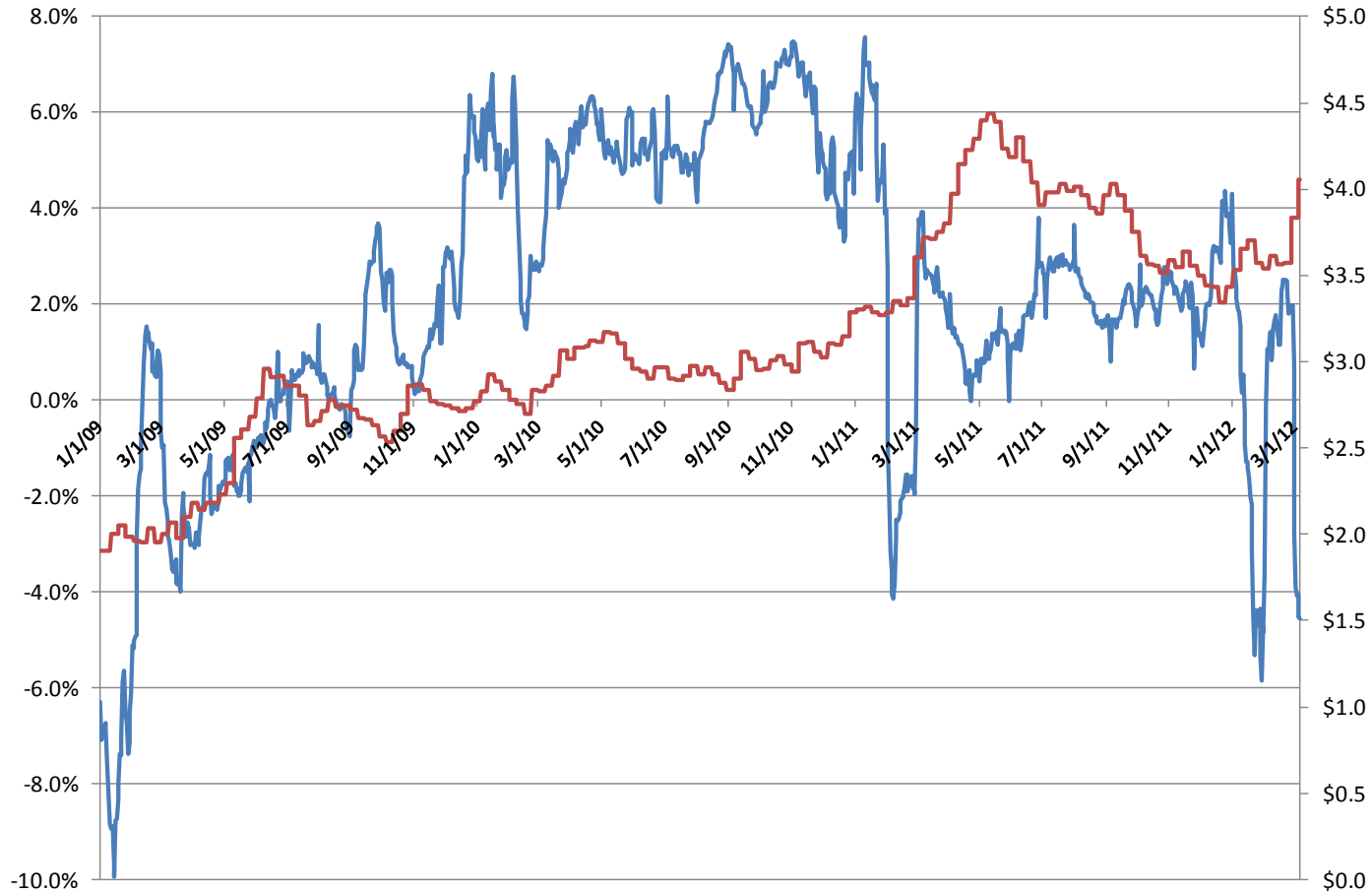
Month	Transactions	% Change 2010 to 2011	Transactions	% Change 2010 to 2011
	PASSENGER VEHICLES (TIER 1)		LARGE COMMERCIAL VEHICLES (TIER 4)	
January	56.3	4.2%	4.8	10.5%
February	50.6	-2.6%	4.5	5.1%
March	62.0	1.7%	5.4	7.3%
April	60.7	0.0%	5.1	0.7%
May	63.6	1.1%	5.3	5.5%
June	65.3	3.0%	5.6	4.0%
July	67.0	1.7%	5.2	2.7%
August	67.9	2.1%	5.7	5.1%
September	63.0	2.2%	5.4	0.9%
October	65.0	2.1%	5.6	3.2%
November	60.9	1.2%	5.3	4.8%
December	60.8	3.2%	5.1	3.5%
	743.2	1.7%	63.0	4.3%
	ALL COMMERCIAL VEHICLES (TIER 2-4)		ALL VEHICLES	
January	6.6	9.5%	62.9	4.7%
February	6.2	4.0%	56.7	-2.0%
March	7.5	5.8%	69.5	2.2%
April	7.2	-0.7%	67.8	0.0%
May	7.6	4.8%	71.2	1.5%
June	8.1	3.5%	73.4	3.0%
July	7.7	2.3%	74.7	1.7%
August	8.4	5.0%	76.3	2.4%
September	7.8	1.5%	70.9	2.1%
October	8.0	3.7%	73.0	2.3%
November	7.5	4.8%	68.4	1.6%
December	7.1	3.3%	67.9	3.2%
	89.6	3.9%	832.8	1.9%



Traffic Growth vs. Gas Prices

Transaction Growth: Percent Change
Year-Over-Year 28-Day Average

Chicago Gas Prices in dollars



Appendix



2011 Capital Program Budget vs. October Estimate

(\$ millions)

	2011 Budget	2011 October Estimate
Tri-State Tollway (I-94/I-294/I-80)	\$14.4	\$21.2
Reagan Memorial Tollway (I-88)	7.6	6.0
Jane Addams Memorial Tollway (I-90)	104.9	72.3
Veterans Memorial Tollway (I-355)	5.2	6.3
Open Road Tolling (ORT)	0.5	4.4
Systemwide Improvements	59.4	46.2
Congestion-Relief Program Subtotal	\$192.0	\$156.5
"Other" Capital Projects	86.9*	45.8
Total Capital Program	\$278.8	\$202.3
IGA Reimbursement	-	(21.7)
Capital Program Net of Reimbursements	\$278.8	\$180.5

*The Other Capital Projects portion of the Capital Program Budget for 2011 totals \$86.9 million; \$45 million was anticipated to be earned.

Revenue

2010 vs. 2011 Actual (\$ thousands)

	Actual		Variance	
	2010	2011	\$	%
Toll Revenue & Evasion Recovery	\$663,677	\$685,942	\$22,265	3.4%
Concessions	2,388	2,346	(41)	-1.7%
Investment Income	1,750	1,064	(686)	-39.2%
Miscellaneous	4,945	8,064	3,119	63.1%
Total Revenue	\$672,760	\$697,416	\$24,657	3.7%

M&O Expenditures

2010 vs. 2011 Actual (\$ thousands)

	Actual		Variance	
	2010	2011	\$	%
Payroll and Related Costs	\$144,921	\$140,685	(\$4,235)	-2.9%
Group Insurance	28,534	27,345	(1,189)	-4.2%
Contractual Services	37,593	39,618	2,025	5.4%
Materials/Oper. Supplies/Other Exp.	8,552	8,404	(149)	-1.7%
Utilities	7,101	6,603	(497)	-7.0%
All Other Insurance	8,611	4,960	(3,651)	-42.4%
Parts & Fuel	5,808	6,469	661	11.4%
Equipment/Office Rental & Maint.	10,872	13,163	2,291	21.1%
Employee Development	841	710	(131)	-15.6%
Recovery of Expenses	(1,976)	(2,196)	(220)	-11.1%
Total Maintenance & Operations Expenditure:	\$250,857	\$245,762	(\$5,095)	-2.0%

Capital Program Expenditures

2010 vs. 2011 Actual (\$ thousands)

	Actual		Variance	
	2010	2011	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$60,778	\$13,758	(\$47,020)	-77.4%
Reagan Memorial Tollway (I-88)	9,212	4,475	(4,737)	-51.4%
Jane Addams Memorial Tollway (I-90)	16,751	62,620	45,869	273.8%
Veterans Memorial Tollway (I-355)	53,177	4,322	(48,855)	-91.9%
Open Road Tolling (ORT)	1,029	1,667	639	62.1%
Systemwide Improvements	58,408	35,587	(22,821)	-39.1%
Congestion-Relief Program Subtotal	\$199,354	\$122,429	(\$76,925)	-38.6%
"Other" Capital Projects	38,062	44,928	6,866	18.0%
Capital Program Subtotal	\$237,416	\$167,357	(\$70,058)	-29.5%
Intergovernmental Agreement				
Reimbursements and Other Adjustments	(\$13,735)	(\$24,659)	(\$10,924)	N/A
Total Capital Program Expenditures	\$223,681	\$142,698	(\$80,983)	-36.2%

¹ Intergovernmental Agreement Reimbursements were for work performed in prior periods, and Other Adjustments were accounting adjustments made during the year.

Derivatives

The Illinois State Toll Highway Authority
Swap Portfolio as of December 30, 2011 (FYE 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	(10,073)
1998 SERIES B	JP Morgan Chase Bank*	55,395	4.3250%	Actual	1/1/2017	(8,242)
1998 SERIES B TOTAL		\$123,100				(\$18,315)
2007 SERIES A-1	Citibank N.A., New York	175,000	3.9720%	SIFMA	7/1/2030	(\$42,052)
2007 SERIES A-1	Goldman Sachs Bank USA	175,000	3.9720%	SIFMA	7/1/2030	(\$42,052)
2007 SERIES A-1 TOTAL		\$350,000				(\$84,104)
2007 SERIES A-2	Bank of America, N.A.	262,500	3.9925%	SIFMA	7/1/2030	(\$63,810)
2007 SERIES A-2	Wells Fargo Bank**	87,500	3.9925%	SIFMA	7/1/2030	(\$21,270)
2007 SERIES A-2 TOTAL		\$350,000				(\$85,080)
2008 SERIES A-1	The Bank of New York	191,550	3.7740%	SIFMA	1/1/2031	(\$40,933)
2008 SERIES A-1	Deutsche Bank AG, New York Branch	191,550	3.7740%	SIFMA	1/1/2031	(\$40,933)
2008 SERIES A-1 TOTAL		\$383,100				(\$81,866)
2008 SERIES A-2	Bank of America, N.A.***	95,775	3.7640%	SIFMA	1/1/2031	(\$20,338)
2008 SERIES A-2 TOTAL		\$95,775				(\$20,338)
TOTAL		\$1,301,975				(\$289,704)

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.

*** Originally Merrill Lynch Capital Services, Inc.; Bank of America acquired Merrill Lynch in December 2008; this swap was novated to Bank of America, N.A. in October 2011.





Questions