



2004 Annual Budget

Governor Rod Blagojevich

Executive Director Jack Hartman



Plaza 29 Touhy Avenue, Tri-State Tollway, Northbound

2004 Budget—Road to Reform

John Mitola, Chairman

Term expires May 1, 2007

Jack Hartman, Executive Director

David Andalcio, Director

Term expires: May 1, 2007

James Banks, Director

Term expires: May 1, 2005

Carl Kramp, Director

Term expires: May 1, 2005

Ronald Materick, Director

Term expires May 1, 2007

George Pradel, Director

Term expires May 1, 2007

Carl Towns, Director

Term expires: May 1, 2005

Kathy Selke, Director

Retired December, 2003

Timothy Martin, Director IDOT

Ex-Officio

Rod Blagojevich, Governor

Ex-Officio

Table of Contents

	Page
Letter from the Executive Director	5
Executive Summary	8
Tollway Organization and Background	16
Strategic Plan	20
Financial Policies and Practices	36
Fund Structure	41
Revenue Sources and Underlying Assumptions.....	44
Revenues and Expenditures.....	49
Budget Summaries	53
Headcount	56
Departmental Budgets and Narratives.....	57
Administration.....	58
Communications	62
Engineering.....	67
Executive	72
Finance.....	76
Information Technology	81
Inspector General	86
Legal	90
Operational Services.....	94
Planning.....	100
State Police.....	104
Violation Enforcement System (VES).....	108
Capital Program.....	110
Fiscal Year 2004 Major Construction Project Descriptions	111
Fiscal Year 2004 Major Construction Map	114
Fiscal Year 2004 Capital Program Project Descriptions	115
Capital Plan Impact.....	124
Debt and Obligations	125
Appendix.....	129
Basis of Budgeting.....	140
Description of the Budget Process.....	141
Glossary.....	149

Table of Contents—Exhibits

Exhibit No. and Title	Page
1 Insurance	11
2 Statement of Revenue/Expenditures & Changes in Fund Balance	49
3 Revenues.....	50
4 Expenditures	50
5 Sources of Revenue and Allocation	51
6 2004 Revenue Sources.....	52
7 2004 Allocation of Revenues	52
8 Maintenance & Operations by Category	53
9 2004 Major Account Summary	54
10 2004 Budget by Department	55
11 Headcount Summary	56
12 Capital Program Funding Sources	110
13 2004 Major Construction Map	114
14-20 2004 Capital Program—Infrastructure Preservation.....	115-121
21 2004 Capital Program—Congestion Relief	122
22 2004 Capital Program—System Enhancements & Regional Improve.....	123
23 Revenue Bond Coverage.....	126
24 Revenue Bond Coverage.....	127
25 Revenue Bonds Payable.....	128
26 Annual Toll Revenue—Passenger & Commercial Vehicles	130
27 Toll Revenue by Tollway Section	131
28 Annual Toll Transactions—Passenger & Commercial Vehicles	132
29 Toll Transactions.....	133
30 Estimated 2003 & 2004 Monthly Toll Revenue	138
31 Actual & Estimated Toll Revenue by Toll Section	139
32 Certificate of Authorized Officer	146
33 Glossary.....	149

Letter from the Executive Director

December 18, 2003

To The Honorable Chairman and Board of Directors:

In 2004, the Illinois Tollway will continue our journey on the Road to Reform. Operating and capital funds have been redeployed and targeted to focus on our commitment to increase accountability, implement business efficiencies and improve customer service. The ongoing implementation of cost-saving measures and business efficiencies will allow us to maintain our existing roadways in a state of good repair without increasing tolls.

I was sent by Governor Rod Blagojevich to reform the Illinois Tollway and restore public confidence in our system. My top priority has been to review all Illinois Tollway operations and to work with the Governor and legislators to develop plans for top-to-bottom reform. Longer term, the Illinois Tollway plans to become "The Tollway for the 21st Century" with best practices not only from the Tollway industry, but also from customer service, banking, and other businesses. In fact, we have already visited a number of other Tollway's across the country as part of our efforts to benchmark against them.

Since joining the Illinois Tollway in February 2003, I have recruited a new management team and reorganized existing staff to implement a new way of doing business at the agency. Along with the Tollway's Board of Directors, including a new Chairman and Directors appointed by the Governor, we have made noticeable progress on the Governor's mandate for reform.

We are working hard to prove to the drivers, legislators and citizens of Illinois that the Illinois Tollway is trustworthy and accountable. I am happy to report that we had already implemented most of the recommendations in the Management Audit from the Illinois Auditor General ordered by the General Assembly in 2002. We addressed concerns in the areas of cash handling, personnel, and planning, and these improvements will continue in 2004. We have also surveyed our employees for suggestions on how to reorganize the agency to increase efficiency and on improvements to customer service. Many of their ideas are already being acted upon.

We have made progress in efforts to run the Illinois Tollway more like a business by streamlining internal processes and increasing transparency to the outside world. We are now posting all Illinois Tollway publicly bid contracts on our Web site and have participated in various forums designed to increase the diversity of vendors doing business with the Tollway. We have begun the implementation of a more aggressive Violation Enforcement System to reduce the amount of uncollected tolls.

Letter from the Executive Director

Toll scofflaws now know that they must pay their fair share or they will be fined \$20 per violation, and they are changing their behavior.

We have a renewed focus on providing better service to our customers. Because Disney is known for its outstanding customer service, we sent two managers to the Disney Training Institute who are training all Tollway employees, most importantly our toll collectors, on the key principles of good customer service. We are measuring our progress by seeking customer feedback – a first for the Illinois Tollway – via an online survey and comment cards available at toll plazas. Most management has now worked a shift as a toll collector to experience our front-line customer service operations, and it has resulted in many ideas for improvement. We also began construction on our Oases Redevelopment Project. This project will rebuild the over-the-road buildings and fuel stations at our seven oases and improve the services and vendors, with McDonald's and Starbucks committed for all locations and new Mobil stations already open at four locations.

Finally, we began efforts to expand the use of I-PASS electronic toll collection to improve customer service by reducing congestion and trip time. In August 2003, the Governor announced our I-PASS Expansion Project, which will increase the benefits of having an I-PASS by adding 37 lanes in 22 locations. As the Governor said, "I-PASS allows you to spend less time on the road in traffic and more time doing things you want to do – like being with your family." We have also made I-PASS easier to get in order to help reach my goal of increasing I-PASS usage from the current rate of approximately 40 percent to 75 percent in the coming years.

The attached budget and Executive Summary details how the 2004 budget will allow us to continue the work in all of these areas and to implement new initiatives to further progress the Governor's reform agenda by increasing accountability, implementing business efficiencies and improving customer service.

The Fiscal Year 2004 budget funds an Office of Inspector General that is empowered to root out and independently investigate alleged fraud, waste and mismanagement in the day-to-day operations of the Illinois Tollway, its employees and contractors. It also allows for the expansion of criminal background checks initiated last year to ensure public safety and integrity of financial transactions.

The Tollway will be able to operate more like a business with a new Department of Planning that will develop and implement new processes to better articulate the system's needs and goals, and oversee strategic planning. The budget also funds the marketing tools and support that the Tollway needs to support its business goal of increasing I-PASS usage.

The expansion of the I-PASS and Violation Enforcement System in 2003 made it clear that additional resources were necessary in 2004 to provide the adequate level of customer service and support. We will build on our success in securing federal funding to study value pricing by working with the Illinois' Congressional delegation to seek fund-

Letter from the Executive Director

ing in Fiscal Year 2004 for Open Road Tolling and Intelligent Transportation Systems, including more dynamic message signs on the roadway.

We will be able to achieve these reform objectives, and meet external demands such as increasing health care costs and other employee retirement benefits, with a minimal increase in the operating budget. In Fiscal Year 2004, we will continue to reduce the number of staff positions and payroll costs as well as overtime. These cost savings will help offset rising insurance costs and employee benefits that are impacting all employers and state agencies.

The Fiscal Year 2004 Capital Plan allows us to maintain the system in a state of good repair with most funds going to infrastructure preservation. Funds are allocated to congestion relief, which primarily involves the addition of I-PASS Only lanes.

The capital budget also funds service improvement initiatives that help create business efficiencies including E-Commerce, a new financial reporting system (ERP), and expanded customer communications on the roadway, consistent with Chairman John Mitola's desire to provide our customers with the real-time information they need to make travel decisions.

Currently, we are evaluating all capital and financial plans to determine what the Illinois Tollway's future needs really are. Once our review is complete in the spring of 2004, we will work with the Governor, legislators, and the public to share information, gather input, and together build a new Capital Plan to bring the Illinois Tollway into the 21st century.

The Fiscal Year 2004 budget is about accountability. The budget is balanced through cost-cutting and careful management. Funding has been redeployed to support the reforms underway to restore public confidence in the Illinois Tollway. However, the lack of resources constrains the ability to initiate major capital projects, and this will be true for the years ahead if revenues do not increase substantially.

We held four regional meetings to share information about the Fiscal Year 2004 budget and gather public input. This is the first time in memory that the Tollway has offered the opportunity for public input and is consistent with the Governor's reform mandate to increase the transparency of our operations. We presented the Illinois Tollway Board with the feedback from these meetings and worked with them to make any changes deemed appropriate before the final Fiscal Year 2004 budget's adoption in December 2003.

Sincerely,



Jack Hartman
Executive Director

Budget Fiscal Year 2004 – The Road to Reform

The Illinois Tollway will continue its journey on the Road to Reform in 2004. The new leadership appointed by Governor Rod Blagojevich will advance his reform mandate by funding initiatives that increase accountability, implement business efficiencies, and improve customer service. The ongoing implementation of cost containment measures and business efficiencies will allow the maintenance of existing roadways in a state of good repair without increasing tolls, but will prevent initiation of any new major capital projects in the coming year.

2003 Accomplishments

In 2003, changes were made to run the Illinois Tollway more like a business and these improvements continue in 2004.

Accountability

Efforts to increase accountability included the hiring of a new Inspector General, who is empowered to root out and independently investigate alleged fraud, waste and mismanagement in the day-to-day operations of the Illinois Tollway, its employees and contractors. Improvements to the Illinois Tollway's personnel process also began by working with the Illinois State Police to digitally fingerprint and conduct background checks on all current employees to insure they are trustworthy and qualified for their jobs.

As part of the effort to increase transparency to the outside world, all Illinois Tollway bid contracts are posted on the Tollway's Web site. Efforts have been made to inform a more diverse group of vendors on how to do business with the Tollway.

Efficiency

Streamlined processes increase efficiency and the staff was reorganized to eliminate redundancies and focus on running the Tollway more like a business. Staffing changes to the toll collection process were made primarily during the off-peak period that reduced overtime and eliminated more than 100 toll collection positions over the last two years, primarily through attrition. Efforts to cut waste included reducing the number of employees who have Tollway vehicles for use to and from work by more than half.

A new Planning Department was established to develop and implement new processes that will better articulate the system's needs and goals. This new department is also charged with overseeing the strategic planning process to better define the Tollway's goals and establish methods to measure progress toward those objectives. As evidenced by this budget document, the Finance Department has also worked hard to support transparency by providing budget and financial information in a more generally accepted and comprehensive format.

Executive Summary

The Illinois Tollway has also taken steps to reduce uncollected tolls by more aggressively pursuing toll evaders. The implementation of an outside contract to pursue toll violators on a large scale began in January, and a new executive manager, who helped implement the City of Chicago's ordinance and regulatory hearing process, was hired to oversee the Illinois Tollway's system. The goal of this program is to deter evasion and reduce the amount of uncollected tolls. Everyone must pay their fair share since toll revenues primarily fund the Tollway.

Customer Service

There is a renewed focus on providing better service to our customers, and all employees have been trained on the new, higher level of service expected based on the Disney model.

In 2003, construction began on the Oases Redevelopment Project to improve the quality and variety of services provided to customers at the Tollway's seven oases. The Illinois Tollway has joined Wilton Partners and ExxonMobil in a 25-year public-private partnership in which the private developers will invest \$94 million to rebuild and modernize the oases at no cost to Tollway customers. ExxonMobil has already opened successful new fuel stations including an expanded convenience store and car wash at four oases locations. Tenants already committed to space in the beautiful new over-the-road buildings include McDonald's, which will feature drive-through, Starbucks and Travel Mart, with many other vendors to be announced soon.

The new Traffic Incident Management System (TIMS) was launched in early 2003 and is designed to share travel information and reduce delays caused by incidents on the roadway. The system enables faster response to incidents and clearance of the roadway. In addition to reducing delays, the system generates travel times, which are available to motorists via the Gary-Chicago-Milwaukee Corridor Web site – www.gcmtravel.com.

Because I-PASS is the best way to reduce congestion and improve customer service, expanding the use of I-PASS is a top priority of the reform agenda. In August 2003, Governor Blagojevich announced the I-PASS Expansion Project, which will add 37 new I-PASS Only lanes at 22 locations throughout the Tollway system by spring 2004. Once this effort is completed, I-PASS customers will be able to make their whole trip on the Tollway without stopping – even at many ramp toll plazas. In addition to increasing the benefits of I-PASS, efforts to make I-PASS easier to get included the June launch of online sales at www.getipass.com, sale of transponders at select toll plazas, Jewel food stores, and increased use of the I-PASS Mobile Unit van at community events such as Taste of Chicago, Ribfest in Naperville, and the corporate headquarters for Baxter and BP Amoco.

Executive Summary

Fiscal Year 2004 Budget – Overview

The Fiscal Year 2004 Budget is based upon revenues of \$408 million, an increase of \$9 million or 2.2 percent from revenues projected for 2003. The Fiscal Year 2004 Budget allocates approximately \$193.7 million of revenues to the Maintenance and Operations Account, \$165.1 million is allocated to the Renewal and Replacement Account, and \$48.7 million to the Debt Service Account.

Operating expenses paid from the Maintenance and Operations Account (M&O) are budgeted at \$193.7 million in Fiscal Year 2004, leaving an ending balance of \$33.7 million in this account. Capital expenditures paid from the Renewal and Replacement Account are budgeted at \$247.9 million and \$3.6 million in the Improvement Account in Fiscal Year 2004. These expenditures will be financed with new revenues of \$165.1 million, \$25 million transferred from the Improvement Account, and a reduction in the balance of the Renewal and Replacement Account.

In addition to balances reserved in the M&O Account, this budget provides for ending balances of \$28 million in the Renewal and Replacement Account and \$92.9 million in the Improvement Account. These balances ensure funds will be available in cases of emergency, disaster, or other unplanned contingencies. Funds are also reserved to begin payments to the State of Illinois for administrative services rendered by the state.

The Budget assumes no toll increase, and allows maintenance of existing roadways in good repair. It also provides for expansion of priority programs such as I-PASS, violation enforcement, roadway communication with customers, and E-Commerce (web site applications). It also provides new funding for the creation of the Office of Inspector General, a new Financial Reporting System (ERP), and Geographic Information Systems.

The Fiscal Year 2004 Budget incorporates a significant operational reorganization. The reorganization and an ongoing commitment to reform will result in increased accountability, improved business efficiencies, and greater focus on customer service. The reorganization will facilitate implementation of best business practices and reduce operational costs of the Tollway by nearly \$1 million in Fiscal Year 2004.

Operations

Fiscal Year 2004 M&O expenditures increased \$6.4 million from Fiscal Year 2003 budgeted amounts. The Tollway is implementing several cost saving measures for operating expenses by reducing personnel costs while providing new staff and resources to two newly created departments. The Department of Planning will allow the Tollway to enhance its strategic planning and capital planning functions, while the Office of Inspector General, which reports to the Office of the Governor, will provide for improved accountability and expose alleged mismanagement, fraud and waste.

Executive Summary

The largest operating cost is personal services (payroll, social security, and retirement), representing 59.7 percent of total operating expenditures and 28.3 percent of all spending. The Fiscal Year 2004 budgeted full-time personnel headcount is 1803, a decrease of 48 positions or 2.6 percent.

Group health insurance represents a significant portion of the M&O request totaling \$22.4 million, which represents a 10.5 percent increase over 2003 and 11.6 percent of the operating budget. Group health insurance costs are projected to increase slightly below national trends due to an aggressive review and planned implementation of new health care options for Tollway employees. According to benefit consultant Hewitt and Associates based in Lincolnshire, Illinois, health care costs are expected to increase 12.6 percent industry wide in Fiscal Year 2004.

In total, insurance accounts for 13.4 percent of the M&O budget. Following is a list of insurance programs that must be funded:

Insurance	2002 Actual	2003 Budget	2003 Estimated Expenditures	2004 Budget	2003 to 2004 Budget	\$ Change in
Group insurance	\$ 18,412,400	\$ 19,017,300	\$ 19,017,300	\$ 20,636,600	\$ 1,619,300	
Property Insurance	\$ 1,857,800	\$ 1,984,800	\$ 2,048,500	\$ 2,100,000	\$ 115,200	
Workers Comp	\$ 1,077,800	\$ 1,409,600	\$ 1,400,000	\$ 1,475,500	\$ 65,900	
State Police Group Insurance	\$ 1,122,300	\$ 1,287,200	\$ 1,600,000	\$ 1,800,000	\$ 512,800	
Total Insurance	\$ 22,470,300	\$ 23,698,900	\$ 24,065,800	\$ 26,012,100	\$ 2,313,200	

Exhibit 1

Retirement benefits increased \$3.9 million over FY 2003. The State Retirement System has calculated the retirement benefits at 20.4 percent. The Tollway increase is based on a weighted average increase of 20.4 percent contribution for 6 months and 13.4 percent for 6 months during 2004.

Cost Savings

Payroll and Benefit Savings – (\$437 thousand)

Payroll costs have been reduced by \$437 thousand or nearly 0.4 percent below 2003 budgeted amounts. This reduction was accomplished despite a 9 percent state mandated increase in retirement, and a 3 percent cost-of-living adjustment for bargaining unit employees. The savings will be achieved principally through reductions in headcount by 48 positions.

Road to Reform

The following summary shows the redeployment of operating funds to focus on the reform agenda's commitment to accountability, business efficiencies, and customer service.

Executive Summary

Office of Inspector General

\$300 thousand - new initiative

An Inspector General has been hired to increase accountability by rooting out and independently investigating alleged fraud, waste, and mismanagement in the day-to-day operations of the Illinois Tollway, its employees and contractors. These new funds will pay the salaries of the new Inspector General and two investigators who will be hired to help fulfill the functions of this office. The Office's entire budget of \$714.8 thousand includes the incorporation of the Toll Audit function, which will be overseen by the new Inspector General.

Employee Background Checks

\$48 thousand - expansion

Last year, the Tollway implemented procedures to ensure employees had a criminal background check to ensure public safety and the integrity of financial transactions. Additional funds are requested to continue this practice with new employees and to expand the search for out-of-state criminal background checks and more extensive drug testing.

Planning

\$291 thousand – expansion

The Planning Department was created in 2003 and is annualized into the 2004 budget as part of the Tollway reorganization. The new unit increases business efficiencies by developing plans that better articulate the system's needs and goals and by overseeing the agency's strategic planning process. These funds include the allocation of new resources to this newly created department.

Marketing Program

\$200 thousand – new initiative

This new initiative funds the additional tools needed to expand I-PASS usage and measure customer satisfaction. Funds will be spent to promote the benefits of I-PASS and the distribution of I-PASS, including the partnership with retail stores where customers will be able to purchase a pre-loaded I-PASS in 2004. This enhanced line item will pay for promotional materials and campaigns, including print and radio advertising, as well as direct mail. It will also pay for a baseline survey of customer satisfaction to better understand how customers feel about I-PASS, services including the oases, and toll collection in order to guide improvement efforts and measure their impact.

Executive Summary

Violation Enforcement System

\$200 thousand - expansion

The Violation Enforcement System moved from the Finance Department to become a separate division under the Executive Office. Additional funds have been budgeted to ensure the highest level of customer service. The new funds will be used primarily to increase the number of hearings the Tollway provides on a daily basis. This allows more timely adjudication of potential violations and collection of fines.

I-PASS Electronic Toll Collection

\$4.6 million - expansion

The I-PASS program has been reorganized and moved from Finance to Operational Services since congestion relief and customer service are part of the toll collection function. The I-PASS program accounts for approximately 40 percent of all transactions as of September 2003. Increasing I-PASS usage has been a focus of the new Tollway administration because it reduces congestion and improves customer service. New I-PASS marketing efforts, including the sale of transponders online and at approximately 200 Jewel-Osco stores, have resulted in a significant increase in the volume of I-PASS sales and related costs. Since I-PASS sales are projected to continue to grow in 2004, an additional \$3.6 million is needed to cover the costs of purchasing and distributing transponders via contracted vendors including Consolidated Marketing Response.

Bank Charges are increasing \$757 thousand above the FY2004 request. Bank charges were originally requested at \$2.9 million. The significant growth in I-PASS customers has also driven up the cost of this program to \$3.6 million.

In addition, there are ten new positions budgeted in Fiscal Year 2004 for customer service expansion. This includes two Mobile Customer Service Representatives who will work in the field to sell I-PASS, promote its use, and make changes to customer accounts. Seven new Customer Service Representatives are funded to handle increased issuance of transponders, account management, and office support related to new I-PASS distribution outlets, which will include retail stores in 2004. A new manager is funded to supervise staff as well as program growth.

Bonded Indebtedness

The Illinois Tollway has six series of revenue bonds with an outstanding debt principal totaling \$742 million. On January 1, 2004, principal of \$41 million will be retired as scheduled. A November Board Resolution was passed approving the redemption of the 1993 Series A Bonds maturing in January 2005 with a par amount of \$30 million to be paid in January, 2004. This total principal retirement of \$71 million will leave a total

Executive Summary

of \$671 million debt outstanding. In Fiscal Year 2004, the Tollway will make interest payments of \$35.2 million and principal payments of \$13.5 million. On January 1, 2005, the Tollway's outstanding debt principal will be \$657 million.

Capital Program

The Fiscal Year 2004 Budget includes \$251.5 million for the Renewal, Replacement, and Improvement Program, commonly referred to as the Capital Program. The Capital Program allows us to maintain the system in a state of good repair with more than 83 percent of the funds going to infrastructure preservation. The Governor will also allocate funds to congestion relief, which primarily involves the addition of I-PASS only lanes as a continuation of the I-PASS Expansion Project announced in August 2003.

Road to Reform

The Fiscal Year 2004 Capital Program budget also funds service improvement initiatives that help create business efficiencies including the following:

Intelligent Transportation Systems (ITS)/Roadway Communications

\$7.6 million - expansion

This will fund the expansion of the Tollway's Traffic Incident & Management System (TIMS) and the purchase of additional ITS to improve communications with customers while they are on the Tollway. ITS is a combination of TIMS and the Dynamic Message Signs, and CCTV camera installation and relocation. For instance, the purchase of additional overhead dynamic message signs that share travel times and information about incidents ahead so customers have the real-time information they need to make travel decisions.

E-Commerce

\$442 thousand - expansion

The June 2003 launch of an E-Commerce site to market I-PASS online will be enhanced with online account management functions that will allow customers to make payments, view statement and balance information, and receive automated warnings of low balance and credit card expirations.

Financial Reporting System

\$10 million – new initiative

Enterprise Resource Planning (ERP) systems improve the internal operations of government in areas such as accounting, budgeting, human resources, payroll, and purchasing. The ERP project will take place in six stages over two years: project planning; request for proposal; vendor evaluation; implementation planning and readiness assessment; contract negotiations; and quality assurance.

Executive Summary

Geographic Information Systems (GIS)

\$500 thousand – new initiative

GIS is computer software that allows users to digitally link information and data to a geographic location. Location can be defined in terms of county, municipal districts, taxing bodies and further broken down by streets, blocks, businesses, and houses. This information will help the Tollway identify future needs from ramp placement to road widening and will help identify areas of roadway in need of preventative maintenance. GIS allows us to better serve our customers by being proactive in assessing and delivering more efficiently.

Conclusion

The Fiscal Year 2004 annual spending plan increases operating costs by \$6.4 million or 3.4 percent over the 2003 Budget. The Budget reflects the Governor's commitment to deliver more with less. The Budget was balanced through cost-cutting and careful management. Funding has been redeployed to support the reforms underway to restore public confidence in the Illinois Tollway. While tight fiscal controls constrain the ability to initiate major capital projects, the \$251.5 million capital program provides significant investment in infrastructure preservation and congestion relief.

Tollway Organization and Background

Authorization

The Illinois General Assembly created the Illinois State Toll Highway Commission as an instrumentality and administrative agency of the State of Illinois in 1953. The Commission provided for the construction, operation, regulation, and maintenance of a system of toll highways within the State of Illinois. The Commission officially became a Tollway in March 1969 when the Illinois Supreme Court upheld the constitutionality of a new toll road act that had been passed by the General Assembly on August 8, 1967, effective April 1, 1968. The Tollway assumed all the obligations, powers, duties, functions, and assets of the Commission. The Act authorizes the issuance of revenue bonds for the purpose, among others, of financing expansions of the Tollway System.

The Tollway is also empowered to enter into contracts; acquire, own, use, lease, operate, and dispose of personal and real property, including rights of way, franchises, and easements; to establish and amend resolutions, by-laws, rules, regulations, and toll rates; to acquire; construct, relocate, operate, regulate, and maintain the Tollway System; to exercise powers of eminent domain and condemnation; to raise or lower toll rates; and to contract for services and supplies, including services and supplies for the various patron service areas on the Tollway System.

Board of Directors

The Tollway is governed by an eleven member Board of Directors that includes the Governor of Illinois and the Secretary of the Illinois Department of Transportation, ex-officio, and nine directors appointed by the Governor with the advice and consent of the Illinois Senate. Directors are appointed for four years, or in the case of an appointment to fill a vacancy, the unexpired term. No more than five directors may be from the same political party. Of the directors appointed by the Governor, one is appointed as Chairperson of the Tollway.

Organizational Structure

The Governor appoints an Executive Director and employs certain other personnel to administer the Tollway System and implement the policies of the Board of Directors. The Tollway's organizational structure consists of 13 primary functions including the Directors Office, Executive Office, Chief Counsel, Engineering, Operational Services, Finance, Administration, Communications & Marketing, Information Technology, Inspector General, Planning, Violation Enforcement System, and State Police District 15.

Tollway Organization and Background

The Tollway System

The Tollway System currently consists of the Tri-State, Northwest, East-West, and North-South Tollway. They form approximately 274 miles of limited-access highways, in 12 counties, all of which are designated as part of the Interstate Highway System.

Since beginning operations in 1958, the Tollway System has served an important role in the development of the northern Illinois economy. During its initial operation, the Tollway System permitted rapid interstate travel between northern Illinois, Indiana, and Wisconsin. As the suburban area surrounding Chicago expanded throughout the 1960's and 1970's, the Tollway System evolved into primarily a commuter travel system, serving suburban Chicago and Chicago-O'Hare International Airport.

The Tri-State Tollway, I-94, I-294, I-80/I-94, and Eden's Spur, is an 84-mile beltway around the Chicago metropolitan area, extending from Indiana at the intersection of the Kingery Expressway and the Calumet Expressway, north to the Wisconsin state line. Completed in 1958, the Tri-State cost about \$242 million to build. The passenger vehicle cost to travel the Tri-State from end to end is \$2.45 in tolls, or 3.2 cents per mile. The Tri-State includes 41 interchanges, 23 toll plazas, and 4 oases.

The Northwest Tollway, I-90, is a 76-mile-long route that begins at the intersection of the Tri-State Tollway and the Kennedy Expressway near O'Hare International Airport, continues west to Rockford and then travels north ending near the Wisconsin border. Completed in 1958, construction of the Northwest Tollway totaled just over \$100 million. The current passenger vehicle cost to travel the Northwest Tollway from end to end is \$2 or 2.6 cents per mile. The Northwest Tollway includes 20 interchanges, 16 toll plazas, and 2 oases.

www.illinoistollway.com

Illinois Tollway Web Site

Detailed information about the Illinois Tollway is available by accessing the Illinois Tollway Web Site including:

- **The Toll Highway Act (605 ILCS 10/ is available)**
- **Trust Indenture**
- **Financial statements including audit, budget, and quarterly reports**
- **Capital Program**
- **Construction Sites**
- **Maps**
- **Contract Awards and Notices**
- **Contact Information**
- **Oases**
- **Help Truck**
- **I-PASS Account information**

Tollway Organization and Background

The East-West Tollway, I-88, covers 96.5 miles beginning just east of the junction of the Tri-State Tollway and the Eisenhower Expressway and continuing west to U.S. Route 30 in the Sterling/Rock Falls area. Initial construction from the Eisenhower Expressway to the Aurora toll plaza was completed in 1957. The construction of the East-West Tollway, from Aurora to U.S. 30 was completed in 1974. The total cost for the East-West Tollway was \$144 million. The current passenger vehicle cost to travel the East-West Tollway from end to end is \$2.70 or 2.8 cents per mile. The East-West Tollway includes 22 interchanges, 16 toll plazas, and 1 oasis.

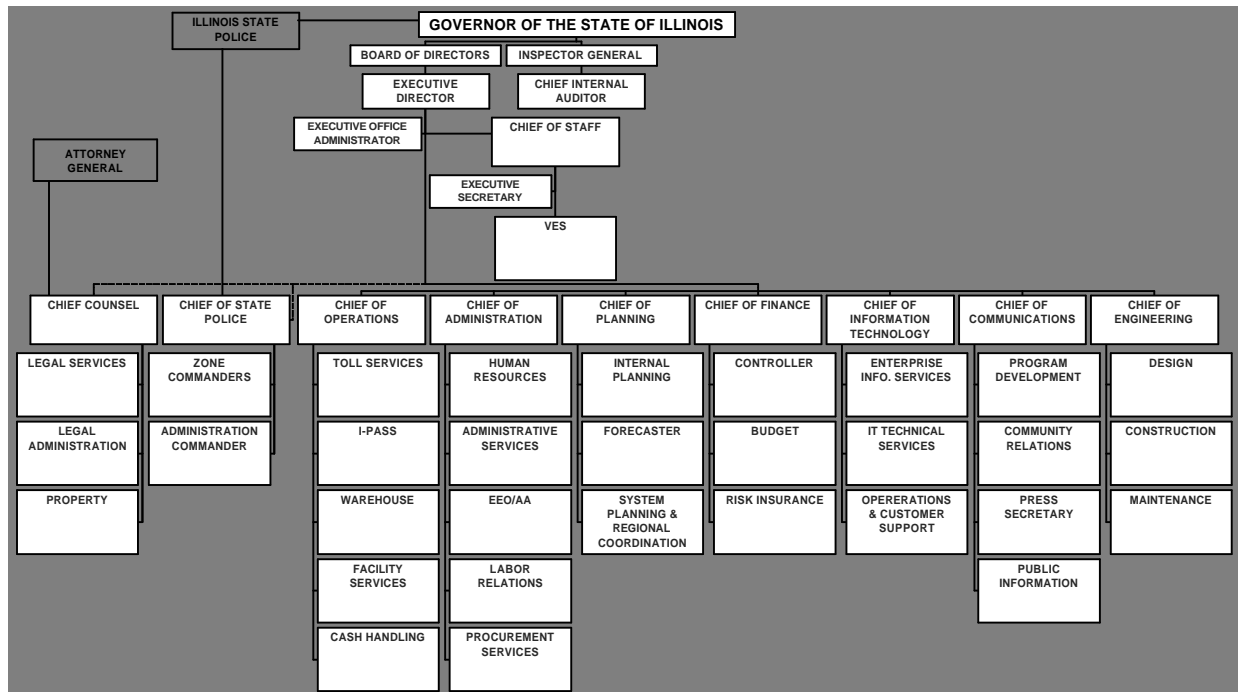
The North-South Tollway, I-355, is a 17.5-mile-long toll highway generally paralleling Illinois Route 53, beginning to the north at Army Trail Road in DuPage County and extending south to Interstate 55 in Will County. Completed in 1989, the North-South Tollway cost approximately \$523 million to construct. The passenger vehicle cost to travel the North-South Tollway from end to end is \$1 or 5.7 cents per mile. The North-South Tollway includes 11 interchanges and 10 toll plazas.

Toll Transaction / Revenues

The Tollway System has experienced a steady increase in toll transactions and revenues since its first full year of operation in 1959. In 1959, the Tollway System processed 42.9 million transactions. The latest complete figures show the Tollway processed 785.9 million toll transactions in 2002.

As part of a 2003 management audit of the Illinois Tollway, the State of Illinois Office of the Auditor General found the Illinois Tollway had gone the longest period of time without a toll rate increase, and had the second lowest rates among the twenty toll road systems surveyed.

TABLE OF ORGANIZATION



12/01/03

Strategic Plan

The new administration has revised the Tollway's goals and mission statement and in coordination with the Governors Office and all other state departments and agencies. A new multi-year capital plan is currently being developed for implementation in Spring 2004. Benchmarks and other Tollway outputs and outcomes as well as the metrics for appropriate measurement are also being refined at this time.

Mission Statement

The Illinois State Toll Highway 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.

Illinois Tollway Priorities

1. Promote, Expand and Improve I-PASS
2. Congestion Relief
3. Capital Plan
4. Swift, Predictable and Efficient Violation Enforcement System
5. Successful Completion of Oases Redevelopment
6. Reorganization

INITIATIVES

◆ I-PASS:

- Improve the marketing plan for I-PASS
- Create an alternative use for I-PASS
- Increase the number of dedicated I-PASS lanes system-wide
- Re-vamp the customer fulfillment and customer relations processes
- Increase commercial vehicle I-PASS use by joining national/umbrella consortium (E-Z Pass/Pre-Pass)

Strategic Plan

The Following performance measurements are currently being implemented and out comes for the following metrics will be available in the spring of 2004:

Metric Name (Metric # 1)	Rush hour I-PASS user percentage
Metric Purpose	Measures the Tollway's ability to increase I-PASS usage where it is most needed – at commuter intensive (i.e. urban) locations during peak driving hours
Priority with which Metric is Aligned	Promote, expand, and improve I-PASS
Metric Description	Percentage of I-PASS users during peak period hours at commuter locations
Responsible Department(s)	Operational Services, Communications
Metric Definition	Number of I-PASS transactions at peak hours (5:00 - 9:00 AM and 2:00 - 6:00 PM) on weekdays at designated commuter locations divided by the total number of toll transactions at peak hours on weekdays at commuter locations
Frequency of Measurement	Quarterly
Benchmark	Other State toll authorities, private sector tolling companies
Related Metric(s)	Benchmark: 66% of transactions at peak period hours Source: This benchmark was obtained from a Traffic Technologies, Inc., study of Electronic Toll Collection. The number was calculated by taking the average percentage of Electronic Toll Collection transactions at peak hours for the following peer group: Massachusetts Turnpike Authority, Delaware River Port Authority, Golden Gate Bridge, Highway and Transportation District, Metropolitan Transportation Authority (New York), Port Authority of New York and New Jersey, and the Delaware River Port Authority. Given the urban nature of these tolling authorities, all tolling locations were assumed to be peak locations.
Results of Filter Process	Outcome focused, citizen centered, not measurable
Additional Comments	The "peak hours" component of this metric is not measurable at this time. Until this part of the metric can be measured, the percentage of I-Pass transactions at commuter locations will be used.

Strategic Plan

Metric Name (Metric # 2)	I-PASS usage rate
Metric Purpose	Measures the ability of the Tollway to shift users from manual toll collection to electronic payment
Priority with which Metric is Aligned	Promote, expand, and improve I-PASS
Metric Description	I-PASS market penetration
Responsible Department(s)	Operational Services, Communications, Engineering, Planning, Finance
Metric Definition	Total I-PASS users divided by total toll highway users
Frequency of Measurement	Quarterly
Benchmark	Other State toll authorities, private sector tolling companies
Related Metric(s)	Benchmark: 55.9% of users Source: Based upon the percentage of electronic toll collection users for the New Jersey Turnpike and the New York State Thruway Authority. Benchmark data was obtained from New Jersey Turnpike and New York State Thruway Authority Annual Reports.
Results of Filter Process	Outcome focused
Additional Comments	

Strategic Plan

Metric Name (Metric # 3)	Customer satisfaction
Metric Purpose	Measures the Tollway's ability to make I-PASS a quality experience for citizens in the State of Illinois
Priority with which Metric is Aligned	Promote, expand, and improve I-PASS
Metric Description	Customer satisfaction with the I-PASS experience
Responsible Department(s)	Operational Services, Communications
Metric Definition	Number of customers completing I-PASS surveys as "satisfied" divided by the total number of customers completing surveys on their experience with the I-PASS system (includes actual toll collection process, customer service, etc.)
Frequency of Measurement	Quarterly
Benchmark	Benchmark: 88.9% of ETC customers respond as satisfied or better Source: In a 2002 survey of New York State Thruway customers, 88.9% of EZ-Pass customers surveyed rated their EZ-Pass experience either excellent or good. In evaluating this benchmark, it is important to bear in mind that the types of questions included in the survey can affect survey results.
Related Metric(s)	
Results of Filter Process	Outcome focused, citizen centered
Additional Comments	I-PASS customer satisfaction study needs to be developed and definition of "satisfied" customer needs to be determined

Strategic Plan

Metric Name (Metric # 4)	Percentage of I-PASS lanes
Metric Purpose	Measures the Tollway's ability to generate increased demand for I-PASS only lanes
Priority with which Metric is Aligned	Promote, expand, and improve I-PASS
Metric Description	Percentage of I-PASS dedicated lanes
Responsible Department(s)	Operational Services, Communications
Metric Definition	Total number of I-PASS Only (IPO) lanes divided by total number of toll plaza lanes.
Frequency of Measurement	Annually
Benchmark	Benchmark: 49% of toll lanes dedicated to electronic toll collection Source: Based on an average dedicated ETC toll lane percentage for the Massachusetts Turnpike Authority and the Metropolitan Transportation Authority. Data was obtained from a Traffic Technologies, Inc., study of electronic toll collection.
Related Metric(s)	
Results of Filter Process	Output measure
Additional Comments	

Strategic Plan

Metric Name (Metric # 5)	Average congestion travel time
Metric Purpose	Measures Tollway's ability to decrease travel time
Priority with which Metric is Aligned	Congestion Relief
Metric Description	Average travel time during peak hours at commuter locations
Responsible Department(s)	Operational Services, Engineering, Planning, Finance
Metric Definition	The average number of minutes required to travel a given number of miles (and/or a given route) during peak travel times at designated commuter locations
Frequency of Measurement	Quarterly
Benchmark	This metric is unique to the Tollway and will depend upon the routes they choose for measurement. Performance for this metric for the metropolitan Chicago area can be compared to the Texas Transportation Institute's Travel Rate Index, which measures the amount of additional time required to make a trip due to congested roadway conditions
Related Metric(s)	4
Results of Filter Process	Outcome focused, citizen centered
Additional Comments	Baseline will be established as of January 2003. A consistent route comparison is required to accurately measure this metric

Strategic Plan

Metric Name (Metric # 6)	Incident response time
Metric Purpose	Measures the Tollway's ability to identify congestion creating traffic incidents and get units promptly to the scene
Priority with which Metric is Aligned	Congestion Relief
Metric Description	Time from incident identification to first response unit on the scene
Responsible Department(s)	Inspector General, Information Technology, Finance, Engineering, State Police
Metric Definition	The average amount of time (in minutes) required by the Authority from incident identification (e.g. accident) to first response unit arrival
Frequency of Measurement	Quarterly
Benchmark	15 minutes
Related Metric(s)	Trans. Research record 1554
Results of Filter Process	Outcome focused, citizen centered
Additional Comments	For every minute of delay on the road it takes from four to nine minutes to clear the resulting congestion

Strategic Plan

Metric Name (Metric # 7)	Incident clearance time
Metric Purpose	Measures the Tollway's ability to remedy congestion creating traffic incidents
Priority with which Metric is Aligned	Congestion Relief
Metric Description	Time from incident first response unit arrival to clearance
Responsible Department(s)	Inspector General, Information Technology, Engineering, State Police
Metric Definition	The average amount of time (in minutes) required by the Authority from incident response unit arrival (e.g. accident) to resolution
Frequency of Measurement	Quarterly
Benchmark	Benchmark: 27.6 minutes Source: Based upon average incident identification and clearance time for the Texas Department of Transportation (TxDOT) and the Maryland Department of Transportation, State Highway Administration (MDOT). TxDOT data was obtained from a Texas A&M Transportation Institute study. MDOT data was obtained from an Intelligent Transportation Systems presentation.
Related Metric(s)	
Results of Filter Process	Outcome focused, citizen centered
Additional Comments	For every minute of delay on the road it takes from four to nine minutes to clear the resulting congestion

Strategic Plan

Metric Name (Metric # 8)	Construction cost over initial award
Metric Purpose	Measures the ability of the Tollway to minimize change orders and to complete construction projects on budget
Priority with which Metric is Aligned	Capital Plan
Metric Description	Award amount vs. actual construction cost
Responsible Department(s)	Engineering, Planning
Metric Definition	Actual dollar cost of the Tollway's construction projects divided by the awarded amount of the Tollway's construction
Frequency of Measurement	Quarterly
Benchmark	Other State toll authorities, private sector tolling companies
Related Metric(s)	Data not available to develop benchmark across toll authorities. The Tollway should seek to drive metric to a 1:1 ratio over time
Results of Filter Process	
Additional Comments	

Strategic Plan

Metric Name (Metric # 9)	Toll scofflaw rate (5 or more unpaid violations within a 12 month period)
Metric Purpose	Measures the Tollway's ability to minimize revenue loss due to toll violations
Priority with which Metric is Aligned	Swift, predictable and efficient Violation Enforcement System
Metric Description	Percentage of revenue shrinkage
Responsible Department(s)	Violation Enforcement System Division, Inspector General, Finance, Communications, Legal
Metric Definition	Dollar value of uncollected revenue divided by the dollar value of expected revenue
Frequency of Measurement	Quarterly
Benchmark	Benchmark: 2.15% revenue loss Source: This number is based on the average violation rate of two comparable tolling authorities: Colorado's E-470 Public Highway Authority and the Massachusetts Turnpike Authority. Benchmark data was obtained from an E-470 news release and a Traffic Technologies Study on electronic toll collection. Please note that performance for this metric can be impacted by the operating structure of the Toll Authority.
Related Metric(s)	
Results of Filter Process	Outcome focused, balanced with efficiency
Additional Comments	

Strategic Plan

Metric Name (Metric # 10)	Oases vehicle capture rate
Metric Purpose	Measures the Tollway's ability to create attractive Toll Highway oases that generate increased customer usage
Priority with which Metric is Aligned	Successful completion of Oases Redevelopment
Metric Description	Percentage of Toll Highway traffic volume entering Oases
Responsible Department(s)	Operational Services, Engineering, Finance, Communications, Legal
Metric Definition	Vehicles entering Oases divided by total Toll Highway traffic volume passing each Oases
Frequency of Measurement	Quarterly
Benchmark	Data not available to develop benchmark across toll authorities
Related Metric(s)	
Results of Filter Process	Outcome focused, balanced with efficiency
Additional Comments	Metric should be calculated on a per oases basis. Metric will not be measurable until Oases are redeveloped and reopened

Strategic Plan

Metric Name (Metric # 11)	Oasis revenue per vehicle
Metric Purpose	Measures the Tollway's ability to create attractive Toll Highway oases that generate increased customer usage and revenue
Priority with which Metric is Aligned	Successful completion of Oases Redevelopment
Metric Description	Oases revenue per vehicle passing Oases
Responsible Department(s)	Operational Services, Engineering, Finance, Communications, Legal
Metric Definition	Oases revenue per oases divided by Toll Highway traffic volume passing each Oasis
Frequency of Measurement	Quarterly
Benchmark	Benchmark: \$0.13 cents per vehicle Source: Average concession revenues for three tolling authorities who recently redeveloped their oases: New York Thruway Authority, Ohio Turnpike Commission, and the New Jersey Turnpike
Related Metric(s)	
Results of Filter Process	Outcome focused, balanced with efficiency
Additional Comments	Metric should be calculated on a per oases basis. Metric will not be measurable until Oases are redeveloped and reopened

Strategic Plan

Metric Name (Metric # 12)	Expenditure per mile
Metric Purpose	Measures the ability of the Tollway to operate efficiently, as compared to other toll authorities
Priority with which Metric is Aligned	Restructuring (formally Reorganization)
Metric Description	Expenditure per lane mile
Responsible Department(s)	Engineering, Planning, Finance, Information Technology, State Police, Legal
Metric Definition	Total toll highway expenditure divided by total lane miles
Frequency of Measurement	Quarterly
Benchmark	Other State toll authorities, private sector tolling companies
Related Metric(s)	Benchmark: \$128,199 per lane mile Source: Based upon average operating expenditures on a per lane mile basis for two comparable toll authorities: Ohio Turnpike Commission and the New Jersey Turnpike. Benchmark data obtained from annual reports and state police statistics. In reviewing this metric, it is important to note that toll authority expenditures can vary depending upon the quality of roadways, weather conditions, toll structures, etc.
Results of Filter Process	Outcome focused, balanced with efficiency
Additional Comments	

Strategic Plan

Metric Name (Metric # 13)	Expenditure per toll user
Metric Purpose	Measures the ability of the Tollway to operate efficiently, as compared to other toll authorities
Priority with which Metric is Aligned	Restructuring (formally Reorganization)
Metric Description	Toll highway expenditure per user
Responsible Department(s)	Engineering, Planning, Finance, Information Technology, State Police
Metric Definition	Toll highway expenditure by route divided by toll highway users by route
Frequency of Measurement	Quarterly
Benchmark	Benchmark: \$1.34 per user Source: Based upon average operating expenditures on a per vehicle basis for four comparable toll authorities: New York Thruway Authority, Ohio Turnpike Commission, the Florida Turnpike Enterprise, and the New Jersey Turnpike. Benchmark data was obtained from annual reports from the four-toll/turnpike organizations. For the purposes of this metric, "users" was assumed to be equivalent to "vehicles".
Related Metric(s)	
Results of Filter Process	Outcome focused, balanced with efficiency
Additional Comments	

Strategic Plan

Metric Name (Metric # 14)	Frontline Staff
Metric Purpose	Determine the percentage of frontline employees to total employees
Priority with which Metric is Aligned	Restructuring
Metric Description	Percentage of staff directly servicing the public
Responsible Department(s)	Executive, Operational Services, Finance, Administration
Metric Definition	Number of frontline employees divided by total employees
Frequency of Measurement	Quarterly
Benchmark	
Related Metric(s)	
Results of Filter Process	
Additional Comments	

Strategic Plan

Metric Name (Metric # 15)	Total Number of Toll Users Per FTEs (Full Time Equivalent)
Metric Purpose	Measures the efficiency of service delivery
Priority with which Metric is Aligned	Restructuring
Metric Description	Percentage of personnel required for each Tollway user
Responsible Department(s)	All Departments
Metric Definition	Average daily Tollway users divided by total personnel
Frequency of Measurement	Quarterly
Benchmark	
Related Metric(s)	
Results of Filter Process	
Additional Comments	Each FTE supports how many users

Financial Policies and Practices

The Tollway will follow a defined set of policies and practices for directing the Tollway's fiscal affairs. These policies and practices have been reviewed as part of the financial planning process and are the basis for developing this Financial Plan.

All of the policies and practices are aimed at keeping the cost of operating and maintaining the Tollway as low as possible while providing excellent customer service.

The Financial Plan provides the opportunity for making well-informed decisions, based on adherence to solid, carefully considered policies, and provides a forecast of what the results of today's decisions may reasonably be in the future.

Fiscal Policies and Practices

General

The Tollway has established policies to foster sound financial management and encourage progressive approaches to financing. The annual budget includes a set of policies to be followed in managing the financial and budgetary affairs of the Tollway. These policies will allow the Tollway to maintain its strong financial condition, while providing quality services.

Revenue

Traffic volume assumptions are derived by reviewing historical data and analyzing the impact of current economic conditions, local and regional economic indices, energy price trends, demographic and population trends, employment trends, industry and home building development, household income, and roadway capital projects.

Surpluses identified but not included in the annual base-operating budget are dedicated to the capital plan.

1. The Tollway will maintain a revenue monitoring system to assist in trend analysis and revenue forecasting.
2. The Tollway will support legislation that will allow for expanded and progressive financing measures.
3. The revenue model assumes the current toll schedule, with no toll rate increase assumed for the budget year.

Expenditures

1. The Tollway will maintain a level of expenditures, which will provide for the public well being and safety of its roads.

Financial Policies and Practices

2. Expenditures will be within the confines of generated revenue and fund reserves.
3. The Tollway will maintain expenditure categories according to state statutes, the Trust Indenture and administrative regulation.
4. The Tollway will forecast its expenditures for at least the next ten years and will update this forecast annually with five-year plans. Expenditure forecasts will be cognizant of the elastic and inelastic structure of revenues.
5. Annual operating budgets should provide for adequate design, construction, maintenance, and replacement in the Tollway's Capital Plan.

Debt Administration

1. The Tollway will maintain regular communication with credit rating agencies and facilitate disclosure of financial and management issues important to investors. The Tollway will follow a policy of full disclosure in financial reporting.
2. Every project proposed for financing through debt should be accompanied by a full analysis of the future maintenance and operations costs associated with the projects.
3. The Tollway will oversee and coordinate the timing, process of issuance, and marketing of borrowing and capital funding activities required in support of its Capital Plan.
4. The Tollway will set aside sufficient current revenues to finance ongoing maintenance needs.
5. No debt will be issued for the purpose of funding capital projects until presented at public hearings and approved by the Board of Directors.
6. Borrowing should be of a duration that does not exceed the economic life of the improvement that it finances and where feasible, should be shorter than the projected economic life. To the extent possible, the Tollway will design the repayment of debt to recapture rapidly its credit capacity for future use.
7. The Tollway will seek to issue its debt obligations through a sale method that will produce the best results for the Tollway.
8. When determined appropriate and approved by the Board of Directors, the Tollway may elect to sell its debt obligations through competitive sealed bid, competitive selection and negotiation, or a private placement.
9. The Tollway may issue advance refunding bonds and current refunding bonds (as defined for federal tax law purpose) when advantageous, legally permissible, pru-

Financial Policies and Practices

dent, and in the best interest of the Tollway and its patrons.

10. The Tollway may choose to defease its outstanding indebtedness through purchase of its securities on the open market when market conditions make such an option financially feasible.

Reserve Policy

1. The Tollway will maintain an operating reserve. The balance of the fund will be maintained at a level up to \$25 million excluding capital expenditures. The Board may alter the reserve to best suit financial levels of the Tollway. This reserve shall be created and maintained to provide the capacity to:
 - a) Offset unexpected downturns or revision in revenues
 - b) Provide a sufficient cash flow for daily financial needs at all times
 - c) Offset unexpected increases in expenditures

Cash Management

1. Under this instrument, the Illinois State Toll Highway Investment Policy ("Policy"), it is the intent of the Illinois State Toll Highway Authority ("Tollway") to invest all funds under the Tollway's control in a manner that provides the highest investment return using authorized instruments while meeting the Tollway's daily cash flow demands in conformance with all state statutes and any amended and revised Indenture governing the investment of Tollway funds.

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

2. The cash management system is designed to accurately monitor and forecast expenditures and revenues, this enabling the Tollway to invest funds to the fullest extent possible. The Tollway will match funds to projected disbursements.
3. In order to maximize interest earnings, the Tollway co-mingles the cash of all funds. Interest revenue derived from co-mingled cash is allocated to the participating funds monthly based on the relative cash balance of each fund.
4. Criteria for selecting investments and the order of priority are:
 - A) Safety. The safety of principal is the foremost objective of the investment program. Tollway investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio. To attain this objective, diversification is required to ensure that the Tollway prudently manages market, interest rate and credit risk.

Financial Policies and Practices

- B) Liquidity. The investment portfolio shall remain sufficiently liquid to enable the Tollway to meet all operating requirements that might be reasonably projected.
- C) Return on Investment. The investment portfolio shall be designed to obtain the highest available return, taking into account the Tollway's investment risk constraints and cash flow needs. .

Accounting, Auditing and Financial Reporting Policies

1. The Tollway's financial statements include all activities that are part of the Tollway's reporting entity because of the significance of the operational and financial relationship in conformity with Governmental Accounting Standards Board Statement (GASB) No. 14, *The Financial Reporting Entity*.
2. The Tollway uses the accrual basis of accounting. Under the accrual basis of accounting, revenue is recognized in the period in which it is earned, and expenses are recognized in the period in which they are incurred. This is a flow of economic resources measurement focus.
3. The Tollway is established to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
4. The Tollway will establish and maintain a high standard of accounting practices in conformance with Generally Accepted Accounting Principals for governmental entities as promulgated by the Governmental Accounting Standards Board.
5. The accounting system will maintain records on a basis consistent with accepted standards for governmental accounting.
6. An independent firm of certified public accountants will perform an annual financial and compliance audit accruing to Generally Accepted Auditing Standards (GAAS) and will publicly issue an opinion, which will be incorporated in the Comprehensive Annual Financial Report (CAFR).
7. Annually seek the GFOA Certificate of Achievement for Excellence in Financial Reporting Program.
8. The Tollway will use accrual basis accounting for its proprietary funds (enterprise and internal service funds). Revenues are recognized in the accounting period they are earned and become measurable. Expenses are recognized in the accounting period in which the liability is incurred.

Financial Policies and Practices

9. The Tollway will promote full disclosures in its annual financial statements and its bond presentations.
10. For purposes of the Statement of Cash Flows, the Tollway considers all highly liquid investments including restricted assets with a maturity of three months or less when purchased and all investments held by the State Treasurer's Office to be cash equivalents, as these investments are available upon demand.
11. The Tollway adopted GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. This statement requires that governmental entities should report investments at fair value in the balance sheet with the corresponding changes in fair value of investments being recognized as revenue in the operating statement.

Fund Structure

Fund and Account Description:

The Trust Indenture established seven primary funds or accounts for the operation of the Tollway as follows:

Maintenance and Operation Account

The Maintenance and Operation Account consists of the Operating Sub-Account and the Operating Reserve Sub-Account held by the Tollway. 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 on the 20th day of each month.

The Operating Reserve Sub-Account receives an amount, that would exceed 30% of the amount budgeted for Operating Expenses in the Annual Budget for the current fiscal year. Money in the Operating Reserve Sub-Account are held as a reserve for the payment of Operating Expenses and are to be withdrawn from 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 to be held as a reserve for the payment of Operating Expenses, 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.

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, and amount sufficient to cause the balance in it to equal the Debt Reserve Requirement.

The Debt Reserve Account receives funds to provide an amount sufficient to cause the balance in it to equal the Debt Reserve Requirement to make any required reimbursement to Providers of Reserve Account Credit Facilities.

Fund Structure

Renewal and Replacement Account

Revenues must be credited to the Renewal and Replacement Account for the amount set fourth in the Annual Budget for the Renewal and Replacement Deposit. The amount set fourth in the budget shall be determined based on recommendations of the Consulting Engineer.

If funds are insufficient to pay the Interest and Principal installments due on bonds, maintenance and operation costs, or budgeted improvement costs the Tollway, upon notice from the Trustee will transfer from the Renewal and Replacement Account.

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.

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.

The Construction Fund

The Construction Fund is held as a separate segregated fund. The Construction Fund receives funds from the sale of Investment Securities. 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, Such sums are to be used as a revolving account for the payment of costs of the Project.

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 20th 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.
- B. To the Operating Reserve Sub-Account, as specified by the Tollway, but not to

Fund Structure

- exceed thirty percent of the amount budgeted for operating expenses.
- C. To the Interest Sub-Account, an amount equal to interest due on updated 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 Bond.
 - G. To the Debt 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 Renewal and Replacement 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 and 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.

Revenue Sources and Underlying Assumptions

Toll Revenues

In March of each year, the Illinois Tollway's independent Traffic Engineering consultant, Wilbur Smith provides annual toll revenue estimates. The toll revenue estimates are updated in October, reflecting actual toll revenues and updated construction schedules and progress.

A number of factors combine to influence a motorist's trip making and route choice decisions. These decisions may be influenced by variables such as traffic levels and congestion on existing roads; major roadway construction projects; and economic conditions in the country, state, and local area.

A review was conducted of the economic and demographic conditions in the state, region, and the specific project corridors, which have historically had an impact on vehicular travel on the Tollway. The actual and anticipated future economic performance of the Nation and the State of Illinois were reviewed, in addition to socio-economic factors such as population, employment, housing, and retail sales trends. Based on qualitative assessment of the performance of these variables over the recent past and their expected behavior in the near future, in conjunction with Tollway traffic and revenue trend data, roadway improvement information, and capacity constraint considerations, the future traffic and toll revenue potential of the Tollway System was estimated.

Prior year monthly transactions represent the starting point in the future year revenue estimation process. Prior-year transaction data is entered into a database for each of two vehicle categories. The first category includes automobiles, motorcycles, taxis, station wagons, and single-unit trucks or tractors that have two axles and four or less tires. Also included are vehicles described above pulling one or two-axle trailers. The second category includes light and heavy commercial vehicles ranging from single-unit trucks, tractors or buses that have two axles and six tires to trucks with six axles.

Vehicles using the Illinois Tollway must pass through and pay a toll at one or more toll plazas from point of entry to point of exit. The toll payment at each plaza is recorded as a vehicle transaction. Experience has shown that the number of transactions may be influenced by several variables including construction projects both on and off the Tollway; the local, regional and national economic climate; non-recurring incidents such as weather and special events; the number of weekdays, weekend days or holidays per month; and, changes in the toll collection system or toll rates.

Impacts need to be accounted for in two ways before future-year estimates can be finalized. First, the prior-year actual transactions may need to be adjusted to account for temporary impacts, which may have shifted traffic from normal travel patterns onto or off the Tollway. This adjustment allows for a "normalized" base condition (i.e., what traffic would have been in the absence of these special or abnormal conditions) to be established. Once this new benchmark has been estimated, im-

Revenue Sources and Underlying Assumptions

pacts representing the anticipated effects on traffic during the coming year are accounted for.

Some of these impacts are sometimes more difficult to quantify since they are based on unknown or expected future conditions which may occur to a greater or lesser degree than anticipated. For example, economic indicators are used to estimate the percent increase in traffic anticipated during the coming year. These indicators include changes in population, employment and unemployment, household income, CPI and GDP growth, and motor fuel prices, among others. The anticipated duration and depth of the current economic slowdown are prime examples of these impacts.

Other impacts are easier to quantify. Past experience has shown that during a leap year, February traffic will be approximately 3 percent higher due to the extra day. Additionally, the more weekdays in a month, the greater the number of transactions. This is particularly true for commuter-oriented facilities such as the Illinois Tollway.

Major construction projects both on the Tollway's and on feeder or competing highways are evaluated to estimate their positive (diverting trips to the Tollway's) or negative (diverting trips from the Tollway's) traffic impacts. Typical Tollway projects include new interchanges, mainline widening, resurfacing and reconstruction, toll plaza reconstruction, bridge and cross road rehabilitation, and interchange reconstruction, among others. Typical off-Tollway projects have included resurfacing, repair, and/or reconstruction of major arterial and limited-access roadways, roadway widening, intersection reconstruction, and bridge rehabilitation.

The various traffic impacts are applied to the prior year annual transactions to generate future-year transaction estimates. These estimates are calculated by month and by the two vehicle-class categories previously described.

Once the monthly transaction estimates are finalized, they are converted into toll revenue estimates. This is accomplished by applying an average weighted toll for commercial vehicles and passenger cars to the estimated transactions at each plaza. Changes in plaza locations or toll rates are accounted for in the forecast year. The sum of the monthly revenues by plaza yields the estimated yearly systemwide toll revenue.

Concession Revenues

The Illinois Tollway has seven oases located throughout the system. These oases offer food, fuel, and other services to the traveling public. Historically, these services have been provided directly by restaurant and fuel providers with the Tollway receiving rental payments in return.

A rigorous national advertising, qualification and proposal campaign was conducted resulting in the Tollway, in May 2002, approving a 25-year ground lease with Wilton Part-

Revenue Sources and Underlying Assumptions

ners (a commercial real estate developer) and ExxonMobil (a major fuel retailer).

Under conditions of the lease, Wilton/ExxonMobil is to design, construct, and finance the development of new buildings and grounds, as well as operate, and maintain all of these facilities over the term of the lease. Traditionally, the Tollway has acted as its own developers leasing oasis space directly to restaurant and fuel companies and being burdened with the responsibility for maintenance expenses and upkeep. This new public-private partnership to Tollway Property Management allows Wilton Partners the opportunity to develop these high-profile parcels of real estate in a way that endures a maximum return on investment.

The lease agreement requires the developers to pay Minimum Annual Guaranteed Rents as well as Percentage Rents and Other Rents. The fundamental goal of developer selection and lease negotiations was to create opportunities for both parties to share in the profits once capital cost obligations were met. A percentage of sales will also be maintained separately in a Renewal and Replacement Account that will be used for maintenance of the oases in order to keep them fresh and appealing for future Tollway customers. The following contractual provisions are used to make conservative revenue estimates.

- ◆ Guaranteed Minimum Rent - The Guaranteed Minimum Rent for Wilton is staggered during the initial years to factor in for the lost revenue expected while the restaurant facilities are closed for reconstruction – the ExxonMobil Guaranteed Minimum Rent remains the same from year one through year 25 (The lease was signed in May 2002):

Lease Year	Wilton Guarantee	ExxonMobil Guarantee	Total Yearly Guaranteed Payment
Lease Year 1	\$1,172,000	\$900,250	\$2,072,250
Lease Year 2	469,000	\$900,250	\$1,369,250
Lease Year 3	296,000	\$900,250	\$1,196,250
Lease Years 4-25	743,000	\$900,250*	\$1,643,250

*The Guaranteed Rent payable from ExxonMobil is calculated at year-end. If the cents-per-gallon, plus the commissions paid from Convenience store/car wash sales, is less than the Guaranteed Rent then the Lessee shall pay the difference.

Revenue Sources and Underlying Assumptions

- ◆ Percentage Rent - Wilton: required to pay the Tollway 50 percent of all rents received which are calculated by multiplying a specific percentage to the gross sales. Percentage Rents begin after a negotiated break point (related to growth in sales) established in each tenant lease, as is typical in “shopping mall” leases. There is a credit against payments made to the Tollway from Guaranteed Rent.
- ◆ Other Rent – Wilton: Required to pay the Tollway 50 percent of amounts paid by third parties for advertising, signage or other non food related activities. The Tollway shares 50/50 with Wilton and there is no credit against payments made to the Tollway from Guaranteed Rent.
- ◆ Cents-Per-Gallon Rent – ExxonMobil: required to pay the Tollway \$0.03 per gallon of all fuels delivered to the oases except at Lincoln Oases due to increased competition of nearby Indiana fuel stations with lower gas taxes.
- ◆ C-Store/Car Wash Rent – ExxonMobil: required to pay the Tollway 1 percent of all gross sales for convenience-store and car wash sales, except Lincoln Oasis due to increased competition of nearby Indiana convenience-stores with lower cigarette taxes.

In addition, Wilton and ExxonMobil are also required to provide funds into the Renewal & Replacement Account at the following rates.

- ◆ Wilton is required to pay 1 percent of Gross Sales.
- ◆ ExxonMobil is required to pay \$0.01 per delivered gallon of fuel and 1 percent of Gross Sales from the C-Store/Car Wash operation.

Originally, it was presumed that the Oases reconstruction schedule would not provide for the businesses to earn enough funds to pay over the minimum guaranteed rents and percentages in 2003-2004. However, the last several months of the current fiscal year have provided an additional \$1 million.

Violation Revenues

The Tollway recently implemented an extremely aggressive toll violation enforcement operation to collect toll violations. About 97 percent of drivers do pay their fair share, the Tollway’s efforts are designed to discourage the remaining 3 percent from evading tolls.

In the past, Tollway staff had issued toll violations manually on a much smaller scale, and although the technology was in place to capture the violations, the Tollway did not have the capacity to keep up with the billing and collections. The new Violation Enforcement System (VES) has been automated, to allow for more effective toll violation enforcement. For toll scofflaws who choose not to pay their fair share, \$20 violation notices are issued for every unpaid toll. The fines increase to \$70 per violation if notices are ignored and can lead to court hearings, suspension of license plates and driver’s licenses.

Revenue Sources and Underlying Assumptions

Of the Tollway's total revenues, Violation Revenue is expected to generate approximately 2.7 percent, or \$11 million for 2004.

For budget purposes the revenues the Tollway obtains from Violation Enforcement is acknowledged when cash is received, due to current uncertainties regarding the collection rate. For the fiscal year 2003 \$40 million has been booked to the general ledger, and \$9 million has been received. VES has sent out 3,849,933 violation notices, with the average amount to be collected, of \$85.48. Because of the aggressive pursuit of violators this year, the Tollway expects 2003 to be a landmark year for violation collection. As VES builds its reputation for enforcement, violation revenue is expected to decline in the out years.

Revenues and Expenditures

Budget Summaries

Statement of Revenues/Expenditures & Changes in Fund Balance
Based on Trust Indenture Financial Statements -
Year End December 31

Maintenance & Operations Account	2002 Actual	2003 Estimated	2004 Budget
Beginning Fund Balance	\$75.8	\$48.4	\$33.7
Revenue	138.6	172.6	193.7
Expenditures	(166.0)	(187.3)	(193.7)
Ending Balance	\$48.4	\$33.7	\$33.7

Renewal & Replacement Account	2002 Actual	2003 Estimated	2004 Budget
Beginning Fund Balance	\$75.0	\$98.6	\$85.8
Revenue	121.4	146.5	165.1
Transfer from the Improvement Account	0.0	0.0	25.0
Expenditures	(97.8)	(159.3)	(247.9)
Ending Balance	\$98.6	\$85.8	\$28.0

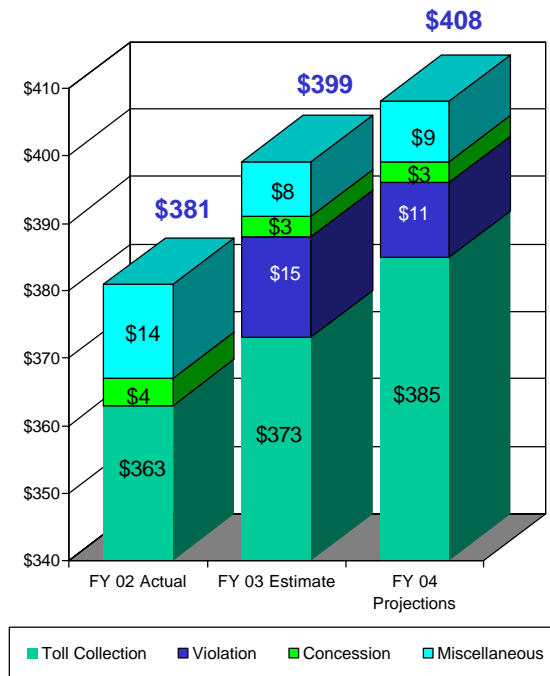
Improvement Account	2002 Actual	2003 Estimated	2004 Budget
Beginning Fund Balance	\$119.3	\$152.5	\$120.1
Revenues	38.0	0.0	0.0
Transfer to Debt Service	0.0	(30.0)	0.0
Transfer to Renewal and Replacement	0.0	0.0	(25.0)
Expenditures	(8.0)	(3.9)	(3.6)
Interest Income	3.2	1.5	1.4
Ending Balance	\$152.5	\$120.1	\$92.9

Debt Service Account	2002 Actual	2003 Estimated	2004 Budget
Beginning Fund Balance	\$41.3	\$43.4	\$44.1
Revenue	80.4	79.7	48.7
Transfer from Improvement Account	0.0	30.0	0.0
Interest Income	0.4	0.6	0.6
Bonds retired from revenue	(37.6)	(41.2)	(13.5)
Interest and other financing costs	(41.1)	(38.4)	(35.2)
Payment for early bond retirement	0.0	(30.0)	0.0
Ending Balance	\$43.4	\$44.1	\$44.7

This exhibit excludes: The Infrastructure and Long-Term Debt Group of Accounts/
Construction Fund because it has no revenue impact. The Debt Reserve Account be-
cause of its proprietary nature.

Revenues and Expenditures

Fiscal Year 2002 Actual, 2003 Estimates, and 2004 Projections (Millions)



Revenues

Exhibit 3



Expenditures

Exhibit 4

Revenues and Expenditures

Revenues and Allocations
Fiscal Year Ending December 31

Fiscal Year 2004 Sources of Revenue and Allocations (Millions)

	<i>FY 2002 Actual</i>	<i>FY 2003 Estimates</i>	<i>FY 2004 Projections</i>
<i>Sources of Revenue</i>			
Toll	\$363	\$373	\$385
Concession	4	3	3
Violation	0	15	11
Miscellaneous	14	8	9
Total	\$381	\$399	\$408
<i>Allocations</i>			
M & O	\$166	\$173	\$194
Debt Service	80	80	49
Deposit to RR&I	135	146	165
Total	\$381	\$399	\$408

Revenues and Expenditures

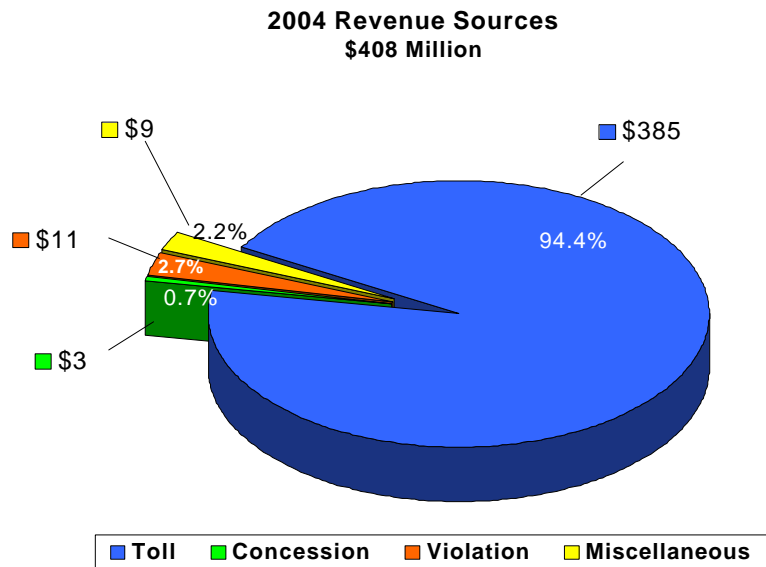


Exhibit 6

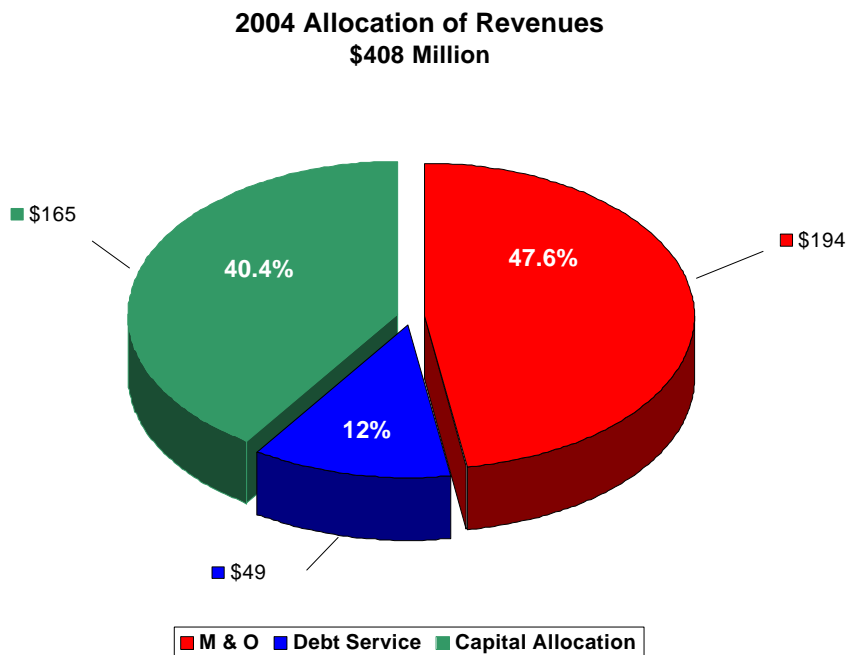


Exhibit 7

Note: As indicated in the Budget Overview of the Executive Summary, the \$251.5 million capital budget is funded with \$165.1 million of new revenues, \$25 million of transfers from the Improvement Account, and a reduction in balances available in the Renewal and Replacement Account.

Budget Summaries

Maintenance & Operations Budget by Category (Thousands)

Category	2002 Actual	2003 Budget	2004 Budget	\$ Change in 03-04 budget
Payroll/Employee Benefits	\$ 109,379	\$ 116,306	\$ 115,869	\$ (437)
Group Insurance	19,535	20,305	22,437	2,132
Contractual Services	8,763	19,437	23,477	4,040
Materials and Operational Supplies	3,784	5,443	4,799	(644)
Utilities	3,941	4,617	4,523	(94)
All Other Insurance	2,936	3,394	3,576	182
Parts & Fuel	2,849	3,226	3,028	(198)
Equipment/Office Rental & Maintenance	14,940	14,507	15,953	1,446
Employee Development	958	1,247	1,302	55
Recovery of Expenses	(1,217)	(1,182)	(1,225)	(43)
Total	\$ 165,868	\$ 187,300	\$ 193,739	\$ 6,439

Exhibit 8

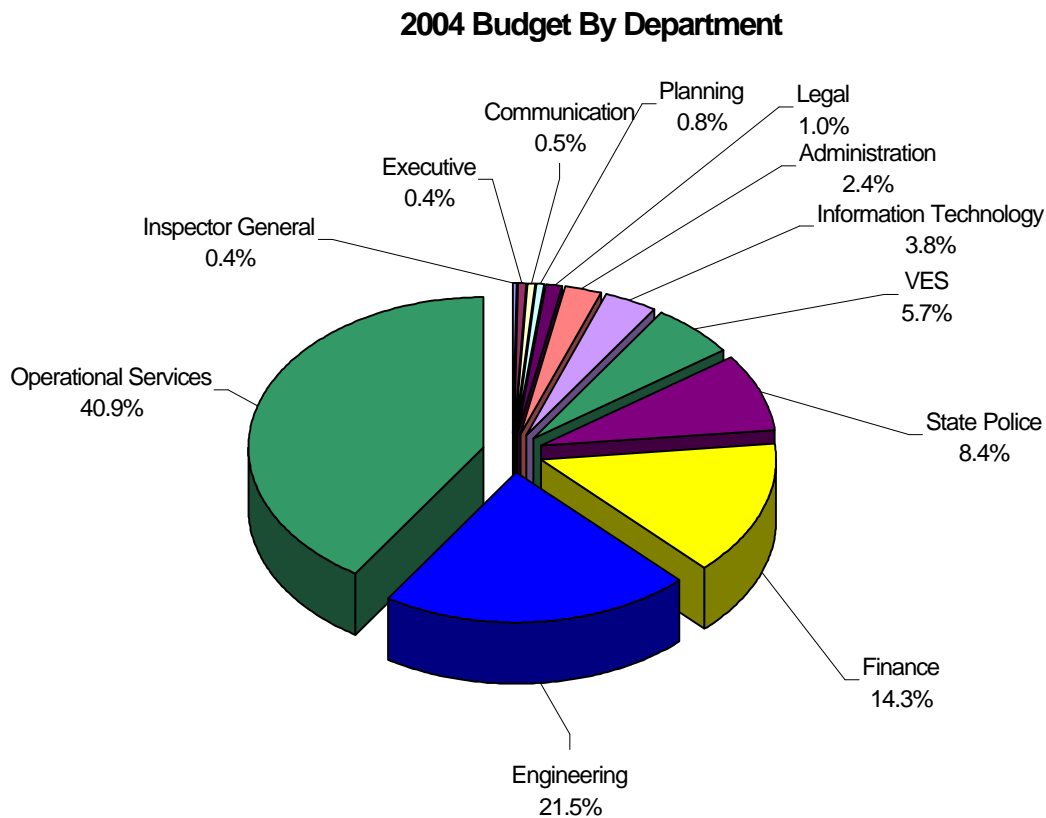
Budget Summaries

Fiscal Year 2004 Major Accounts Fiscal Year Ending December 31

Major Account	2002 Actual	2003 Budget	2004 Budget	\$ Change
Salary	\$ 33,057,459	\$ 35,898,172	\$ 35,711,000	\$ (187,172)
Wages	\$ 56,847,600	\$ 59,693,900	\$ 55,771,300	\$ (3,922,600)
FICA	\$ 6,250,888	\$ 6,587,553	\$ 6,272,500	\$ (315,053)
Retirement	\$ 13,221,153	\$ 14,126,075	\$ 18,113,800	\$ 3,987,725
Payroll Sub-Total	\$ 109,377,100	\$ 116,305,700	\$ 115,868,600	\$ (437,100)
Group Insurance	\$ 19,534,700	\$ 20,304,500	\$ 22,436,600	\$ 2,132,100
Other Outside Services	\$ 5,081,300	\$ 14,567,200	\$ 17,806,300	\$ 3,239,100
Equipment Maintenance	\$ 11,349,200	\$ 11,226,800	\$ 11,530,500	\$ 303,700
Equip Rental	\$ 3,590,700	\$ 3,280,400	\$ 4,422,500	\$ 1,142,100
Utilities	\$ 3,189,800	\$ 3,654,700	\$ 3,552,200	\$ (102,500)
Materials - Operations	\$ 2,427,200	\$ 3,725,300	\$ 3,082,200	\$ (643,100)
Bank Charges	\$ 2,448,100	\$ 3,059,000	\$ 3,636,400	\$ 577,400
Property Insurance	\$ 1,857,800	\$ 1,984,800	\$ 2,100,000	\$ 115,200
Replacement Parts	\$ 1,445,000	\$ 1,680,600	\$ 1,497,300	\$ (183,300)
Workman's Comp. Insurance	\$ 1,077,800	\$ 1,409,600	\$ 1,475,500	\$ 65,900
Fuel & Oil	\$ 1,334,500	\$ 1,464,600	\$ 1,450,500	\$ (14,100)
Telephone	\$ 750,700	\$ 962,200	\$ 970,400	\$ 8,200
Consulting	\$ 729,200	\$ 1,070,800	\$ 910,800	\$ (160,000)
Supplies - Operations	\$ 631,100	\$ 783,600	\$ 795,000	\$ 11,400
Uniforms	\$ 559,700	\$ 603,500	\$ 666,600	\$ 63,100
Armored Truck Service	\$ 236,000	\$ 290,300	\$ 236,000	\$ (54,300)
Contracted Outside Services	\$ 56,600	\$ 164,700	\$ 528,800	\$ 364,100
Postage	\$ 289,400	\$ 480,500	\$ 477,900	\$ (2,600)
Supplies - Office	\$ 324,200	\$ 382,200	\$ 390,000	\$ 7,800
Employee Training	\$ 191,000	\$ 364,200	\$ 385,000	\$ 20,800
Travel	\$ 111,100	\$ 146,800	\$ 137,700	\$ (9,100)
Dues, Books, & Memberships	\$ 96,400	\$ 132,700	\$ 113,000	\$ (19,700)
Tools	\$ 69,200	\$ 81,000	\$ 80,300	\$ (700)
Advertising	\$ 119,100	\$ 60,200	\$ 232,400	\$ 172,200
Bond Trustee	\$ 42,500	\$ 67,900	\$ 54,000	\$ (13,900)
Other Expenses	\$ 109,300	\$ 71,600	\$ 53,900	\$ (17,700)
Medical Expenses	\$ 32,100	\$ 37,400	\$ 48,800	\$ 11,400
Printing	\$ 10,800	\$ 103,600	\$ 22,500	\$ (81,100)
Surety Bonds	\$ 700	\$ 600	\$ 600	\$ -
Right of Way	\$ 6,700	\$ 15,000	\$ -	\$ (15,000)
Expense Recovery	\$ (1,217,300)	\$ (1,182,100)	\$ (1,224,700)	\$ (42,600)
Major Account Lines				
Sub Total	\$ 56,484,600	\$ 70,994,200	\$ 77,869,000	\$ 6,874,800
Total	\$ 165,861,700	\$ 187,299,900	\$ 193,737,600	\$ 6,437,700

Budget Summaries

Fiscal Year 2004 Budget by Department
Fiscal Year Ending December 31



**2004 Budget by Department
(Thousands)**

Department	2002 Actual	2003 Budget	2004 Budget	\$ Change
Administration	\$3,404	\$4,299	\$4,662	\$363
Communication	704	582	903	320
Engineering	38,651	43,156	41,617	(1,539)
Executive	761	727	823	96
Finance	25,168	26,861	27,778	916
Information Technology	5,895	7,751	7,399	(352)
Inspector General	769	809	715	(94)
Legal	1,927	2,272	1,892	(379)
Operational Services	72,351	74,058	79,162	5,104
Planning	750	1,094	1,552	458
State Police	13,889	14,766	16,181	1,416
VES	1,593	10,925	11,054	129
Total	\$165,861	\$187,300	\$193,738	\$6,438

Headcount

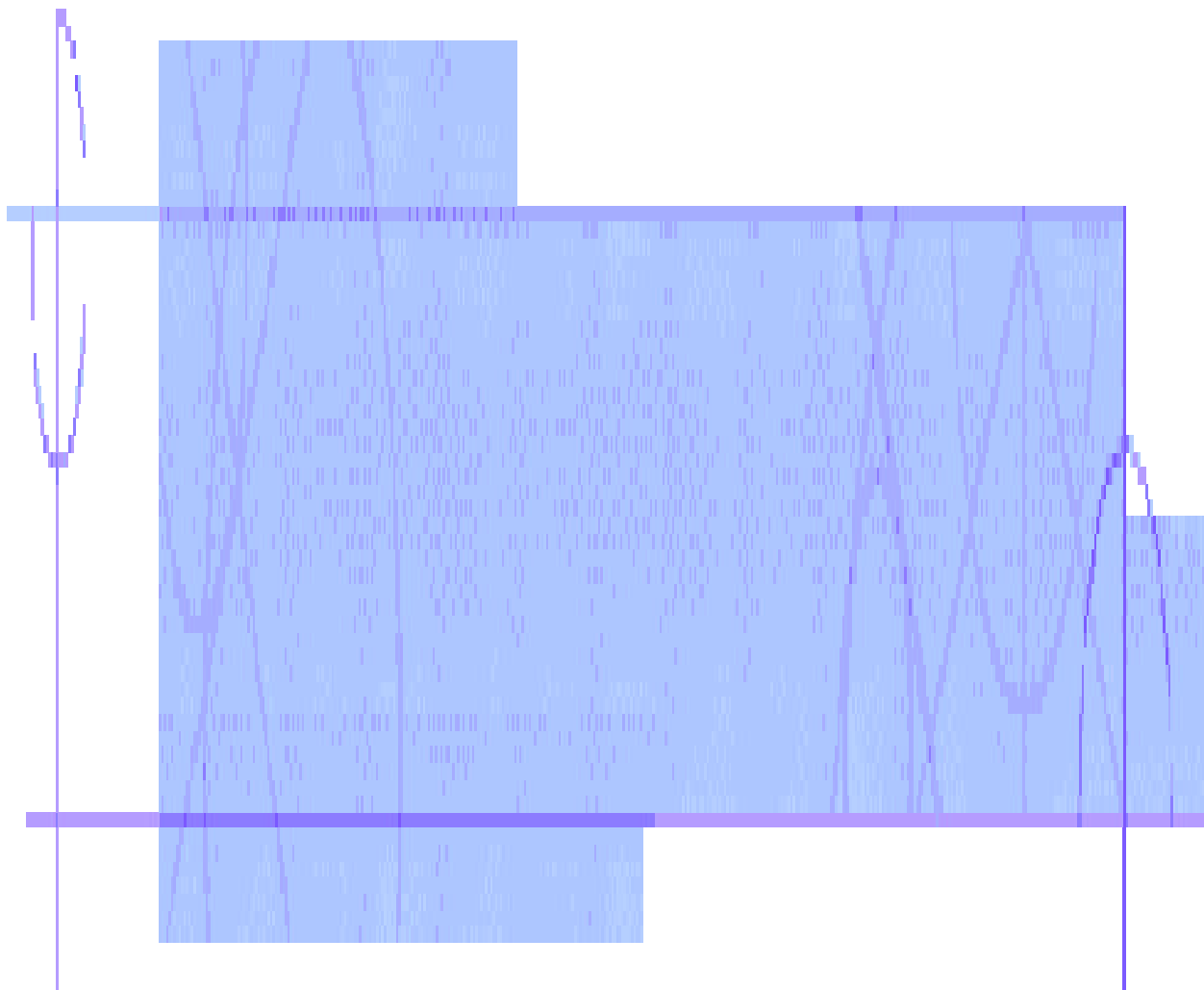
Headcount Summary Authorized Full Time Positions

Department	2002 Budget	2003 Budget	2004 Budget	Change From 2003 Budget
Administration	62.0	62.0	66.0	4.0
Communications	6.0	5.0	7.0	2.0
Directors	10.0	10.0	10.0	-
Engineering	530.0	531.5	512.5	(19.0)
Executive	4.0	4.0	4.0	-
Finance	48.5	45.5	50.0	4.5
Information Technology	70.0	71.0	71.0	-
Inspector General & Toll Audit	9.0	9.0	10.0	1.0
Legal	22.0	22.0	22.0	-
Operational Services	1,126.5	1,052.5	1,010.0	(42.5)
Planning	12.0	11.0	13.0	2.0
State Police	16.0	17.0	17.0	-
VES	10.0	10.0	10.0	-
Total Headcount	1,926.0	1,850.5	1,802.5	(48.0)

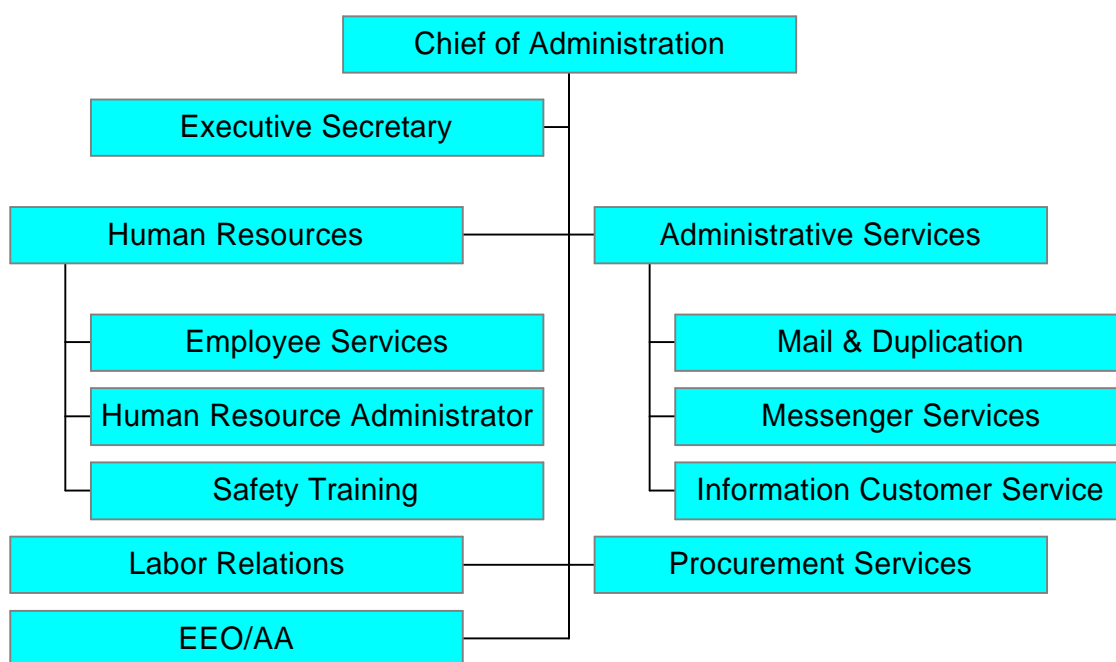
2004 Departmental Budgets and Narratives

by Department/Function

I S T H A



Administration



Departmental Budget and Narratives

Administration

Description:

The Administration Department insures that administrative policies and procedures are developed, implemented and followed by all Tollway employees to make certain that the Tollway's operational needs are met. The Department serves as the Authority's key contact for employee relations and employment issues and insures intradepartmental and intraorganizational issues are addressed so the Tollway functions efficiently and effectively.

Administration manages the following functions:

- Labor Relations/Collective Bargaining Agreements/Labor Negotiations
- EEO/AA/ADA
- Employee Services
 - Employee Benefits
 - Central Information Services
 - Safety & Training
- Human Resources
 - Personnel
 - FMLA
- Administration Support
- Administrative Services
 - Switchboard & Reception
 - Mail Services
 - Messenger Services
- Procurement/Purchasing

Accomplishments:

- Implemented background checks for all new and current employees
- Implemented new standardized policy and procedures for employees in safety sensitive or cash handling positions
- Trained all Tollway personnel in customer service, modeling the program after the Disney Institute
- Executed the Tollway reorganization

Objectives:

- Create, manage and implement effective and efficient office processes, policies and procedures
- Manage and control all procurement contracts for materials, supplies, and construction projects
- Accept responsibility for the transport and delivery of all mail, materials, and supplies to each Tollway location
- Recruit and retain skilled workers
- Ensure that all employees participate in ethics training and maintain the highest level of ethical standards.
- Implement a new automated time and attendance system

Departmental Budget and Narratives

Administration (cont'd)

- Implement a new CIS system

Strategic Plan:

- Increase number of Tollway customers responding "satisfied" to surveys about their overall customer service experience
- Improve efficiencies and reduce number of staff required to perform administrative functions
- Determine the percentage of frontline employees to total employee
- Operate efficiently

Reorganization Highlights:

- Assume all procurement from Operations Services and Engineering
- Assume responsibility for messenger service from Operational Services
- Responsibilities for payroll and Workman's Compensation moved to Finance

Major Account Line Items:

ADMINISTRATION				
Major Account	2002 Actual	2003 Budget	2004 Budget	\$ Change
Salary & Wages	\$2,238,600	\$2,728,600	\$2,981,100	\$252,500
Benefits	490,800	595,800	737,000	141,200
Telephone	211,600	399,200	393,000	-6,200
Equipment Maintenance	148,600	125,700	149,900	24,200
Supplies - Office	98,500	119,600	122,100	2,500
Other Outside Services	43,300	110,600	60,800	-49,800
Employment Medical Expenses	31,100	37,000	48,800	11,800
Supplies - Operational	15,800	20,500	22,600	2,100
Employee Training	9,100	25,700	21,900	-3,800
Advertising & Promotion	11,800	10,800	21,300	10,500
Equipment Rentals	19,100	12,300	13,000	700
Postage And Express	10,000	12,300	12,300	0
Other Minor Accts	75,300	101,300	78,100	-23,200
Total	\$3,403,600	\$4,299,400	\$4,661,900	\$362,500

The Fiscal Year 2004 budget is \$4.7 million; an increase of \$363 thousand or 9.7 percent over the Fiscal Year 2003 budgeted amount.

Headcount:

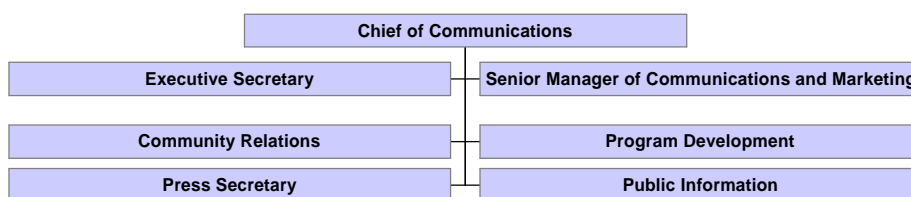
2002 Budgeted	2003 Budgeted	2004 Budgeted	2004 Total Payroll Request
62	62	66	\$3,718,100

Departmental Budget and Narratives

Administration (cont'd)

DEPARTMENT POSITION TITLES	MONTHLY SALARY RANGES	NUMBER OF POSITIONS			ESTIMATED EXPENDITURES			
		FISCAL YEARS			FISCAL YEARS			
		2002	2003	2004	2002	2003	2004	
Administration								
ADMINISTRATIVE SERVICES COORD.	2129 3549	1.0	1.0	1.0	27,840	29,280	29,280	
ADMINISTRATIVE SERVICES MANAGR	4290 7151	1.0	1.0	1.0	51,720	59,700	59,700	
BUYER	2562 4271	5.0	5.0	5.0	222,780	233,280	233,280	
CAMERA OPERATOR	1390 2318	1.0	0.0	1.0	26,280	-	17,400	
CENTRAL INFORMATION SUPERVISOR	2421 4035	0.0	0.0	1.0	-	-	35,000	
CHIEF OF ADMINISTRATION	7007 11763	1.0	1.0	1.0	105,000	110,280	110,280	
CIS SPECIALIST	2421 4035	1.0	1.0	1.0	30,577	31,800	31,800	
CLERK TYPIST	1390 2318	2.0	2.0	2.0	51,480	52,719	52,719	
COMPUTER OPERATOR	2421 4035	1.0	1.0	1.0	36,660	37,980	37,980	
CONSTRUCTION SERVICES MANAGER	4290 7151	1.0	1.0	1.0	68,520	72,480	72,480	
CONTRACT ADMINISTRATOR	1752 2921	2.0	2.0	2.0	50,040	52,620	52,620	
COST ANALYST	1752 2921	1.0	1.0	1.0	21,840	22,740	22,740	
DRIVER MESSENGER	2704 3976	4.0	4.0	4.0	139,443	142,729	147,011	
EEO/AA OFFICER	3799 6332	1.0	1.0	1.0	55,260	57,480	57,480	
EEO/AA SPECIALIST	2562 4271	1.0	1.0	1.0	36,840	38,340	38,340	
EMPLOYEE BENEFITS ADMIN.	3280 5467	1.0	1.0	1.0	49,740	53,280	53,280	
EMPLOYEE BENEFITS SPECIALIST	2421 4035	1.0	2.0	2.0	31,380	73,620	73,620	
EMPLOYEE SERVICES COORDINATOR	2889 4816	1.0	1.0	1.0	45,120	48,300	48,300	
EMPLOYEE SERVICES MANAGER	5647 9412	1.0	1.0	1.0	68,040	72,840	72,840	
ENGINEERING ANALYST	2889 4816	1.0	1.0	1.0	42,420	45,000	45,000	
ENGINEERING PROJECT ANALYST	2889 4816	1.0	1.0	1.0	36,300	37,800	37,800	
EXECUTIVE SECRETARY	2562 4271	0.0	0.0	1.0	-	-	51,300	
H.R. CLERK	1390 2318	0.0	0.0	1.0	-	-	30,000	
H.R. PLACEMENT SPECIALIST	2889 4816	2.0	2.0	2.0	121,260	85,560	85,560	
HUMAN RESOURCES ADMINISTRATOR	3799 6332	0.0	1.0	1.0	-	66,540	66,540	
HUMAN RESOURCES REPRESENTATIVE	2889 4816	1.0	1.0	1.0	28,080	36,072	36,072	
INFORMATION CUSTOMER SVC REP	2129 3549	1.0	1.0	0.0	46,980	46,980	-	
INFORMATION PROCESSOR OPERATOR	1752 2921	2.0	2.0	2.0	54,300	57,000	57,000	
LABOR RELATIONS SPECIALIST	3280 5467	1.0	1.0	1.0	60,600	63,660	63,660	
LEAD COST ANALYST	2129 3549	1.0	1.0	1.0	42,360	42,593	42,593	
MAIL & DUPLICATION CLERK	2129 3549	2.0	2.0	2.0	48,840	56,880	56,880	
MAIL & DUPLICATION SUPERVISOR	2562 4271	1.0	1.0	1.0	36,900	38,760	38,760	
MESSENGER SERVICES SUPERVISOR	2889 4816	1.0	1.0	1.0	48,060	51,480	51,480	
MULTIMEDIA PROJECTS SPECIALIST	2889 4816	1.0	1.0	1.0	57,240	57,792	57,792	
PURCHASING EXPEDITOR	2421 4035	1.0	1.0	1.0	40,680	42,960	42,960	
PURCHASING MANAGER	4290 7151	1.0	0.0	1.0	63,060	-	60,000	
PURCHASING SERVICES MANAGER	5647 9412	1.0	1.0	1.0	64,200	70,860	70,860	
PURCHASING SUPERVISOR	3280 5467	1.0	1.0	1.0	57,115	59,400	59,400	
RECEPTIONIST/SWITCHBOARD OPER	1390 2318	1.0	1.0	4.0	21,060	21,902	105,960	
SAFETY & TRAINING MANAGER	4991 8318	1.0	1.0	1.0	74,760	77,760	77,760	
SAFETY & TRAINING SUPERVISOR	3074 5123	2.0	2.0	1.0	106,320	110,573	55,286	
SAFETY COMPLIANCE SPECIALIST	2562 4271	1.0	1.0	1.0	44,940	46,740	46,740	
SECRETARY II	2129 3549	2.0	2.0	3.0	56,880	59,155	102,600	
SECRETARY III	2421 4035	4.0	4.0	2.0	135,180	141,540	141,540	
SENIOR SAFETY TRNG. COUNSELOR	2562 4271	4.0	4.0	4.0	149,676	157,512	157,512	
WRK COMPENSATION/SFTY TRNG MGR	4991 8318	1.0	1.0	0.0	79,800	82,992	-	
Subtotal:		62.0	62.0	66.0				

Communications



Departmental Budget and Narratives

Communications and Marketing

Description:

The Communications Department is responsible for all external and internal communications between the Tollway and its constituents who include customers, news media, elected and appointed officials, the general public and employees. The goal is to effectively communicate with all constituencies to improve customer service and restore public confidence in the Tollway.

The Communications Department handled the following responsibilities in 2003:

- Media Relations
- I-PASS Marketing Support
- Customer Communications Support
- Employee Newsletter
- Generation of Non-Toll Revenue through Public/Private Partnerships
- Community Relations Support
- Speechwriting
- Marketing Communications

Accomplishments:

- Increased and proactive media relations
 - Issued a total of 113 press releases and construction alerts in 2003, a 71 percent increase over the 66 issued in 2002
 - Proactively pitched various media outlets to publicize I-PASS sales and reform initiatives
 - Responded to all media inquiries in a timely and open manner
 - Staged press conferences to garner media coverage on Oasis Redevelopment Project, I-PASS Expansion Project and I-PASS sales at Jewel Osco
- Enhanced community outreach
 - 4 unprecedented public meetings on proposed 2004 budget
 - I-PASS Mobile Unit “blitzes” at Toll Plazas with new I-PASS Only lanes
 - I-PASS Mobile Unit staffed 14 community festivals/fairs on 35 days in summer and fall and expanded outreach to large employers/employment centers in area.
- Improved customer communications – helped to design the program/message and/or to publicize the following initiatives:
 - Launch of first-ever online survey soliciting customer feedback on service at toll plazas
 - Construction Communications Initiative, which increased number of temporary signs along the road to share more information on construction projects such as reason for construction, completion date, work times etc.
 - Use of Dynamic Message Signs to provide accurate travel times and safety information
 - Event to celebrate 1 million I-PASS transponders sold
 - Customer Appreciation event at Lake Forest Mobil to announce opening of four new Mobil fuel stations at the Tollway Oases
 - Continued provision of maps and brochures about construction projects at tollbooths
 - Provided toll collectors with “frequently-asked directions” cards to provide to customer

Departmental Budget and Narratives

Communications & Marketing (cont'd)

- Wrote remarks for Executive Director Jack Hartman's 18 speaking engagements in 2003
- Improved employee newsletter
- Enhanced web site
- Enhanced I-PASS marketing and distribution

Objectives:

Help restore public confidence in the Tollway through the following:

- Increase positive media coverage
- Increase I-PASS sales
- Improve marketing communications such as posters, web site, brochures, newsletters, etc.
- Improve customer communications
- Generate non-toll revenue
 - Exploring advertising or marketing opportunities that could generate significant funding/ sponsorship to underwrite the cost of enhanced customer communications/services and/or operations costs.
- Increase community outreach and input

Reorganization Highlights:

Two (2) new positions have been added to achieve the Department's initiatives for continued improvements in marketing I-PASS and communicating with the public.

Strategic Plan:

- Increase I-PASS usage rate through even more aggressive I-PASS marketing
- Increase customer satisfaction rate through improved customer communications
- Increase non-toll revenue (i.e. concessions at oases) through publicity and marketing of new oases facilities
- Deter toll evasion through public awareness

Departmental Budget and Narratives

Communications & Marketing (cont'd)

Major Account Line Items:

COMMUNICATIONS AND MARKETING				
Major Account	2002 Actual	2003 Budget	2004 Budget	\$ Change
Salary & Wages	\$483,400	\$367,300	\$478,300	\$111,000
Benefits	105,700	80,100	117,000	36,900
Advertising & Promotion	61,700	30,000	200,000	170,000
Other Outside Services	5,300	7,500	80,000	72,500
Travel	5,000	8,500	8,500	0
Other Minor Accts	42,900	88,900	18,900	-70,000
Total	\$704,000	\$582,300	\$902,700	\$320,400

The Fiscal Year 2004 budget is \$902.7 thousand; an increase of \$320 thousand or 55.0 per-cent over the Fiscal Year 2003 budgeted amount.

Headcount:

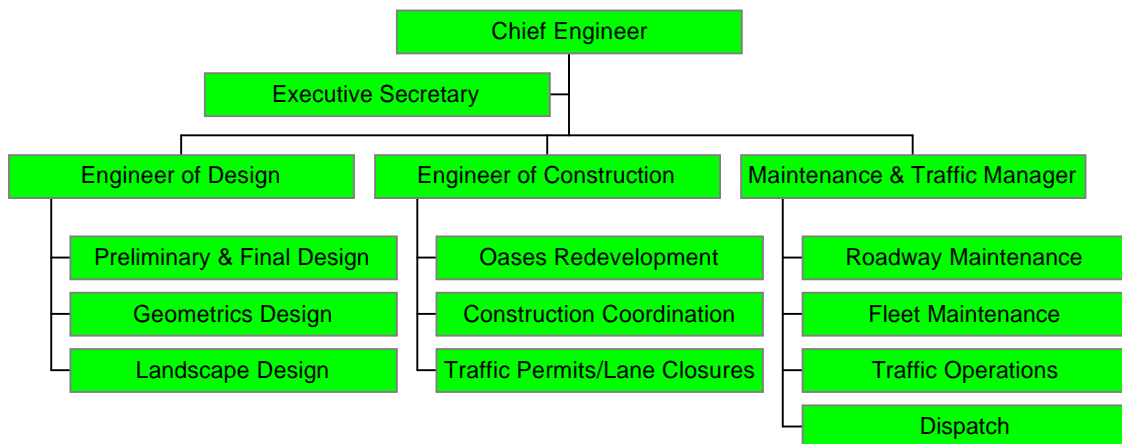
2002 Budgeted	2003 Budgeted	2004 Budgeted	2004 Total Payroll Request
6	5	7	\$595,300

Departmental Budget and Narratives

Communications & Marketing (cont'd)

DEPARTMENT POSITION TITLES	MONTHLY SALARY RANGES		NUMBER OF POSITIONS			ESTIMATED EXPENDITURES		
			FISCAL YEARS			FISCAL YEARS		
			2002	2003	2004	2002	2003	2004
Communications								
ASSISTANT PRESS SECRETARY	2562	4271	1.0	1.0	1.0	45,000	47,280	47,280
CHIEF OF COMMUNICATIONS	7007	11763	1.0	1.0	1.0	97,154	101,040	101,040
COMMUNITY RELATIONS COORDINATO	3280	5467	1.0	1.0	1.0	52,904	55,020	55,020
EXECUTIVE OF PROGRAM DEVELOPME	6552	10919	1.0	0.0	0.0	95,400	-	-
SR MGR OF COMMUNICATIONS & MARKETING	6552	10919	0.0	0.0	1.0	-	-	84,000
EXECUTIVE SECRETARY	2562	4271	1.0	1.0	1.0	32,280	33,660	33,660
PRESS SECRETARY	4290	7151	1.0	1.0	1.0	72,780	77,880	77,880
PROGRAM DEVELOPMENT MANAGER	3799	6332	0.0	0.0	1.0	-	-	70,020
Subtotal:			6.0	5.0	7.0			

Engineering



Departmental Budget and Narratives

Engineering

Description:

Engineering is responsible for the design, construction, operation and maintenance of our roadway. Annual inspections are made of the pavement, bridges and drainage systems. Short and long-term project plans are refined based upon the inspections and transportation needs to ensure a safe and reliable transportation system. Guiding this effort is the Tollway's Renewal Replacement and Improvement (RR&I) Program, which prioritizes projects that maintain, repair or improve the existing infrastructure. Such projects are less extensive than capital reconstruction projects.

The Engineering Department oversees four major functions:

- Design – project plans and specifications are prepared for various for construction and maintenance activities according to capital improvement program schedule
- Construction – implements the construction phase of projects by ensuring quality construction and keeping them on schedule and within budget
- Maintenance / Traffic – maintains the roadway system by keeping them clean, well lit and safe in any kind of weather; manages incidents and informs motorists of traffic and travel concerns
 - Roadway Maintenance
 - Routine & Emergency Maintenance
 - Incident Response
 - Service Patrols (H.E.L.P.)
 - Fleet Maintenance
 - Truck & Vehicle Repair
 - Towing and Recovery Agreements
 - Traffic Operations
 - Sign Shop
 - Traffic and Incident Management System
 - Roadway Lighting
 - *999 Cellular Road
 - Dispatch
 - Computer Aided Dispatch of State Police and Maintenance
 - Call Takers to receive customer reports

Accomplishments:

- **I-PASS Expansion**
 - Completed planning, design, and construction work for the conversion of 35 manual and automatic lanes to I-PASS only lanes, as part of Governor Blagojevich's I-PASS Expansion Project
 - It is now possible for I-PASS customers to travel the entire mainline tollway without stopping.
 - Converted 26 unattended lanes at ramp plazas to I-PASS Only lanes
 - Launched Enhanced Plaza Guidance Initiative to help guide motorists in and out of newly configured plazas with I-PASS Only lanes
 - Initiated a test installation of speed radar signs to encourage compliance with speed limits in I-PASS Only lanes

Departmental Budget and Narratives

Engineering (cont'd)

- **Oases Redevelopment Project Management**
 - Oversaw completion of 4 Mobil Fuel stations at the Belvedere, Des Plaines, Lake Forest and O'Hare Oases
 - Oversaw demolition and initial reconstruction of O'Hare and Belvedere Oasis buildings
- **Traffic and Incident Management System (TIMS)**
 - Integrated the CAD System and the Tollway's new Traffic and Incident Management System (TIMS)
 - Initiated projects to install 26 additional Dynamic Message Signs (for a total of 34) aimed at sharing travel information and reducing delays caused by weather or traffic related incidents
 - Initiated projects to install 27 additional surveillance cameras and relocating 42 existing cameras for improved traffic surveillance
 - Completed installation of 105 remote traffic-monitoring sensors through a public-private partnership funded by the Federal government
 - Initiated portable changeable message signs project to improve on-scene incident management and communications to motorists.
- **Emergency Services**
 - Maintained over 100 formal agreements 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
 - Funded *999 Cellular Phone Motorist Call Program in the Chicago Metropolitan area
 - Operated the Highway Emergency Lane Patrol (H.E.L.P.) Program as an increased service to motorists and to further enhance safety and facilitate traffic flow

Objectives:

- Assist in the development of the Tollway's Capital Improvement Plan
- Continue enhancements to the TIMS project
- Replacement and enhancement of signage throughout the system
- Improved incident management through increased coordination of State Police, local fire departments, tow and maintenance responders
- Continue expansion of the I-PASS Only lanes as outlined in the construction contracts
- Continue oversight of Oasis Redevelopment Program
- Work with the new Planning Department to develop annual RR&I package
- Continue to find ways to streamline processes and consolidate functions

Reorganization Highlights:

- Property Management combined with Permits/Utilities to join the Legal Department.
- Programming and Planning transferred to new Planning Department
- The Construction Services Manager, Engineering Project Analyst, and Engineering Analyst moved to Operational Service's Procurement
- The Programmer Analyst and Fiscal Coordinator moved to the Finance Department

Strategic Plan:

- Reduce congestion through the construction of additional I-PASS Only lanes

Departmental Budget and Narratives

Engineering (cont'd)

- Increase efficiencies in order to reduce total project costs of construction
- Reduce time required to respond/clear traffic incidents from roadway
- Increase number of customers responding as "satisfied" to surveys regarding assistance from employees on roadway patrols
- Increase the Authority's ability to decrease travel time
- Aid in the successful completion of the Oases Redevelopment
- Operate efficiently
- Shift users from manual toll collection to electronic payment

Major Account Line Items:

ENGINEERING				
Major Account	2002 Actual	2003 Budget	2004 Budget	\$ Change
Salary & Wages	\$24,849,800	\$27,191,000	\$25,388,400	-\$1,802,600
Benefits	5,653,600	6,215,800	6,997,800	782,000
Utilities	3,111,200	3,568,500	3,456,000	-112,500
Materials - Operational	2,252,300	2,979,400	2,862,300	-117,100
Fuels And Oils	1,333,200	1,454,900	1,445,900	-9,000
Replacement Parts	1,207,300	1,289,300	1,173,700	-115,600
Other Outside Services	467,300	542,000	525,600	-16,400
Supplies - Operational	218,400	225,100	195,900	-29,200
Equipment Rentals	31,000	20,300	132,100	111,800
Uniforms & Accessories	137,800	109,200	108,800	-400
Employee Training	1,400	15,900	40,900	25,000
Tools & Equipment	47,500	37,600	39,600	2,000
Supplies - Office	27,100	31,400	33,000	1,600
Contracted Outside Service	19,800	42,000	30,000	-12,000
Travel	3,500	8,300	20,700	12,400
Equipment Maintenance	10,000	12,900	20,000	7,100
Postage And Express	2,900	5,800	5,800	0
Other Minor Accts	-722,800	-593,700	-859,700	-266,000
Total	\$38,651,300	\$43,155,700	\$41,616,800	-\$1,538,900

The Fiscal Year 2004 budget is \$41.6 million; a decrease of \$1.5 million or (3.6) percent under the Fiscal Year 2003 budgeted amount.

Headcount:

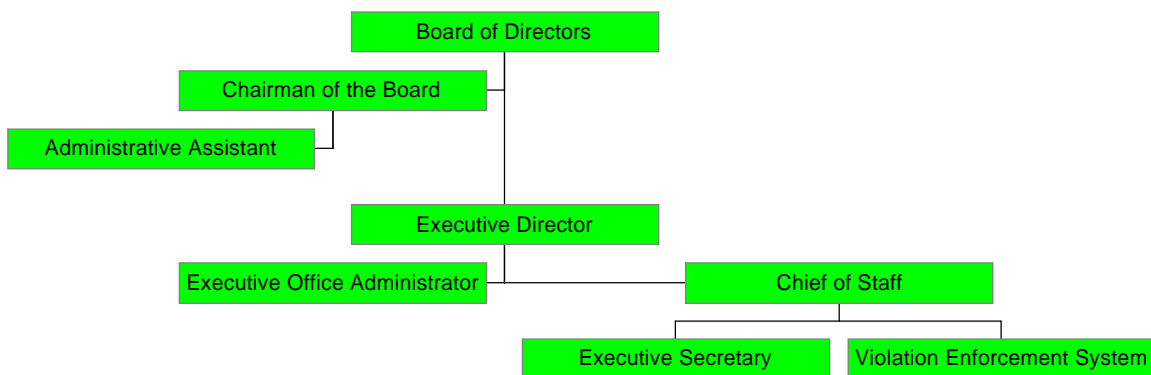
2002 Budgeted	2003 Budgeted	2004 Budgeted	2004 Total Payroll Request
530	531.5	512.5	\$32,386,200

Departmental Budget and Narratives

Engineering (cont'd)

DEPARTMENT POSITION TITLES	MONTHLY SALARY RANGES		NUMBER OF POSITIONS			ESTIMATED EXPENDITURES		
			FISCAL YEARS			FISCAL YEARS		
			2002	2003	2004	2002	2003	2004
Engineering								
ASSISTANT FOREMAN	2889	4816	11.0	11.0	11.0	400,860	415,320	415,320
AUTO MECHANIC	3071	4132	33.5	36.0	44.0	1,683,177	1,863,050	2,345,374
AUTOMOTIVE ATTENDANT	2452	2816	3.0	3.0	2.0	100,568	100,984	69,342
AUTOMOTIVE BODY TECHNICIAN	3071	4132	2.0	1.0	1.0	95,478	49,171	49,171
BUILDING INSPECTOR	1752	2921	1.0	1.0	1.0	35,058	35,058	35,058
CENTRAL SHOP AREA SUPERVISOR	3799	6332	1.0	1.0	1.0	55,000	57,000	57,000
CENTRAL SHOP ASST. FOREMAN	3074	5123	2.0	2.0	2.0	102,720	106,320	106,320
CHIEF ENGINEER	7007	11763	1.0	1.0	1.0	111,960	116,438	116,438
CIVILIAN CALL TAKER	2129	3549	4.0	6.0	6.0	169,800	160,659	165,479
COMMUNICATIONS SUPERVISOR	3074	5123	3.0	3.0	4.0	165,480	172,440	222,440
COST ACCOUNTANT III	2129	3549	1.0	1.0	0.0	29,280	30,451	-
DISPATCH MANAGER	4290	7151	1.0	1.0	1.0	66,780	70,500	70,500
DRAINAGE CREW FOREMAN	3280	5467	1.0	1.0	1.0	52,260	54,360	54,360
ENGINEER OF CONSTRUCTION	6552	10919	1.0	1.0	1.0	90,780	94,440	94,440
ENGINEER OF DESIGN	6552	10919	1.0	1.0	1.0	170,640	90,480	90,480
EQUIPMENT OPERATOR LABORER	2652	3924	318.0	318.0	294.0	12,685,191	13,192,599	12,562,839
EXECUTIVE SECRETARY	2562	4271	1.0	1.0	1.0	47,400	50,760	50,760
FLEET MAINTENANCE SUPERVISOR	3280	5467	2.0	2.0	2.0	127,500	131,210	131,210
FLEET MANAGER	4991	8318	1.0	1.0	1.0	81,360	84,660	84,660
FLEET SYSTEMS ADMINISTRATOR	3280	5467	1.0	1.0	1.0	65,400	65,605	65,605
FLEET SYSTEMS ANALYST	2129	3549	1.0	1.0	1.0	42,360	42,593	42,593
FOREMAN CENTRAL SHOP-NIGHTS	3280	5467	1.0	1.0	1.0	56,940	59,218	59,218
GEOMETRICS ENGINEER	4991	8318	1.0	1.0	1.0	82,920	86,280	86,280
GEOMETRICS TECHNICIAN	3074	5123	1.0	1.0	1.0	42,420	44,340	44,340
INVENTORY CTRL/BODYSHOP FOREMN	3280	5467	1.0	1.0	0.0	63,420	65,957	-
LANDSCAPE SPECIALIST	3280	5467	1.0	1.0	0.0	45,720	47,549	-
LEAD MECHANIC	3244	4305	11.0	11.0	11.0	558,771	560,851	577,676
MAINT. SYSTEMS SUPPORT CLERK	1752	2921	1.0	1.0	1.0	30,060	31,140	31,140
MAINTENANCE & TRAFFIC MANAGER	6552	10919	1.0	1.0	1.0	109,320	114,000	114,000
MAINTENANCE SYSTEMS ANALYST	2889	4816	1.0	1.0	1.0	42,840	44,554	30,000
MATERIALS ENGINEER	4290	7151	1.0	1.0	1.0	70,320	73,500	73,500
OASIS PROJECT MANAGER	4991	8318	0.0	1.0	1.0	70,212	73,020	73,020
PARTS CLERK	2575	3336	11.0	11.0	11.0	409,404	425,780	438,554
PART-TIME HELICOPTER MECHANIC	6562	6562	0.5	0.5	0.0	75,712	78,749	-
PROJECT ENGINEER	4290	7151	2.0	1.0	2.0	143,520	70,500	141,000
PROJECT TECHNICIAN	4290	7151	1.0	1.0	1.0	56,280	58,860	58,860
REGULATED UTILIT/ADMIN ANALYST	2421	4035	1.0	0.0	0.0	29,633	-	-
ROADWAY ELECTRIC FOREMAN	3280	5467	1.0	1.0	1.0	52,229	56,880	56,880
ROADWAY LIGHTING	2652	3924	12.0	12.0	10.0	393,452	440,315	453,524
ROADWAY MAINTENANCE FOREMAN	3280	5467	13.0	13.0	11.0	669,840	644,760	644,760
ROADWAY MAINTENANCE MANAGER	5647	9412	1.0	1.0	1.0	86,820	90,300	90,300
ROADWAY MAINTENANCE SUPERVISOR	4290	7151	2.0	2.0	2.0	141,600	147,360	147,360
SECRETARY II	2129	3549	4.0	3.0	3.0	156,660	101,100	101,100
SECRETARY III	2421	4035	3.0	3.0	3.0	117,360	122,940	122,940
SECTION CLERK	2575	3336	11.0	11.0	11.0	402,930	415,018	427,468
SENIOR BUILDING INSPECTOR	2421	4035	1.0	1.0	1.0	39,180	41,580	41,580
SENIOR LANDSCAPE ARCHITECT	4290	7151	1.0	1.0	1.0	65,280	67,920	67,920
SENIOR PROJECT ENGINEER	4991	8318	8.0	7.0	8.0	533,820	555,173	555,173
SIGN MAKER HANGER	2652	3924	16.0	16.0	14.0	667,216	693,905	625,382
SIGN SHOP FOREMAN	3280	5467	1.0	1.0	1.0	57,240	59,580	59,580
SR. PROFESSIONAL LAND SURVEYOR	4290	7151	1.0	1.0	1.0	70,500	73,320	73,320
TELECOMMUNICATOR	2965	3958	15.0	16.0	21.5	621,649	663,092	891,030
TOWING & ENVIR SVCS SPECIALIST	3074	5123	1.0	1.0	0.0	60,180	62,587	-
TRAFFIC OPERATIONS CTR. SUPVR.	3799	6332	1.0	1.0	1.0	62,040	62,100	62,100
TRAFFIC OPERATIONS MANAGER	4290	7151	1.0	1.0	1.0	71,820	75,780	75,780
TRAFFIC OPERATIONS TECHNICIAN	2421	4035	2.0	2.0	2.0	72,480	78,600	78,600
TRAFFIC PERMIT TECHNICIAN	2129	3549	1.0	1.0	1.0	32,580	34,080	34,080
WELDER	2652	3924	8.0	8.0	8.0	358,716	364,624	375,562
Subtotal:			530.0	531.5	512.5			

Executive Office



Departmental Budget and Narratives

Executive

Description:

The Executive Office is comprised of the Chairman, eight Board Members (currently one vacant Board Member position), and one Administrative Assistant to the Chairman. Four new Board Members appointed by the Governor have agreed to serve without compensation. In addition, the Executive Office includes the Executive Director, Chief of Staff, and an Administrative Assistant for each.

This office provides the management expertise to conceptually identify and then set policies for the organization. The Executive Office also develops and implements a strategic plan that allows for the efficient and effective use of all available resources to accomplish the Tollway's mission.

Executive Office manages the following functions:

- Chief of Staff
- Violation Enforcement System

Accomplishments:

Since joining the Tollway in February 2003, the Executive Director and his Office have:

- Recruited a new management team and reorganized existing staff to implement a new way of doing business at the agency
- Progressed Governor's mandate for reform
- Implemented recommendations in the Management Audit
- Addressed concerns in areas of cash handling, personnel and planning
- Implemented routine Tollway employee surveys seeking their suggestions on how to reorganize the agency, increase efficiency and improve customer service
- Streamlined internal processes and increased transparency to the public as part of overall efforts to run the Tollway more like a business
- Participated in various forums to increase the diversity of vendors doing business with the Tollway
- Implemented more aggressive Violation Enforcement System to reduce the amount of uncollected tolls on behalf of 97 percent of toll customers who pay their fair share
- Launched Disney Institute Customer Service training for all employees to renew Tollway focus on how to better service our customers
- Required all Managers to work a shift as a toll collector to experience front-line customer service operations, and solicit ideas for improvement
- I-PASS
 - Expanded the use of I-PASS electronic toll collection to improve customer service by reducing congestion and trip times
 - In August 2003, the Governor announced addition of 37 I-PASS Only lanes in 22 locations. 35 lanes were completed
 - Sold over 50,000 transponders in first month of I-PASS retail sales at 200 Jewel-Osco stores
 - Launched online sale of I-PASS at www.getipass.com
 - Launched I-PASS sales at 7 selected Toll Plazas

Departmental Budget and Narratives

Executive Office (cont'd)

Objectives:

- Continue the journey on the Road to Reform
- Implement new initiatives to further advance higher levels of accountability, business efficiencies, and customer service
- Explore ways to continually improve cash handling policies and procedures
- Continue to increase operating efficiencies and reduce the number of staff positions, payroll costs and overtime. These cost savings will offset increases and insurance costs that are affecting all employers.
- Evaluate capital and financial plans to determine Illinois Tollway's future needs

Reorganization / Highlights:

Two (2) additional positions, the Chief of Staff and an Administrative Assistant, have been added to support the Executive Office. The Chief of Staff will be responsible for tracking projects and issues internally and externally that impact the Authority directly, and enhancing intergovernmental affairs outreach.

Strategic Plan:

After completing our evaluation of the Tollway's capital and financial needs in Spring 2004, the Office will work with the Governor, legislators, and the public to share information, gather input, and together build a new Capital Plan to bring the Illinois Tollway into the 21st century.

Major Account Line Items:

Executive Offices				
Major Account	2002 Actual	2003 Budget	2004 Budget	\$ Change
Salary & Wages	\$491,800	\$511,000	\$566,700	\$55,700
Benefits	121,600	111,700	138,100	26,400
Other Outside Services	67,100	66,200	75,000	8,800
Dues, Books & Subscrip.	17,100	17,700	17,700	0
Travel	7,200	6,800	10,900	4,100
Other Expenses	13,300	7,000	7,000	0
Other Minor Accts.	42,600	6,500	7,300	800
Total	\$760,700	\$726,900	\$822,700	\$95,800

The Fiscal Year 2004 budget is \$822.7 thousand; an increase of \$95.8 thousand or 13.2 percent over the Fiscal Year 2003 budgeted amount.

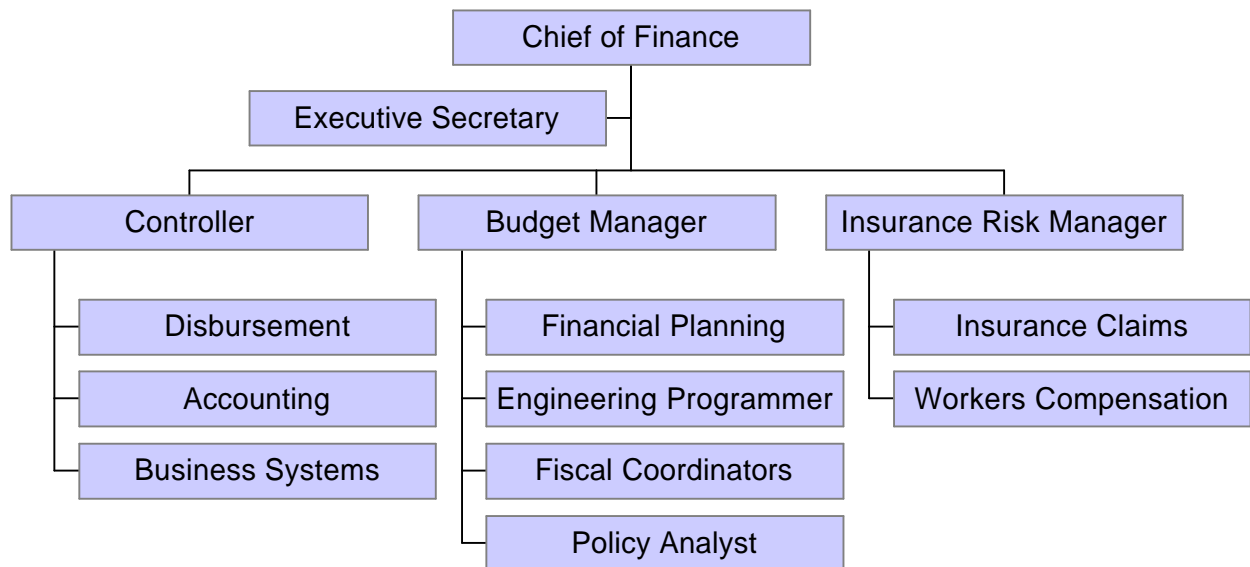
2002 Budgeted	2003 Budgeted	2004 Budgeted	2004 Total Payroll Request
14	14	14	\$704,800

Departmental Budget and Narratives

Executive Office (cont'd)

DEPARTMENT POSITION TITLES	MONTHLY SALARY RANGES		NUMBER OF POSITIONS			ESTIMATED EXPENDITURES		
			FISCAL YEARS			FISCAL YEARS		
			2002	2003	2004	2002	2003	2004
Directors								
CHAIRMAN	0	0	1.0	1.0	1.0	66,227	-	-
DIRECTOR	4805	4807	8.0	8.0	8.0	403,778	230,733	230,733
SEC TO AUTH/ADMIN ASST CHAIRMN	3280	5467	1.0	1.0	1.0	61,481	65,605	65,605
Subtotal:			10.0	10.0	10.0			
Executive								
CHIEF OF STAFF	7007	11763	1.0	1.0	1.0	110,596	115,020	115,020
EXECUTIVE DIRECTOR	8178	13630	1.0	1.0	1.0	122,520	122,520	122,520
EXECUTIVE OFFICE ADMINISTRATOR	3799	6332	1.0	1.0	1.0	65,423	68,040	68,040
EXECUTIVE SECRETARY	2562	4271	1.0	1.0	1.0	49,327	51,300	51,300
VES CUSTOMER SERVICE REP	2129	3549	8.0	8.0	9.0	102,000	275,993	341,213
EXECUTIVE VIOLATION ENFORCEMENT SYS	6552	10919	0.0	1.0	1.0	-	90,000	90,000
VIOLATION ADMIN CENTER MANAGER	4290	7151	1.0	1.0	0.0	62,520	65,021	-
VIOLATION ADMIN CENTER SUPVR	3280	5467	1.0	0.0	0.0	51,060	-	-
Subtotal:			14.0	14.0	14.0			

Finance



Departmental Budget and Narratives

Finance

Description:

The Finance Department is responsible for all general accounting, treasury functions, budgeting, financial reporting, accounts payable, major contract review/management, payroll and risk management. In addition, Finance manages all cash and investment analysis.

Finance is comprised of the following six units:

- General Accounting
- Budget
- Accounts Payable
- Payroll
- Business Systems Integration
- Risk Management

The budget includes \$10 million for a new Enterprise Resource Planning (ERP) system in the 2004 capital budget. ERP systems improve the internal operations of government in areas such as accounting, budgeting, human resources, payroll and purchasing. The ERP project will take place in six stages over two years: project planning; request for proposal; vendor evaluation; implementation planning and readiness assessment; contract negotiations; and quality assurance. The total estimated project cost is \$20 million.

Accomplishments:

- General Accounting has assumed the added responsibility of managing and controlling the collection of violation revenues resulting from the implementation of the new Violation Enforcement System (VES).
- New Business Systems Integration unit was created to better manage and control major contracts.
- Restructured budget function from a decentralized system where each major department had a fiscal coordinator position, to a centralized system with all the fiscal coordinators reporting to the Budget Office.
- The Budget Office, in conjunction with the Information Technology Department created and implemented a new 2004 electronic Budget Submission System.
- Budget Office assumed responsibility for tracking the capital program to improve efficiency and accuracy.
- Budget Office holds regularly quarterly meetings with all Departments to review budgets.
- Redeemed bonds early, saving the Tollway \$36 thousand dollars.
- Address and resolve State Auditor General findings regarding Tollway cash handling

Objectives:

- Reduce toll violations caused by scofflaws. 97 percent of our customers pay for the right to use the Tollway while 3 percent repeatedly avoid payment. The Tollway's Violation Enforcement System (VES) will eventually reduce that 3 percent through fine revenue collected by General Accounting.
- Provide support to VES through the Business Systems Integration unit.
- Support efforts toward congestion mitigation by overseeing the purchase and installation of I-PASS equipment.

Departmental Budget and Narratives

Finance (cont'd)

- The Budget Office supports the development of a Comprehensive Capital Plan and the Oasis Redevelopment Program.

Strategic Plan:

- Adopt comprehensive long range capital plan
- Measure the Authority's ability to create real savings for users through congestion mitigation
- Minimize revenue loss due to toll violations
- Shift users from manual toll collection to electronic payment
- Operate efficiently
- Assess percentage of frontline employees to total employees

Reorganization Highlights:

- Moved the payroll function from the Administration Department to the Finance Department
- Moved the fiscal coordinator and capital functions from major departments to the Finance Department (Budget)
- Moved two cost accountants from the Engineering Department to the Finance Department (Accounts Payable)
- Moved Workers Comp function from the Administration Department to the Finance Department (Risk Management)
- Moved a former Internal Auditor into the Finance Department (General Accounting)
- Moved a Roadway Service Specialist from the Engineering Department to the Finance Department (General Accounting)
- Moved the I-Pass/Pre-pay function from the Finance Department to the Operational Services Department
- Moved the Property Control function from the Finance Department to the Operational Services Department
- Moved the Violation Enforcement System function from the Finance Department to the newly created VES Division of the Executive Office

Departmental Budget and Narratives

Finance (cont'd)

Major Account Line Items:

FINANCE				
Major Account	2002 Actual	2003 Budget	2004 Budget	\$ Change
Salary & Wages	\$2,305,000	\$2,567,800	\$2,356,100	-\$211,700
Benefits	581,300	603,500	574,500	-29,000
Group Insurance	18,412,400	19,017,300	20,636,600	1,619,300
Property Insurance	1,818,700	1,936,300	2,100,000	163,700
Workman'S Comp. Insurance	1,077,800	1,409,600	1,475,500	65,900
Other Outside Services	969,600	830,000	730,000	-100,000
Consulting Services	103,500	120,000	60,000	-60,000
Bond Trustee	42,500	67,900	54,000	-13,900
Supplies - Office	4,300	3,400	14,700	11,300
Dues, Books & Subscrip.	6,700	5,300	5,200	-100
Other Minor Accts	-153,500	300,200	-229,100	-529,300
Total	\$25,168,300	\$26,861,300	\$27,777,500	\$916,200

Includes recovery of expenses which is a negative amount

The Fiscal Year 2004 budget request is \$27.8 million; an increase of \$916 thousand or 3.3 percent over the Fiscal Year 2003 budgeted amount.

Headcount:

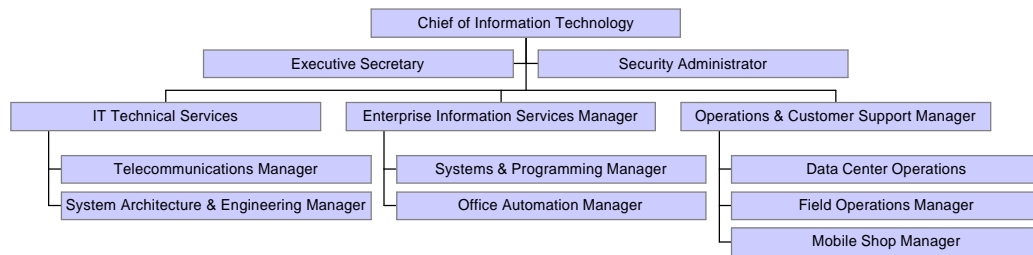
2002 Budgeted	2003 Budgeted	2004 Budgeted	2004 Total Payroll Request
48.5	45.5	50	\$2,930,600

Departmental Budget and Narratives

Finance (cont'd)

DEPARTMENT POSITION TITLES	MONTHLY SALARY RANGES		NUMBER OF POSITIONS			ESTIMATED EXPENDITURES		
			FISCAL YEARS			FISCAL YEARS		
			2002	2003	2004	2002	2003	2004
Finance								
ACCOUNTANT	3280	5467	1.0	1.0	1.0	44,160	46,080	46,080
ACCOUNTS PAYABLE CLERK	2129	3549	1.0	1.0	1.0	45,926	47,763	33,660
ACCOUNTS PAYABLE REPRESENTATIV	2129	3549	3.0	3.0	4.0	81,480	84,300	108,940
ASST SUPERVISOR ACCTS PAYABLE	2421	4035	1.0	1.0	1.0	33,360	35,400	35,400
BUDGET MANAGER	4991	8318	1.0	1.0	1.0	79,620	82,500	85,200
BUDGET/GENERAL ACCOUNTING CLK.	2421	4035	1.0	1.0	1.0	32,340	33,660	20,000
BUSINESS SYSTEMS PROJECT MGR	6552	10919	1.0	1.0	1.0	85,320	91,440	91,440
CASHIER	2129	3549	1.0	1.0	4.0	18,720	18,720	106,320
CASHIER/GENERAL ACCNT. ASST.	2129	3549	2.0	1.0	0.0	58,500	29,500	-
CHIEF ACCOUNTANT	4290	7151	1.0	1.0	1.0	69,420	53,580	53,580
CHIEF OF FINANCE	7007	11763	1.0	1.0	1.0	109,962	114,360	114,360
CLAIMS SPECIALIST	2562	4271	1.0	1.0	1.0	35,340	36,420	36,420
CONTROLLER	6552	10919	1.0	1.0	1.0	96,720	95,040	95,040
COST ACCOUNTANT III	2129	3549	2.0	2.0	2.0	71,820	74,700	74,700
DISBURSEMENT CONTROL SUPERVISOR	3799	6332	0.0	0.0	1.0	-	80,000	80,000
EMRGNCY SVCS COLLECTN ANALYST	2129	3549	2.0	1.0	1.0	27,600	28,800	28,800
ENGINEERING FISCAL COORDINATOR	2889	4816	1.0	1.0	1.0	43,800	45,780	45,780
ENGINEERING PROGRAMMER	3799	6332	1.0	1.0	1.0	48,360	57,000	57,000
EXECUTIVE SECRETARY	2562	4271	1.0	1.0	1.0	30,120	32,760	32,760
FINANCIAL PLANNING ANALYST	3799	6332	2.0	2.0	2.0	121,800	126,780	126,780
FINANCIAL SERVICES MANAGER	4991	8318	1.0	1.0	1.0	76,260	81,600	81,600
GENERAL ACCOUNTING CLERK	1752	2921	1.5	1.5	1.0	34,860	36,254	31,920
INSURANCE CLAIMS SUPERVISOR	3799	6332	1.0	1.0	1.0	65,220	68,160	68,160
INSURANCE CLERK	1752	2921	1.0	1.0	1.0	27,540	28,560	28,560
INSURANCE RISK MANAGER	4991	8318	1.0	1.0	1.0	88,800	93,240	93,240
IT FISCAL COORDINATOR	2889	4816	1.0	1.0	1.0	43,680	45,240	45,240
OPERATIONAL SVCS. FISCAL COORD	2889	4816	1.0	1.0	1.0	51,256	53,820	53,820
PAYROLL ANALYST	2889	4816	1.0	1.0	1.0	36,180	41,100	41,100
PAYROLL SPECIALIST	2421	4035	2.0	2.0	3.0	59,820	61,200	91,980
PAYROLL SUPERVISOR	3280	5467	2.0	1.0	1.0	100,200	50,100	50,100
POLICY ANALYST	3280	5467	1.0	1.0	1.0	62,280	64,500	64,500
PROJECT ACCOUNTANT	2421	4035	1.0	1.0	1.0	40,020	41,760	41,760
PROJECT ADMINISTRATOR	3280	5467	1.0	1.0	1.0	40,800	43,680	43,680
PROPERTY RECOVERY ANALYST	2562	4271	1.0	1.0	1.0	33,420	34,620	34,620
ROADWAY SERVICES SPECIALIST	1752	2921	1.0	1.0	1.0	22,860	24,120	24,120
SECRETARY II	2129	3549	1.0	1.0	1.0	25,560	26,340	26,340
SECRETARY III	2421	4035	1.0	1.0	1.0	31,080	33,300	33,300
SENIOR ACCOUNTANT	3280	5467	2.0	2.0	2.0	101,340	105,600	105,600
SUPVR. WORKERS COMP CLAIMS	2889	4816	1.0	1.0	1.0	44,700	50,220	50,220
TECHNICAL ASSISTANT	3280	5467	1.0	1.0	1.0	55,020	57,540	57,540
Subtotal:			48.5	45.5	50.0			

Information Technology



Departmental Budget and Narratives

Information Technology

Description:

The Information Technology Department is responsible for leading, managing, directing, planning and controlling all Information Technologies and Telecommunications, providing strategic guidance and User/Client services to the Tollway.

Information Technology oversees four different functions:

- IT Project Management Office
- Enterprise Information Services
- Data Communications
- Operations and Customer Support

Accomplishments:

- Assisted in expansion of the I-Pass Business Center and ITCS hardware
- Developed a technical plan for a pilot program to eventually expand the use of I-PASS at City of Chicago-owned parking garages and airports
- Maintained, installed, upgraded various systems and programs throughout the Tollway
- Implemented various programs such as E-Commerce, Computer Aided Dispatch System and ongoing LAN/WAN network upgrades
- Created a Disaster Recovery Site outfitted with necessary equipment to sustain Tollway functions
- Completed an advanced government-owned microwave and fiber optic voice, data, and video communications network
- Initiated an on-site computer-training center
- Negotiated three radio tower co-location agreements valued at \$2.6 million
- Implemented PDA e-mail communications system for executive management team
- Initiated web-based training

The following efforts assisted other departments in their IT needs:

Finance:

- Developed and implemented automated budget entry system
- Developed and implemented an automated Cashier Payment System
- Developed and implemented an automated Audit Findings and Compliance Tracking System
- Assisted in RFP development, proposal evaluation and vendor selection of Automated Time and Attendance System

Operations:

- Developed and implemented an automated Money Room Audit and Tracking System
- Developed and implemented web-based Customer Satisfaction Survey
- Coordinated installation of hardware, software, CCTV, alarms and telecommunications infrastructure for VES Hearing Rooms

Engineering:

- Installation of equipment under the Starcom 21 Two-Way Radio System replacement

Departmental Budget and Narratives

Information Technology (cont'd)

- Maintained TIMS system

Communications:

- Assisted in developing a program to make I-PASS available at Chicago area retailers

Objective:

- To be recognized as a world-class provider of best-suited information technology, services and support
- To help the Tollway achieve its financial goals and business objectives by focusing information technology efforts on increased revenue growth, improved productivity and customer and employee satisfaction

Strategic Plan:

- Increase Customer Satisfaction (E-Commerce, IVR)
- Improve Incident Response/Clearance (Two Way Radio, CAD, TIMS)
- Increase Non-Toll Revenue (Fiber, Radio Tower Co-locations)

Reorganization Highlights:

The IT Department initiated a Project Management Office that tracks and reports performance of all Information Technology projects. The Project Management Office will provide oversight to deliver projects on time and on budget by managing schedules, scope, and resources while watching the cost and quality.

Departmental Budget and Narratives

Information Technology (cont'd)

Major Account Line Items:

INFORMATION TECHNOLOGY				
Major Account	2002 Actual	2003 Budget	2004 Budget	\$ Change
Salary & Wages	\$3,767,600	\$3,997,900	\$3,966,200	-\$31,700
Benefits	813,300	875,300	968,400	93,100
Equipment Maintenance	814,200	1,676,000	1,398,100	-277,900
Other Outside Services	44,200	290,100	260,100	-30,000
Employee Training	113,500	201,200	250,000	48,800
Telephone	107,600	210,000	205,000	-5,000
Replacement Parts	125,300	195,000	155,000	-40,000
Supplies - Operational	43,700	76,600	71,300	-5,300
Consulting Services	9,600	150,000	50,000	-100,000
Materials - Operational	14,200	15,600	18,400	2,800
Supplies - Office	7,900	6,300	8,600	2,300
Tools & Equipment	2,800	6,300	6,300	0
Dues, Books & Subscrip.	2,500	5,500	5,500	0
Other Minor Accts	28,900	45,300	35,800	-9,500
Total	\$5,895,300	\$7,751,100	\$7,398,700	-\$352,400

The Fiscal Year 2004 budget is \$7.4 million, a decrease of \$352 thousand or (4.5) percent under the Fiscal Year 2003 budgeted amount.

Headcount:

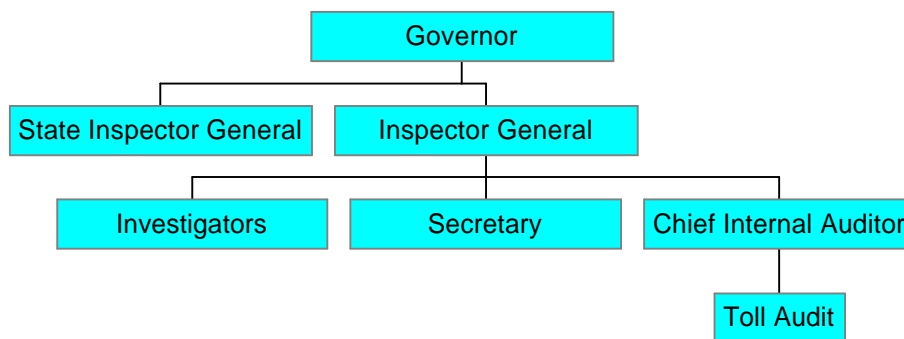
2002 Budgeted	2003 Budgeted	2004 Budgeted	2004 Total Payroll Request
70	71	71	\$4,934,600

Departmental Budget and Narratives

Information Technology (cont'd)

DEPARTMENT POSITION TITLES	MONTHLY SALARY RANGES		NUMBER OF POSITIONS			ESTIMATED EXPENDITURES		
			FISCAL YEARS			FISCAL YEARS		
			2002	2003	2004	2002	2003	2004
Information Technology								
ANTENNA SPECIALIST	3280	5467	2.0	2.0	2.0	85,740	88,800	88,800
ASSET & INVENTORY SUPVR.	2421	4035	1.0	1.0	1.0	44,520	46,080	46,080
ASSISTANT WEB MASTER	3280	5467	0.0	0.0	1.0	-	-	50,820
CHIEF OF INFORMATION TECHNOLOG	7007	11763	1.0	1.0	1.0	111,840	116,314	116,314
COMM. INSTALLATION TECHNICIAN	3280	5467	1.0	1.0	1.0	49,980	52,500	52,500
COMMUNICATIONS EQUIPMENT OPER	2129	3549	1.0	1.0	1.0	34,860	36,300	36,300
COMPUTER OPERATOR - FT	2421	4035	2.0	3.0	3.0	63,720	95,580	95,580
COMPUTER OPERATOR PT	2421	4035	0.0	1.0	0.0	-	18,300	-
CUSTOMER SERVICE REPRESENTATIVE	2129	3549	0.0	0.0	1.0	-	-	27,240
DATA BASE ADMINISTRATOR	4290	7151	1.0	1.0	1.0	66,540	70,560	70,560
DATA CENTER OPERATIONS MANAGER	4290	7151	1.0	1.0	1.0	53,596	55,740	55,740
DATA COMMUNICATION SPECIALIST	3799	6332	1.0	1.0	1.0	68,940	71,400	71,400
DATA COMMUNICATIONS MANAGER	4991	8318	0.0	0.0	1.0	-	-	48,000
DATA COMMUNICATIONS TECHNICIAN	3074	5123	2.0	2.0	2.0	113,580	117,341	117,341
ENTERPRISE INFO. SERVICES MGR	5647	9412	1.0	1.0	1.0	84,180	92,880	92,880
EXECUTIVE SECRETARY	2562	4271	1.0	1.0	1.0	44,280	46,500	46,500
FIELD OPERATIONS MANAGER	4290	7151	1.0	1.0	1.0	74,580	79,080	79,080
FIELD OPERATIONS TECHNICIAN	3280	5467	5.0	6.0	5.0	355,610	364,490	364,490
FINANCIAL COORDINATOR	1646	1646	1.0	1.0	0.0	19,760	19,760	-
HELP DESK REPRESENTATIVE	2129	3549	1.0	1.0	0.0	26,700	-	-
HELP DESK SUPERVISOR	3074	5123	1.0	1.0	1.0	56,280	58,560	58,560
INVENTORY CONTROL CLERK	2129	3549	2.0	2.0	2.0	70,620	73,140	73,140
IT PLANNING & ADMIN. MANAGER	4290	7151	1.0	1.0	1.0	71,940	76,980	76,980
MANAGER OF PROJECT MANAGEMENT OFFICE	4991	8318	0.0	0.0	1.0	-	-	80,000
MOBILE BENCH TECHNICIAN	3074	5123	2.0	2.0	2.0	88,140	91,680	91,680
MOBILE INSTALLER	2562	4271	3.0	3.0	3.0	109,200	114,120	114,120
MOBILE SHOP MANAGER	3280	5467	1.0	1.0	1.0	56,460	59,340	59,340
NETWORK ADMINISTRATOR	3280	5467	2.0	2.0	2.0	97,500	101,520	101,520
OFFICE AUTOMATION MANAGER	4290	7151	1.0	1.0	0.0	58,320	-	-
OPER. & CUSTOMER SUPPORT MGR	5647	9412	1.0	1.0	1.0	79,320	82,920	82,920
PBX ADMINISTRATOR	3074	5123	1.0	1.0	1.0	49,920	51,720	51,720
PBX TECHNICIAN	3074	5123	1.0	1.0	1.0	47,940	49,860	49,860
PROJECT MANAGER	4290	7151	3.0	3.0	3.0	200,700	209,520	209,520
PROJECT MGR - VES/TCP/IP	5647	9412	1.0	0.0	0.0	80,880	-	-
SECRETARY III	2421	4035	3.0	3.0	3.0	107,040	112,680	112,680
SECURITY ADMINISTRATOR	4290	7151	1.0	1.0	1.0	53,640	56,100	56,100
SENIOR COMPUTER OPERATOR	2562	4271	3.0	2.0	2.0	112,680	71,100	71,100
SENIOR PROGRAMMER	3280	5467	4.0	4.0	3.0	169,020	129,540	129,540
SENIOR SYSTEMS ANALYST	3799	6332	3.0	3.0	3.0	164,820	171,840	171,840
SQL/ACCESS DEVELOPER	3799	6332	0.0	0.0	1.0	-	-	45,000
SR NETWORK ADMINISTRATOR	4290	7151	0.0	0.0	1.0	-	-	45,000
SYSTEM ARCH. & ENG. MANAGER	4290	7151	1.0	1.0	1.0	71,760	75,000	75,000
SYSTEM TECHNICIAN	3074	5123	5.0	5.0	5.0	225,900	237,195	237,195
SYSTEMS & PROGRAMMING MANAGER	4991	8318	0.0	0.0	1.0	-	-	60,000
SYSTEMS MANAGER (WEB, GROUPWARE)	4991	8318	0.0	0.0	1.0	-	-	60,000
SYSTEMS SUPERVISOR	4290	7151	1.0	1.0	1.0	69,120	72,240	72,240
TECHNICAL SERVICES MANAGER	5647	9412	1.0	1.0	1.0	70,080	72,883	72,883
TECHNICAL DRAFTPERSON	3280	5467	1.0	1.0	0.0	44,520	46,301	-
TELECOMMUNICATIONS MANAGER	4991	8318	1.0	1.0	0.0	69,300	72,072	-
UNIX ADMINISTRATOR	4290	7151	1.0	1.0	1.0	65,040	68,340	68,340
WEB MASTER	3280	5467	1.0	1.0	1.0	48,540	49,800	49,800
WIRELESS NETWORK ADMINISTRATOR	3280	5467	1.0	1.0	1.0	49,800	51,600	51,600
Subtotal:			70.0	71.0	71.0			

Inspector General



Departmental Budget and Narratives

Office of Inspector General

Description:

The Office of Inspector General (OIG) at the Illinois Tollway was created at the request of the Governor of Illinois. It is the intent of this office to provide accountability to the public. The Inspector General will have independent autonomy to recommend policies and procedures to insure that all Tollway employees from the highest level adhere to all state and federal laws as well as internal regulations.

The OIG will manage the following functions:

- Investigations
- Policies and Procedures
- Toll Audit

Accomplishments:

Created in late 2003, the OIG already has several investigations in progress.

Objectives:

- Restoring credibility and public confidence in the Illinois Tollway
- Rooting out and fairly investigating all allegations of fraud, waste, inefficiencies and mismanagement in the day-to-day operations of the Illinois Tollway, its employees and contractors
- Ensuring every Tollway employee successfully completes the Ethics Training course as mandated by Governor Rod Blagojevich's Executive Order #5
- Report to the Governor through the new State Inspector General Z. Scott.
- Establish Tollway fraud hotline to encourage customers and employees to report potential fraud and mismanagement through a toll-free phone number or by visiting www.illinoistollway.com
- Review all internal Tollway controls and identify improvements
- Coordinate with Inspectors General at other state agencies to compare best practices

Strategic Plan:

- Ensure decrease in incident response/clearance time
- Remedy congestion creating traffic incidents
- Minimize revenue loss due to toll violations
- Perform at the most efficient level of service

Reorganization Highlights:

The OIG has absorbed the Finance Toll Audit unit, which provides revenue control as a support function that monitors toll collection and assists in adjusting data from lane malfunctions and employee errors. This group also reviews lane-processing records and helps identify and document the misappropriation of toll receipts. In addition, a former Chief Internal Auditor and an Internal Audit Secretarial position were reassigned to support the various new functions of this Office.

Departmental Budget and Narratives

Inspector General (cont'd)

Major Account Line Items:

INSPECTOR GENERAL				
Major Account	2002 Actual	2003 Budget	2004 Budget	\$ Change
Salary & Wages	\$609,200	\$635,700	\$551,000	-\$84,700
Benefits	135,300	138,800	134,300	-4,500
Equipment Maintenance	10,400	15,600	16,300	700
Employee Training	6,900	11,200	6,800	-4,400
Other Minor Accts	6,700	7,800	6,400	-1,400
Total	\$768,500	\$809,100	\$714,800	-\$94,300

The Fiscal Year 2004 budget is \$714.8 thousand; a decrease of \$94 thousand or (13) percent under the Fiscal Year 2003 budgeted amount.

Headcount:

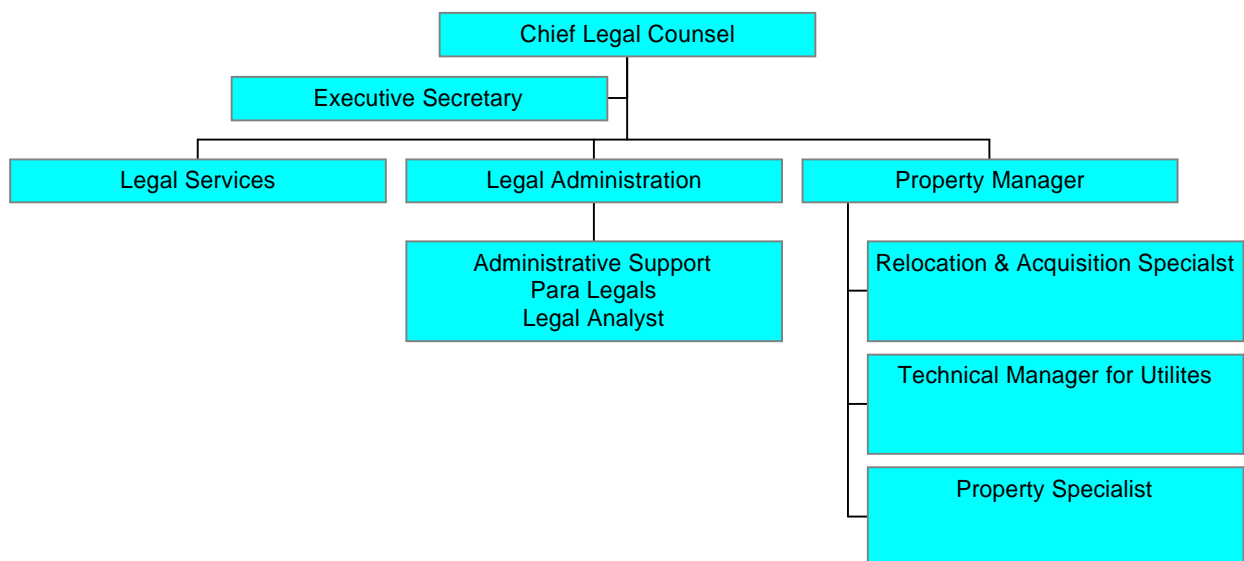
2002 Budgeted	2003 Budgeted	2004 Budgeted	2004 Total Payroll Request
9	9	10	\$685,300

Departmental Budget and Narratives

Inspector General (cont'd)

DEPARTMENT POSITION TITLES	MONTHLY SALARY RANGES		NUMBER OF POSITIONS			ESTIMATED EXPENDITURES		
			FISCAL YEARS			FISCAL YEARS		
			2002	2003	2004	2002	2003	2004
Inspector General								
CHIEF INTERNAL AUDITOR	5647	9412	1.0	1.0	1.0	72,720	77,820	77,820
INSPECTOR GENERAL	7007	11763	0.0	0.0	1.0	-	-	110,040
INVESTIGATOR	4290	7151	0.0	0.0	1.0	-	-	50,000
SECRETARY III	2421	4035	1.0	1.0	1.0	30,096	31,300	31,300
SR INVESTIGATOR	5647	9412	0.0	0.0	1.0	-	-	80,000
INTERNAL AUDITOR	2889	4816	2.0	2.0	1.0	89,940	92,638	52,320
EDIT CONTROL CLERK	1752	2921	1.0	1.0	0.0	40,020	41,621	-
MANNED LANES AUDIT/PROJ ANALST	2562	4271	1.0	1.0	1.0	34,320	37,920	37,920
MANNED LANES CONTROL CLERK	2129	3549	1.0	1.0	1.0	27,060	28,200	28,200
TOLL AUDIT CLERK	1752	2921	1.0	1.0	1.0	21,173	22,020	22,020
TOLL AUDIT SUPERVISOR	3280	5467	1.0	1.0	1.0	49,080	52,080	52,080
Subtotal:			9.0	9.0	10.0			

Legal



Departmental Budget and Narratives

Legal

Description:

The Legal Department is a contingent of the Office of the Attorney General of the State of Illinois, is assigned to the Tollway to provide legal services to all of its departments. Its duties include the review of contracts, agreements, property acquisitions, litigation, and legislative activities. The Chief Counsel reports to the Executive Director and to the Attorney General of Illinois.

Legal is now comprised of the following:

- Legal
- Property

With the addition of the former Engineering employees, the Legal Department's duties now also include the buying and selling of Tollway property. The department will also implement and supervise appropriate legal procedures and public record keeping ensuring that Tollway property is obtained and recorded for ease of access.

Accomplishments:

- Reviewed all of the Tollway contracts, agreements, property acquisitions, litigation, and legislative activities
- Undertook a major restructuring to improve the management and control of the Tollway's property
- Streamlined legal review and approval functions to reduce staff and improved efficiencies

Objectives:

Legal will continue to review all contracts and agreements in which the Tollway enters. Legal will provide counsel and perform litigation when necessary. Legal will now take over the management and control of all Tollway property, and will be responsible for maintaining accurate records on Tollway property.

Strategic Plan:

- Create attractive Oases that generate increased customer usage and revenue
- Operate efficiently
- Minimize revenue loss due to toll violations
- Ensure efficiency of service

Reorganization / Highlights:

- Moved Property Management from Engineering to Legal, creating a new function within legal called Property Division.
- Moved Property Acquisition personnel from Engineering to the new Property Division.
- Moved Permits & Utility Relocation personnel from Engineering to the new Property Division.

Departmental Budget and Narratives

Legal (cont'd)

Major Account Line Items:

LEGAL				
Major Account	2002 Actual	2003 Budget	2004 Budget	\$ Change
Salary & Wages	\$1,401,300	\$1,565,200	\$1,308,700	-\$256,500
Benefits	298,300	341,800	318,900	-22,900
Other Outside Services	186,900	286,000	222,000	-64,000
Dues, Books & Subscrip.	16,500	19,700	15,600	-4,100
Employee Training	3,600	6,700	6,000	-700
Other Minor Accts	20,100	52,400	21,200	-31,200
Total	\$1,926,700	\$2,271,800	\$1,892,400	-\$379,400

The Fiscal Year 2004 budget is \$1.9 million; a decrease of \$379 thousand or (16.7) percent under the Fiscal Year 2003 budgeted amount.

Headcount:

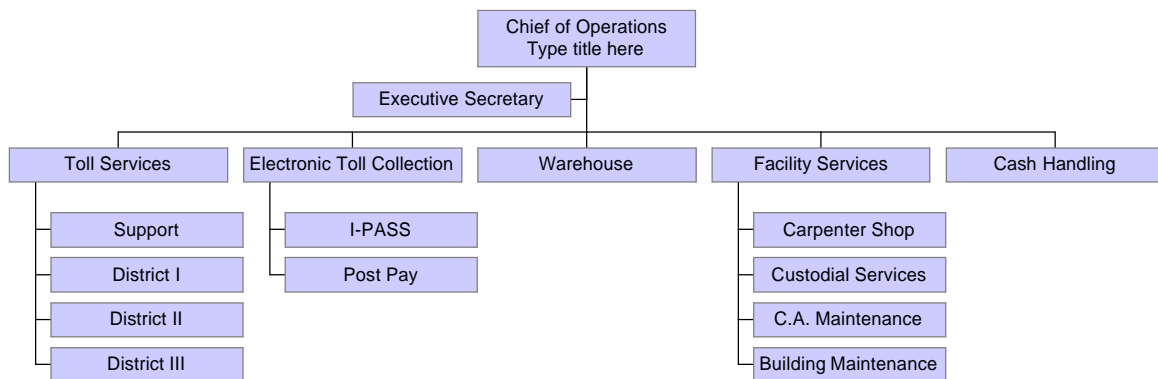
2002 Budgeted	2003 Budgeted	2004 Budgeted	2004 Total Payroll Request
22	22	22	\$1,627,600

Departmental Budget and Narratives

Legal (cont'd)

DEPARTMENT POSITION TITLES	MONTHLY SALARY RANGES	NUMBER OF POSITIONS FISCAL YEARS			ESTIMATED EXPENDITURES FISCAL YEARS		
		2002	2003	2004	2002	2003	2004
Legal							
ADMINISTRATIVE SUPPORT SUPVR.	3280 5467	1.0	1.0	1.0	53,580	56,160	56,160
ASSISTANT ATTORNEY GENERAL	4991 8318	3.0	3.0	3.0	202,020	212,220	212,220
CHIEF COUNSEL	7007 11763	1.0	1.0	1.0	106,020	110,261	110,261
CONDEMNATION ENGINEER	4991 8318	1.0	1.0	1.0	67,680	71,100	71,100
EXECUTIVE SECRETARY	2562 4271	1.0	1.0	1.0	42,000	43,980	43,980
LEGAL ANALYST	2129 3549	1.0	1.0	1.0	27,960	29,640	29,640
LEGAL SECRETARY II	2129 3549	1.0	1.0	2.0	38,760	40,560	40,560
PARALEGAL	2421 4035	2.0	2.0	2.0	76,860	79,860	79,860
PROPERTY MANAGER	5647 9412	1.0	1.0	1.0	78,000	81,120	81,120
PROPERTY SPECIALIST	3280 5467	1.0	1.0	1.0	52,620	55,260	55,260
REAL PROPERTY MANAGER	4991 8318	1.0	1.0	1.0	76,140	79,980	79,980
RELOCATION & ACQUISITION SPEC.	3074 5123	1.0	1.0	1.0	36,600	41,160	41,160
SENIOR ASST ATTORNEY GENERAL	5647 9412	3.0	3.0	3.0	237,600	247,980	247,980
SENIOR NEGOTIATOR	2889 4816	1.0	1.0	0.0	57,792	60,104	-
TECHNICAL MGR. FOR UTILITIES	4290 7151	1.0	1.0	1.0	70,380	74,640	74,640
UTILITY ADMINISTRATOR	2562 4271	1.0	1.0	1.0	32,520	34,200	34,200
UTILITY TECHNICIAN	3280 5467	1.0	1.0	1.0	61,200	63,060	63,060
Subtotal:		22.0	22.0	22.0			

Operational Services



Departmental Budget and Narratives

Operational Services

Description:

The Office of Operational Services has two functions: Toll Collection and Facility Maintenance.

- **Toll Collection** - collects and counts all toll revenue and provides management and customer service in issuing I-PASS transponders
- **Facility Maintenance** - operates and maintains all Tollway facilities.

Operational Services manages the following units:

- Toll Services - Largest division consists of nearly 80 percent of all Tollway employees:
 - Toll collectors, lane walkers, plaza supervisors
 - Staff and support 23 manned plazas and 40 unmanned plazas
- Electronic Toll Collection — IPASS
 - Processes new applications
 - Handles customer service questions
 - Monitors debt collection relating to unpaid checks and credit card accounts
- Cash Handling
 - Counts all toll revenue
- Facility Services
 - Building Maintenance/Central Administration Maintenance
 - Central Warehouse

Accomplishments:

- Reduced overtime and eliminated more than 100 toll collection positions over the last two years (mainly through attrition) as a result of staffing changes to the toll collection process
- Instituted best practices of banking/financial services industries to improve controls on cash collection, handling and deposits
- Launched online sale of I-PASS
- Launched I-PASS sales at 7 mainline plazas
- Launched partnership with Jewel-Osco in November to sell I-PASS transponders at 200 stores in greater Chicagoland, Northwest Indiana, Kenosha, Wisconsin
- Added a second dedicated I-PASS Mobile Unit vehicle to meet requests for I-PASS sales at major corporate centers and businesses, community fairs, festivals and Illinois State Fair
- Disney Institute Customer Service Training Classes attended by all department employees

Objectives:

- Maintain highest levels of performance of Electronic Toll Collection system to allow for the uninterrupted flow of traffic
- Immediately and accurately report all incidents requiring the attention of the State police and/or traffic and incident management
- Balance and secure all cash in Money Room each day in accordance with stated policies and procedures. Count, package, secure, and deposit coin Monday through Saturday to enable the deposit of revenue within five-day requirement of the Trust Indenture

Departmental Budget and Narratives

Operational Services (cont'd)

- Produce and provide daily reports to Toll Audit
- Provide emergency and routine maintenance, repair and custodial services to all critical systems to enable their safe, uninterrupted service at all times

Strategic Plan:

- Increase rush hour and total I-PASS usage
- Increase number of I-PASS customers responding “satisfied” in surveys about their I-PASS customer service experience
- Increase number of I-PASS Only lanes
- Reduce average congestion travel times
- Improve operating efficiencies and reduce number of staff required to perform operational functions

Reorganization / Highlights:

In order to increase efficiency, Operational Services obtained I-PASS and Post-Pay Account functions, while the functions of Purchasing were moved to the Tollway's Administration Department.

Departmental Budget and Narratives

Operational Services (cont'd)

Major Account Line Items:

OPERATIONAL SERVICES				
Major Account	2002 Actual	2003 Budget	2004 Budget	\$ Change
Salary & Wages	\$42,775,700	\$44,107,600	\$41,463,400	-\$2,644,200
Benefits	9,403,800	9,709,400	11,510,100	1,800,690
Equipment Maintenance	10,358,700	9,290,500	9,840,900	550,400
Other Outside Services	1,886,900	2,060,400	5,688,400	3,628,000
Equipment Rentals	3,519,200	3,220,500	4,246,400	1,025,900
Bank Charges	2,448,100	3,026,500	3,636,400	609,900
Supplies - Operational	270,300	405,900	417,700	11,800
Postage And Express	195,600	394,000	407,000	13,000
Uniforms & Accessories	309,400	324,100	389,300	65,200
Telephone	327,300	321,500	337,200	15,700
Armored Truck Service	236,000	290,300	236,000	-54,300
Materials - Operational	143,600	200,000	196,500	-3,500
Contracted Outside Service	27,300	122,700	173,300	50,600
Replacement Parts	109,600	161,500	149,600	-11,900
Supplies - Office	100,700	128,200	130,300	2,100
Utilities	78,200	86,000	96,000	10,000
Travel	40,600	61,800	60,800	-1,000
Consulting Services	0	50,000	50,000	0
Employee Training	100	2,200	18,200	16,000
Tools & Equipment	6,500	15,800	15,400	-400
Other Expenses	19,500	26,200	15,100	-11,100
Printing	8,400	8,000	8,300	300
Other Minor Accts	85,100	45,000	76,100	31,100
Total	\$72,350,600	\$74,058,100	\$79,162,400	\$5,104,300

The Fiscal Year 2004 Budget is \$79.2 million; an increase of \$5.1 million or 6.38 percent over the Fiscal Year 2003 budgeted amount.

Headcount:

2002 Budgeted	2003 Budgeted	2004 Budgeted	2004 Total Payroll Request
1,126.5	1,052.5	1,010	\$52,973,500

Departmental Budget and Narratives

Operational Services (cont'd)

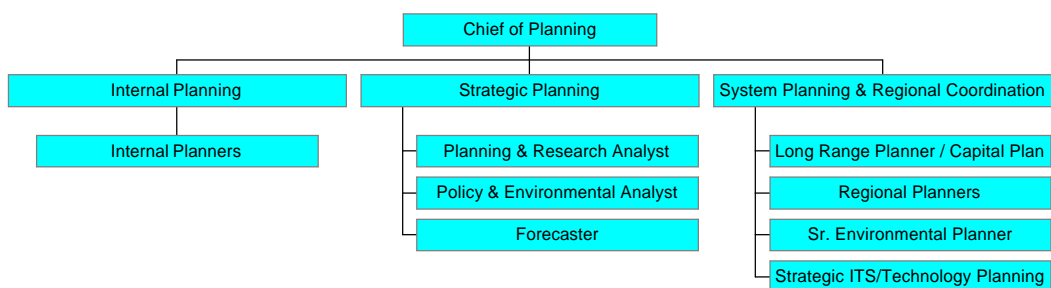
DEPARTMENT POSITION TITLES	MONTHLY SALARY RANGES		NUMBER OF POSITIONS			ESTIMATED EXPENDITURES		
			FISCAL YEARS			FISCAL YEARS		
			2002	2003	2004	2002	2003	2004
Operational Services								
ACCOUNTS RECEIVABLE REP	2129	3549	1.0	1.0	4.0	31,980	33,259	126,301
ACCOUNTS RECEIVABLE SUPERVISOR	3799	6332	1.0	1.0	1.0	68,880	73,740	73,740
ADMINISTRATIVE SUPPORT MANAGER	4991	8318	1.0	1.0	1.0	82,800	86,940	86,940
ASSISTANT INVENTORY AUDITOR	1752	2921	1.0	1.0	1.0	33,960	35,058	35,058
ASSISTANT PLAZA SUPERVISOR	2889	4816	33.0	29.0	29.0	1,292,820	1,254,600	1,254,600
ASST CARPENTER SHOP FOREMAN	3074	5123	1.0	1.0	1.0	52,260	57,600	57,600
BUILDING ENGINEER	3280	5467	1.0	1.0	0.0	52,620	54,725	-
BUILDING MAINTENANCE FOREMAN	3280	5467	2.0	2.0	2.0	113,700	118,320	118,320
BUILDING MAINTENANCE MANAGER	4991	8318	1.0	0.0	0.0	66,420	-	-
CARPENTER SHOP FOREMAN	3280	5467	1.0	1.0	1.0	63,000	65,605	65,605
CASH HANDLING MANAGER	3799	6332	1.0	1.0	1.0	66,780	71,460	71,460
CHIEF OF OPERATIONS	7007	11763	1.0	1.0	1.0	110,596	115,020	115,020
CLERK TYPIST II	1390	2318	1.0	1.0	1.0	21,480	22,140	22,140
CLOTHING ROOM SUPERVISOR	2129	3549	0.0	1.0	1.0	-	31,200	31,200
COIN COUNTER FULL TIME	2383	2716	28.0	25.0	23.0	914,107	840,652	796,602
COIN COUNTER PART TIME	2322	2496	6.0	5.0	1.5	160,784	145,600	45,427
CUSTODIAL ASSISTANT SUPERVISOR	2562	4271	3.0	3.0	3.0	120,780	125,280	125,280
CUSTODIAN I	2192	2626	1.5	0.5	0.5	27,456	33,592	34,600
CUSTODIAN II	2291	2745	61.0	58.0	52.0	2,040,499	1,974,688	1,841,227
CUSTODIAN III	2369	2873	11.0	9.0	11.0	382,761	328,265	413,250
CUSTODIAN SUPERVISOR	3280	5467	1.0	1.0	1.0	54,720	56,940	56,940
CUSTOMER SERVICE REPRESENTATIV	2129	3549	9.0	13.0	0.0	270,772	389,812	-
CUSTOMER SVC REP - I PASS	2129	3549	4.0	4.0	18.0	118,440	126,300	397,120
CUSTOMER SVC REP/MOBILE I-PASS	2129	3549	2.0	2.0	4.0	54,660	56,940	106,940
DISTRICT SUPERVISOR	4290	7151	3.0	3.0	2.0	190,740	205,620	132,840
DRIVER MESSENGER	3029	3484	6.0	5.0	5.0	262,288	224,161	230,886
EQUIPMENT OPERATOR LABORER	2652	3924	1.0	1.0	0.0	45,032	46,675	-
EXECUTIVE SECRETARY	2562	4271	1.0	1.0	1.0	51,256	51,256	51,256
FACILITY SERVICES MANAGER	5647	9412	1.0	1.0	1.0	77,640	82,320	82,320
GENERATOR MAINTENANCE TECH	3074	5123	1.0	1.0	1.0	50,128	51,960	51,960
INVENTORY ANALYSIS/CONTROL SPV	3280	5467	1.0	1.0	1.0	47,460	49,860	49,860
INVENTORY CONTROL AUDITOR	2129	3549	1.0	1.0	1.0	41,340	42,593	42,593
INVENTORY PLANNER	2421	4035	3.0	3.0	3.0	125,160	128,108	128,108
INVENTORY SPECIALIST	2129	3549	2.0	2.0	2.0	68,040	70,200	70,200
I-PASS ANALYST	2562	4271	1.0	1.0	1.0	32,100	33,420	33,420
I-PASS COORDINATOR	2889	4816	1.0	1.0	1.0	41,940	43,860	43,860
I-PASS INVENTORY SPECIALIST	2421	4035	1.0	1.0	1.0	34,320	35,820	35,820
I-PASS MANAGER	4991	8318	1.0	1.0	1.0	63,900	67,140	67,140
I-PASS SUPERVISOR	3280	5467	1.0	1.0	1.0	45,300	47,580	47,580

Departmental Budget and Narratives

Operational Services (cont'd)

DEPARTMENT POSITION TITLES	MONTHLY SALARY RANGES	NUMBER OF POSITIONS			ESTIMATED EXPENDITURES		
		FISCAL YEARS			FISCAL YEARS		
		2002	2003	2004	2002	2003	2004
Operational Services Continued							
LANE WALKER	2184 2846	38.0	34.0	33.0	1,263,307	1,101,213	1,100,890
LEAD SUPERVISOR MONEY ROOM	2889 4816	1.0	1.0	1.0	57,780	57,792	57,792
MECHANICAL ELECTRICAL	2652 3924	16.0	13.0	16.0	725,573	607,214	769,760
MOBILE I-PASS SUPERVISOR	2889 4816	1.0	1.0	1.0	38,700	41,040	41,040
MONEY ROOM CLERK	2478 2846	1.0	1.0	2.0	35,402	36,650	75,498
MONEY TRUCK DRIVER	2340 3354	11.0	11.0	11.0	471,744	485,056	499,608
OFFICE MANAGER	2889 4816	1.0	1.0	1.0	47,520	49,920	49,920
PAINTER	2652 3924	12.0	9.0	10.0	527,633	407,596	466,471
PLAZA SUPERVISOR I	3074 5123	7.0	7.0	7.0	327,720	343,260	343,260
PLAZA SUPERVISOR II	3280 5467	18.0	15.0	14.0	896,580	772,440	720,420
PROJECT ANALYST	2562 4271	1.0	0.0	0.0	36,840	-	-
PROPERTY CONTROL AUDITOR	1752 2921	1.0	0.0	1.0	24,000	-	25,140
PROPERTY CONTROL SUPERVISOR	2421 4035	1.0	1.0	1.0	37,800	39,540	39,540
SECRETARY II	2129 3549	3.0	2.0	4.0	93,480	65,520	132,840
SECRETARY III	2421 4035	2.0	2.0	1.0	70,380	74,340	38,880
SECTION CLERK	2480 3232	3.0	3.0	3.0	113,256	117,000	120,510
SENIOR LANE WALKER	2184 2846	63.0	56.0	67.0	2,066,623	1,959,107	2,414,250
SENIOR MANAGER ETC	4991 8318	0.0	1.0	1.0	-	73,020	73,020
SENIOR TOLL COLLECTOR	2184 2846	498.0	461.0	405.0	15,443,277	14,470,684	13,094,243
SHIPPING/RECEIVING AUDITOR	1390 2318	1.0	1.0	1.0	23,460	24,660	24,660
STRUCTURAL	2652 3924	9.0	8.0	9.0	375,065	333,391	386,317
SUPERVISOR MONEY ROOM	2562 4271	2.0	2.0	2.0	89,820	93,660	93,660
SYSTEM MAINTENANCE TECHNICIAN	3074 5123	1.0	1.0	2.0	52,790	54,672	108,792
TECHNICAL ASSISTANT	3280 5467	1.0	0.0	0.0	65,021	-	-
TOLL COLLECTOR	2184 2846	225.0	225.0	227.0	7,131,271	7,893,944	8,203,036
TOLL SERVICES MANAGER	6552 10919	1.0	1.0	1.0	92,280	97,860	97,860
WAREHOUSE MANAGER	4290 7151	1.0	1.0	1.0	72,720	77,100	77,100
WAREHOUSE WORKER	2480 3232	7.0	5.0	5.0	252,096	193,440	199,243
WAREHOUSE&MATERIALS DIST SUPVR	3280 5467	1.0	1.0	1.0	54,300	57,060	57,060
WATER SEWER	2652 3924	2.0	2.0	2.0	94,182	97,008	99,918
Subtotal:		1126.5	1052.5	1010.0			

Planning



Departmental Budget and Narratives

Planning

Description:

The newly created Planning Department will focus on two major functions:

Strategic Planning will focus on utilizing best business practices and a predefined set of goals and measurements to set the course for the Tollway's long and short-range needs.

Capital Planning/Programming will focus on roadway construction, reconstruction, and improvements to maintain a roadway that is safe and in a state of good repair. The Department will prepare and maintain the long-range plan for the Tollway that will include future maintenance and expansion projects as needed. The Department will address regional coordination and cooperation, manage planning studies, environmental and land-use issues.

Planning manages the following functions:

- Internal Planning
- Strategic Planning—Forecasting
- System Planning and Regional Coordination

Accomplishments:

Does not yet apply, since created in late 2003.

Objectives:

- Retool organizational structure and operations
 - Conduct management survey soliciting views of Department Chiefs and Division Heads to determine whether functions and operations are appropriately aligned
 - Collect suggestions for aligning functions and departments to achieve greater efficiency
 - Periodically review for position and function redundancy
- Strengthen and improve interagency planning functions with other agencies (i.e. Illinois Department of Transportation, Chicago Area Transportation Study, Northeastern Illinois Planning Commission, Metropolitan Planning Council, etc.)
- Oversee strategic planning process
 - Define goals and establish methods to measure progress toward those objectives
- Develop plans that better articulate the system's needs associated with the Capital Program
 - Work with the Illinois Congressional delegation to secure federal funding for:
 - Value Pricing Study
 - Open Road Tolling
 - Intelligent Transportation Systems
 - Additional roadway dynamic message signs

Departmental Budget and Narratives

Planning (cont'd)

- Maintain the Capital Program to allow for:
 - Infrastructure preservation
 - Congestion relief through additional I-PASS Only lanes
 - Development of ITS and other congestion relief strategies to improve user experiences, save travel time and increase capacity
 - Keeping the system in a state of good repair

Strategic Plan:

- Adopt comprehensive long-range plan
- Complete value pricing study
- Strengthen and improve our interagency planning functions with other agencies
- Implement best practices and operate efficiently
- Shift users from manual toll collection to electronic payment
- Decrease travel time
- Minimize change orders and complete construction projects on budget

Reorganization Highlights:

A new executive position is budgeted to administer this new department.

Major Account Line Items:

PLANNING				
Major Account	2002 Actual	2003 Budget	2004 Budget	\$ Change
Salary & Wages	77,800	\$248,800	\$620,300	\$371,500
Benefits	33,800	54,200	151,100	96,900
Consulting Services	613,100	750,800	750,800	0
Dues, Books & Subscrip.	11,000	23,400	22,500	-900
Other Minor Accts	14,300	16,400	7,200	-9,200
Total	\$750,000	\$1,093,600	\$1,551,900	\$458,300

The Fiscal Year 2004 is \$1.6 million; an increase of \$458 thousand or 29.53 percent over the Fiscal Year 2003 budgeted amount.

Headcount:

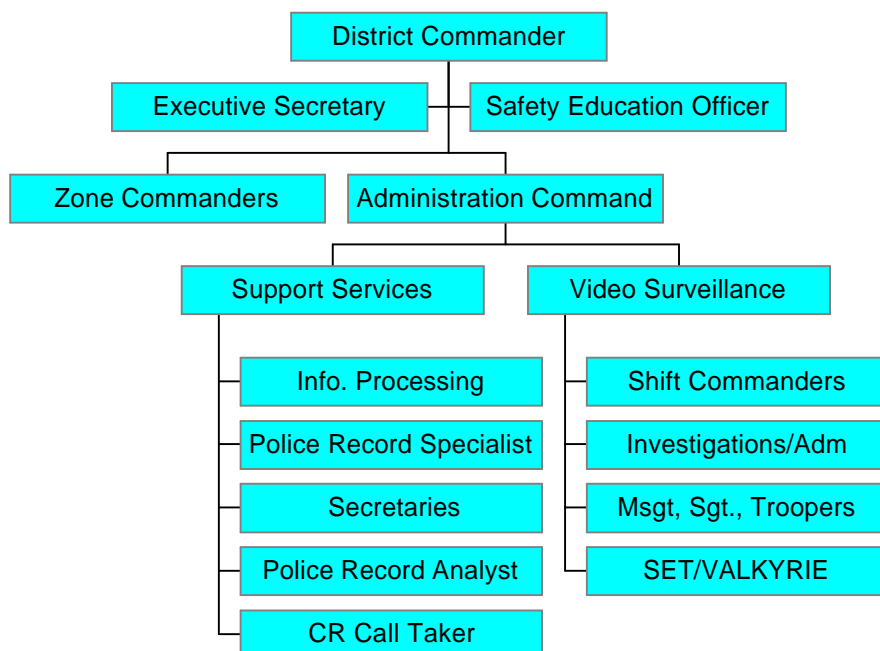
2002 Budgeted	2003 Budgeted	2004 Budgeted	2004 Total Payroll Request
12	11	13	\$771,400

Departmental Budget and Narratives

Planning (cont'd)

DEPARTMENT POSITION TITLES	MONTHLY SALARY RANGES	NUMBER OF POSITIONS FISCAL YEARS			ESTIMATED EXPENDITURES FISCAL YEARS			
		2002	2003	2004	2002	2003	2004	
Planning								
CHIEF OF PLANNING	7007 11763	0.0	0.0	1.0	-	-	110,040	
ENG. OF PLANNING & PROGRAMMING	6552 10919	1.0	1.0	1.0	86,940	90,418	91,320	
ENGINEERING PROJECTS LIAISON	3799 6332	1.0	1.0	1.0	54,840	60,480	60,480	
ENVIRONMENTAL PLANNER	3799 6332	1.0	1.0	0.0	50,460	52,478	-	
POLICY & ENVIRONMENTAL ANALYST	3799 6332	0.0	0.0	1.0	-	-	65,040	
PLANNING & RESEARCH ANALYST	3074 5123	1.0	1.0	1.0	45,000	51,360	51,360	
PROJECT ENGINEER	4290 7151	1.0	1.0	2.0	62,760	64,980	124,980	
SECRETARY III	2421 4035	2.0	2.0	2.0	71,280	74,880	74,880	
SENIOR ENVIRONMENTAL PLANNER	4991 8318	1.0	1.0	1.0	64,860	68,160	68,160	
SENIOR PROJECT ENGINEER	4991 8318	4.0	3.0	3.0	206,820	215,160	215,160	
Subtotal:		12.0	11.0	13.0				

State Police



Departmental Budget and Narratives

State Police

Description:

State Police District 15 is a separate contingent of the Illinois State Police. It provides law enforcement and patrols to the Tollway System to assist disabled motorists and provide special details for overweight vehicles, investigations and toll collection operations. The District Commander reports to the Executive Director and to the Superintendent of the State Police.

District 15 is a unique State Police district serving a unique mobile community made up of travelers from across the country and local commuters, traversing the 274 miles of the Illinois Tollway. Troopers assigned to District 15 cover 12 different counties, 5 state police districts and 4 toll roads.

The district operates and is solely responsible for a Truck Task Force, two Special Enforcement Teams, a Comprehensive Investigative Unit and tollway patrol operations.

Accomplishments:

- Issued 50,714 citations and 54,053 warnings for violations of the Illinois Vehicle Code and 1,099 criminal arrests. This included:
 - 9,262 tickets issued to motorists for failing to wear seatbelts
 - 1,116 arrests were made on motorists for Driving Under the Influence (DUI).
 - 2,693 arrests were made for Toll Evasion
 - 389 arrests were made for overweight vehicles
- Motor Carrier Safety Inspections were conducted on 7,200 commercial vehicles
- Roadside assistance was provided to 19,411 disabled motorists
- District 15 investigated 7,866 vehicular crashes
- The Safety Education Officer gave 75 presentations at schools, businesses and public events to promote traffic safety

Objective:

- To continue to enforce the Illinois Vehicle Code through the issuance of citations and warnings for violations
- To continue the crackdown on drunk drivers by making arrests for DUI
- To help assist the Tollway in its efforts to reduce toll violations by making arrests on toll evaders
- To continue to field task forces to perform Motor Carrier Safety Inspections to remove unsafe commercial vehicles from the road and to ensure that commercial vehicles are not overweight.
- To enforce work zone laws to help protect Tollway workers
- To continue to respond to all accidents, emergencies and disabled motorists 24 hours a day, 7 days a week
- The Safety Education Officer will continue to give traffic safety presentations to the community.

Reorganization Highlights:

Two Video Surveillance personnel moved from Operational Services to State Police

Departmental Budget and Narratives

State Police (cont'd)

Strategic Plan:

- Ensure the safety of the motoring public on the Illinois Tollway
- Reduce crime and fear of crime for citizens and their communities
- Reduce availability of illegal drugs
- Ensure safe transportation of commercial vehicles on the Illinois Tollway
- Respond to calls for assistance and ensure frequent contact with Tollway customers
- Assist in relieving congestion
- Operate efficiently

Major Account Line Items:

STATE POLICE				
Major Account	2002 Actual	2003 Budget	2004 Budget	\$ Change
Salary & Wages	\$10,690,400	\$11,191,900	\$11,360,900	\$169,000
Benefits	1,785,300	1,882,200	2,631,400	749,200
Group Insurance	1,122,300	1,287,200	1,800,000	512,800
Uniforms & Accessories	67,100	147,300	145,000	-2,300
Equipment Maintenance	0	87,900	87,000	-900
Supplies - Operational	44,300	59,100	59,000	-100
Supplies - Office	26,200	22,500	20,700	-1,800
Telephone	100,800	20,400	20,400	0
Postage And Express	16,900	15,400	15,400	0
Replacement Parts	8,400	12,600	12,600	0
Tools & Equipment	8,100	14,500	12,500	-2,000
Travel And Subsistence	12,500	18,100	10,000	-8,100
Employee Training	5,000	10,300	10,000	-300
Other Outside Services	3,700	5,200	5,200	0
Other Minor Accts	-1,600	-9,000	-8,700	300
Total	\$13,889,400	\$14,765,600	\$16,181,400	\$1,415,800

The Fiscal Year 2004 budget is \$16.2 million; an increase of \$1.4 million or 9.6 percent over the Fiscal Year 2003 budgeted amount.

Headcount:

2002 Budgeted	2003 Budgeted	2004 Budgeted	2004 Total Payroll Request
Civilian 16	17	17	\$839,100
Sworn 166	166	145	\$13,153,200

Departmental Budget and Narratives

State Police (cont'd)

DEPARTMENT POSITION TITLES	MONTHLY SALARY RANGES	NUMBER OF POSITIONS			ESTIMATED EXPENDITURES		
		FISCAL YEARS			FISCAL YEARS		
		2002	2003	2004	2002	2003	2004
State Police							
ADMINISTRATION SECRETARY	2129 3549	2.0	2.0	2.0	60,480	63,780	63,780
CIVILIAN CALL TAKER	1752 2921	0.0	0.0	1.0	-	-	25,000
EXECUTIVE SECRETARY	2562 4271	1.0	1.0	1.0	32,538	33,840	33,840
INFORMATION PROCESSOR OPERATOR	1752 2921	4.0	4.0	4.0	98,280	102,211	102,360
INVESTIGATIONS SECRETARY III	2421 4035	1.0	1.0	1.0	37,920	32,040	32,040
POLICE RECORDS ANALYST	2421 4035	1.0	2.0	1.0	38,280	40,980	40,980
POLICE RECORDS SPECIALIST	2129 3549	3.0	3.0	3.0	54,120	57,300	85,300
SUPPORT SERVICES MANAGER	3280 5467	1.0	1.0	1.0	61,269	63,720	63,720
SUPPORT SVCS/ASST TIMEKEEPING	2889 4816	1.0	1.0	1.0	40,860	36,120	25,000
VIDEO SURV/SERVICE OPER SUPVR	2889 4816	1.0	1.0	1.0	53,340	56,040	56,040
VIDEO SURVEILLANCE SUPERVISOR	2421 4035	1.0	1.0	1.0	41,520	43,620	43,620
Subtotal:		16.0	17.0	17.0			

*Sworn Officers are not included in the Tollway's budget. The Tollway reimburse Illinois State Police on a contractual basis for State Police salaries budget.

Departmental Budget and Narratives

Violation Enforcement System (Division)

The Violation Enforcement System (VES) Division is responsible for recouping uncollected toll revenue and assessing fines and other sanctions against toll scofflaws. In 2002, the Illinois Tollway began to pursue the small percentage of habitual toll cheaters on behalf of the 97 percent of honest tollway patrons who pay their fair share. In 2003, state-of-the-art video surveillance procedures and noticing functions were outsourced to provide for swift and meaningful prosecution of alleged toll cheaters, while affording the opportunity for due process of law.

Accomplishments:

As a result of new, aggressive enforcement measures, the Tollway will recover approximately \$11 million in 2004 through the VES system, which amounts to approximately 3 percent of total Tollway revenues.

Objectives:

- To reduce uncollected tolls by serving as a proactive deterrent to toll evasion
- Reduce the number of toll evaders on our system. Currently, 3 percent of toll transactions are attributed to partial or no payments of tolls.

Strategic Plan:

- Reduce dollar value of uncollected toll revenue by reducing the percentage toll scofflaws
- Operate efficiently

Reorganization Highlights:

- VES moved from the Finance Department to become a separate division under the Executive Office to underscore the proactive measures against toll evasion.

:

Departmental Budget and Narratives

VES (cont'd)

Major Account Line Items:

VIOLATION ENFORCEMENT SYSTEM				
Major Account	2002 Actual	2003 Budget	2004 Budget	\$ Change
Salary & Wages	\$214,400	\$479,300	\$441,200	-\$38,100
Benefits	49,200	105,000	107,600	2,600
Other Outside Services	1,301,900	10,260,500	10,150,000	-110,500
Contracted Outside Service	0	0	325,000	325,000
Telephone	700	10,000	10,000	0
Supplies - Office	5,100	6,000	8,000	2,000
Other Expenses	100	0	7,200	7,200
Other Minor Accts	21,100	64,300	5,300	-59,000
Total	\$1,592,500	\$10,925,100	\$11,054,300	\$129,200

The Fiscal Year 2004 budget is \$11.1 million; an increase of \$129 thousand or 1.17 percent over the Fiscal Year 2003 budgeted amount.

Headcount:

2002 Actual	2003 Budgeted	2004 Request	2004 Total Payroll Request
10	10	10	\$548,800

Note: The headcount outline for VES is located under the Executive Department

Capital Program

Capital Program

Overview:

Maintaining the safety and integrity of the existing roadway system is one of the highest priorities for the Tollway. The four areas of investments incorporated into developing the Tollway Capital Program are:

Infrastructure Preservation: preserve existing infrastructure system (roadway, bridge and facility rehabilitation/replacement, and service improvement initiatives) support systemwide operations, traffic management, communications, computers, and capital equipment and roadway and maintenance equipment purchases

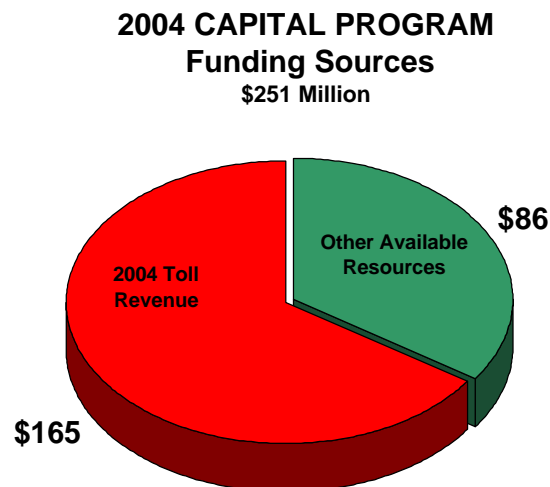
Congestion Relief: I-PASS expansion projects, plaza improvements, and roadway widening

System Enhancements: interchange improvements, new interchange studies, landscaping, and noise studies

Regional Improvements: plan regional improvements (new route studies)

Required improvements are identified through annual inspections of roadways, bridges, and facilities, through operational assessments and through coordination with various agencies. All required improvements are funded under the Fiscal Year 2004 capital program through operating revenues.

For the Fiscal Year 2004, the Capital Program anticipates expenditures to be \$251 million.



Fiscal Year 2004 Major Construction Project Descriptions

Map Location

East-West Tollway

- 1 **Intermittent Pavement Repairs.** This project covers the entire East-West Tollway to repair pavement on a “as needed” basis. Work generally consists of minor asphalt patching and resurfacing. Construction cost is \$1.9 million.
- 2 **Roadway Reconstruction.** This project replaces deteriorated pavement from Rt. 59 to Naperville Road. This project initiates a project that will widen and reconstruct I-88 from Rt. 59 to Rt. 53. 2004 costs for the pavement reconstruction is \$38.5 million.
- 12 **Eola Road Interchange.** This is a joint project between DuPage County and the Tollway. The project is for the construction of a new full access interchange at Eola Road. The project also includes the installation of a westbound and eastbound plaza and a control building at the westbound plaza. Participation from DuPage County covers the cost of this project.

Northwest Tollway

- 3 **Bridge Replacement.** This project is for the replacement of a bridge that is located on the US 20 ramp on the Northwest Tollway at milepost 36.9. Construction cost is \$2.5 million.

Tri-State Tollway

- 4 **Markham Yard Bridge Replacement.** This project is for the reconstruction and widening of the Markham Yard Bridge from 3 lanes in each direction to 5 lanes in each direction with full shoulders. This project will start in 2004 and will be completed by the Summer of 2006. Total construction cost is \$55.8 million with 2004 costs at \$22.9 million.
- 5 **Cal-Sag Bridge Replacement.** This project is for the reconstruction and widening of the Cal-Sag Bridge from 3 lanes in each direction to 4 lanes in each direction with full shoulders. This project started in 2003 and will be completed by Spring 2005. Total construction cost is \$24.1 million with 2004 costs at \$9.1 million.

Fiscal Year 2004 Major Construction Project Descriptions

Map
Location

Tri-State Tollway

- 6 A & B **Intermittent Pavement Repairs.** This project covers the northern section of the Tri-State Tollway to repair pavement on a “as needed” basis. Work generally consists of minor asphalt patching and resurfacing. Construction cost is \$750,000.
- 7 A,B,C,D **Various Structure and Bridge Repairs.** This project is for the repair of sixteen bridges between I-55 (MP 26.9) and the Edens Spur (MP 52.2) on the Tri-State Tollway (I-294). Work consists of deck repair and/or replacement and other miscellaneous repairs to the substructure. This project also includes structural wall repair at Old Skokie Highway (MP 77) on the Tri-State Tollway (I-94). Construction cost totals \$4.7 million.
- 13 **Pavement Reconstruction and Widening.** This project is for the reconstruction and widening of the Tri-State Tollway from milepost 0 to milepost 5.4 between the I-80 interchange and the I-94/I-394 interchange. This project will widen the existing roadway from 3 lanes to 4 lanes in each direction. Construction cost of \$12.7 million represents start-up costs for the ultimate project being built in 2005 and 2006.

Fiscal Year 2004 Major Construction Project Descriptions

Map Location

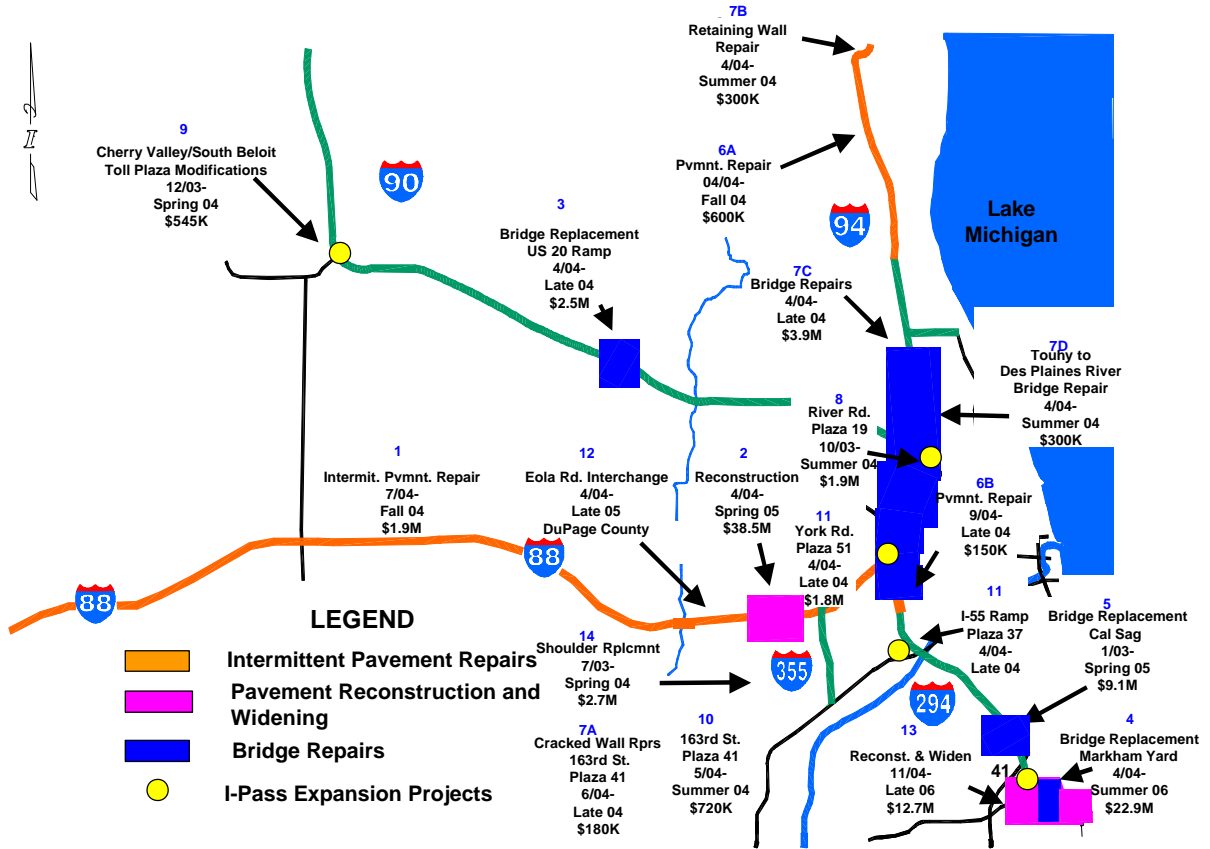
North-South Tollway

- 14 **Shoulder Replacement.** This project is for the replacement of shoulders on the North-South Tollway from I-55 to Army Trail Road. This project started in 2003 and will be completed by Spring 2004. 2004 construction cost for this project is \$2.7 million.

I-PASS Expansion Projects

- 8 **Northwest Tollway – Plaza 19 (River Road) IPO.** This project is for the conversion of a manual lane to a mixed use I-PASS Only Lane and converting an automatic lane to a Car I-PASS Only Lane. This project started in 2003 for a total cost of \$2.8 million with 2004 costs at \$1.9 million.
- 9 **Northwest Tollway – Cherry Valley/South Beloit Toll Plaza Modifications.** This project will eliminate toll collection (Cherry Valley – Plaza 3) at the eastbound exit ramp on the Northwest Tollway (I-90). Estimated construction cost is \$545,000.
- 10 **Tri-State Tollway – Plaza 41 (163rd St.) IPO.** This project is for the conversion of an interior collection lane to a mixed use I-PASS Only Lane in each direction. Construction cost is \$720,000.
- 11 **Systemwide – I-88 Plaza 51 (York Rd.) and I-294 Plaza 37 (I-55).** The current scope of work for this project is for the conversion of an interior collection lane(s) to I-PASS Only at Plaza 51 and Plaza 37. 2004 construction cost is \$1.8 million.

2004 Construction Projects



Fiscal Year 2004 Capital Program Project Description

2004 ANTICIPATED EXPENDITURES FOR THE RENEWAL-REPLACEMENT & IMPROVEMENT PROGRAM

MAP LOCATION	PROJECT DESCRIPTION	Total \$'s include Other Related Phases of Project			DURATION OF PROJECT	
		CARRY-OVER PROJECT	NEW FUNDING	TOTAL PHASE COST		
				SPENT TO DATE		
INFRASTRUCTURE PRESERVATION						
<u>Construction</u>						
1	I-88: Intermittent Pavement Repair, Rock Falls (US30) to I-290		1,800,000	1,800,000	0	07/04-09/04
1	I-88: Pavement Improvement, Dixon Plaza to DeKalb Plaza	100,000		937,162	633,307	05/01-07/04
2	I-88: Roadway Reconstruction, Route 59 to Winfield Road - Construction		17,500,000	35,000,000	0	04/04-05/05
2	I-88: Roadway Reconstruction, Route 59 to Winfield Road - Inspection		2,000,000	3,200,000	0	04/04-12/05
2	I-88: Roadway Reconstruction, Winfield Road to Naperville Road - Construction		17,000,000	25,000,000		04/04-05/05
2	I-88: Roadway Reconstruction, Winfield Road to Naperville Road - Inspection		2,000,000	2,200,000	0	04/04-12/05
3	I-90: Bridge Replacement at US 20 Ramp - Construction		2,300,000	2,300,000	0	04/04-12/04
3	I-90: Bridge Replacement at US 20 Ramp - Inspection		150,000	210,000	0	04/04-06/05
4	I-294: Markham Yard Bridge Replacement - Construction		20,000,000	48,300,000	0	03/04-06/06
4	I-294: Markham Yard Bridge Replacement - Inspection	1,800,000		4,092,702	0	06/03-12/06
4	I-294: Markham Yard Bridge Replacement - Right-of-Way	750,000		2,700,000	346,659	02/02-12/06
4	I-294: Markham Yard Bridge Replacement - IL Central Railroad Flaggers		200,000	515,000	0	03/04-08/05
4	I-294: Markham Yard Bridge Replacement - Metra Flaggers		100,000	227,000	0	05/04-08/05
4	I-294: Markham Yard Bridge Replacement - East Hazel Crest Relocations		15,000	15,000	0	03/04-06/04
5	I-294: Cal-Sag Bridge Replacement - Construction	8,000,000		19,738,778	6,810,157	12/03-04/05
5	I-294: Cal-Sag Bridge Replacement - Inspection	900,000		2,352,675	648,430	10/02-10/05
5	I-294: Cal-Sag Bridge Replacement - Right-of-Way	200,000		2,000,000	953,829	02/02-12/04
6A	I-294: Intermittent Pavement Repair		600,000	600,000	0	04/04-09/04
6B	I-294: Pavement Rehabilitation, Ogden Avenue to 31st Street		150,000	150,000	0	09/04-12/04
7A	I-294: Cracked Wall Repairs at Plaza 41 163rd Street		180,000	180,000	0	06/04-11/04
7B	I-294: Retaining Wall Repairs at the Old Skokie Highway Ramp		300,000	300,000	0	04/04-07/04
7C	I-294: Bridge Repairs, I-55 to the Edens Spur - Construction		3,500,000	3,500,000	0	04/04-11/04
7C	I-294: Bridge Repairs, I-55 to the Edens Spur - Inspection		250,000	320,000	0	04/04-06/05
7C	I-294: Bridge Repairs, I-55 to the Edens Spur - Utilities		100,000	100,000	0	04/04-11/04
7D	I-294: Bridge Repairs, Touhy Avenue to Des Plaines River		300,000	300,000	0	04/04-07/04
	I-294: Concrete Patch Thornton Quarry Bridge	5,900		65,000	0	10/03-04/04
	Systemwide: Bridge Column Pier Bridge Inspection & Rehabilitation - Inspection	108,218		355,404	227,126	07/02-06/04

Fiscal Year 2004 Capital Program Project Description

2004 ANTICIPATED EXPENDITURES FOR THE RENEWAL-REPLACEMENT & IMPROVEMENT PROGRAM

MAP LOCATION	PROJECT DESCRIPTION	CARRY-OVER PROJECT	Total \$'s include Other Related Phases of Project			DURATION OF PROJECT
			NEW FUNDING	TOTAL PHASE COST	SPENT TO DATE	
INFRASTRUCTURE PRESERVATION						
<u>Construction</u>						
	Systemwide: Roof Replacements Systemwide		450,000	450,000	0	04/04-10/04
13	I-294: Pavement and Bridge Widening, I-94/I-394 to Center Street - Construction		10,000,000	128,062,566	0	10/04-12/06
13	I-294: Pavement and Bridge Widening, I-94/I-394 to Center Street - Inspection		700,000	11,764,184	0	10/04-12/06
13	I-294: Pavement and Bridge Widening, Markham Yard to 167th Street - Construction		1,803,327	21,803,327	0	10/04-12/06
13	I-294: Pavement and Bridge Widening, Markham Yard to 167th Street - Inspection		200,000	2,006,605	0	10/04-12/06
	I-294: Pavement and Bridge Widening, I-94/I-394 to 95th Street, Right-of-Way	5,030,000		22,300,000	6,672	05/02-11/06
	I-294: Pavement and Bridge Widening, I-94/I-394 to 95th Street, Utilities		110,000	7,000,000	0	01/04-12/06
	I-294: Pavement and Bridge Widening, I-94/I-394 to 95th Street, Fiber Optics	310,000		1,950,300	122,948	02/03-12/06
	I-294: Title Insurance Needs & Related Services, I-94/I-394 to Markham Yard	40,000		92,005	0	10/03-12/06
	I-294: Title Insurance Needs & Related Services, Markham Yard to I-80	10,000		92,005	0	10/03-12/06
	I-294: South Tri-State Interim Roadway Improvements, I-94/I-394 to I-80 - Construction	689,000		2,689,000	0	07/03-04/04
	I-294: South Tri-State Interim Roadway Improvements, I-94/I-394 to I-80 - Inspection	121,796		321,796	0	07/03-10/04
	I-294: South Tri-State Interim Roadway Improvements, I-80 to 135th Street - Construction	300,000		1,747,772	868,461	05/03-04/04
	I-294: South Tri-State Interim Roadway Improvements, I-80 to 135th Street - Inspection	309,815		309,815	0	07/03-10/04
	I-294: South Tri-State Interim Roadway Improvements, 135th Street to 95th Street - Construction	200,000		3,071,672	1,948,947	06/03-04/04
	I-294: South Tri-State Interim Roadway Improvements, 135th Street to 95th Street - Inspection	74,088		324,088	0	07/03-10/04
	I-294: I-80 to US Rte 41/I-394 - IDOT Project - Tollway Participation Cost		2,500,000	25,000,000	0	01/04-12/07
	I-294: IL Rte 22 Widening and Reconstruction (IDOT Participation)	1,400,000		2,500,000	0	09/01-06/05
	I-88: Meyers Road Bridge Reconstruction (DuPage County Participation) - Construct & Utilities		477,000	477,000	0	01/04-06/04
	I-88: IL 47 Bridge Rehabilitation (IDOT Participation)		302,544	302,544	0	11/04-12/04
14	I-355: Shoulder Replacement I-55 to Finley Road - Construction	716,496		6,289,751	1,573,255	07/03-06/04
14	I-355: Shoulder Replacement I-55 to Finley Road - Inspection	346,787		746,787	0	07/03-06/04
14	I-355: Shoulder Replacement Finley Road to Army Trail Road - Construction	1,310,700		3,810,700	0	07/03-06/04
14	I-355: Shoulder Replacement Finley Road to Army Trail Road - Inspection	295,401		595,401	0	07/03-06/04

Fiscal Year 2004 Capital Program Project Description

2004 ANTICIPATED EXPENDITURES FOR THE RENEWAL-REPLACEMENT & IMPROVEMENT PROGRAM

MAP LOCATION	PROJECT DESCRIPTION	CARRY-OVER PROJECT	NEW FUNDING	Total \$'s include Other Related Phases of Project TOTAL PHASE COST	SPENT TO DATE	DURATION OF PROJECT
INFRASTRUCTURE PRESERVATION						
<u>Construction</u>						
I-90:	Drainage Improvements, East River Road to Arlington Heights Road - Inspection	114,888		271,672	6,834	07/03-06/04
I-90:	Drainage Improvements, Arlington Heights Road to Barrington - Inspection	81,438		308,980	102,542	07/03-06/04
I-90:	Pavement Resurfacing, Plaza 9 (Elgin) to US 20 - Inspection	373,236		1,373,236	0	05/03-06/04
I-90:	Pavement Resurfacing, US 20 to Genoa Road - Inspection	401,996		2,483,940	374,944	05/03-06/04
I-90:	Pavement Resurfacing, Genoa Road to Newburg Road - Inspection	298,852		1,197,225	298,373	05/03-06/04
I-90:	LUST Land Acquisition at Belvidere Oasis	25,000		30,000	1,600	08/03-12/06
Systemwide:	Asbestos Abatement/Management	1,000,000		4,988,234	3,644,811	01/93-12/04
Systemwide:	Environmental Monitoring 7 LUST Sites	2,542		298,719	211,344	03/01-11/05
Systemwide:	Oasis Upgrade	1,544,420		4,662,907	2,230,392	06/96-02/05
Systemwide:	Laboratory Testing Services	60,800		134,237	117,552	01/02-11/04
Systemwide:	Earthwork Paving and Special Waste Handling Services	179,000		1,240,490	1,018,162	01/02-11/04
Systemwide:	Oxygen Release Compound (ORC) Supply	310,000		310,000	112,560	01/02-11/04
Systemwide:	Remediation Construction Support	190,000		256,980	10,374	02/03-11/04
Systemwide:	Earthwork Paving and Special Waste Handling Services	843,000		1,494,882	348,459	07/03-11/04
Systemwide:	Construction Inspection Upon Request	192,510		325,000	32,490	05/03-10/04
Systemwide:	Construction Inspection Upon Request	325,000		325,000	0	10/03-10/04
Systemwide:	Construction Inspection Upon Request	14,032		300,000	285,968	08/01-08/04
Systemwide:	Construction Inspection Upon Request	61,446		325,000	163,554	10/03-10/04
Systemwide:	Construction Inspection Upon Request	325,000		325,000	0	10/03-12/04
Systemwide:	Epoxy Pavement Striping 2003/2004	72,547		397,568	125,021	05/03-05/04
Systemwide:	Epoxy Pavement Striping 2004		1,000,000	1,250,000	0	04/04-08/05
Construction Total		\$ 29,433,908	\$ 85,987,871	\$ 422,465,109	\$ 23,224,771	

Fiscal Year 2004 Capital Program Project Description

2004 ANTICIPATED EXPENDITURES FOR THE RENEWAL-REPLACEMENT & IMPROVEMENT PROGRAM

MAP LOCATION	PROJECT DESCRIPTION	Total \$'s include Other Related Phases of Project			SPENT TO DATE	DURATION OF PROJECT
		CARRY-OVER PROJECT	NEW FUNDING	TOTAL PHASE COST		
INFRASTRUCTURE PRESERVATION						
<u>Design</u>						
I-88:	Surveying, DeKalb Plaza to Route 56		300,000	400,000	0	01/04-08/06
I-88:	Survey-Plats-ROW, Route 56 to Aurora Plaza	150,000		300,000	100,407	04/03-11/04
I-88:	Survey-Plats-ROW, Route 59 to Naperville Road	120,824		300,000	129,076	04/03-11/04
I-88:	Survey-Plats-ROW, Naperville Road to Finley Road	104,661		300,000	172,743	04/03-11/04
I-88:	Naperville Road Widen and Reconstruct, Washington Street to Yackley Road	2,400,000		5,598,415	1,415,850	10/02-12/05
I-88:	Reconstruction, Route 59 to Naperville Road	1,165,505		5,939,569	2,244,672	10/02-06/05
I-88:	Widening and Reconstruction, Naperville Road to I-355	2,000,000		5,135,802	1,876,362	10/02-12/05
I-88:	Bridge Repairs, DeKalb Plaza to Route 56	849,778		899,778	0	12/03-09/04
I-355:	Bridge Repairs, Warrenville Road to Army Trail Road Plaza	250,000		297,341	0	10/03-09/04
I-90:	Bridge Repairs, River Road Plaza to Marengo Plaza	435,232		450,232	0	10/03-02/05
I-90:	Bridge Replacement at US 20 Ramp	728,000		728,000	0	12/03-02/04
I-294:	Bridge Repairs, Ogden Avenue to the Edens Spur	303,513		403,513	0	10/03-02/04
I-294:	Survey-Plats-ROW, Balmoral to Golf Road	259,458		300,000	40,542	05/03-02/04
I-294:	Widen and Reconstruct, Balmoral to Touhy	3,403,520		8,195,395	1,169,706	11/02-08/05
I-294:	Widen and Reconstruct, Touhy to Dempster	2,450,000		4,908,406	432,341	11/02-08/05
I-294:	Surveying, I-94/I-394 to 163rd Street	399,996		399,996	0	11/03-08/06
I-294:	Surveying, 163rd Street to Cal-Sag	42,802		299,213	236,411	05/02-12/04
I-294:	Surveying, Cal-Sag to 95th Street	32,213		299,509	252,296	05/02-12/04
I-294:	Concept Signing	25,712		275,980	250,268	06/02-05/04
I-294:	Concept Lighting	38,847		316,547	247,900	06/02-05/04
I-294:	Pavement and Bridge Widening, I-94/I-394 to Markham Yard	4,000,000		11,133,199	5,783,619	07/01-12/05
I-294:	Pavement and Bridge Widening, Markham Yard	50,000		4,110,007	3,917,930	07/01-12/04
I-294:	Pavement and Bridge Widening, Markham Yard to I-80	1,000,000		3,632,767	2,075,096	07/01-12/05
I-355:	Shoulder Replacement I-55 to Finley Road	20,000		1,232,335	957,298	10/02-05/04
I-355:	Shoulder Replacement Finley Road to Army Trail Road	20,000		896,550	714,429	10/02-05/04
Systemwide:	Miscellaneous Real Estate Appraisals	14,400		30,000	0	08/03-12/05
Systemwide:	Miscellaneous Real Estate Title Services	14,400		30,000	0	08/03-12/05

Fiscal Year 2004 Capital Program Project Description

2004 ANTICIPATED EXPENDITURES FOR THE RENEWAL-REPLACEMENT & IMPROVEMENT PROGRAM

Total \$'s include Other Related Phases of Project

MAP LOCATION	PROJECT DESCRIPTION	CARRY-OVER PROJECT	NEW FUNDING	TOTAL PHASE COST	SPENT TO DATE	DURATION OF PROJECT
INFRASTRUCTURE PRESERVATION						
<u>Design</u>						
	Systemwide: Pavement Inspection and Analysis	196,623		427,190	182,731	06/02-05/04
	Systemwide: Pavement Inspection and Analysis		75,000	150,000	0	06/04-05/05
	Systemwide: Asbestos Management Plan & Training	41,251		49,523	8,272	09/96-12/04
	Systemwide: Aerial Mapping Upon Request	250,000		300,000	13,635	04/03-01/05
	Systemwide: Various 3D Laser Scanner Mapping	100,000		100,000	0	11/03-10/04
	Systemwide: Survey Upon Request – Southern Region		180,000	210,000	0	01/04-09/05
	Systemwide: Survey Upon Request – Northern Region	150,000		150,000	0	11/03-09/04
	Systemwide: Design Upon Request	250,000		325,000	0	10/03-10/04
	Systemwide: 2003 Design Upon Request	260,000		325,000	0	03/03-10/04
	Systemwide: Design Upon Request	54,389		300,000	245,611	01/01-12/04
	Systemwide: Design Upon Request	11,193		325,000	313,807	01/02-12/04
	Systemwide: DSE Cost 2003 PSB 02-03 CMT	100,000		325,000	0	03/03-10/04
	Systemwide: 2004 Design Upon Request	300,000		325,000	0	11/03-05/05
Design Total		\$ 21,992,317	\$ 555,000	\$ 60,124,267	\$ 22,781,002	

Fiscal Year 2004 Capital Plan Project Description

2004 ANTICIPATED EXPENDITURES FOR THE RENEWAL-REPLACEMENT & IMPROVEMENT PROGRAM

MAP LOCATION PROJECT DESCRIPTION	CARRY-OVER PROJECT	Total \$'s include Other Related Phases of Project NEW FUNDING	TOTAL PHASE COST	SPENT TO DATE	DURATION OF PROJECT
INFRASTRUCTURE PRESERVATION					
Service Improvement Initiatives					
Systemwide: Payroll & Personnel Time & Attendance Computer System	242,000		252,440	52,440	01/02-12/04
Systemwide: 800 Mhz Communications Upgrade	9,681,634		16,000,000	1,813,330	07/01-06/05
Systemwide: Microwave Communications System Upgrade		4,000,000	10,000,000	0	03/04-03/06
Systemwide: Tower Preservation	247,360		780,000	154	06/03-09/06
Systemwide: Radio Tower Physical Security		50,000	50,000	0	06/04-12/04
Systemwide: Toll Violation Enforcement System (VES)	4,909,716		17,575,341	7,083,910	06/02-06/05
Systemwide: Retoll 2000 Integrate New Plaza Lane Equipment	2,108,122		3,415,570	1,006,948	06/03-12/04
Systemwide: Computerized Maintenance Management System (MMS)		750,000	750,000	0	01/04-07/04
Systemwide: Replace Computerized Fleet Management System (EMS)		750,000	750,000	0	02/04-10/04
Systemwide: Dynamic Message Sign and Installation of CCTV - Design	383,388		463,388	0	10/03-04/04
Systemwide: Dynamic Message Sign and Installation of CCTV - Construction		2,340,000	5,340,000	0	06/04-06/05
Systemwide: Dynamic Message Sign and Installation of CCTV - Utility		30,000	60,000	0	06/04-06/05
Systemwide: Dynamic Message Sign and Installation of CCTV - Inspection		243,000	486,000	0	06/04-06/05
Systemwide: Dynamic Message Sign - East-West and North-South - Construction		2,000,000	3,780,000	0	03/04-03/05
Systemwide: Dynamic Message Sign - East-West and North-South - Utility		45,000	45,000	0	03/04-03/05
Systemwide: Dynamic Message Sign - East-West and North-South - Inspection		200,250	344,250	0	03/04-03/05
Systemwide: CCTV Camera Installation - Design		108,000	108,000	0	04/04-10/04
Systemwide: CCTV Camera Installation - Construction		650,000	1,350,000	0	10/04-10/05
Systemwide: CCTV Camera Installation - Inspection		60,000	121,500	0	10/04-10/05
Systemwide: CCTV Camera Relocation		840,000	840,000	0	02/04-12/04
Systemwide: Property Management GIS		150,000	150,000	0	01/04-10/04
Systemwide: GIS		500,000	500,000	0	01/04-12/04
Systemwide: CAD-TIP State Police and Maintenance Replace/Upgrade	434,514		2,146,735	1,663,351	11/00-12/05
Systemwide: Traffic and Incident Management System		150,000	150,000	0	01/04-12/04
Systemwide: TIMS Operations and Maintenance	572,926		572,926	0	04/03-09/04
Systemwide: Capital Equipment Purchase		2,066,000	2,066,000	0	01/04-12/04

Fiscal Year 2004 Capital Plan Project Description

2004 ANTICIPATED EXPENDITURES FOR THE RENEWAL-REPLACEMENT & IMPROVEMENT PROGRAM

MAP LOCATION	PROJECT DESCRIPTION	CARRY-OVER PROJECT	NEW FUNDING	TOTAL PHASE COST	SPENT TO DATE	DURATION OF PROJECT
Total \$'s include Other Related Phases of Project INFRASTRUCTURE PRESERVATION						
Service Improvement Initiatives						
	Systemwide: Roadway and Maintenance Equipment		3,005,740	3,005,740	0	01/04-12/04
	Systemwide: Traffic Consultant		2,100,000	2,100,000	0	01/04-12/04
	Systemwide: General Consultant		7,400,000	7,400,000	0	01/04-12/04
	Systemwide: Disaster Recovery System	1,174,318		2,300,000	110,583	05/01-12/04
	Systemwide: Web and E-Commerce and PKI	2,000,000		4,500,000	1,225,151	01/02-12/05
	Systemwide: E-Commerce Maintenance		442,000	442,000	0	01/04-12/04
	Systemwide: Develop Authority Intranet	38,554		50,000	11,446	11/02-06/04
	Systemwide: LAN/WAN Maintenance Upgrade	1,220,000		2,500,000	0	10/02-12/05
	Systemwide: Mainframe Legacy Systems Replacement/Upgrade		4,500,000	10,000,000	0	01/04-12/06
	Systemwide: I-PASS Data Storage Expansion & Upgrade		700,000	700,000	0	01/04-12/04
	Systemwide: New Fire Suppression		30,000	30,000	0	01/04-12/04
	Systemwide: Network Security-Hardware Upgrade & Improved Mgmt Software		70,000	70,000	0	01/04-12/04
	Systemwide: IT LAB		75,000	75,000	0	01/04-12/04
	Systemwide: Router Maintenance/Service Contract		50,000	50,000	0	01/04-12/04
	Systemwide: Outside Consultants Annual Contract		750,000	1,500,000	0	01/04-12/05
	Systemwide: Update of Plaza Computer Infrastructure		500,000	500,000	0	06/04-12/04
	Systemwide: Web Based Project Management		1,000,000	1,000,000	0	02/04-12/04
	Systemwide: ERP-Financial System Replacement		10,000,000	20,000,000	0	01/04-12/05
	Systemwide: Contingency Fund		2,500,000	2,500,000	0	01/04-12/04
		Service Improvement Initiatives Total	\$ 23,012,532	\$ 48,054,990	\$ 12,967,313	
		INFRASTRUCTURE PRESERVATION TOTAL	\$ 74,438,757	\$ 134,597,861	\$ 609,409,266	58,973,086
		GRAND TOTAL NEW AND CARRY-OVERS	\$ 209,036,618			

Fiscal Year 2004 Capital Plan Project Description

2004 ANTICIPATED EXPENDITURES FOR THE RENEWAL-REPLACEMENT & IMPROVEMENT PROGRAM

MAP LOCATION	PROJECT DESCRIPTION	Total \$'s include Other Related Phases of Project			DURATION OF PROJECT	
		CARRY-OVER PROJECT	NEW FUNDING	TOTAL PHASE COST		
CONGESTION RELIEF						
	Systemwide: Installation of IPO Lanes, NW P17 (Devon) & TS P29 (Touhy) - Inspection	50,998		493,824	372,826	09/02-06/04
	I-88: Installation of Car IPO Lane, P51 (York Rd.) - Inspection	52,043		381,576	184,533	03/03-06/04
8	I-90: Man to Mix IPO-Auto to Car IPO, P19 (River Rd.) - Construction	1,603,801		2,500,000	0	10/03-06/04
8	I-90: Man to Mix IPO-Auto to Car IPO, P19 (River Rd.) - Inspection	199,526		225,000	0	10/03-06/04
8	I-90: Man to Mix IPO-Auto to Car IPO, P19 (River Rd.) - Transcore	61,679		121,679	0	10/03-06/04
	I-90: Cherry Valley/South Beloit Toll Plaza Modifications - Design		40,000	40,000	0	12/03-03/04
9	I-90: Cherry Valley/South Beloit Toll Plaza Modifications - Construction		500,000	500,000	0	12/03-03-04
9	I-90: Cherry Valley/South Beloit Toll Plaza Modifications - Inspection		45,000	45,000	0	12/03-05/04
	I-294: Convert Automatic Lanes to Mixed Use at Plaza 41 (163 rd St.) - Design		50,000	50,000	0	01/04-04/04
10	I-294: Convert Automatic Lanes to Mixed Use at Plaza 41 (163 rd St.) - Construction		600,000	600,000	0	05/04-07/04
10	I-294: Convert Automatic Lanes to Mixed Use at Plaza 41 (163 rd St.) - Inspection		60,000	60,000	0	05/04-07/04
10	I-294: Convert Automatic Lanes to Mixed Use at Plaza 41 (163 rd St.) - Transcore		59,789	59,789	0	05/04-07/04
	Systemwide: IPO Lane Expansion (EW P51 York & TS P37 I-55) - Design	281,772		321,772	0	11/03-05/04
11	Systemwide: IPO Lane Expansion EW P51 (York Rd.) and TS P37 (I-55) - Construction		1,500,000	1,500,000	0	04/04-11/04
11	Systemwide: IPO Lane Expansion EW P51 (York Rd.) and TS P37 (I-55) - Inspection		100,000	135,000	0	04/04-06/05
11	Systemwide: IPO Lane Expansion EW P51 (York Rd.) and TS P37 (I-55) - Transcore		244,000	244,000	0	04/04-11/04
	Systemwide: Convert Unattended Ramps Automatic to IPO Lanes - Transcore	1,165,200		1,295,200	0	09/03-06/04
	Systemwide: Convert Manned Lanes to Automatic, TS P24, NS P73 & 89 - Transcore	34,668		34,668	0	11/03-02/04
	Systemwide: Customer Fulfillment Costs (GMR) (Mail Distribution Only)	1,821,069		5,632,295	0	11/01-12/04
	Systemwide: I-PASS Transponder Purchase		12,000,000	12,000,000	0	01/04-12/04
	Systemwide: I-PASS Improvements		20,000,000	20,000,000	0	01/04-12/04
		CONGESTION RELIEF TOTAL \$	5,270,756 \$	35,198,789 \$	46,239,803 \$	557,359
		GRAND TOTAL NEW AND CARRY-OVERS \$	40,469,545			

Fiscal Year 2004 Construction Project Descriptions

2004 ANTICIPATED EXPENDITURES FOR THE RENEWAL-REPLACEMENT & IMPROVEMENT PROGRAM

MAP LOCATION	PROJECT DESCRIPTION	CARRY-OVER PROJECT	NEW FUNDING	TOTAL PHASE COST	SPENT TO DATE
Total \$'s include Other Related Phases of Project					
SYSTEM ENHANCEMENTS					
12	I-88: Eola Road Interchange (DuPage County Participation)	-		-	0
	I-294: I-57 Interchange	41,349	1,000,000	1,449,691	1,368,342
	Systemwide: Noise Studies Upon Request	150,000		350,000	0
	Systemwide: Wetland Study Upon Request	80,000		150,000	35,539
	SYSTEM ENHANCEMENTS TOTAL	\$ 271,349	\$ 1,000,000	\$ 1,949,691	\$ 1,403,881
	GRAND TOTAL NEW AND CARRY-OVERS	\$ 1,271,349			
REGIONAL IMPROVEMENTS					
	Systemwide Planning and Feasibility Studies	713,478	0	14,019,250	9,864,184
	REGIONAL IMPROVEMENTS TOTAL	\$ 713,478	\$ -	\$ 14,019,250	\$ 9,864,184
	GRAND TOTAL NEW AND CARRY-OVERS	\$ 713,478			
	TOTAL	\$ 80,694,340	\$ 170,796,650	\$ 671,618,010	\$ 70,798,510

TOTAL 2004 RENEWAL-REPLACEMENT & IMPROVEMENT PROGRAM

\$ 251,490,990

Capital Plan Impact

Capital Plan Impact

Revenues

An important step in the toll revenue forecasting process is recognizing and developing estimates of traffic and revenue impacts due to highway improvement projects which may impact trips on the Tollway. These impacts have been separated into two categories, those on the Tollway and those off the Tollway on roads under the jurisdiction of the Illinois, Wisconsin and Indiana Departments of Transportation, and other county and/or municipal agencies responsible for roadway improvements.

A computerized model that reflects the roadway network and travel movements is used to estimate the impacts of roadway construction and improvement projects. Future year traffic estimates are developed using regional forecasts of population and employment. Impacts of major roadway improvement projects are estimated by comparing base year traffic forecasts to traffic forecasts using a modified roadway network that reflects reduced capacity during construction, or added capacity after completion of the project.

The Illinois Tollway's Renewal-Replacement and Improvement Program was to estimate the toll revenue impacts of scheduled projects. In addition to considering Tollway construction projects, a review was conducted of projects programmed by the Illinois, Wisconsin and Indiana Departments of Transportation, and other county and/or municipal agencies responsible for highway improvements, to identify projects that may impact Tollway traffic and revenue.

Debt and Obligations

Debt Requirement and Coverage Ratio

The Trust Indenture requires the Tollway to collect tolls for the use of the Tollway System as shall be required so each Fiscal Year Net Revenues be at least equal to the Net Revenue Requirement, or the amount necessary to cure deficiencies, if any in the Debt Service Accounts plus the greater of the sum of Aggregate Debt Service and the Renewal and Replacement Deposit or 1.3 times the Aggregate Debt Service for such period. The Tollway also has a 1.0 Junior bond capacity that is not currently being used.

In FY 2004 the Tollway's current debt coverage is 4.38 to 1, which is four times greater than the Tollway's required debt ratio coverage. In FY 2003 the Tollway was able to provide funds for the early retirement of some outstanding debt, which provided for such a high debt coverage ratio. The Tollway has historically maintained twice the required debt ratio coverage, and anticipated that level of coverage in the future. From 2004 through 2008 the Tollway has an annual debt service of \$80 million. From 2009 to 2016 the annual debt service will be less than \$73 million.

The Tollway revenues have consistently increased each year due to the heavy commuter use making the system largely impervious to economic conditions.

The Tollway will continue its conservative use of debt, which will allow increased flexibility to accommodate emergency capital needs or other events that may affect our system.

Debt and Obligations

REVENUE BOND COVERAGE

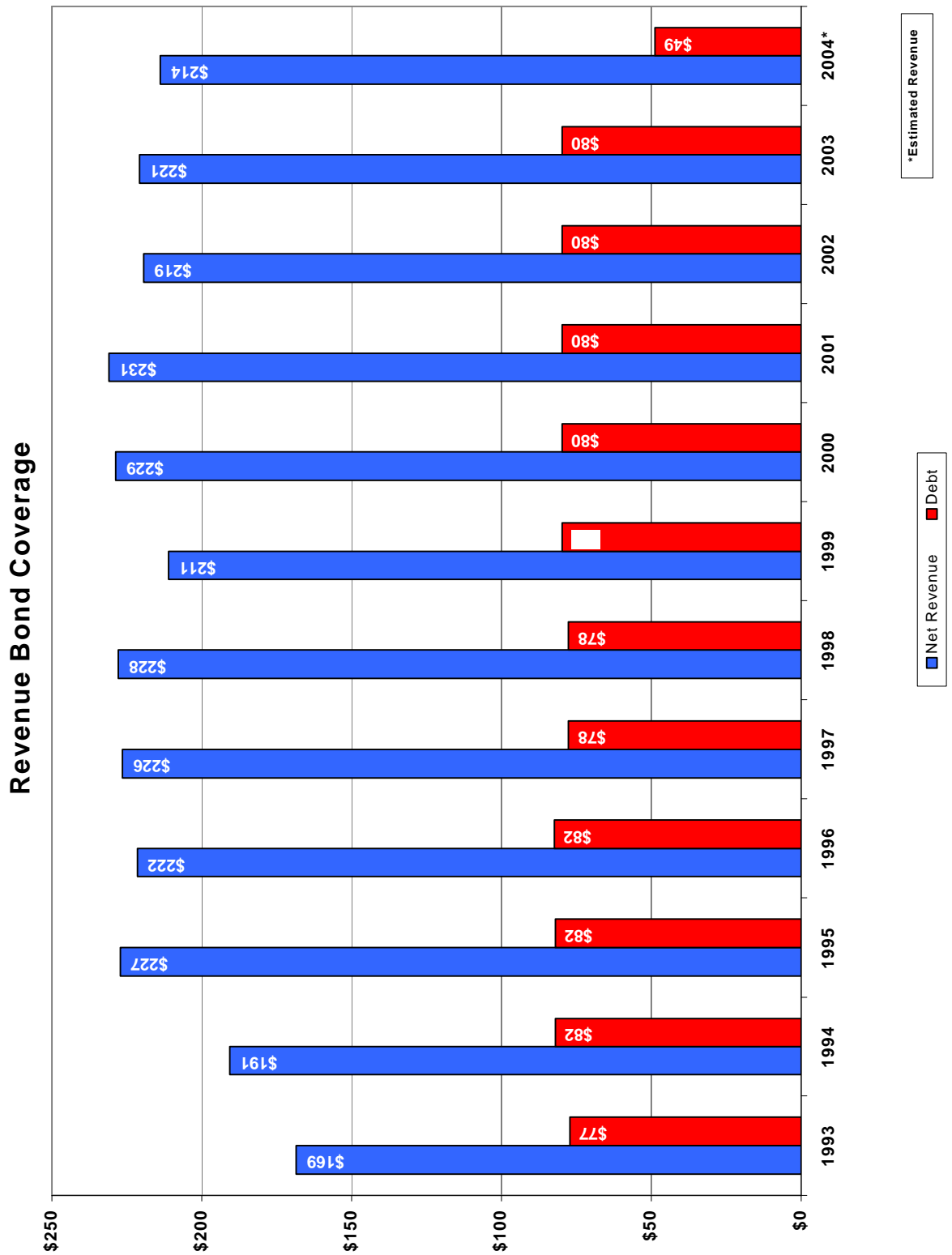
(Millions)

	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements		Revenue Bond Coverages	
				Principal	Interest		Total
2004 estimated	\$407.5	\$193.7	\$213.8	\$13.6	\$35.3	\$48.9	4.38
2003 estimated	\$398.8	\$178.0	\$220.8	\$41.2	\$38.4	\$79.7	2.77
2002	\$384.9	\$165.9	\$219.0	\$39.4	\$40.3	\$79.7	2.75
2001	\$391.7	\$160.7	\$231.0	\$37.6	\$42.1	\$79.7	2.90
2000	\$380.1	\$151.4	\$228.7	\$35.9	\$43.8	\$79.7	2.87
1999	\$358.0	\$146.9	\$211.1	\$33.6	\$46.3	\$79.8	2.64
1998	\$361.1	\$133.3	\$227.8	\$27.8	\$49.8	\$77.6	2.94
1997	\$356.9	\$130.5	\$226.4	\$26.6	\$51.0	\$77.6	2.92
1996	\$344.0	\$122.5	\$221.5	\$30.3	\$52.5	\$82.7	2.68
1995	\$342.2	\$115.0	\$227.2	\$25.8	\$56.3	\$82.0	2.77
1994	\$311.0	\$120.3	\$190.7	\$24.3	\$57.8	\$82.0	2.32
1993	\$276.8	\$108.3	\$168.5	\$21.5	\$55.5	\$77.1	2.19

Note 1 - Gross revenue includes operating and nonoperating revenue.

Note 2 - Operating expenses exclusive of depreciation and amortization.

Debt and Obligations



Debt and Obligations

Revenue Bonds Payable

The following table shows future debt service payments:

(Millions)

<u>Fiscal Year**</u>	<u>Debt Service Principal</u>	<u>Debt Service Interest</u>	<u>Debt Service Total</u>
2004	\$13.46	\$35.26	\$48.72
2005	\$45.04	\$34.59	\$79.62
2006	\$47.35	\$32.34	\$79.69
2007	\$50.03	\$29.87	\$79.90
2008	\$52.75	\$27.26	\$80.01
2009	\$45.47	\$24.50	\$69.97
2010	\$49.91	\$22.27	\$72.18
2011	\$53.04	\$19.14	\$72.18
2012	\$56.37	\$15.82	\$72.18
2013	\$59.47	\$12.72	\$72.18
2014	\$62.74	\$9.45	\$72.18
2015	\$66.10	\$6.00	\$72.10
2016	\$69.20	\$2.99	\$72.19
Total	\$670.90	\$272.20	\$943.10

**Note: Principal payment is actually made on January 1st of the following year. Final principal payment is on January 1, 2017.

*In 2004, the Illinois Tollway will
continue our journey on the Road to
Reform*

Appendix

Annual Toll Revenues—Passenger and Commercial Vehicles

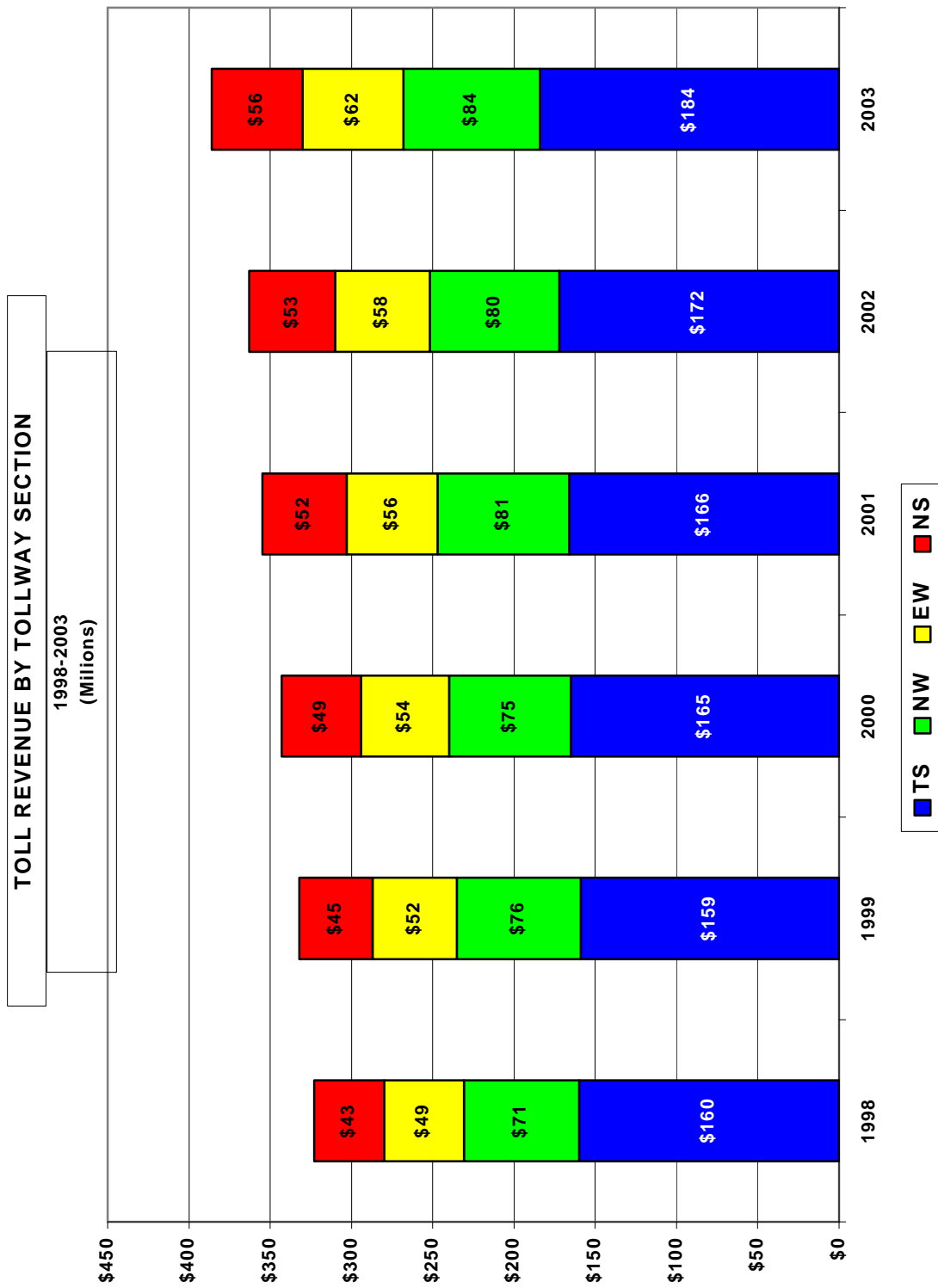
For selected years from 1959 to 2003

(Thousands)

<u>Year</u>	<u>Passenger</u>	<u>Commercial</u>	<u>Total</u>	<u>% Passenger</u>
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%
1970	47,565	9,343	56,908	83.58%
1971	47,941	10,638	58,579	81.84%
1972	50,093	11,149	61,242	81.80%
1973	54,420	13,558	67,978	80.06%
1974	55,419	14,891	70,310	78.82%
1975	58,784	13,277	72,061	81.58%
1976	63,578	15,975	79,553	79.92%
1977	66,939	19,855	86,794	77.12%
1978	70,946	21,922	92,868	76.39%
1979	73,048	24,068	97,116	75.22%
1980	73,248	22,204	95,452	76.74%
1981	75,361	23,387	98,748	76.32%
1982	76,004	23,148	99,152	76.65%
1983	88,074	29,154	117,228	75.13%
1984	114,233	43,094	157,327	72.61%
1985	120,397	43,901	164,298	73.28%
1986	131,620	47,541	179,161	73.46%
1987	139,629	50,486	190,115	73.44%
1988	150,803	57,410	208,213	72.43%
1989	155,394	57,387	212,781	73.03%
1990	183,237	57,842	241,079	76.01%
1991	192,518	56,010	248,528	77.46%
1992	197,241	56,903	254,144	77.61%
1993	200,908	59,188	260,096	77.24%
1994	215,221	66,922	282,143	76.28%
1995	227,519	70,389	297,908	76.37%
1996	236,381	72,186	308,567	76.61%
1997	246,310	71,670	317,980	77.46%
1998	256,799	66,724	323,523	79.38%
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	281,620	104,656	386,276	72.91%

Exhibit 26

Source: Supplemental information in Audited Trust Indenture Financial Statement of the Authority.



Appendix

Annual Toll Transactions—Passenger and Commercial Vehicles

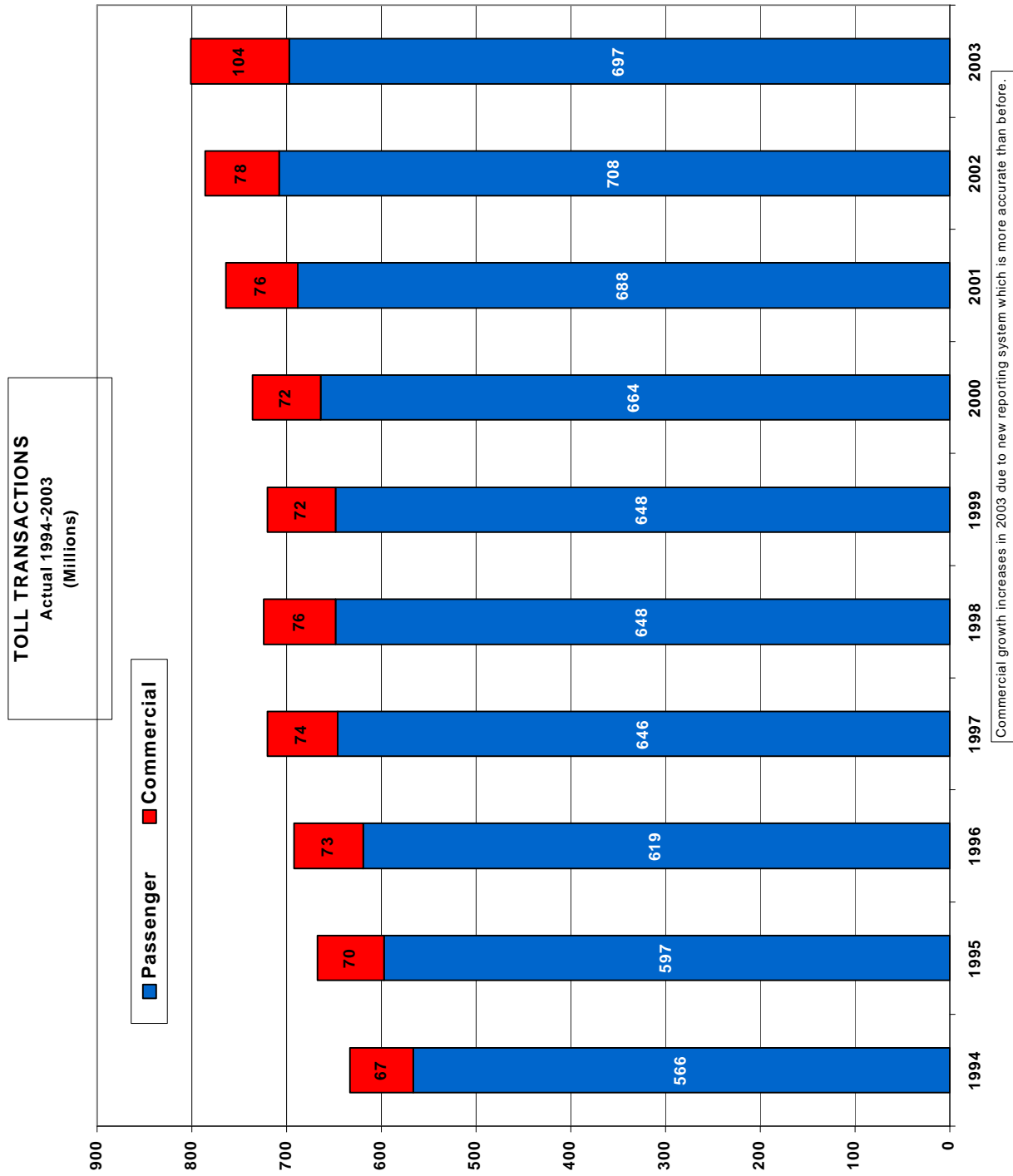
For selected years 1959—2003

(Transactions in thousands)

<u>Year</u>	<u>Passenger</u>	<u>Commercial</u>	<u>Total</u>	<u>% Passenger</u>
1959	37,884	5,053	42,937	88.23%
1964	72,721	7,005	79,726	91.21%
1969	146,476	14,488	160,964	91.00%
1970	160,916	16,187	177,103	90.86%
1971	174,757	19,876	194,633	89.79%
1972	183,763	21,627	205,390	89.47%
1973	201,139	25,856	226,995	88.61%
1974	204,360	28,446	232,806	87.78%
1975	216,180	26,914	243,094	88.93%
1976	233,564	31,091	264,655	88.25%
1977	246,051	35,317	281,368	87.45%
1978	261,486	39,305	300,791	86.93%
1979	268,051	42,606	310,657	86.29%
1980	269,106	40,183	309,289	87.01%
1981	275,863	40,336	316,199	87.24%
1982	278,508	38,993	317,501	87.72%
1983	290,687	40,116	330,803	87.87%
1984	308,104	42,890	350,994	87.78%
1985	324,673	43,543	368,216	88.17%
1986	355,325	47,056	402,381	88.31%
1987	377,924	50,171	428,095	88.28%
1988	408,233	56,507	464,740	87.84%
1989	428,745	57,193	485,938	88.23%
1990	485,085	57,962	543,047	89.33%
1991	507,927	56,762	564,689	89.95%
1992	518,872	56,751	575,623	90.14%
1993	528,120	58,608	586,728	90.01%
1994	565,601	66,693	632,294	89.45%
1995	597,026	70,179	667,205	89.48%
1996	619,491	72,563	692,054	89.51%
1997	646,456	74,443	720,899	89.67%
1998	648,251	76,249	724,500	89.48%
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	708,137	77,763	785,900	90.11%
2003	697,507	104,211	801,718	87.00%

Exhibit 28

Source: Supplemental information in Audited Trust Indenture Financial Statement of the Authority.



Appendix

October 8, 2003

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

Ref: 2003 Supplemental Revenue Report, Semi-Annual Revenue Estimate

Dear Mr. Colsch:

As Traffic Engineers for the Illinois State Toll Highway Authority (ISTHA), Wilbur Smith Associates (WSA) is pleased to provide this Supplemental Revenue Report for 2003. This report, required by the Trust Indenture, provides updated toll revenue estimates for 2003, and revised toll revenue estimates for 2004. The 2003 toll revenue estimates contain actual systemwide revenue from January through August and updated estimates from September through December.

Actual transaction and revenue data is provided to Wilbur Smith Associates (WSA) by the Authority. In 2002, the Illinois Tollway transitioned from the STAR to the ITCS Host Reports system. From May 2002 onwards, WSA utilized transaction and revenue data from the ITCS Host Reports system. The Monthly Traffic Volume and Statement of Actual Revenue reports from the ITCS Host Reports system were used for the respective months. Toll revenue estimates presented herein were based on a review of plaza-level transaction and revenue data, historical traffic trends and major on- and off-Tollway construction projects.

Estimated Revenue

Year 2003 and 2004 estimated monthly toll revenue estimates are presented in Table 1. These estimates are based on eight months of actual experience (January through August 2003) and historical transaction and revenue trends. The estimate of annual toll revenue for 2003 is \$372.7 million, while 2004 toll revenue is estimated at \$385.5 million, representing an increase of 3.4 percent over estimated 2003 revenues.

Table 2 presents actual systemwide toll revenues by Tollway section for the years 1997 through 2002, and estimated toll revenues for 2003 and 2004. In 2003, toll revenue on the Northwest Tollway is estimated to increase by 2.1 percent over 2002, to \$81.5 million. Compared to 2002, revenue along the Western Section is estimated to decrease by 0.7 percent, while on the Eastern Section toll revenue is expected to increase by 5.5 percent in 2003. The anticipated decrease in Western Section revenue is primarily due to pavement resurfacing from the Elgin mainline toll plaza (Plaza 9) to Newburg Road, and a 14.8 mile pavement and bridge repair project in Wisconsin on Interstate 39/90, from the US 14 interchange in Janesville, WI to the Illinois State Line. Eastern Section revenue is anticipated to increase significantly over 2002, representing recovery from a major pavement and bridge rehabilitation project over approximately 15 miles in 2002. In 2003, a second Car I-PASS Only lane and a Truck I-PASS Only lane at the Devon Avenue (Plaza 17) mainline plaza were completed. Drainage improvements were also performed between the Kennedy Expressway and Barrington Road on the Northwest Tollway in 2003.

2004 toll revenues on the Northwest Tollway are estimated to reach \$84.4 million, of which \$45.7 million and \$38.7 million are estimated for the Western and Eastern Sections respectively. The 4.7 percent increase in esti-

Appendix

mated Western Section revenue over 2003 is a result of rebound from construction in 2003.

Tri-State Tollway revenue is estimated to increase by 2.5 percent over 2002, reaching \$176.7 million in 2003, with the Northern, Central and Southern Sections experiencing growth of 2.8, 2.4 and 2.2 percent, respectively. Shoulder rehabilitation/reconstruction and intermittent pavement repairs over a 17.6 mile stretch of the Southern Tri-State began in late July, between the Bishop Ford Expressway (I-94) and 95th Street, with anticipated completion in November 2003. In addition, the Markham Yard and Cal-Sag Channel bridges are currently being reconstructed and widened. Construction of a second Car I-PASS Only lane at the Touhy Avenue mainline toll plaza (Plaza 29) occurred in January and February, with median work in May 2003. In 2004, toll revenues on the Tri-State Tollway are estimated to reach \$183.2 million, representing a 3.7 percent increase over estimated 2003 toll revenues.

East-West Tollway revenues are expected to increase by 5.4 percent from 2002 to 2003, totaling \$61.0 million. Increases of 7.2 and 4.6 percent are anticipated along the Western and Eastern Sections, respectively. In 2003, construction of a second Car I-PASS Only lane in each direction at the York Road mainline toll plaza (Plaza 51) began in late May and is scheduled to be completed this month. Mixed-Use I-PASS Only lanes are currently under construction at Plazas 66 (DeKalb) and 69 (Dixon) that are anticipated to be completed by mid-November. 2004 toll revenues on the East-West Tollway are estimated to be \$62.2 million, representing a 1.9 percent increase over 2003. A major project that is anticipated to negatively impact East-West Tollway revenue in 2004 is the planned reconstruction between Illinois Route 59 and Naperville Road. A fourth lane will be constructed in each direction of this section, but will be striped as a shoulder.

The North-South Tollway is expected to generate \$53.5 million in toll revenue in 2003, an increase of 1.5 percent over 2002. Of this, \$28.6 million is estimated on the Northern Section and \$24.9 million on the Southern Section. Beginning in August and ending in December 2003, shoulder reconstruction is being conducted over much of the North-South Tollway. In addition, toll revenues on the North-South Tollway were negatively impacted by pavement reconstruction of I-290/IL 53 between Illinois Route 58 (Golf Road) and Thorndale Avenue. In 2004, toll revenue on the North-South Tollway is estimated to reach \$55.8 million, representing a 4.3 percent increase over 2003.

Major Construction Projects

The toll revenue estimates reflect our current best estimate of the impacts of major construction projects identified in ISTHA's construction program, provided by the Authority's Planning and Programming Department. Table 3 summarizes the construction projects reflected in the revenue estimates. Currently, it is understood that I-PASS Only lane conversions will be completed for all toll plazas listed in Table 3 by December 15, 2003, except for a Car I-PASS Only lane at Plaza 19 (River Road) which will be converted in Spring 2004, and a Mixed-Use I-PASS Only lane at Plaza 41 (163rd Street) that is anticipated to occur in May 2004.

Toll revenue estimates reflect the impacts of the following major on-Tollway construction projects:

2003

- *Northwest Tollway, Mileposts 25.2 to 61.8* – Pavement resurfacing over approximately thirty seven miles began in June and is scheduled to be completed in November 2003. Single-lane closures in each direction are being used between the Elgin mainline plaza (Plaza 9) and Newburg Road during off-peak and nighttime hours.
- *Tri-State Tollway, Interim Roadway Improvements, Mileposts 0 to 17.6* – Interim roadway improvements will begin in July and continue through December 2003 between 95th Street and I-94/IL 394. The work consists of shoulder rehabilitation both north and south of the 163rd Street toll plaza (Plaza 41), reconstruction of the median shoulders within the project limits, and intermittent pavement repairs. In addition, four

Appendix

permanent dynamic message signs will be installed for traffic management.

North-South Tollway, Shoulder Replacement, Mileposts 12.3 to 29.8 – This project involves shoulder reconstruction for much of the North-South Tollway, beginning in August and ending December 2003.

Cal-Sag Channel Bridge, Tri-State Tollway, Mileposts 10.8 to 11.1 – Beginning in January 2003, this project involves pavement and bridge widening of the Cal Sag Channel bridge on the South Tri-State Tollway, with work expected to continue until January 2005. The bridge will be widened by one lane in each direction. Three lanes will remain open during construction in each direction.

Markham Yard Bridge, Tri-State Tollway, Mileposts 3.6 to 4.07 – Beginning in December 2003, this project involves pavement and bridge widening of the Markham Yard bridge on the South Tri-State Tollway, with work expected to continue until December 2005. The bridge will be widened by one lane in each direction. Three lanes will remain open during construction in each direction. Temporary night-time lane closures may be required in the initial stages of the project.

Second Car I-PASS Only Lanes, Plaza 51 – A second Car I-PASS Only lane in each direction is being constructed at the York Road (Plaza 51) mainline toll plaza, that began in May and ending in October 2003. Work at the York Road plaza is scheduled to be completed in October 2003.

Mixed-Use I-PASS Only Lanes, Plazas 5 and 7 – A Mixed-Use I-PASS Only lane in each direction is being constructed at Plazas 5 (Belvidere) and 7 (Marengo), that began on October 6, 2003 and are scheduled to be completed in November 2003.

Mixed-Use I-PASS Only Lanes, Plazas 66 and 69 – A Mixed-Use I-PASS Only lane in each direction is being constructed at Plazas 66 (DeKalb) and 69 (Dixon). Work began on September 4, 2003 and is scheduled to be completed by mid-November 2003.

Mixed-Use I-PASS Only Lane, Plaza 19 – A Mixed-Use I-PASS Only lane will be constructed at Plaza 19 (River Road), beginning November 2003 with a scheduled completion in December 2003. Plaza lane closures are anticipated for 33 days for this project.

2004

East-West Tollway, Interim Roadway Improvements, Mileposts 123.4 to 126.8 – Beginning in January 2004, interim roadway improvements involving pavement reconstruction and installation of a fourth lane in each direction are planned between Illinois Route 59 and Naperville Road. The fourth lane will be striped as the shoulder. This project is expected to continue through Spring 2005, with reconstruction of the Naperville Road interchange ramps anticipated in Summer 2005. Three lanes will be open to traffic in each direction during construction, with only off-peak/nighttime lane closures permitted.

Car I-PASS Only Lane, Plaza 19 – A Car I-PASS Only lane will be constructed at Plaza 19 (River Road), in Spring 2004. Plaza lane closures are anticipated for a total of 28 days for this project.

Major off-Tollway construction projects anticipated to impact toll revenues are:

2003

- *Interstate 290/Illinois 53 from IL 58 (Golf Road) to Thorndale Avenue* – This project involves pavement reconstruction, bridge widening and construction of new auxiliary lanes over a four-mile section of I-290/IL 53. Construction began on March 1st, and is scheduled to continue through November 2003.
- *Interstate 57 from the Dan Ryan Expressway (I-90/94) to Interstate 80* – This is the second year of a two-

Appendix

year, 12-mile resurfacing and bridge rehabilitation project. In 2003, pavement patching, bridge deck reconstruction and roadway resurfacing of the northbound lanes of I-57 began on March 29th, with a scheduled completion date of October 31st. Two mainline lanes will remain open in both the northbound and southbound directions during peak travel hours, as northbound traffic is shifted over to the newly refurbished southbound lanes of I-57.

- *Interstate 39/90 Janesville, WI to Illinois State Line* – This project involves pavement and bridge repairs on a 14.8 mile section of I-39/90 from the US 14 interchange in Janesville, WI to the Illinois State Line. A pavement overlay will be applied to all existing lanes, in addition to bridge deck replacement from Kennedy Road in Janesville to Colley Road in Beloit. The I-39/90 median will be widened to accommodate two lanes of traffic during construction. Construction began in mid-February 2003, and is expected to continue through 2004. In September and October 2003, traffic will be reduced to one lane in either direction. Two lanes of traffic will be maintained for the rest of the project duration.

WSA has prepared revenue estimates based on the program highlights listed above. WSA will revise the toll revenue estimates as project schedules and maintenance-of-traffic (MOT) plans become available. In addition, not all off-Tollway projects have been identified at this time. WSA will continue to monitor economic activity, traffic growth and the impacts of construction on the Illinois Tollway.

If you have any questions please do not hesitate to contact us.

Sincerely,

Kamran A. Khan
Vice President

cc:Carol Reckamp, ISTHA

Table 1
Estimated 2003 & 2004 Monthly Toll Revenues
(thousands)

<u>Month</u>	<u>Total Vehicles</u>		
	<u>Estimated 2003</u>	<u>Percent Change</u>	<u>Estimated 2004</u>
January (1)	\$28,476	-1.4	\$28,074
February (1)	26,542	6.8	28,341
March (1)	29,942	4.5	31,285
April (1)	30,762	1.6	31,269
May (1)	32,624	1.0	32,951
June (1)	32,869	3.1	33,899
July (1)	33,804	3.2	34,893
August (1)	33,959	4.0	35,317
September	31,114	5.6	32,855
October	32,857	4.3	34,277
November	30,201	3.1	31,149
December	<u>29,529</u>	5.6	<u>31,191</u>
TOTAL	\$372,680	3.4	\$385,502

(1) Reflects actual revenues for the period January through August 2003 based on the Authority's Statement of Actual Revenues report.

Table 2
Actual 1998-2002 and Estimated 2003 & 2004 Toll Revenue by Tollway Section (1)
(thousands)

Tollway Sections	Actual 1998	Percent Change	Actual 1999	Percent Change	Actual 2000	Percent Change	Actual 2001	Percent Change	Actual 2002	Percent Change	Estimated 2003 (2)	Percent Change	Estimated 2004
<u>Northwest Tollway:</u>	\$ 71,415	6.6	\$ 76,098	(0.9)	\$ 75,379	7.8	\$ 81,289	(1.8)	\$ 79,852	2.1	\$ 81,544	3.5	\$ 84,389
Western Section	37,223	5.9	39,423	(1.8)	38,711	9.8	42,504	3.3	43,918	(0.7)	43,622	4.7	45,653
Eastern Section	34,192	7.3	36,675	0.0	36,668	5.8	38,785	(7.4)	35,934	5.5	37,922	2.1	38,737
<u>Tri-State Tollway:</u>	\$ 159,790	(0.6)	\$ 158,776	4.1	\$ 165,295	0.2	\$ 165,707	4.1	\$ 172,478	2.5	\$ 176,709	3.7	\$ 183,199
Northern Section	41,287	(5.4)	39,039	8.1	42,219	3.0	43,481	1.4	44,099	2.8	45,336	3.0	46,686
Central Section	59,148	5.9	62,660	2.7	64,362	(1.9)	63,171	2.0	64,428	2.4	66,002	2.9	67,904
Southern Section	59,355	(3.8)	57,077	2.9	58,714	0.6	59,055	8.3	63,951	2.2	65,371	5.0	68,609
<u>East-West Tollway:</u>	\$ 48,694	6.9	\$ 52,032	4.0	\$ 54,090	3.0	\$ 55,699	3.9	\$ 57,871	5.4	\$ 60,968	1.9	\$ 62,157
Western Section	14,089	3.5	14,582	6.0	15,457	0.3	15,501	8.7	16,846	7.2	18,051	1.0	18,234
Eastern Section	34,605	8.2	37,450	3.2	38,633	4.1	40,198	2.1	41,025	4.6	42,917	2.3	43,922
<u>North-South Tollway:</u>	\$ 43,180	5.1	\$ 45,402	7.4	\$ 48,755	6.1	\$ 51,724	1.9	\$ 52,694	1.5	\$ 53,459	4.3	\$ 55,758
Northern Section	23,605	2.1	24,100	9.8	26,469	6.6	28,220	0.7	28,413	0.6	28,575	4.1	29,748
Southern Section	19,575	8.8	21,302	4.6	22,286	5.5	\$ 23,504	3.3	24,281	2.5	24,884	4.5	26,010
Over Dimension Vehicles	\$ 444		\$ 318		\$ 426		\$ 354		\$ 339		--		--
COMPLETE TOLLWAY:	\$ 323,523	2.8	\$ 332,626	3.4	\$ 343,945	3.1	\$ 354,773	2.4	\$ 363,234	2.6	#VALUE!	3.4	\$ 385,502

(1) Actual toll revenues shown in this table were based on the Authority's Comprehensive Annual Financial Report (CAFR)

(2) Reflects actual toll revenues for the period January through August 2003 based on the Authority's Statement of Actual Revenues report.

Basis of Budgeting

Basis of Accounting and Measurement Focus

The Tollway is required by its Trust Indenture to prepare a tentative budget for the ensuing Fiscal Year, on or before October 31 of each Fiscal Year, and to adopt the Annual Budget for such Fiscal Year on or before January 31 of each Fiscal Year.

The budget is created based on the Tollway's revenues, estimated expenditures, and debt obligations for specific funds as provided by tolls, fees, bond issuance, interest income, and other sources. The Tollway uses a major line item format to monitor expenditures.

The accounts of the Tollway are organized on a format required by its Trust Indenture. The Tollway's accounting system is organized and operated on the "enterprise fund basis". The accounting practices of the Tollway are more fully described in the summary of significant accounting policies included with the component unit financial statements.

The Tollway uses the flow of economic resources measurement focus as well as accrual basis of accounting, which are combined to provide the foundation for generally accepted accounting principles used by the business type enterprises. The flow of economic resources refers to all the assets available to the Tollway for the purpose of providing services to the public. Under the accrual basis of accounting, revenue is recognized in the period in which it is earned and expenses are recognized in the period in which they are incurred.

Description of the Budget Process

The Trust Indenture requires a tentative budget of the Operating Expenses for the ensuing Fiscal Year on or before October 31 of each Fiscal Year. The tentative budget must also be submitted to the Trustee and the Consulting Engineer. The tentative budget must include the recommendations of the Consulting Engineers as to the Renewal and Replacement Deposit (for preservation of the Tollway System). The Tollway must provide accompanying estimates of the amount which will be available for credit to the Improvement Account (for improvements to the Tollway System). The Tollway must also provide a statement of the actual revenues for the first eight months of the current Fiscal Year and estimated revenues for the next four months of the current Fiscal Year and for the ensuing Fiscal Year. The budget must be divided into reasonable classifications and divisions. The tentative budget shall include the amounts budgeted for Operating Expenses and amounts required to be deposited into the Renewal and Replacement Account.

The Trust Indenture and budgetary calendar govern the budget process.

This year, an internal review was conducted to streamline the budget process. A new Budget Submission System was created by the Tollway's Information Technology staff at the request of the Chief of Finance. This system enabled reporting to be done on a major account level, versus a line item detail. In the past, each line item was reported making for a cumbersome and time-consuming task for both the requesting departments and the Budget Office.

This was the first year the budget was submitted for public review and comment before the final adoptions by the Board. The Tollway held four public meetings in November covering different geographic regions of the Tollway system.

If the Tollway does not adopt the annual budget before January 31 of any Fiscal Year, the budget for the preceding Fiscal Year shall be deemed to be in effect for such Fiscal Year until the Annual Budget for such Fiscal Year is adopted.

Description of the Budget Process

2004 BUDGET PLANNING CALENDAR

EVENT	DATE(S)
Issue 2004 Budget Instructions/Initiatives	7/2/03
Distribution of payroll information to Executive team	7/17/03
Executive team reviews strategic plan, and updates goals and objectives outlined in the strategic plan	7/18/03
Finance Department submits salary, wages, and health insurance cost figures to Departments	7/31/03
Line item budget by major account including justification is due to Budget Office	8/6/03
Budget Office reviews 2004 Budget requests from all Departments	8/6/03-8/12/03
Budget Office and CFO review Department budget requests	8/13/03-8/15/03
Finance Department reviews completed annual operating budget and financial plan with Executive Director	9/18/03
Budgets are sent back to Department heads for final review	9/29/03
Budgets are sent to Executive Director for final review	10/2/03
Present 2004 Tentative Budget to Board	10/23/03
Incorporate requested changes by the Board and Executive Management	11/3/03-11/7/03
Public Hearings held across region at four locations	11/10/03-11/18/03
Present/Adopt Final Version of the 2004 Budget at the Board Meeting	12/18/03

Description of the Budget Process

Budget Implementation and Monitoring

Management actively monitors the budget through monthly reports detailing monthly and year-to-date budget to actual status. Quarterly meetings are set up with each department to discuss current spending trends and other potential budget needs. Quarterly reports are available on the Tollway's web site.

Budget Amendment

The Tollway Board may at any time adopt an amended Annual Budget. If the Tollway adopts an amended budget for total Operating Expenses exceeding one hundred ten percent of the Annual Budget initially adopted, the Tollway shall give the Consulting Engineers not less than ten days prior written notice, including a copy of the proposed amended Annual Budget. If the Consulting Engineers files an objection to such notice, such amended budget shall not be effective or supersede any prior Annual Budget until the Tollway Board of Directors adopts the amended budget by not less than a three-fifths vote of all Directors at a public meeting. Notice of such public meetings shall be given in accordance with the law.

Description of the Budget Process

12/18/03

5.2/a

RESOLUTION NO. 16361

WHEREAS, The Illinois State Toll Highway Authority (the "Authority"), pursuant to the Toll Highway Act, 605 ILCS 10/1 et^a necessary to carry out its legislative purposes as to the construction, operation, regulation and maintenance of its system of toll highways; and

WHEREAS, Article VII, Section 710, of the Authority's Trust Indenture requires that the Directors of the Authority adopt an Annual Budget for each Fiscal Year; and

WHEREAS, Section 713 of the Authority's Trust Indenture requires, among other things, that tolls for the use of the Tollway System be at rates not less than that set forth in an established schedule of tolls meeting the requirements of said Section 713 and that the Authority shall cause the Traffic Engineers to make a written estimate of the revenues from tolls for the last four months of the current fiscal year and for the ensuing fiscal year and that the Authority complete a review of its financial condition; and

WHEREAS, Section 10-10c of the Toll Highway Act provides, in part, that the Authority, in fixing the rate for tolls for the privilege of using the toll highways, is authorized and directed, in fixing such rates, to base the same upon estimates to be made, recorded and filed with the Authority that include the estimated total amount of the use of the toll highways and the estimated amount of the revenue to be derived therefrom, so that said revenue, when added to all other receipts and income, will be sufficient to pay the expense of maintaining and operating said toll highways, including the administrative expenses of the Authority, and to discharge all obligations of the Authority as they become due and payable; and

WHEREAS, Section 10-19 of the Toll Highway Act requires, in part, that the Authority fix and revise, from time-to-time, tolls or charges or rates for the privilege of using the toll highways at rates calculated to provide the lowest reasonable toll rates that will provide funds sufficient with other revenues of the Authority to pay, (a) the cost of the construction of a toll highway authorized by joint resolution of the General Assembly pursuant to Section 14.1 and the reconstruction, major repairs or improvements of toll highways, (b) the cost of maintaining, repairing, regulating and operating the toll highways including only the necessary expenses of the Authority, and (c) the principal of all bonds, interest thereon and all sinking fund requirements and other requirements provided by resolutions authorizing the issuance of the bonds as they shall become due; and

WHEREAS, the Chief of Finance has completed a review of the financial condition of the Authority taking into consideration the requirements of the Authority's Trust Indenture and the Toll Highway Act, including estimates of the Traffic Engineer filed with the Authority, and has heretofore provided information and recommendations to the Board regarding the tolls to be charged for the use of the Tollway System and taking into consideration the Operating Expense Budget, the Renewal and Replacement Deposit, the Improvement Requirement, the debt service and the debt service obligations of the Authority; and

Description of the Budget Process

WHEREAS, Section 10-32 of the Toll Highway Act establishes that the Authority's discretionary power to determine tolls is conclusive and not subject to review.

NOW, THEREFORE, BE IT RESOLVED by The Illinois State Toll Highway Authority as follows:

1. That the Operating Expenses Budget of The Illinois State Toll Highway Authority for the fiscal year 2004 is \$193,737,600 as set forth below:

Executive Management, Policy Administration and Community Relations	\$ 6,387,400
Engineering Management and Infrastructure Maintenance	\$ 41,616,800
Financial Services, Investments and Insurance Management	\$ 27,777,500
Information and Communication Technology	\$ 7,398,700
Inspector General and Audit Functions	\$ 714,800
Legal Services	\$ 1,892,400
Operational Services, Toll Collection and Customer Relations	\$ 79,162,400
Executive Planning and Capital Allocations	\$ 1,551,900
State Police and Public Safety	\$ 16,181,400
Violation Enforcement and Consumer Services	\$ 11,054,300
Total Operating Expense Budget	\$193,737,600

And the Renewal and Replacement Deposit for 2004 of \$165,100,000;

Additionally, a sufficient amount in reserve to fund potential reimbursement to the State of Illinois for Services provided to The Illinois State Toll Highway Authority.

2. That the current toll rate schedules heretofore established for the use of the toll highways are determined to be proper in accordance with the Authority's Trust Indenture and are determined to be at the lowest reasonable rate in accordance with the Toll Highway Act.

Description of the Budget Process

**2004 TENTATIVE BUDGET
ILLINOIS STATE TOLL HIGHWAY AUTHORITY
CERTIFICATE OF AUTHORIZED OFFICER**

Set forth below is a statement showing actual and estimated Revenues (including estimates of Toll Revenues prepared by the Traffic Engineer, Willbur Smith & Associates, Inc.), Operating Expenses, Aggregate Debt Service and Renewal and Replacement Deposits (formerly Major Improvement and prepared by the Consulting Engineer, Consoer Townsend Envirolyne Engineers, Inc.) for the years 2003 and 2004. This statement is prepared for the purpose of determining whether the Net Revenues, as projected will be sufficient to at least equal the Net Revenue Requirements for such years, in accordance with the requirements of Section 713 of the Trust Indenture.

	(in millions)	
	2003	2004
Net Revenues :		
Actual Revenues - First Eight Months :		
Toll Revenues	\$249.0	
Interest Income	5.6	
*Violations Enforcement	10.0	
Concession and Miscellaneous	1.9	
First Eight Months Revenues	\$266.5	
Estimated Revenues - Last Four Months :		
Toll Revenues	\$123.7	
Interest Income	2.9	
Violations Enforcement	5.0	
Concession and Miscellaneous	0.7	
Last Four Months Revenues	\$132.3	
Estimated Revenues :		
Toll Revenues	\$372.7	\$385.5
Interest Income	8.5	8.5
Violation Enforcement Fines	15.0	11.0
Concession and Miscellaneous	2.6	2.5
Total Estimated Revenues	\$398.8	\$407.5
Less: Total Budgeted Operating Expenses	\$187.3	\$193.7
Estimated Net Revenues	\$211.5	\$213.8
Net Revenue Requirement		
Aggregate Debt Service Requirement	\$79.7	\$48.7
Renewal/Replacement Deposit per CTE	\$129.0	\$165.1

Description of the Budget Process

December 9, 2003

Mr. John R. Wagner, P.E.
Acting Chief Engineer
Illinois State Toll Highway Authority
2700 Ogden Avenue
Downers Grove, Illinois 60515

Attention: Ms. Leanne Redden
Chief of Planning

Subject: 2004 Renewal and Replacement Deposit

Dear Mr. Wagner:

We have reviewed the renewal and replacement needs of the Tollway system in order to develop our recommendation for the deposit to be made to the Renewal and Replacement Account in 2004. In addition to the maintenance and rehabilitation needs of the system, the Amended and Restated Trust Indenture, dated March 31, 1999, also permits the purchase of capital equipment under the Renewal and Replacement Account.

To fund the projects in the Authority's Draft Program of roadway, bridge, and facility repair and rehabilitation, all projected available net revenue should be deposited into the Renewal and Replacement (RR) Account for 2004. Based on the most recent cash flow analysis for the Draft Program prepared by Authority Finance and furnished to us on December 8, 2003, we recommend depositing the projected available net revenue of approximately \$165 million to the RR Account. This is \$24 million higher than our original recommendation (October 22, 2003) due to the fact that in November, the Board approved the early retirement of a series of bonds. By paying for the retirement of bonds from existing cash balances, the funds allocated for debt service on those bonds can now be reallocated to RR projects.

In addition, in order to provide for cash flow and unforeseen contingencies, we recommend the transfer of \$25 million from the Improvement Account to the RR Account. While the combination of deposits and cash balances of the RR Account (projected to be approximately \$86 million as of January 1, 2004) total approximately \$276 million, total draws for the Draft Program are estimated at \$251 million. These resources will fund the projects in the Draft Program including capital equipment purchases of \$2 million, \$6.9 million for dynamic message signs, \$13.9 million for radio replacement and microwave system upgrades and \$12 million for I-Pass Transponders.

Projections identify ever-increasing rehabilitation and/or reconstruction needs, and we foresee the continued application of all available net revenues to the Renewal and

Description of the Budget Process

Replacement Account in future years. Additionally, reallocation of monies in the Improvement Account will again be necessary when funding the Renewal and Replacement Program in 2005. This reallocation may require cancellation or postponement of Improvement projects planned in the current Multi-Year Program unless replacement funds are identified.

Current conditions indicate that during 2005, resources in addition to annual toll collection will be required to fully fund the Annual Element (Capital Plan) in that and future years.

Sincerely,

CONSOER TOWNSEND ENVIRODYNE ENGINEERS, INC.

Joseph R. Catalano

Joseph R. Catalano, P.E.
Senior Associate

JRC/aco

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cc: J Hartman, ISTHA
M. Johnson, ISTHA
M. Colsch, ISTHA

Glossary

GLOSSARY	
Acronyms:	
AASHTO	American Association of State Highway and Transportation Officials
ACI	American Concrete Institute
ADT	Average Daily Traffic
AISC	American Institute of Steel Construction
ANSI	American National Standards Institute
APWA	American Public Works Association
ASA	American Standards Association
ASCE	American Society of Civil Engineers
ASTM	American Society for Testing Materials
AWPA	American Wood Preservers Association
CA	Central Administration
CAD	Computer Aided Dispatch
CAFR	Comprehensive Annual Financial Report
CATS	Chicago Area Transportation Study
CDB	Capital Development Board
CECI	Consulting Engineers Council of Illinois
CG	Central Garage
CO	Change Order
CMS	Central Management System
CSE	Construction Section Engineer
CSS	Central Sign Shop
CTE	Consoer Townsend Environdyne
CUR	Construction Inspection Service Upon Request
CW	Central Warehouse
DBE	Disadvantaged Business Enterprise
DMS	Dynamic Message Signs
DSE	Design Section Engineer
DUR	Design Upon Request
ES	Edens Spur
EW	East-West Tollway
EWO	Extra Work Order
FHWA	Federal Highway Administration, Department of Transportation
FOIA	Freedom of Information Act
GCM	Gary-Chicago-Milwaukee
IBTTA	International Bridge, Tunnel & Turnpike Association
IDOT	Illinois Department of Transportation
IEPA	Illinois Environmental Protection Agency
IFB	Inquiry For Bid
IPE	I-PASS Express
IPO	I-PASS Only
ISTHA	Illinois State Toll Highway Authority
IT	Information Technology
LCTIP	Lake County Transportation Improvement Project
M&O	Maintenance and Operations Budget
MP	Mile Post
M-Site	Maintenance Site
NIPC	Northeastern Illinois Planning Commission
NS	North-South Tollway
NW	Northwest Tollway
PCMS	Portable Changeable Message Signs
PSB	Professional Service Bulletin
RR&I	Renewal, Replacement and Improvement
TS	Tri-State Tollway
WBE	Women Business Enterprise

Glossary

Appropriation	Spending authority from a specific fund for a specific amount, purpose and time period.
AutoCAD	Auto Computer Aided Dispatch
Automatic Lanes	Type of lanes within a toll plaza in which motorists must put their money into an unattended toll collection machine.
Available Fund Balance	The total money in a fund at a particular point in time, typically at the beginning of a month or the year end.
Basis of Accounting	The method of accounting used to track and report revenues and expenditures, for example, cash, budgetary, or accrual.
Best Practices	Best practices are the processes, practices, and systems identified in public and private organizations that performed exceptionally well and are recognized as improving an organization's performance and efficiency in specific areas. Successfully identifying and applying best practices can reduce business expenses and improve organizational efficiency.
Bid Bond	The bond, in a form acceptable to the Tollway, given by the Bidder as security for the Proposal Guaranty in lieu of a bank draft, certified check, or cashier's check. All bonds provided to the Tollway must be from a Surety which is listed in the United States Department of Treasury's current Federal Register and must be licensed to conduct surety guarantees in the State of Illinois.
Bond Fund	A fund that receives proceeds from the sale of bonds to be used for capital projects.
Bond Rating	An assessment of the credit risk with respect to a specific bond issue.
Bond Retirement and Interest Fund	A fund used to repay principal and interest on bonds or other debt obligations, typically spent pursuant to a continuing and irrevocable appropriation.
CA	Central Administration Building which houses the offices of the Illinois State Toll Highway Authority.
Changeable Message Sign (CMS)	Signs located throughout the system which the Tollway uses to communicate to patrons regarding traffic flow, or more specifically traffic incidents.
Consoer Townsend Envirodyne (CTE)	Consulting Engineer for the Illinois State Toll Highway Authority.
Construction Section	Any one of the numerous divisions into which construction of the roadway, facilities and appurtenances of the Toll Highway may be divided for the purpose of awarding contracts.
Construction Section Engineer (CSE)	The Engineer or firm of engineers and their duly authorized employees, agents and representatives engaged by the Authority to observe The Work to determine whether or not it is being performed and constructed in compliance with the Contract.
Consulting Engineer	The Engineer or firm of Engineers retained by the Tollway for the purpose of carrying out the duties imposed on the Consulting Engineer by the Trust Indenture and such other duties as assigned.
Department	A major administrative division of the Tollway which indicates overall management responsibility for an operation or group of related operations within a functional area.
Debt Service	payment of principal, interest and other obligations associated with the retirement of debt.
Dynamic Message Sign (DMS)	Dynamic Message Signs are the changeable message signs that the TIMS uses to communicate with patrons.
Electronic Toll Collection (ETC)	An electronic means for motorists to pay toll charges without using coins or currency. Motorists attach an electronic signal device, known as a transponder, on their windshield to automatically deduct the toll charge as they drive through a toll plaza. ETC is used by many toll highway systems, including the Illinois Tollway which calls it "I-PASS".
Employee Retirement Contributions Paid by the Tollway (Retirement Pick-up)	Line item for payment of an employee's required contribution to the State Employee's Retirement System (SERS), which an agency has chosen or contracted to make on behalf of the employee.
Fiscal Year	The Tollway's fiscal year is January 1 through December 31. This is the period in which obligations are incurred, encumbrances are made and appropriations are expended. The State of Illinois's fiscal year is July 1 through June 30.
Full-Time Employee	A full-time employee's work is based on a 40 hour work week for 52 weeks, or 2080 hours per year.
Fund	An account established by the bond indenture to hold money for specific programs, activities or objectives.
Geographic Information System (GIS)	A system of computer software, hardware, and data that combines layers of information about a geographic location (e.g., real estate and highway characteristics) and helps analyze and present information that is tied to a spatial location.
Group Insurance	Line item for life and health insurance program for all Tollway employees, retirees and their dependents.
Headcount	A statement or description of the number of employees for a specific time period, usually the actual number or the calculated full-time equivalent.
H.E.L.P Trucks	Highway Emergency Lane Patrol program was designed to enhance roadside assistance given to Authority customers.

Glossary

IDOT	Illinois Department of Transportation
I-PASS	The Illinois Tollway's electronic toll collection system (see definition above).
I-PASS Only Lane (IPO)	Special Lane(s) designated for the sole use of an I-PASS customer which enhances the flow of traffic through a plaza.
ISTHA	Illinois State Toll Highway Authority
Lane Miles	The number of miles of toll road multiplied by the number of lanes in the road. For example, if a road is 10 miles long and has 2 lanes, the number of lane miles would be 20.
Lane Walker	A tollway employee hired to check the lanes for passability and to assist patrons as needed.
Limited Access Toll Highway	A toll highway system (e.g., Illinois Tollway) in which the user pays tolls at plazas along the toll road.
Mainline Plazas	The type of toll collection plazas that span the roadways and are located throughout the system. These plazas may have manual, automatic and I-PASS lanes.
Maintenance & Operations Budget (M&O)	The Maintenance & Operations Budget covers the day-to-day operating cost of the Illinois State Toll Highway Authority.
Manual Lane	Lane at Plaza customers can pass through to manually pay toll. If a customer needs change, or a receipt, they often use a manual lane.
Merit Increase	A raise given an employee based on his/her job performance during the past fiscal year.
Million Vehicle Mile	MVM is a common highway industry model that can be compared to other cost factors to compute a measure of performance.
Money Room	The Tollway's centralized cash and coin counting operation.
Oasis	Junction on the system which provides services to patrons such as food, gas and rest rooms, and generally a safe area for patrons to relax. It also provides a rest area for interstate commerce such as truck stops.
Part-time Employee	An employee who performs less than 2080 hours of work in one fiscal year.
Pay Item	An item of work specifically described in any one or more of the Contract Documents for which a price, either a unit or lump sum, is therein provided including, but not limited to, all labor, equipment, and materials therein described.
Personal Services	Line item for salaries and wages to be paid to employees.
Professional Service Bulletin (PSB)	Contains information pertaining to the advertisement for Statements of Interest and Requests for Proposals for professional services for the Illinois State Toll Highway Authority.
Ramp Plazas	The type of toll plazas that serve as on/off points to the Tollway system.
Recovery of Expenses	This process claims and recovers damages caused to Tollway property or fixtures such as light poles, guard rails, toll gates, etc. Charges for emergency vehicles such as Ambulances, and Fire Equipment are also recovered.
Renewal, Replacement and Improvement (RR&I)	Tollway projects that maintain, repair, or improve the existing infrastructure; such projects are less extensive than capital reconstruction projects.
Request for Proposals (RFP)	Official request for goods and or services from a vendor or contractor.
Reserve	Portion of appropriation intentionally set aside and not spent either to increase lapse or as a contingency for increased liabilities in other line items.
Retirement Pick-up	Line item for employer's share of contributions to the state retirement system.
Revenue Bonds	A certificate of debt issued by an organization in order to raise revenue. It guarantees payment of the original investment plus interest by a specified date using the organization's revenues.
Right-of-Way	A general term denoting land, property, or interests therein, acquired for or devoted to a highway.
Specifications	The general term comprising the direction, provision, instruction, and requirement
System	The 274 miles which makes up the roadway/tollway.
The Work	The improvement(s) as described in Bid Documents and Contract Documents including all authorized Change Orders, Extra Work Orders, and supplemental agreements.
Toll	A fee for usage or passage such as over a highway.
Toll Booth	A booth on a highway where tolls are taken.
Toll Collector	A Tollway employee hired to take tolls manually from customers.
Toll Highway or Tollway	The limited access highway built or proposed to be built by the Authority, including all facilities and appurtenances thereto.
TransCore	The contract firm that provides toll collection equipment and maintenance for the Tollway's network of toll plazas. TransCore is also developing a new Violation Enforcement System (see definition) for the Tollway.
Transponder	The device that communicates through radio signals with the toll plaza as the vehicle it is attached to, passes through the lane, making a record of a paid toll.

Glossary

Transportation Information Management System (TIMS)	System which allows the Tollway to monitor weather, traffic incidents, and construction areas which may effect the flow of traffic. This system can also alert patrons by communicating to them, specific areas of interests or concern, by using the message signs along the system. The system also generates travel times that are available to motorists via the Gary-Chicago-Milwaukee Corridor Web site - www.gcmtravel.com .
Treadle	An electronic device located under the pavement of lanes at toll plazas. Treadles count the number of axles on each vehicle going through the lane.
Trust Indenture	A contract between the Tollway and its bondholders that establishes the rights and obligations of both parties (e.g., it creates a pledge of toll revenue to the bondholders).
Union	A group consisting of employees that promotes their collective welfare as laborers.
Union Increase	A uniform wage increase agreed upon by management and the representative union through negotiations.
Unit	A segment of a division which is assigned a specific operation or function.
Utility	Privately, publicly or cooperatively owned lines, facilities and systems for transmitting or distributing communications, electric power, light, heat, gas, or water which directly or indirectly serve the public.
Validator	A terminal keyboard mounted inside toll booths. The employee uses this keyboard to enter the amount paid and the class of vehicle every time a toll is paid at a <u>manual lane</u> .
Vehicle Miles Traveled (VMT)	The number of miles driven annually by all vehicles using the roadway.
Violation Enforcement System (VES)	A system that has been developed for the Tollway to collect unpaid tolls from violators. The system takes photographs of license plates of the vehicle and a fine notice will be mailed to toll violators. TransCore has developed the system for the Tollway.
Voucher	Document requesting payment submitted to the Comptroller who then writes and issues a warrant.
Warrant	Check issued by the State Comptroller to a third party who cashes it with the Treasurer.
Wilbur Smith Associates (WSA)	The Traffic Engineer for the Illinois State Toll Highway Authority.