



2019 Budget Analysis

(Preliminary and Unaudited)

Quarterly Financial Review

January 1 - March 31, 2019

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INTRODUCTION

In December 2018, the Tollway Board of Directors adopted the annual budget for 2019. 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 Finance, Administration and Operations Committee and the Tollway Board.

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. Reimbursements for capital expenditures are treated as reduction in expenses.

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/E-ZPass.
- 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 revenue 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 2019. The purpose of this analysis is to assess the actual financial performance of the Tollway relative to the 2019 Budget. 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

Introduction

On August 25, 2011, the Illinois Tollway Board of Directors adopted the 15-year, \$12 billion capital program, *Move Illinois: The Illinois Tollway Driving the Future*. In 2017, the Board of Directors expanded this program to \$14 billion. The program is funded by bonds, toll revenue generated through a toll rate increase for passenger vehicles in 2012 and previously approved increases for commercial vehicles beginning in 2015. The 2019 Budget, approved by the Board of Directors in December 2018, included the maintenance and operations budget, debt service transfers and capital budget in support of the eighth year of the *Move Illinois* Program.

Budgeted Revenue 2019

The 2019 revenue was estimated at \$1,510 million, including \$1,470 million from toll revenue and evasion recovery, \$30 million from investment income and \$10 million from concessions and miscellaneous revenue.

The Tollway's 2019 Budget allocated \$365 million for maintenance and operations expenses, \$441 million for debt service transfers and \$704 million for the *Move Illinois* and Congestion-Relief Programs including non-roadway capital investments (deposits to the renewal/ replacement and improvement accounts).

2019 Revenue Sources and Allocations

SOURCES OF REVENUE

(\$ millions)	2019 Budget
Toll Revenue and Evasion Recovery	\$1,470
Investment Income	30
Concessions Revenue and Miscellaneous Income	10
Total Revenue	\$1,510

ALLOCATIONS OF REVENUE

(\$ millions)	2019 Budget
Maintenance and Operations	\$365
Debt Service Transfers	441
Deposits to Renewal/Replacement and Improvement	704
Total Allocations	\$1,510

FIRST QUARTER RESULTS SUMMARY 2019

Revenue

Revenue for 2019 first quarter totaled \$348 million, which comprised 23.1 percent of the \$1,510 million annual budget. Toll and evasion recovery revenue totaled \$336.6 million, miscellaneous revenue totaled \$1.8 million, concessions revenue totaled \$407 thousand and investment income totaled \$9.5 million.

Expenditures

The Illinois Tollway's 2019 first quarter operating expenditures totaled \$88.8 million, which was 24.3 percent of the \$365 million annual maintenance and operations budget.

The Tollway's 2019 first quarter debt service transfers totaled \$91.3 million or \$16.4 million less than the budgeted amount. The first quarter debt service transfers were 20.7 percent of the \$441 million annual debt service transfers budget.

Capital program expenditures through March 31, 2019, totaled \$148.2 million, which comprised 10.5 percent of the \$1,407 million annual capital program budget. These capital expenditures included \$148.7 million for the *Move Illinois* Program and the Congestion-Relief Program expenses. Intergovernmental agreements and fiber optic agreement reimbursements for work performed in prior periods and other adjustments reduced capital expenditures by \$0.5 million.

REVENUE SUMMARY

Budget vs. Unaudited Actual
First Quarter 2019
(\$ thousands)

(\$ thousands)	1st Qtr		Variance	
	Budget	Actual	\$	%
Toll Revenue and Evasion Recovery	\$335,334	\$336,644	\$1,310	0.4%
Concessions	500	407	(93)	(18.7%)
Investment Income	7,500	9,538	2,038	27.2%
Miscellaneous	2,000	1,784	(216)	(10.8%)
Total Revenue	\$345,334	\$348,373	\$3,039	0.9%

Note: Numbers may not add to totals due to rounding.

Percent of Annual Budget Realized (Unaudited)
Year-To-Date 2019
(\$ thousands)

(\$ thousands)	2019	YTD	% Budget
	Budget	Actual	Realized
Toll Revenue and Evasion Recovery	\$1,470,000	\$336,644	22.9%
Concessions	2,000	407	20.3%
Investment Income	30,000	9,538	31.8%
Miscellaneous	8,000	1,784	22.3%
Total Revenue	\$1,510,000	\$348,373	23.1%

Note: Numbers may not add to totals due to rounding.

First Quarter Analysis

Revenue for the 2019 first quarter totaled \$348.4 million, \$3.0 million more than budgeted for the period. The first quarter revenue was 23.1 percent of the \$1,510 million annual revenue budget.

Toll and evasion recovery revenue totaled \$336.6 million, \$1.3 million more than budget.

Toll transactions for all vehicle classes declined 1.7 percent from the first quarter 2018 and were 2.6 percent less than projected for the quarter. Passenger car transactions declined 2 percent from first quarter 2018 and were 2.8 percent less than projected for the quarter. First quarter commercial vehicle transactions grew 0.7 percent from first quarter 2018 and were 0.8 percent less than projected.

Investment income totaled \$9.5 million, \$2 million more than budget. Concessions revenue totaled \$407 thousand, or \$93 thousand less than budget. Miscellaneous income totaled \$1.8 million, or \$216 thousand less than budget.

MAINTENANCE AND OPERATIONS SUMMARY

**Budget vs. Unaudited Actual
First Quarter 2019**

(\$ thousands)

(\$ thousands)	1st Qtr		Variance	
	Budget	Actual	\$	%
Payroll and Related Costs	\$43,903	\$44,361	(\$458)	(1.0%)
Group Insurance	9,050	8,463	587	6.5%
Contractual Services	23,186	22,325	861	3.7%
Materials/Operational Supplies/Other Expenses	2,812	3,599	(787)	(28.0%)
Utilities	2,142	1,661	481	22.4%
All Other Insurance	2,790	2,327	463	16.6%
Parts and Fuel	1,533	1,970	(437)	(28.5%)
Equipment/Office Rental and Maintenance	5,215	4,436	779	14.9%
Other Miscellaneous Expenses	257	198	59	22.8%
Recovery of Expenses	(475)	(490)	15	3.1%
Total Maintenance and Operations Expenditures	\$90,413	\$88,850	\$1,563	1.7%

Note: Numbers may not add to totals due to rounding

**Percent of Annual Budget Realized (Unaudited)
Year-To-Date 2019**

(\$ thousands)

(\$ thousands)	YTD		% Budget
	Budget	Actual	Realized
Payroll and Related Costs	\$168,293	\$44,361	26.4%
Group Insurance	39,418	8,463	21.5%
Contractual Services	96,717	22,325	23.1%
Materials/Operational Supplies/Other Expenses	7,501	3,599	48.0%
Utilities	8,895	1,661	18.7%
All Other Insurance	11,626	2,327	20.0%
Parts and Fuel	6,893	1,970	28.6%
Equipment/Office Rental and Maintenance	27,215	4,436	16.3%
Other Miscellaneous Expenses	1,067	198	18.6%
Recovery of Expenses	(2,251)	(490)	21.8%
Total Maintenance and Operations Expenditures	\$365,374	\$88,850	24.3%

Note: Numbers may not add to totals due to rounding

Analysis

The Tollway's 2019 first quarter operating expenditures totaled \$88.8 million, representing a favorable variance of \$1.6 million. The first quarter expenditures were 24.3 percent of the \$365 million annual maintenance and operations budget.

The variances to the 2019 budget during the first quarter are explained below:

Payroll and related costs for the first quarter totaled \$44.4 million, \$0.5 million more than budget. This unfavorable variance is mainly due to additional hours needed for weather-related incidents.

Group insurance expenses totaled \$8.5 million, \$587 thousand less than budget. The variance is due to more vacancies than anticipated.

Contractual services for the first quarter totaled \$22.3 million, \$861 thousand less than budget. The favorable variance is due to lower than anticipated credit card fees and less than expected consulting staff in the first quarter.

Materials/operational supplies/other expenses totaled \$3.6 million, \$787 thousand more than budget. This variance is mainly due to more spending for winter operational materials.

Utilities expenses, which include electricity, natural gas, water and telephone, totaled \$1.7 million, \$481 thousand less than budget. This favorable variance was due to a decrease in customer service center calls in the first quarter.

All other insurance expenses totaled \$2.3 million, \$463 thousand less than budget. This category includes expenses for property and liability insurance, as well as amounts allocated to the workers' compensation claim fund.

Parts and fuel expenses totaled \$2 million, \$436 thousand more than budget. This unfavorable variance is partially due the timing of needs for winter parts and fuel.

Equipment/office rental and maintenance expenditures totaled \$4.4 million, \$779 thousand less than the budgeted amount. This variance is mainly due to timing of IT equipment. The equipment is anticipated to be received in second quarter due to the delays.

Other Miscellaneous Expenses totaled \$198 thousand, \$58 thousand less than budget. This cost category includes travel, training, dues, books, subscriptions, uniforms and accessories.

Recovery of expenses totaled \$490 thousand; this category includes reimbursement for emergency services (ambulances and/or fire departments) or damage to Tollway property caused by others.

Budget Transfers

Budget to actual comparisons in this analysis are based on the 2019 maintenance and operations budget adopted by the Tollway Board. During the budget year, management approves transfers from accounts that incur surpluses to those requiring additional funds due to shortfalls. These transfers approved by management, do not change the total dollar amount of the maintenance and operations budget approved by the Board in December 2018.

DEBT SERVICE SUMMARY

For annual budgeting and quarterly reporting purposes, debt service consists of the sum of monthly transfers from the Revenue Account to the Trustee-held Debt Service Account, in accordance with the Indenture, to provide for payment of:

- (i) interest due on outstanding bonds;
- (ii) the retirement of bond principal at maturity or sinking fund redemption;
- (iii) net payments on interest rate exchange (“swap”) agreements; and
- (iv) costs of bond credit/liquidity agreements, bond remarketing agreements, and bond ratings.

Following are the unaudited results of the transfers for debt service for the quarter ended March 31, 2019, with comparisons to budget.

Budget vs. Actual (Unaudited)

(\$ thousands)

	Budget	Actual	Variance	
			\$	%
Debt Service Transfers – 1 st Qtr	\$107,677	\$91,257	\$16,420	15.2%

% of Budget Realized (Unaudited)

(\$ thousands)

	Annual	YTD	Realized
	Budget	Actual	
Debt Service Transfers	\$440,700	\$91,257	20.7%

Analysis

For the full year 2019, the Tollway budgeted \$440.7 million for transfers from the Revenue Account to the Debt Service Account to provide for the payments described above. That budgeted amount assumes an additional source of funds of \$14.9 million from federal subsidies associated with the Tollway’s Series 2009A and Series 2009B Build America Bonds.

The first quarter unaudited results show a favorable variance of \$16.4 million, or 15.2 percent. Actual transfers were \$91.3 million, compared to a budgeted amount of \$107.7 million. There were three primary contributors to this favorable variance. First, \$7.1 million of accumulated investment earnings in the Debt Reserve Account that exceeded the Debt Reserve Requirement were transferred to the Debt Service Account, reducing by such amount the necessary transfers for first quarter debt service. Second, timing considerations related to a refunding on January 10,

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2019 necessitated transfer of \$4.8 million in December to provide for interest expense on certain refunded bonds through January 9, 2019, reducing by such amount the necessary transfers for first quarter debt service. Third, due to lower than forecasted capital spending which has delayed issuance of the next bond financing, transfers for \$3.7 million of budgeted interest expense on such new bonds was unnecessary because such bonds will not be issued until late second quarter or early third quarter. The first and second favorable variance contributors described above will not recur. The extent to which the third contributor recurs will depend on the timing of capital spending.

DERIVATIVES

The Tollway employed the use of interest rate exchange (swap) agreements and forward-starting interest rate exchange agreements (forward agreements) to hedge against increases in interest rates by providing synthetic fixed rates associated with the Tollway's variable rate bonds. The following chart presents the Tollway's swap portfolio as of quarter-end March 29, 2019. The three swap agreements currently associated with 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 two swap agreements currently associated with 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.

The Illinois State Toll Highway Authority Swap Portfolio as of March 29, 2019 (Note: Valuations are net of accrued interest.) (\$ thousands)						
Associated Bond Series	Counterparty	Notional Amount	Fixed Rate Paid	Var. Rate Rec'd	Maturity	Valuation
SERIES 2007A-1	Citibank N.A., New York	175,000	3.9720%	SIFMA	7/1/2030	(\$30,974)
SERIES 2007A-1	Goldman Sachs Bank USA	175,000	3.9720%	SIFMA	7/1/2030	(\$30,974)
SERIES 2007A-2d	Wells Fargo Bank *	87,500	3.9925%	SIFMA	7/1/2030	(\$15,629)
SERIES 2008A-1b	The Bank of New York Mellon	189,600	3.7740%	SIFMA	1/1/2031	(\$29,943)
SERIES 2008A-2	Bank of America, N.A.**	94,800	3.7640%	SIFMA	1/1/2031	(\$14,899)
TOTAL		\$721,900				(\$122,419)

Estimated swap valuations based on valuations provided by the Tollway's swap advisor (PFM Swap Advisors).

* 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 Dec 2008; swap novated to Bank of America, N

Mark-to-market valuations of the Tollway's swap 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

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realized by a swap 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

Capital Budget 2019

The majority of the expenditures for the capital program are for major capital renewal or repair projects and for improvements 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.

The capital budget is comprised of two major programs. The *Move Illinois: The Illinois Tollway Driving the Future* capital program was approved by the Board of Directors on August 25, 2011. On April 27, 2017, the Board of Directors approved expansion of this program to \$14 billion. The *Move Illinois* Program is a 15-year program which extends from 2012 through 2026 and includes anticipated capital investments totaling an estimated \$14 billion. The fiscal year 2019 Capital Budget allocated \$1,407.2 million to fund the eighth year of the *Move Illinois* Program.

The other major capital program is the Congestion-Relief Program (CRP). The 12-year Congestion-Relief Program began in 2005 and is currently estimated to cost \$5.7 billion. This program ended in 2016. The projects awarded by end of 2016 are expected to be completed by 2018 and residual payments/final balances will be paid in 2019.

CAPITAL PROGRAM
2018 Estimate and Expenditures; 2019 Approved Budget
(\$ millions)

(\$ millions)	2018 October Estimate	2018 Expenditure	2019 Budget
Tri-State Tollway (I-94/I-294/I-80)	\$266.2	\$226.9	\$444.7
Reagan Memorial Tollway (I-88)	166.3	153.1	66.6
Jane Addams Memorial Tollway (I-90)	43.4	38.8	12.6
Veterans Memorial Tollway (I-355)	103.1	85.5	23.7
Systemwide Improvements	350.1	278.2	397.6
I-294/I-57 Interchange	0.4	0.3	28.0
Elgin O'Hare Western Access	248.1	143.1	423.3
Other Emerging Projects	9.4	8.3	10.7
Move Illinois and CRP Subtotal	\$1,187.0	\$934.1	\$1,407.2
Agreement Reimbursements and	-	-	-
Other Miscellaneous Adjustments	(7.17)	(6.1)	-
Total Capital Program	\$1,187.0	\$928.1	\$1,407.2

Allocation of Capital Budget 2019

CORRIDOR

2019 Budget

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

\$444.7 million

The 2019 *Move Illinois* budget allocates \$444.7 million for Tri-State Tollway. Design efforts will continue for roadway reconstruction and widening between 95th Street and Balmoral Avenue, with planned expenditures of \$71.0 million. Approximately \$44.5 million has been allocated to begin construction activities on the Mile Long Bridge over the Des Plaines River and the BNSF Railway Bridge over I-294. Prior to the start of bridge construction scheduled for 2019 and advanced mainline construction anticipated for 2022, right-of-way acquisition of \$103.7 million is anticipated to occur in 2019 along with \$30.1 million in utility relocations. \$45.6 million has been allocated towards the ongoing Edens Spur reconstruction.

Reagan Memorial Tollway (I-88)

\$66.6 million

The 2019 *Move Illinois* budget allocates \$66.6 million for work on this corridor in 2019, which includes \$31 million for pavement rehabilitation between Illinois Route 251 and Illinois Route 56, \$15.9 million for roadway reconstruction between York Road and I-290 and \$14.0 million for reconstruction of the connector ramp between the Tri-State Tollway (I-294) and I-88.

Jane Addams Memorial Tollway (I-90)

\$12.6 million

The *Move Illinois* Program budget allocates \$12.6 million for work on the I-90 corridor in 2019 to support various roadway completion projects including fiber optic removal, grading, tree planting, landscaping and right-of-way fence installation throughout the corridor.

Veterans Memorial Tollway (I-355)

\$23.7 million

The *Move Illinois* Program capital budget allocates approximately \$23.7 million in 2019 for improvements on I-355, which includes \$23.2 million to complete the resurfacing from I-55 to Army Trail Road, and roadway widening between Illinois Route 56 and Illinois Route 38.

Systemwide

\$397.6 million

The *Move Illinois* Program capital budget allocates \$397.6 million on systemwide improvements including \$119.1 million for bridge, pavement and safety improvements and \$58.9 million for toll collection and information technology related projects. More than \$42.9 million has been allocated for construction of interchange improvements on the Reagan Memorial Tollway (I-88) at Illinois Route 47 and on the Jane Adams Tollway (I-90) at Illinois Route 23, which both will begin in 2019. Reconstruction of the Bradley Road Bridge over I-94 and the 159th Street Bridge over the Tri-State Tollway (I-294) will be complete in 2019.

Tollway maintenance facility upgrades will continue in 2019 with more than \$35 million in improvements planned. Building renovations at the Hillside (M-2) maintenance site will begin, as will construction of an annex building for the Downers Grove (M-14) maintenance site.

In addition, nearly \$82.3 million is budgeted for non-roadway projects and approximately \$38 million will be spent on program support activities, including project management services, materials engineering services, utility relocations, support staff and land acquisition support services.

Tri-State Tollway (I-294)/I-57 Interchange

\$28.0 million

The *Move Illinois* Program includes construction of a new interchange at the Tri-State Tollway (I-294) and I-57. The first phase of construction was completed in October 2014, allowing movements from northbound I-57 to I-294 and from I-294 to southbound I-57, as well as a new access at 147th Street. The second phase of interchange construction will begin in 2019, with \$28 million estimated to be spent by the Tollway for ongoing design, as well as median construction and the start of ramp construction work.

Elgin O'Hare Western Access Project

\$423.3 million

The *Move Illinois* Program 2019 budget for this corridor is \$423.3 million. Included in the capital budget are design development for the Illinois Route 390/I-490 Interchange, continued design of the new I-490 Tollway from I-294 to Franklin Avenue/Green Street and design of the I-490/I-90 System Interchange. Construction in 2019 includes the work on the I-490 Interchange, continued construction at the Illinois Route 19 Interchange, construction at the I-490/I-294 Interchange and construction work at the I-490/I-90 Interchange. Right-of-way acquisitions and utility relocations will also continue in support of the new I-490 Tollway. Also, continued advance work on the western side of O'Hare International Airport.

Other Emerging Projects

\$10.7 million

The *Move Illinois* Program includes \$10.7 million in 2019 for various emerging projects.

Capital Program Expenditures

Projection vs. Unaudited Actual First Quarter 2019

(\$ thousands)

(\$ thousands)	1st Qtr		Variance	
	Projection	Actual	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$109,555	\$53,461	\$56,094	51.2%
Reagan Memorial Tollway (I-88)	14,756	7,047	7,709	52.2%
Jane Addams Memorial Tollway (I-90)	3,114	3,055	59	1.9%
Veterans Memorial Tollway (I-355)	7,888	7,571	317	4.0%
Systemwide Improvements	74,178	43,000	31,177	42.0%
Tri-State Tollway (I-294)/I-57 Interchange	1,667	361	1,306	78.4%
Elgin O'Hare Western Access	105,824	31,980	73,844	69.8%
Other Emerging Projects	2,525	2,209	316	12.5%
Move Illinois and CRP Subtotal	\$319,506	\$148,684	\$170,822	53.5%
Agreement Reimbursements and Other Adjustments	-	(533)	533	-
Total Capital Program Expenditures	\$319,506	\$148,152	\$171,354	53.6%

Analysis

Capital program expenditures are reported on an accrual basis. For the quarter ending March 31, 2019, unaudited capital program expenditures totaled \$148.7 million. This amount includes expenses paid during the first quarter and \$128 million of work for which payments have not been made as of March 31, 2019. The intergovernmental agreement reimbursements and other adjustments made during the quarter reduced expenditures by \$0.5 million.

The first quarter expenditures for *Move Illinois* and CRP were \$170.8 million less than projected, primarily due to scheduling changes resulting from timing of right-of-way acquisitions and slower than projected spending on systemwide projects.

CORRIDOR

2019 First Quarter Expenditures

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

\$53.5 million

During the first quarter, design work for the Central Tri-State from 95th Street to Balmoral Avenue was ongoing. Advance construction continued and includes work associated with roadway and bridge rehabilitation on the inside lanes between the O'Hare Oasis and Balmoral Avenue, as well as median reconstruction and widening at mainline toll plazas. Demolition of the O'Hare Oasis bridge structure and construction for advance intelligent transportation systems (ITS) fiber relocation for the new I-490 Tollway tie-in also took place. Work also continued on the roadway and bridge reconstruction between mile points 26.9 to 29 on the I-94 Edens Spur.

Expenditures for the first quarter of 2019 were \$56.1 million less than anticipated. The main contributors were right-of-way expenditures that were \$51.9 million less than projected due to pending acquisitions and agreements as well as \$9.7 million in underspend associated with the timing of utility relocation expenditures, which were partially offset by increased design spending.

Reagan Memorial Tollway (I-88)

\$7.0 million

During the first quarter, construction continued between York Road and I-290, as well as on the roadway and bridge rehabilitation between Illinois Route 251 and Illinois Route 56.

Expenditures for the corridor were \$7.7 million less than the projection, primarily due to slower than projected construction progress in the first quarter between Illinois Route 251 and Illinois Route 56.

Jane Addams Memorial Tollway (I-90)

\$3.1 million

During the first quarter, closeout activities continued for roadway reconstruction and widening, as well as reconstruction of interchanges and bridges between Elgin Toll Plaza and the Kennedy Expressway. Roadside completion improvements between Elgin Toll Plaza and the Kennedy Expressway continued in the first quarter, as did work on Barrington Road Interchange.

First quarter expenditures were \$59 thousand lower than expected due to variations in the timing of the contract closeout process.

Veterans Memorial Tollway (I-355)

\$7.6 million

During the first quarter, construction efforts for resurfacing and repairs continued between I-55 and Army Trail Road.

First quarter expenditures were \$0.3 million less than anticipated due to slower than projected construction progress between Butterfield Road and Army Trail Road.

Systemwide Improvements

\$43.0 million

During the first quarter, work on various pavement, bridge and ramp repair contracts continued, including systemwide fencing improvements and pavement and bridge preservation on the Tri-State Tollway (I-94/I-294), as well as improvements at the I-90 at Illinois Route 23 Interchange and the I-88 at Illinois Route 47 Interchange.

Expenditures in the first quarter were \$31.2 million less than projected due to a \$10 million underspend in bridge, pavement and ramp repairs primarily as a result of less progress than expected on the resurfacing of I-94 between Half Day Road and the Edens Spur, 159th street bridge reconstruction and pavement preservation on I-88 and I-294. Slower than expected

spending on non-roadway capital projects in Information Technology, Toll Operations and Fleet contributed \$16.9 million to the overall variance.

Tri-State I-294/I-57 Interchange

\$0.4 million

During the first quarter, design efforts continued for the second phase of the interchange.

Expenditures in the first quarter were \$1.3 million less than projected due to delays in the procurement process for the median construction contract.

Elgin O'Hare Western Access Project

\$32.0 million

First quarter construction expenditures consisted of ongoing bridge and collector-distributor road construction at I-90 from Elmhurst Road to Mount Prospect Road. Punch list and closeout work also remained ongoing along the second toll segment of the Illinois Route 390 Tollway and for advanced contracts at I-490 South and I-294. Planning and design remained ongoing for various portions of the future I-490 Tollway, specifically at the tie-in locations with I-90 on the north side and I-294 on the south.

First quarter actual spending was \$73.8 million less than projection. The main contributing factor for the quarterly underspend is attributable to timing of right-of-way agreements which has impacted all other phases of work for this corridor.

Other Emerging Projects

\$2.2 million

Feasibility studies continued in the first quarter for the Tri-County Access Study's Environmental Impact Statement.

Expenditures for this corridor were \$0.3 million less than projected due to a phased approach on the phase I study contract.

Financial Summaries

Quarterly Financial Review March 31, 2019

ILLINOIS TOLLWAY				
BUDGET vs. UNAUDITED ACTUAL				
First Quarter Ending March 31, 2019				
		1st Qtr		Variance
	Budget	Actual	\$	%
REVENUE				
Toll Revenue and Evasion Recovery	\$335,334,000	\$336,644,431	\$1,310,431	0.4%
Concessions	500,000	406,621	(93,379)	(18.7%)
Investment Income	7,500,000	9,537,848	2,037,848	27.2%
Miscellaneous	2,000,000	1,783,630	(216,370)	(10.8%)
Total Revenue	\$345,334,000	\$348,372,531	\$3,038,531	0.9%
Maintenance and Operations (M and O) Expenditures				
Payroll and Related Costs	\$43,902,700	\$44,361,093	(\$458,393)	(1.0%)
Group Insurance	9,050,300	8,462,804	587,496	6.5%
Contractual Services	23,186,069	22,324,699	861,371	3.7%
Materials/Operational Supplies/Other Expenses	2,812,307	3,599,400	(787,093)	(28.0%)
Utilities	2,141,888	1,661,121	480,767	22.4%
All Other Insurance	2,790,000	2,326,578	463,422	16.6%
Parts and Fuel	1,532,867	1,969,742	(436,875)	(28.5%)
Equipment/Office Rental and Maintenance	5,215,103	4,435,900	779,203	14.9%
Other Miscellaneous Expenses	256,891	198,252	58,639	22.8%
Recovery of Expenses	(475,105)	(489,892)	14,787	3.1%
Total Maintenance and Operations Expenditures	\$90,413,020	\$88,849,696	\$1,563,324	1.7%
Net Revenue				
Revenue Less M and O Expenditures	\$254,920,980	\$259,522,835	\$4,601,855	1.8%
Debt Service Transfers				
Existing Debt	\$104,010,000	\$91,257,008	\$12,752,992	12.3%
New Debt	3,667,000	-	3,667,000	100.0%
Total Debt Service Transfers	\$107,677,000	\$91,257,008	\$16,419,992	15.2%
Net Revenue Less Debt Service Transfers	\$147,243,980	\$168,265,826	\$21,021,846	14.3%

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ILLINOIS TOLLWAY				
PROJECTION vs. UNAUDITED ACTUAL				
First Quarter Ending March 31, 2019				
	1st Qtr		Variance	
	Projection	Actual	\$	%
Capital Program				
Tri-State Tollway (I-94/I-294/I-80)	\$109,554,603	\$53,460,991	\$56,093,612	51.2%
Reagan Memorial Tollway (I-88)	14,755,928	7,047,280	7,708,649	52.2%
Jane Addams Memorial Tollway (I-90)	3,113,803	3,054,594	59,209	1.9%
Veterans Memorial Tollway (I-355)	7,888,071	7,571,077	316,994	4.0%
Systemwide Improvements	74,177,855	43,000,496	31,177,359	42.0%
Tri-State Tollway (I-294)/I-57 Interchange	1,667,022	360,667	1,306,356	78.4%
Elgin O'Hare Western Access	105,823,814	31,980,223	73,843,591	69.8%
Other Emerging Projects	2,524,847	2,208,915	315,932	12.5%
Move Illinois and CRP Subtotal	\$319,505,944	\$148,684,243	\$170,821,700	53.5%
Agreement Reimbursements and Other Adjustments	-	(532,631)	532,631	-
Total Capital Program Expenditures	\$319,505,944	\$148,151,612	\$171,354,332	53.6%

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ILLINOIS TOLLWAY			
Percent of Annual Budget Realized (UNAUDITED)			
Year-To-Date 2019			
	YTD		% Budget
	Budget	Actual	Realized
REVENUE			
Toll Revenue and Evasion Recovery	\$1,470,000,000	\$336,644,431	22.9%
Concessions	2,000,000	406,621	20.3%
Investment Income	30,000,000	9,537,848	31.8%
Miscellaneous	8,000,000	1,783,630	22.3%
Total Revenue	\$1,510,000,000	\$348,372,531	23.1%
Maintenance and Operations (M and O) Expenditures			
Payroll and Related Costs	\$168,292,723	\$44,361,093	26.4%
Group Insurance	39,417,696	8,462,804	21.5%
Contractual Services	96,716,837	22,324,699	23.1%
Materials/Operational Supplies/Other Expenses	7,500,730	3,599,400	48.0%
Utilities	8,894,854	1,661,121	18.7%
All Other Insurance	11,625,985	2,326,578	20.0%
Parts and Fuel	6,892,611	1,969,742	28.6%
Equipment/Office Rental and Maintenance	27,215,453	4,435,900	16.3%
Other Miscellaneous Expenses	1,067,150	198,252	18.6%
Recovery of Expenses	(2,250,500)	(489,892)	21.8%
Total Maintenance and Operations Expenditures	\$365,373,539	\$88,849,696	24.3%
Net Revenue			
Revenue Less M and O Expenditures	\$1,144,626,461	\$259,522,835	22.7%
Debt Service Transfers			
Existing Debt	\$437,033,000	\$91,257,008	20.9%
New Debt	3,667,000	-	-
Total Debt Service Transfers	\$440,700,000	\$91,257,008	20.7%
Net Revenue Less Debt Service Transfers	\$703,926,461	\$168,265,826	23.9%

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ILLINOIS TOLLWAY			
Percent of Projection Realized (UNAUDITED)			
Year-T o-Date 2019			
	2019 Projection	YTD Actual	% Projection Realized
Capital Program			
Tri-State Tollway (I-94/I-294/I-80)	\$444,678,735	\$53,460,991	12.0%
Reagan Memorial Tollway (I-88)	66,567,965	7,047,280	10.6%
Jane Addams Memorial Tollway (I-90)	12,624,615	3,054,594	24.2%
Veterans Memorial Tollway (I-355)	23,712,760	7,571,077	31.9%
Systemwide Improvements	397,610,481	43,000,496	10.8%
Tri-State Tollway (I-294)/I-57 Interchange	28,031,519	360,667	1.3%
Elgin O'Hare Western Access	423,295,256	31,980,223	7.6%
Other Emerging Projects	10,720,659	2,208,915	20.6%
Move Illinois and CRP Subtotal	\$1,407,241,991	\$148,684,243	10.6%
Agreement Reimbursements and Other Adjustments	-	(532,631)	-
Total Capital Program Expenditures	\$1,407,241,991	\$148,151,612	10.5%

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ILLINOS TOLLWAY				
2019 Unaudited Actual vs. 2018 Actual				
First Quarter Ending March 31, 2019				
	1st Qtr		Variance	
	2018	2019	\$	%
REVENUE				
Toll Revenue and Evasion Recovery	\$332,764,894	\$336,644,431	\$3,879,537	1.2%
Concessions	531,779	406,621	(125,158)	(23.5%)
Investment Income	6,179,769	9,537,848	3,358,079	54.3%
Miscellaneous	1,738,376	1,783,630	45,255	2.6%
Total Revenue	\$341,214,818	\$348,372,531	\$7,157,713	2.1%
Maintenance and Operations (M and O) Expenditures				
Payroll and Related Costs	\$41,760,803	\$44,361,093	(\$2,600,289)	(6.2%)
Group Insurance	9,397,870	8,462,804	935,067	9.9%
Contractual Services	19,707,102	22,324,699	(2,617,596)	(13.3%)
Materials/Operational Supplies/Other Expenses	2,042,073	3,599,400	(1,557,327)	(76.3%)
Utilities	2,334,184	1,661,121	673,062	28.8%
All Other Insurance	2,759,379	2,326,578	432,801	15.7%
Parts and Fuel	1,340,019	1,969,742	(629,723)	(47.0%)
Equipment/Office Rental and Maintenance	6,015,647	4,435,900	1,579,747	26.3%
Other Miscellaneous Expenses	282,303	198,252	84,051	29.8%
Recovery of Expenses	(614,105)	(489,892)	(124,213)	(20.2%)
Total Maintenance and Operations Expenditures	\$85,025,276	\$88,849,696	(\$3,824,420)	(4.5%)
Net Revenue				
Revenue Less M and O Expenditures	\$256,189,542	\$259,522,835	\$3,333,293	1.3%
Debt Service Transfers				
Existing Debt	\$104,897,515	91,257,008	\$13,640,507	13.0%
New Debt	-	-	-	-
Total Debt Service Transfers	\$104,897,515	\$91,257,008	\$13,640,507	13.0%
Net Revenue Less Debt Service Transfers				
Net Revenue Less Debt Service Transfers	\$151,292,027	\$168,265,826	\$16,973,800	11.2%

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ILLINOIS TOLLWAY				
2019 Unaudited Actual vs. 2018 Actual				
First Quarter Ending March 31, 2019				
	1st Qtr		Variance	
	2018	2019	\$	%
Capital Program				
Tri-State Tollway (I-94/I-294/I-80)	\$24,994,016	\$53,460,991	(\$28,466,975)	(113.9%)
Reagan Memorial Tollway (I-88)	14,266,201	7,047,280	7,218,921	50.6%
Jane Addams Memorial Tollway (I-90)	7,945,119	3,054,594	4,890,525	61.6%
Veterans Memorial Tollway (I-355)	2,351,022	7,571,077	(5,220,055)	(222.0%)
Systemwide Improvements	40,391,974	43,000,496	(2,608,523)	(6.5%)
Tri-State Tollway (I-294)/I-57 Interchange	109,811	360,667	(250,856)	(228.4%)
Elgin O'Hare Western Access	28,191,527	31,980,223	(3,788,696)	(13.4%)
Other Emerging Projects	1,707,360	2,208,915	(501,555)	(29.4%)
Move Illinois and CRP Subtotal	119,957,030	148,684,243	(\$28,727,213)	(23.9%)
Agreement Reimbursements and Other Adjustments	(6,544,475)	(532,631)	(6,011,844)	(91.9%)
Total Capital Program Expenditures	\$113,412,555	148,151,612	(\$34,739,057)	(30.6%)