



## The Illinois State Toll Highway Authority

\$600,000,000\*

Toll Highway Senior Revenue Bonds, 2021 Series A

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### *Investor Presentation*

November 22, 2021

\*Preliminary, subject to change, when, as, if issued.

## Disclaimer

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Prospective investors should contact their salesperson and execute transactions through an Underwriter for the Bonds qualified in their home jurisdiction unless governing law permits otherwise.

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## Summary of Toll Highway Senior Revenue Bonds, 2021 Series A

<b>Issuer</b>	The Illinois State Toll Highway Authority (the “Authority”)
<b>Issue</b>	Toll Highway Senior Revenue Bonds, 2021 Series A (the “Series 2021A Bonds”)
<b>Par Amount*</b>	\$600,000,000
<b>Ratings</b>	Moody’s: Aa3 with Stable outlook S&P: AA- with Stable outlook Fitch: AA- with Stable outlook
<b>Structure*</b>	Fixed rate serial bonds maturing on January 1, 2039 through January 1, 2046
<b>Tax Status</b>	Federally Tax-Exempt; State Taxable
<b>Pricing Date*</b>	December 2, 2021
<b>Closing Date*</b>	December 16, 2021
<b>Optional Redemption*</b>	The Series 2021A Bonds are subject to redemption at the option of Authority on any date on or after January 1, _____, at par plus accrued interest to the redemption date.
<b>Use of Proceeds</b>	The Series 2021A Bonds are being issued to (a) finance the costs of capital improvements to be made to the Tollway System as part of the <i>Move Illinois</i> Program (the “Project”), (b) make a deposit to the Debt Reserve Account created under the Indenture necessary in order that amounts held thereunder are not less than the Debt Reserve Requirement calculated in accordance with the Indenture, and (c) pay costs incurred in connection with issuance of the Series 2021A Bonds.
<b>Security</b>	All Bonds issued under the Indenture including the Series 2021A Bonds are payable solely from and secured solely by a pledge of and lien on the Net Revenues and certain other funds as provided in the Indenture.

\*Preliminary, subject to change. *Investors should read the entire Preliminary Official Statement carefully before making an investment decision.*

# Authority Overview and Strengths

## Mission Statement:

*The Authority 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*

## Market Position & Senior Management

- Essential road system with a strong economic and financial history serving metropolitan Chicago, one of the largest and most diverse regional economies in the United States
- Experienced and proactive Board and management team, providing strong governance and oversight

## Traffic Performance

- Mature, growing traffic base with limited viable competing roads, with approximately 3.8% average annual increase in transactions between 2015 and 2019
- Strong revenue growth and stable toll transactions despite construction impacts and toll increases
- Demonstrated willingness to increase tolls
- Even after recent increases, toll rates remain affordable and compare favorably to peers
- Strong recovery from the pandemic as demonstrated by recent traffic and revenue results: September 2021 booked toll revenues improved to 99% of September 2019 booked toll revenues and September 2021 transactions reached 97% of September 2019 transactions<sup>1</sup>

## Financials and Debt Service Coverage

- Conservative debt profile and amortization, producing approximately level aggregate debt service
- Final maturities limited to 25 years
- Fiscal year 2020 unrestricted cash/cash equivalents exceeds 1,000<sup>2</sup> days cash on hand
- The Authority's Debt Management Guidelines targets annual debt service coverage at or near 2x; debt service coverage in years 2016 – 2020 ranged from 2.1x to 2.8x
- Debt service coverage is projected at 2.2x – 2.3x in years 2021 – 2027 which remains above the coverage required under the Net Revenue Requirement

## Capital Improvement Program Management

- Move Illinois* Program addresses long-term system needs: approximately 70% to be expended on state of good repair and 30% expansion
- Multiple projects and 16-year scheduled timeframe allow for flexibility with respect to scheduling and management; projected total cost to the Authority is currently \$14.1 billion
- Projected completion in 2027



Source: Preliminary Official Statement ("POS"), Consulting Engineers' Report, and Traffic Engineers' Report. *Investors should read the entire Preliminary Official Statement carefully before making an investment decision.*

1) See page 19 "COVID-19 Impact on Toll Transactions"

2) Days cash on hand calculated as: (Unrestricted Cash and Cash Equivalents + Investments) / (Operating Expenses / 365).



# Overview of the Tollway System

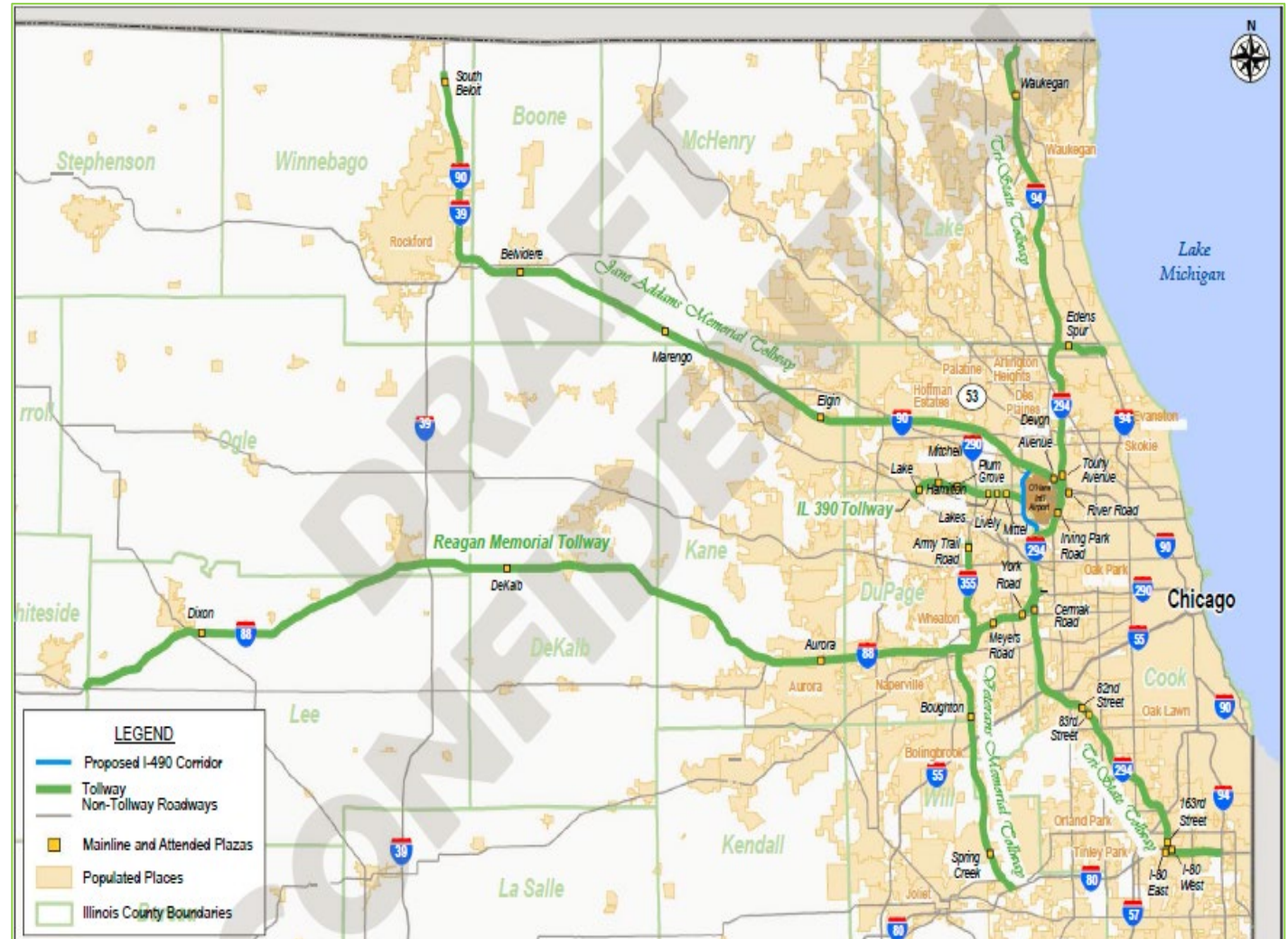
## Overview

- The Tollway System is a multi-asset system of 294 centerline miles of interstate tollways located throughout 12 counties in the greater Metropolitan Chicago Area currently consisting of the:
  - Jane Addams Memorial Tollway
  - Tri-State Tollway
  - Reagan Memorial Tollway
  - Veterans Memorial Tollway
  - IL-390
- The Authority collects tolls at 28 mainline plazas and 61 ramp plazas
- Authority has exclusive right to fix, adjust, revise, and collect tolls

## Strategic Priorities

- Execute the *Move Illinois* Program (capital plan scheduled from 2012 - 2027)
- Improve regional mobility and link economies across northern Illinois
- Relieve congestion
- Reduce pollution

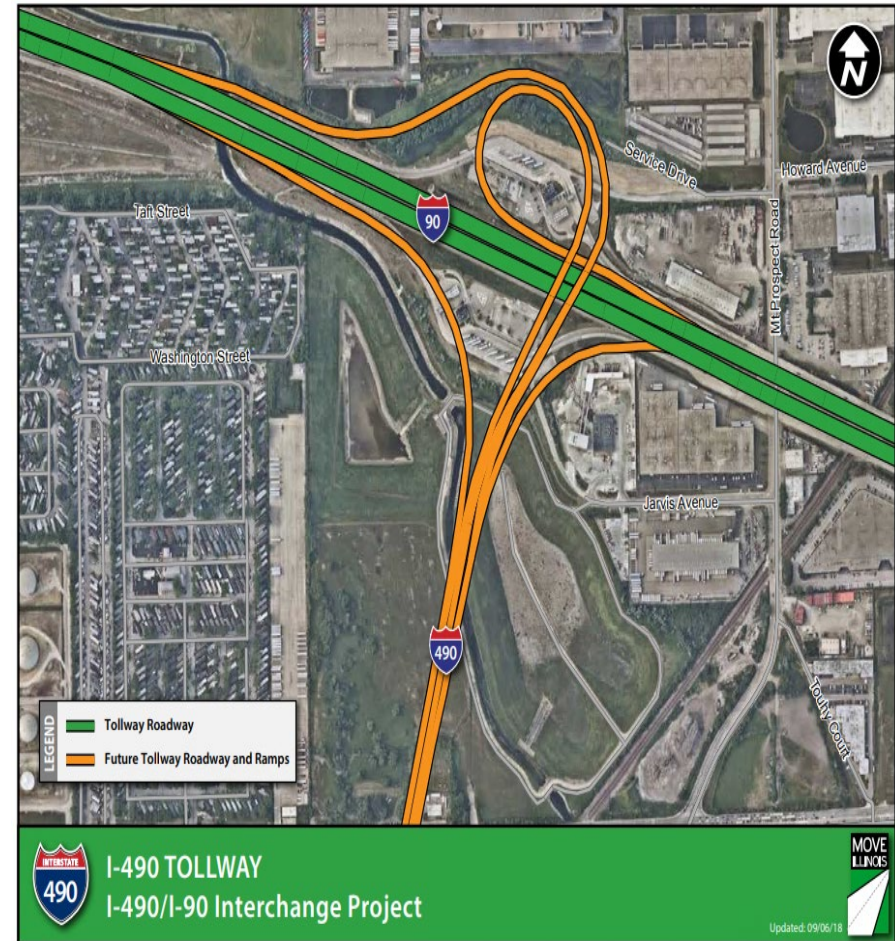
## Tollway System Map



Source: Preliminary Official Statement ("POS") and Consulting Engineers' Report. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

## Current State of the Tollway System

- Since the Tollway System was first designed and constructed over 60 years ago, the service area has increased to its current 12 counties. The economy, population, and traffic travel patterns have changed significantly.
- The prior capital program, the \$5.7 billion Congestion-Relief Program, is complete. Major projects included:
  - Conversion to open road tolling
  - Construction of a 12.5 mile south extension of the Veterans Memorial Tollway (I-355)
  - Reconstructed, and for significant portions widened, about 115 miles on the South and North portions of the Tri-State Tollway (I-94, I-294, I-80) and parts of the Reagan Memorial Tollway (I-88)
  - Resurfaced and rehabilitated portions of roadway across all major routes (*not including IL-390*)
- As part of the Authority's *Move Illinois* Program, large sections of the Tollway System are being rebuilt and modernized to preserve a state of good repair and accommodate the growing economy of the region
  - Rebuilding and Widening I-90
  - Rehabilitation of I-88
  - Widening and Reconstruction of the Central Tri-State
  - I-294/I-57 Interchange Project
  - Elgin-O'Hare Western Access (EOWA) Project
    - Widening and extension of IL Rte 390
    - New I-490 Tollway
  - New I-294 northbound exit and entrance ramp at Archer Avenue
  - New I-294 southbound exit ramp at County Line Road

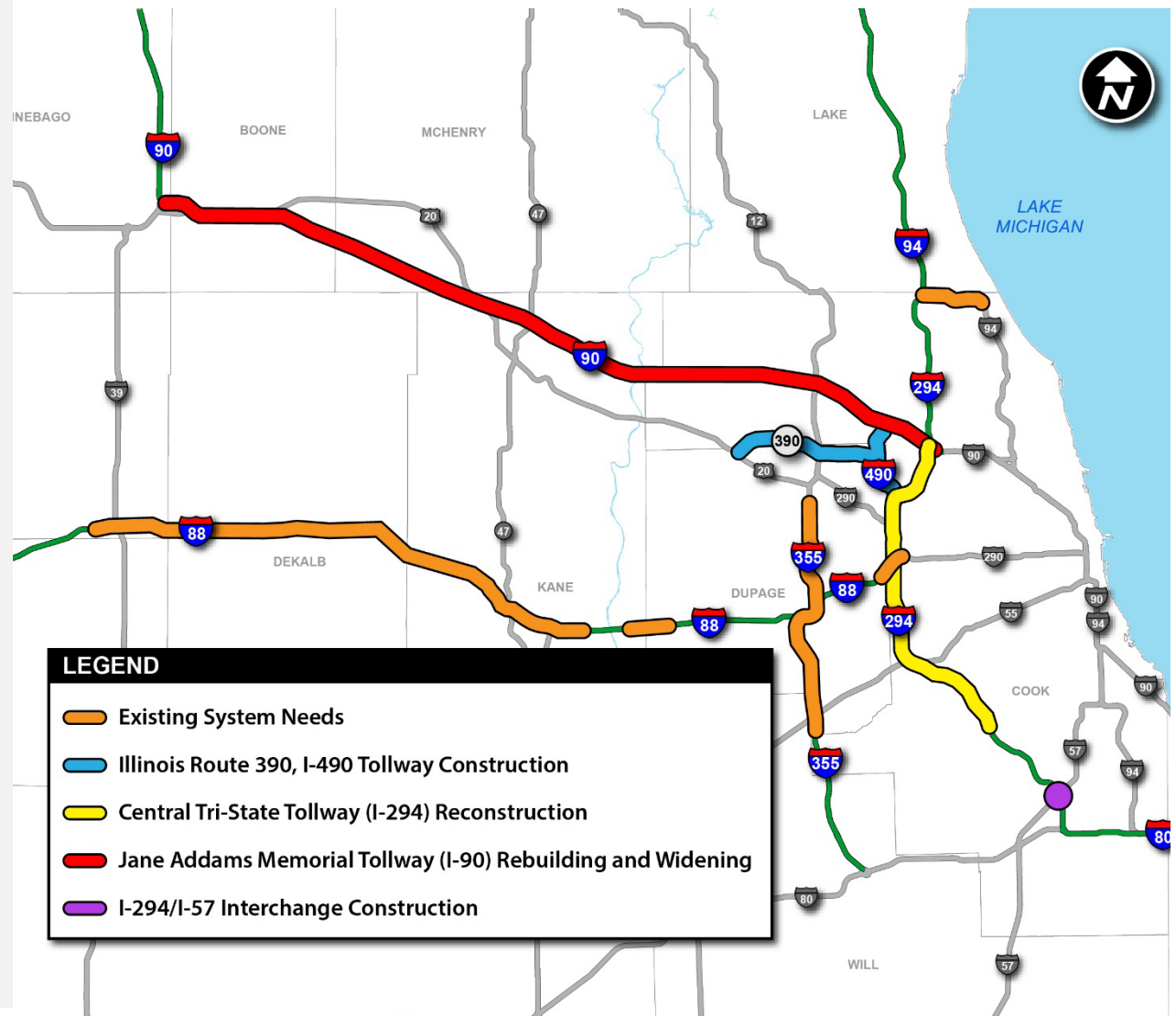


Source: The Authority; Traffic Engineers' Report. *Investors should read the entire Preliminary Official Statement carefully before making an investment decision.*



## Move Illinois Program: The Illinois Tollway Driving the Future

- After completion of the **16-year, \$14.1 billion capital program, Move Illinois Program**, customers will have a largely rebuilt, state-of-the-art system and critical new regional projects that will improve mobility, relieve congestion, reduce pollution, create jobs and stimulate the economy
- The Program's current budget is estimated to cost approximately \$14 billion, financed with \$5.8 billion of revenue bonds and the remainder with pay-as-you-go revenues
  - Existing System Needs: \$10 billion
  - New Projects: \$4 billion
- Nearly 60% of the *Move Illinois* Program is complete and \$3.6 billion of bonds have been issued to fund the program to date
- Authority has a history of executing large capital improvement projects on schedule and within budget
  - Allowed for revenue growth and stable transactions despite construction impacts and toll increases
- Approximately \$2.2 billion in par amount of additional revenue bonds are projected to be issued for the *Move Illinois* Program. Revenue growth is projected to be sufficient to fund the pay-as-you-go portion of the *Move Illinois* Program



Source: Preliminary Official Statement ("POS") and Consulting Engineers' Report. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.



## Move Illinois Program: Addressing Existing System and Expansion Needs

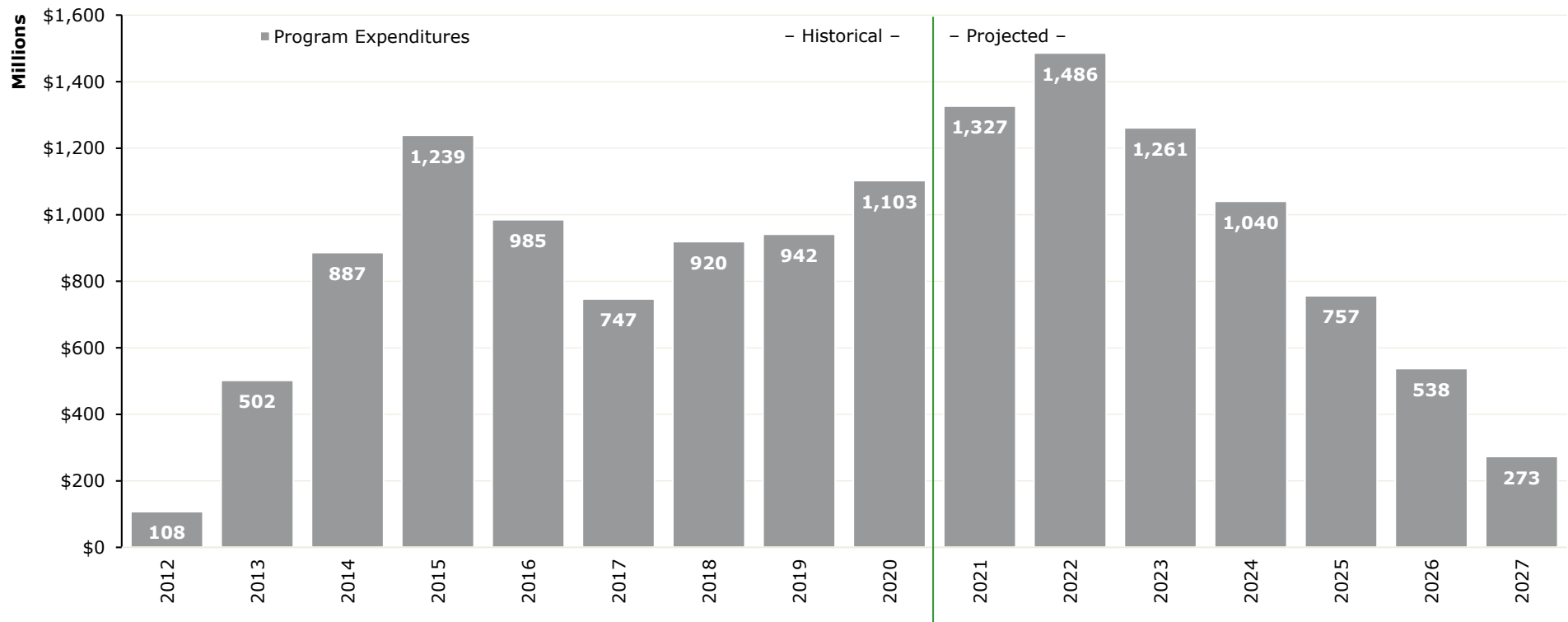
<p><b>Maintenance of Existing System</b> (Approximately \$10 billion)</p>	<p style="text-align: center;"><b>Existing Projects</b></p> <ul style="list-style-type: none"> <li>▪ Projects totaling \$10 billion to maintain the existing Tollway System:             <ul style="list-style-type: none"> <li>▪ Reconstructing the Jane Addams Memorial Tollway (I-90) from the Tri-State Tollway (I-294) near O’Hare International Airport (“O’Hare”) to the I-39 Interchange in Rockford (completed)</li> <li>▪ Reconstructing all, and widening significant portions of, the central Tri-State Tollway from 95th St to Balmoral Ave; reconstruct the Edens Spur (I-94)</li> <li>▪ Preserving the Reagan Memorial Tollway (I-88)</li> <li>▪ Preserving the Veterans Memorial Tollway (I-355)</li> <li>▪ Repairing roads, bridges and maintenance facilities</li> </ul> </li> </ul>
	<p><b>System Expansion</b> (Approximately \$4 billion)</p>
<p style="text-align: center;"><b>New I-294/I-57 Interchange</b></p> <ul style="list-style-type: none"> <li>▪ One of the few places in the nation where two interstates crossed but did not connect; direct connection provides significant time savings</li> <li>▪ Significant reduction in traffic on local roads</li> <li>▪ Increases economic development opportunities in surrounding area</li> <li>▪ Direct freight access to south suburbs</li> <li>▪ First phase completed in October 2014, allowing movements from northbound I-57 to I-294 and from I-294 to southbound I-57</li> <li>▪ Second phase currently scheduled to be completed by 2024</li> </ul>	

Source: Preliminary Official Statement (“POS”) and Consulting Engineers’ Report. *Investors should read the entire Preliminary Official Statement carefully before making an investment decision.*

## Move Illinois Program: Capital Spending

- Construction schedule demonstrates a measured approach to capital spending.
- Multiple projects allow for flexibility in scheduling and management.

### Move Illinois Program Historical (2012 – 2020) and Projected (2021-2027) Annual Expenditures



Source: Consulting Engineers' Report. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

1) From time to time, the Illinois Tollway may receive reimbursements under various intergovernmental agreements. Estimated program expenditures do not assume credit for such reimbursements with the following exceptions: for completed years (2012 – July 2021), the totals are net of reimbursements received under various intergovernmental agreements, totaling \$163.0 million. For the Elgin-O'Hare Western Access project (EOWA), the program anticipates contributions from local, federal and other sources valued at approximately \$300 million in years 2017 and 2021-2026 for interchange and access improvements, of which agreements totaling \$146.8 million have been received.

# Toll Rates by Vehicle Class

- Authority maintains flexibility to raise toll rates and has demonstrated willingness to do so to fund essential capital projects
- Commercial vehicle toll rates adjust annually based on rate of inflation; first four increases approximately 1.839%, 2.254%, 2.072%, 1.564% and 2.302% effective on January 1<sup>st</sup> of 2018, 2019, 2020, 2021, and 2022 respectively
- No further Board or legislative actions are necessary to impose the tolls necessary to complete the program

## Toll Rates by Vehicle Class (2005 – Present)

		2005 - 2011 <sup>(1)(3)</sup>		2012 - 2014 <sup>(1)(3)</sup>		2015 <sup>(1)(2)(3)</sup>		2016 <sup>(1)(2)(3)</sup>		2017 <sup>(1)(2)(3)</sup>		2018 - 2021 <sup>(1)(2)(3)(4)</sup>		2022 <sup>(1)(2)(3)(4)</sup>	
Class	Description	No Discount	Discount	No Discount	Discount	No Discount	Discount	No Discount	Discount	No Discount	Discount	No Discount	Discount	No Discount	Discount
1	Automobile/SUV, motorcycle, taxi, single unit truck or tractor, two axles, four or less tires	\$0.80	\$0.40	\$1.50	\$0.75	\$1.50	\$0.75	\$1.50	\$0.75	\$1.50	\$0.75	\$1.50	\$0.75	\$1.50	\$0.75
2	Single unit truck or tractor, bus, two axles, six tires	\$1.50	\$1.00	\$1.50	\$1.00	\$2.10	\$1.40	\$2.25	\$1.50	\$2.40	\$1.60	\$2.45 - \$2.60	\$1.65 - \$1.75	\$2.65	\$1.75
3	Three and four axle trucks, three axle buses, and Class 1 vehicles with one and two axle trailers	\$2.25	\$1.75	\$2.25	\$1.75	\$3.15	\$2.45	\$3.40	\$2.65	\$3.60	\$2.80	\$3.65 - \$3.90	\$2.85 - \$3.00	\$4.00	\$3.10
4	Five and six axle trucks and miscellaneous, special, or unusual vehicles not classified above	\$4.00	\$3.00	\$4.00	\$3.00	\$5.60	\$4.20	\$6.00	\$4.50	\$6.40	\$4.80	\$6.50 - \$6.90	\$4.90 - \$5.20	\$7.05	\$5.30

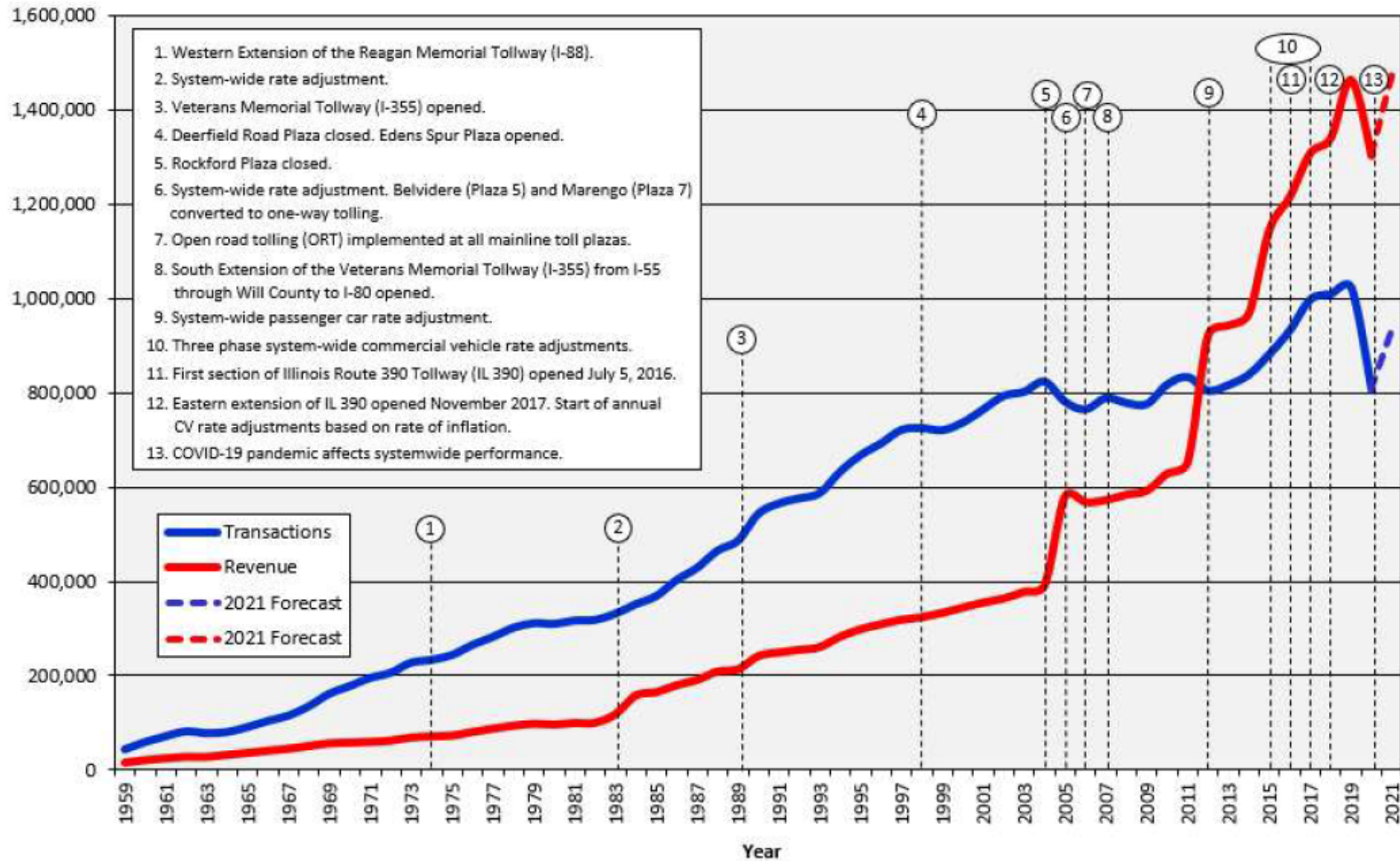
Source: Preliminary Official Statement (“POS”). *Investors should read the entire Preliminary Official Statement carefully before making an investment decision.*

- The toll rates listed above are rates for 11 of the 28 mainline plazas on the Tollway System. Toll rates at the other 17 mainline plazas differ by various amounts. Toll rates at Illinois Route 390 (where tolling began in 2016 / 2017) and the South Extension of I-355 (where tolling began in 2007) are significantly higher on a per-mile basis than toll rates on the rest of the Tollway System. A complete listing of toll rates at each plaza may be found on the Authority’s website. No other information from the Authority’s website is incorporated by reference into the Official Statement or this investor presentation.
- Class 1 vehicles making payment via transponders (I-PASS, E-ZPass, etc.) are tolled at a discounted rate, and a non-discounted rate applies to cash forms of payment.
- Commercial vehicles (Classes 2-4) are tolled at a discounted rate during the overnight period of 10 p.m. – 6 a.m. whether paying by I-PASS or cash (“Overnight Discount Rate”). Prior to January 1, 2009, commercial vehicles paying by I-PASS were tolled at the discounted rate for certain off-peak time periods (“I-PASS Off-Peak Discount Rate”). This I-PASS Off-Peak Discount Rate expired on 12/31/2008. The Overnight Discount Rate continues.
- Beginning January 1, 2018, and each January 1 thereafter, commercial vehicle toll rates adjust at approximately the rate of change of the CPI-U. The adjustments effective 1/1/2018, 1/1/2019, 1/1/2020, and 1/1/2021 are based on CPI-U increases of 1.839%, 2.254%, 2.072%, and 1.564%, respectively. The adjustment effective 1/1/2022 will be based on a CPI-U increase of 2.302%.

# Revenue Growth

- Before the COVID-19 pandemic, the Authority experienced continued revenue growth and stable transactions despite construction impacts and toll increases
- Transaction growth subsequent to toll increases implies low elasticity between toll rates and transaction growth and speaks to the continuity of the system

## Tollway System-Wide Annual Transactions and Revenues



Note: Revenues shown are collected Toll Revenues. Source: Traffic Engineers' Report. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.



## Low Toll Elasticity Demonstrates Essentiality of Roadways

- Despite toll increases, the relationship between toll rates and revenues/transactions has been relatively inelastic

### Transaction Changes

- In January 2015, commercial vehicle toll rates increased by 40%
  - The number of commercial vehicle transactions increased by 2.8% from 2014 to 2015, which was better than forecasted
  - Commercial vehicle toll revenue increased 43.0% from 2014 to 2015

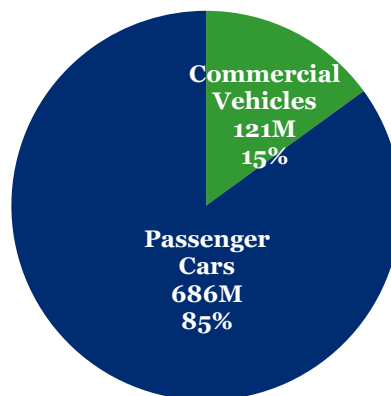
	Traffic Engineer 2015 Forecast	2015 Actual
Passenger Cars	1.6% Increase	<b>5.5% Increase</b>
Commercial Vehicles	1.1% Decline	<b>2.8% Increase</b>

- In January 2012, passenger car toll rates increased by 87%
  - The number of passenger car transactions decreased by only 4.2% from 2011 to 2012, which was better than forecasted
  - Passenger car toll revenue increased 73.9% from 2011 to 2012

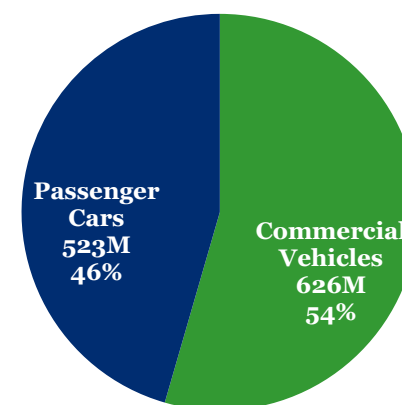
	Traffic Engineer 2012 Forecast	2012 Actual
Passenger Cars	5.9% Decline	<b>4.2% Decline</b>
Commercial Vehicles	2.2% Increase	<b>2.8% Increase</b>

- Low toll elasticity has continued through 2015 – 2020 commercial vehicle rate increases
- Low elasticity for both passenger and commercial traffic on the Tollway System demonstrates the essentiality of its roadways
- A breakdown of 2020 toll transactions and toll revenue by passenger cars and commercial vehicles follows to the right

### Toll Transaction Breakdown (2020)



### Toll Revenue Breakdown (2020)

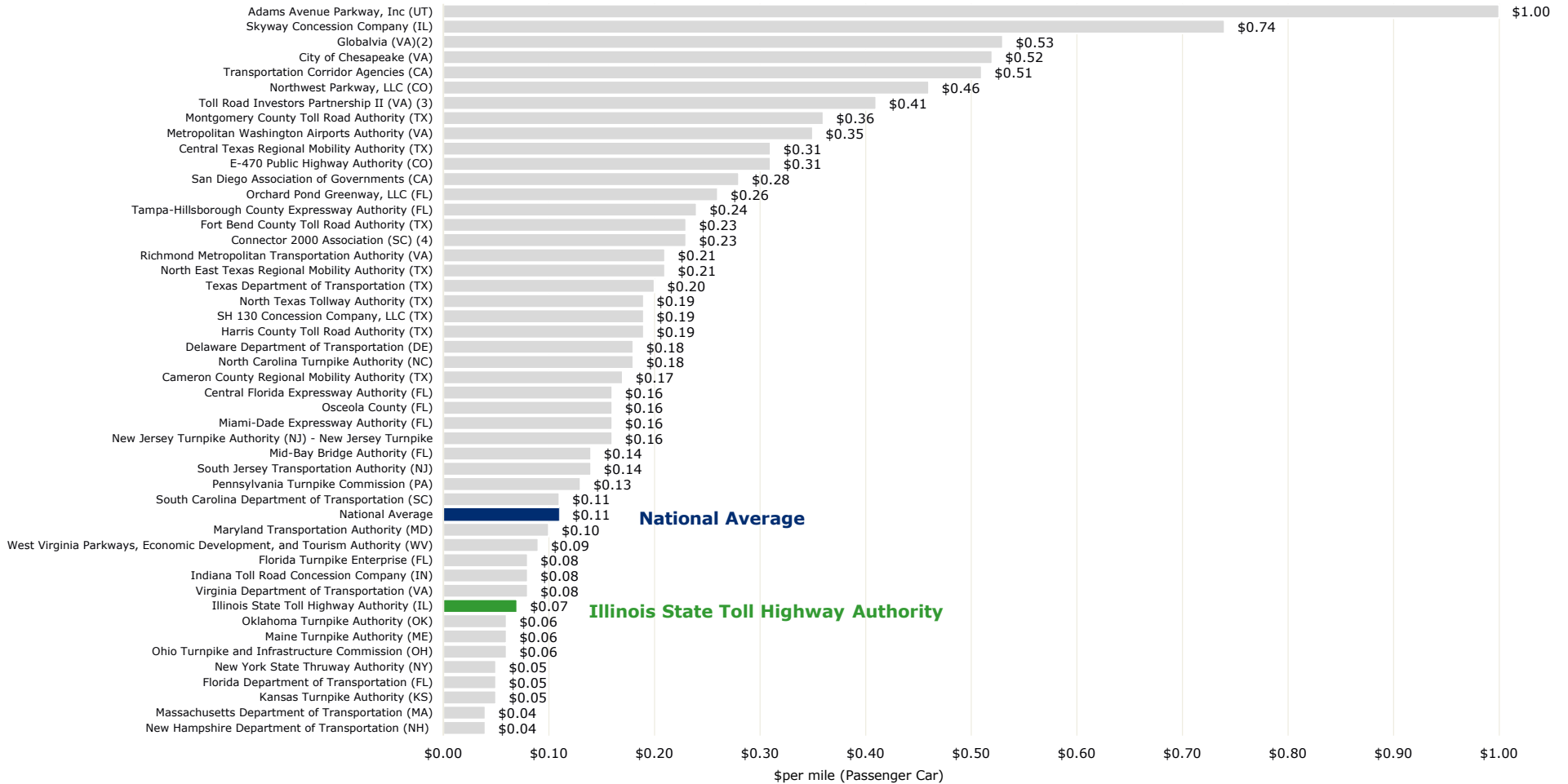


Source: Traffic Engineers' Report. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

# Toll Rate Peer Comparison: Passenger Vehicles

- The Authority maintains one of the lowest per-mile passenger car toll rates among U.S. facilities

## Comparison of \$Per-Mile Passenger Car Toll Rates Among Other U.S. Facilities

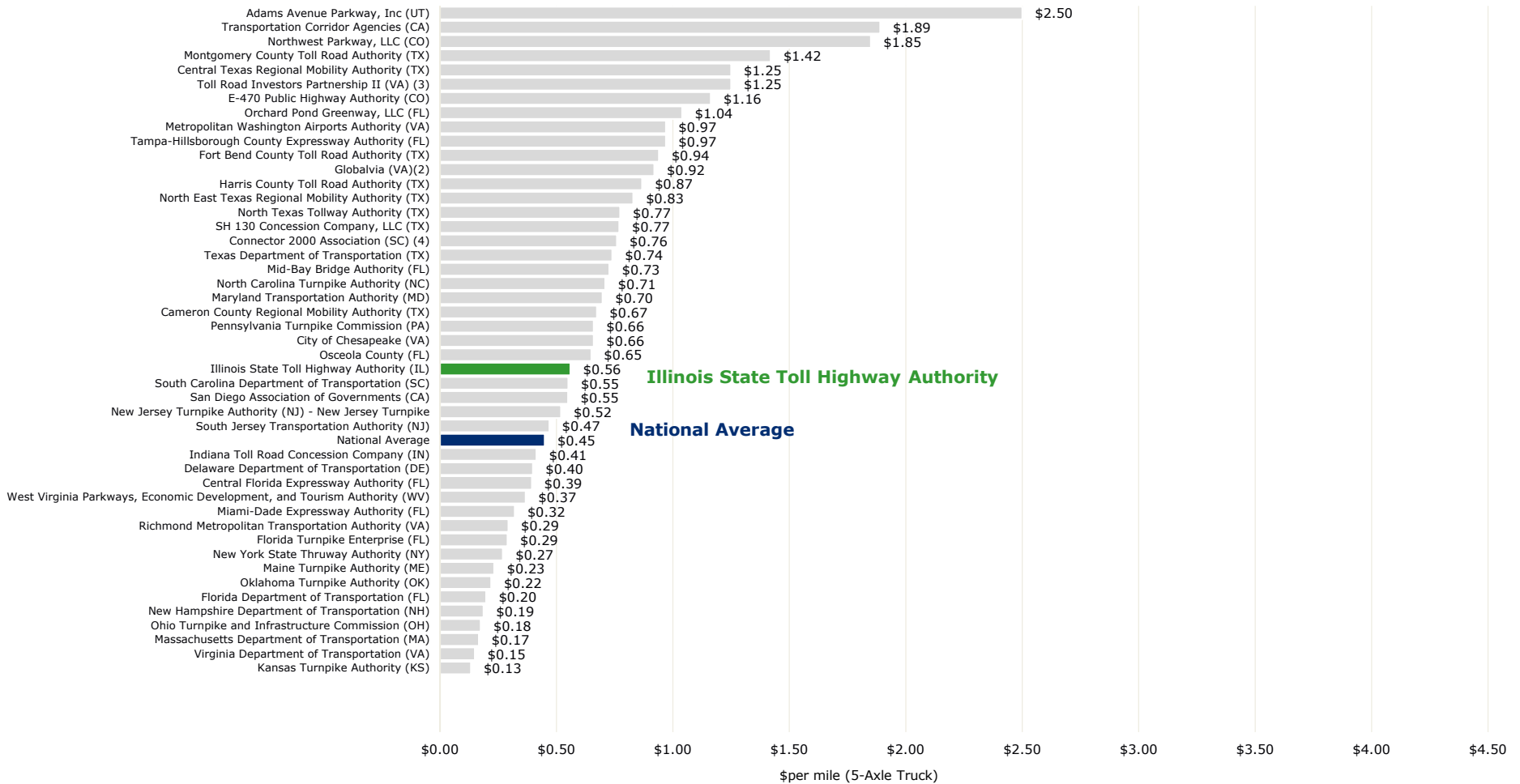


Note: Toll rates are for electronic payments at peak hour rates, if applicable. Toll rates are current as of November 2021. Source: Traffic Engineers' Report. *Investors should read the entire Preliminary Official Statement carefully before making an investment decision.*

# Toll Rate Peer Comparison: Commercial Vehicles

- Large truck per-mile toll rates are near the national average and below the median among U.S. facilities

## Comparison of \$Per-Mile 5-Axle Truck Toll Rates Among Other U.S. Facilities



Note: Toll rates are for electronic payments at peak hour rates, if applicable. Toll rates are current as of November 2021. Source: Traffic Engineers' Report. *Investors should read the entire Preliminary Official Statement carefully before making an investment decision.*

## Use of Electronic Tolling

### 2019 ETC Usage Rates Comparison

ETC Usage Rank	ETC Usage Rates	Toll Agency Name	Name of ETC System
1	95.1%	Metropolitan Transportation Authority (NY)	E-ZPass
<b>2</b>	<b>90.7%</b>	<b>Illinois State Toll Highway Authority*</b>	<b>I-PASS</b>
3	87.8%	Port Authority of New York and New Jersey	E-ZPass
4	86.9%	New Jersey Turnpike Authority	E-ZPass
5	86.0%	Massachusetts Department of Transportation	E-ZPass
6	85.7%	Indiana Toll Road Concession Company	E-ZPass
7	83.5%	Florida's Turnpike	SunPass
8	83.0%	North Texas Tollway Authority	TollTag
9	82.5%	Pennsylvania Turnpike Commission	E-ZPass
10	82.0%	Maryland Transportation Authority	E-ZPass
11	78.9%	Oklahoma Turnpike Authority	PIKEPASS
12	78.7%	New York State Thruway Authority	E-ZPass
13	74.6%	Harris County Toll Road Authority (Houston)	E-Z Tag
14	72.0%	Bay Area Toll Authority	FasTrak
15	64.6%	Ohio Turnpike Commission	E-ZPass

\*89.1% in 2020

Source: Traffic Engineers' Report. Investors should read the entire Preliminary Official Statement carefully before making an investment decision



## History of Financial Performance and Liquidity

- As of FY 2020, unrestricted cash/cash equivalents/investments totaled \$1.07 billion, equating to over 1,000 days cash on hand
- Financial performance and manageable debt issuance has allowed for sound budgeting

### Financial Performance (\$ in Thousands)

	2016	2017	2018	2019	2020
Operating Revenues <sup>(1)(2)</sup> :					
Toll Revenue	\$1,216,298	\$1,309,190	\$1,341,051	\$1,380,751	\$1,149,020
Toll Evasion Recovery <sup>(3)</sup>	64,491	65,640	70,469	81,554	93,165
Concession/Miscellaneous	11,481	13,041	12,232	8,864	26,630
Investment Income	6,530	13,947	34,389	38,456	13,726
Total Operating Revenue	\$1,298,800	\$1,401,818	\$1,458,141	\$1,509,624	\$1,282,540
Maintenance and Operating Expenses <sup>(1)(2)</sup> :					
General Administration	\$25,732	\$32,077	\$47,341	\$46,074	\$46,334
Engineering & Maintenance	53,650	74,055	78,404	95,540	91,503
Toll Services	109,854	140,217	141,981	136,124	130,701
Police, Safety and Communication	27,256	37,908	40,762	42,190	45,729
Insurance and Employee Benefits <sup>(4)</sup>	92,748	35,282	27,873	30,278	45,935
Total Expenses	\$309,239	\$319,538	\$336,361	\$350,207	\$360,203
<b>Net Operating Revenues</b>	<b>\$989,561</b>	<b>\$1,082,279</b>	<b>\$1,121,780</b>	<b>\$1,159,418</b>	<b>\$922,337</b>
<b>Total Debt Service</b>	<b>\$387,933</b>	<b>\$398,411</b>	<b>\$424,244</b>	<b>\$419,460</b>	<b>\$442,114</b>
<b>Net Revenues After Debt Service</b>	<b>\$601,628</b>	<b>\$683,868</b>	<b>\$697,536</b>	<b>\$739,958</b>	<b>\$480,224</b>
<b>Debt Service Coverage</b>	<b>2.55x</b>	<b>2.72x</b>	<b>2.64x</b>	<b>2.76x</b>	<b>2.09x</b>

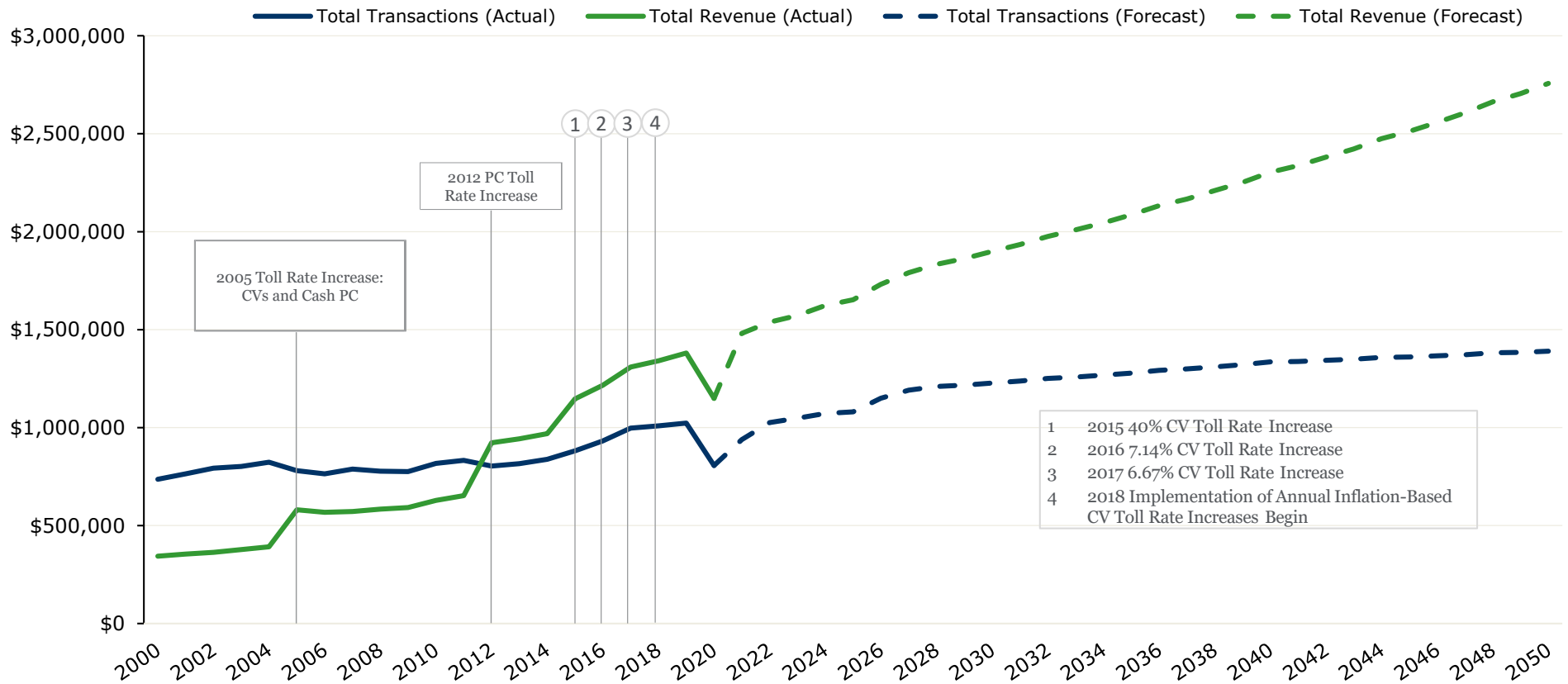
Source: Comprehensive Annual Financial Report for the Year Ended December 31, 2020. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

- Determined in accordance with accounting principles set forth in the Indenture and may differ from financial statements prepared in accordance with generally accepted accounting principles. Maintenance and Operating Expenses exclude depreciation and amortization. See Official Statement "FINANCIAL INFORMATION - Financial Information Discussion - GAAP Basis and Trust Indenture Basis."
- Totals may not add up due to rounding.
- The Authority recognizes fines as revenues when collected. As part of tolling reforms implemented in June 2020, the Authority began invoicing its customers for nonpayment of tolls before assessing fines. If nonpayment occurs, an initial invoice is sent which incurs an initial processing fee, followed by a second reminder invoice (for which no additional fee is incurred), followed by a third invoice which incurs a second processing fee. The Authority accrues initial invoice processing fee revenue at 60% of the stated amounts of such fees. The Authority recognizes any additional invoice processing fees, and any subsequent fines, as revenues only as/if collected.
- In year 2016, the line-item "Insurance and Employee Benefits" includes expenses for the employer portions of retirement and FICA, workers compensation and medical insurance, whereas in years 2017-2020 that line-item includes expenses only for workers compensation and medical insurance. In years 2017-2020, the expenses for the employer portions of retirement and FICA were allocated among the four department-based groupings listed in the chart above under Maintenance and Operating Expenses.
- Debt service does not net out Subsidy Payments received by the Authority as a result of the Authority's election to issue the 2009A Bonds and 2009B Bonds as Build America Bonds.

# Historical and Projected Traffic and Revenues

■ Forecasted average annual transaction growth is 1.9% from 2021-2050

## Tollway System-Wide Annual Transaction & Revenue Forecast



Source: Traffic Engineers' Report. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

Note: Expected revenue is the sum of all toll revenues that would be realized if 100 percent of transactions were recorded at the proper rate and resulted in full payment. Historical revenue is collected toll revenue.

## The Authority's "TOLLING 2020" Tolling Reforms

- In 2020 the Authority implemented three tolling reforms to provide: (i) an amnesty offer of significantly reduced fines for outstanding violations, (ii) relief from fines during the first 3 ½ months of COVID-19, and (iii) a significant reduction to initial added costs associated with unpaid tolls
  - **Amnesty** for all fines in violation notices dated before Mar 9, 2020. Each such fine, whether \$20 or \$50 in amount, is reduced to \$3 if paid by Dec 31, 2020, subsequently extended through February 10, 2022.
  - **Grace Period** for unpaid tolls during the period Mar 9 – June 25, 2020. Vehicle owners receive an invoice for tolls only, without the added expense of a violation.
  - **Invoicing** process added before issuance of violation notices. Beginning June 26, 2020, for each unpaid toll, the Authority issues an invoice at the “cash” toll rate plus a fee (in most cases, \$3 for cars; \$15 for large trucks). A toll remaining unpaid is invoiced for an additional fee (\$5 for all cars/trucks). If this invoicing process does not result in payment within 90 days, then the unpaid toll is subsequently deemed a violation and subject to issuance of violation notices and related fines/penalties (i.e. \$20 fine, \$50 fine, suspension of vehicle registration).

Source: Preliminary Official Statement (“POS”) and Consulting Engineers’ Report. *Investors should read the entire Preliminary Official Statement carefully before making an investment decision.*

## Overview of COVID-19 Impact on Toll Transactions

- Starting in mid-March 2020, traffic volumes on the Tollway System and throughout the U.S. decreased significantly as a result of the COVID-19 pandemic and response thereto. In Illinois, the response included:
  - The Authority's implementation of all-electronic tolling systemwide effective March 14, 2020.
  - Stay-at-Home order issued effective March 21 - April 30, 2020.
  - Portions of restrictions imposed by the Stay-at-Home order were lifted on May 1, May 29 and June 26, 2020.
  - As of June 11, 2021, the State of Illinois entered Phase 5 of Restore Illinois with nearly all COVID-19 restrictions lifted.
- Provided below are preliminary unaudited estimates of monthly toll transactions for the first three quarters of each of the years 2019, 2020 and 2021 with percentage changes showing 2021 monthly figures compared to 2020 and pre-pandemic 2019.
- While passenger vehicle transactions are down 11% in the first three quarters of 2021 when compared to the same time period in 2019, passenger vehicle transactions have improved nearly 17% compared to the first three quarters of 2020
- Commercial vehicle transactions have increased more than 6% when compared to the same time period in pre-pandemic 2019.

Monthly Transactions		Passenger Vehicles				
		2021	2020	2019	2021 vs 2019 Change (%)	2021 vs 2020 Change (%)
January*		51,565,806	68,655,941	63,332,668	-19%	-25%
February*		49,486,024	67,181,298	63,946,351	-23%	-26%
March		63,187,980	53,736,148	74,838,823	-16%	18%
April		65,494,614	32,489,307	74,226,618	-12%	102%
May		71,208,655	43,935,814	79,560,753	-10%	62%
June		72,642,125	56,500,764	79,155,832	-8%	29%
July		76,932,405	64,370,539	81,389,932	-5%	20%
August		75,669,809	64,634,305	82,275,459	-8%	17%
September		72,045,688	61,958,717	75,400,538	-4%	16%
<b>Jan 1 - Sep 30</b>		<b>598,233,106</b>	<b>513,462,833</b>	<b>674,126,974</b>	<b>-11%</b>	<b>17%</b>

Monthly Transactions		Commercial Vehicles				
		2021	2020	2019	2021 vs 2019 Change (%)	2021 vs 2020 Change (%)
January*		9,594,143	9,660,945	9,126,653	5%	-1%
February*		9,047,243	8,975,081	8,994,747	1%	1%
March		11,219,622	9,671,861	9,819,843	14%	16%
April		10,918,244	8,602,830	10,207,255	7%	27%
May		10,916,843	9,123,127	10,762,791	1%	20%
June		11,500,080	10,354,966	10,382,009	11%	11%
July		11,241,261	10,820,145	10,801,179	4%	4%
August		11,542,446	10,807,522	11,110,301	4%	7%
September		11,336,631	10,856,610	10,412,978	9%	4%
<b>Jan 1 - Sep 30</b>		<b>97,316,513</b>	<b>88,873,087</b>	<b>91,617,756</b>	<b>6%</b>	<b>10%</b>

Total Jan 1 - Sep 30						
		2021	2020	2019	2021 vs 2019 Change (%)	2021 vs 2020 Change (%)
		<b>695,549,619</b>	<b>602,335,920</b>	<b>765,744,730</b>	<b>-9%</b>	<b>15%</b>

\*According to the National Weather Service, the Chicago area experienced 21.9 inches of snow in Jan 2021, making it the 10th snowiest Jan on record in Chicago. Feb 2021 was the ninth snowiest Feb on record with 21.6 inches, including a record daily snowfall of 6.1 inches on Feb 15th (President's Day). Feb 2021's comparison to Feb 2020 was also lessened by the additional "leap" day in Feb 2020.

Source: Preliminary Official Statement ("POS"); Traffic Engineers' Report. *Investors should read the entire Preliminary Official Statement carefully before making an investment decision.*



## Overview of COVID-19 Impact on Toll Revenues

- Provided below are preliminary unaudited estimates of monthly toll revenues for the first three quarters of each of the years 2019, 2020 and 2021 with percentage changes showing 2021 monthly figures compared to 2020 and pre-pandemic 2019.
- While passenger vehicle booked revenues are down 16% in the first three quarters of 2021 when compared to the same time period in 2019, passenger vehicle booked revenues have improved nearly 16% compared to the first three quarters of 2020.
- Commercial vehicle booked revenue has increased more than 3% when compared to the same time period in pre-pandemic 2019.
- Total revenue has improved compared to 2020, but is down approximately 7% in the first three quarters of 2021 compared to the same time period in pre-pandemic 2019.

Booked Revenue		Passenger Vehicles					
		2021	2020	2019		2021 vs 2019 Change (%)	2021 vs 2020 Change (%)
January*		38,533,143	53,641,614	50,093,826		-23%	-28%
February*		36,799,264	53,357,529	49,797,897		-26%	-31%
March		46,938,324	41,568,406	60,672,594		-23%	13%
April		47,814,594	24,221,750	59,543,990		-20%	97%
May		56,066,971	33,272,533	64,500,303		-13%	69%
June		55,768,115	42,258,160	63,974,577		-13%	32%
July		59,538,522	48,720,195	66,962,322		-11%	22%
August		58,555,153	49,024,216	67,706,100		-14%	19%
September		55,388,424	47,253,308	60,299,320		-8%	17%
<b>Jan 1 - Sep 30</b>		<b>455,402,510</b>	<b>393,317,711</b>	<b>543,550,931</b>		<b>-16%</b>	<b>16%</b>

Booked Revenue		Commercial Vehicles					
		2021	2020	2019		2021 vs 2019 Change (%)	2021 vs 2020 Change (%)
January*		51,135,100	53,177,529	49,721,056		3%	-4%
February*		47,791,700	50,121,781	47,908,424		0%	-5%
March		58,442,714	53,253,819	53,712,240		9%	10%
April		54,836,377	45,550,057	54,974,559		0%	20%
May		58,125,532	46,562,752	57,430,954		1%	25%
June		58,605,242	51,170,971	54,372,239		8%	15%
July		57,086,008	53,736,238	56,932,860		0%	6%
August		59,366,943	54,258,285	59,131,999		0%	9%
September		58,605,779	55,815,457	54,831,697		7%	5%
<b>Jan 1 - Sep 30</b>		<b>503,995,395</b>	<b>463,646,888</b>	<b>489,016,027</b>		<b>3%</b>	<b>9%</b>

Total Jan 1 - Sep 30		2021	2020	2019		2021 vs 2019 Change (%)	2021 vs 2020 Change (%)
		<b>959,397,905</b>	<b>856,964,599</b>	<b>1,032,566,958</b>		<b>-7%</b>	<b>12%</b>

\*According to the National Weather Service, the Chicago area experienced 21.9 inches of snow in Jan 2021, making it the 10th snowiest Jan on record in Chicago. Feb 2021 was the ninth snowiest Feb on record with 21.6 inches, including a record daily snowfall of 6.1 inches on Feb 15th (President's Day). Feb 2021's comparison to Feb 2020 was also lessened by the additional "leap" day in Feb 2020.

Source: Preliminary Official Statement ("POS"); Traffic Engineers' Report. *Investors should read the entire Preliminary Official Statement carefully before making an investment decision.*

## COVID-19 Impact on Toll Revenue

- To mitigate COVID-19 impacts, all-electronic-tolling (“AET”) was implemented systemwide March 14, 2020
- The Authority expects, but has not yet determined, to make AET permanent.
- In 2015 – 2019, evaded tolls (expected toll revs less booked toll revs) averaged 6.4% and evasion recovery averaged 79.8%, resulting in average net leakage of 1.4%.
- In 2020, evaded tolls were 11.8% and evasion recovery was 60.5%, resulting in average net leakage was 4.7%.
- Evaded tolls is projected at 13.6% in 2021, 12% in 2022, 11% in 2023 and 10% thereafter. Net leakage is projected at 2.3% in 2021, 4% in 2022, 3.75% in 2023 and 3.5% thereafter.
- Quarterly expected toll revenues, collected toll revenues, evaded tolls (% of expected), evasion recovery, and net leakage (% of expected) are shown below.

	Expected Toll Revs	Booked Toll Revs	Evaded Toll (as % Expected Toll Revs)		Evasion Recovery	Net Leakage (as % Expected Toll Revs)	
<b>2020 Qtr 1</b>	\$326,283,756	\$305,120,677	(\$21,163,079)	-6.5%	\$18,136,640	(\$3,026,439)	-0.9%
<b>2020 Qtr 2</b>	\$281,839,889	\$243,036,223	(\$38,803,666)	-13.8%	\$4,248,073	(\$34,555,593)	-12.3%
<b>2020 Qtr 3</b>	\$358,028,324	\$308,807,698	(\$49,220,626)	-13.7%	\$36,400,687	(\$12,819,939)	-3.6%
<b>2020 Qtr 4</b>	\$336,904,622	\$292,055,395	(\$44,849,227)	-13.3%	\$34,379,108	(\$10,470,119)	-3.1%
<b>Total</b>	\$1,303,056,591	\$1,149,019,993	(\$154,036,598)	-11.8%	\$93,164,508	(\$60,872,090)	-4.7%
<b>2021 Qtr 1</b>	\$322,478,113	\$279,640,245	(\$42,837,868)	-13.3%	\$37,802,369	(\$5,035,499)	-1.6%
<b>2021 Qtr 2</b>	\$384,420,949	\$331,216,831	(\$53,204,118)	-13.8%	\$41,906,447	(\$11,297,671)	-2.9%
<b>2021 Qtr 3</b>	\$403,209,227	\$348,540,829	(\$54,668,398)	-13.6%	\$45,846,420	(\$8,821,978)	-2.2%

Source: The Authority; Preliminary Official Statement (“POS”). Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

## Bondholder Security

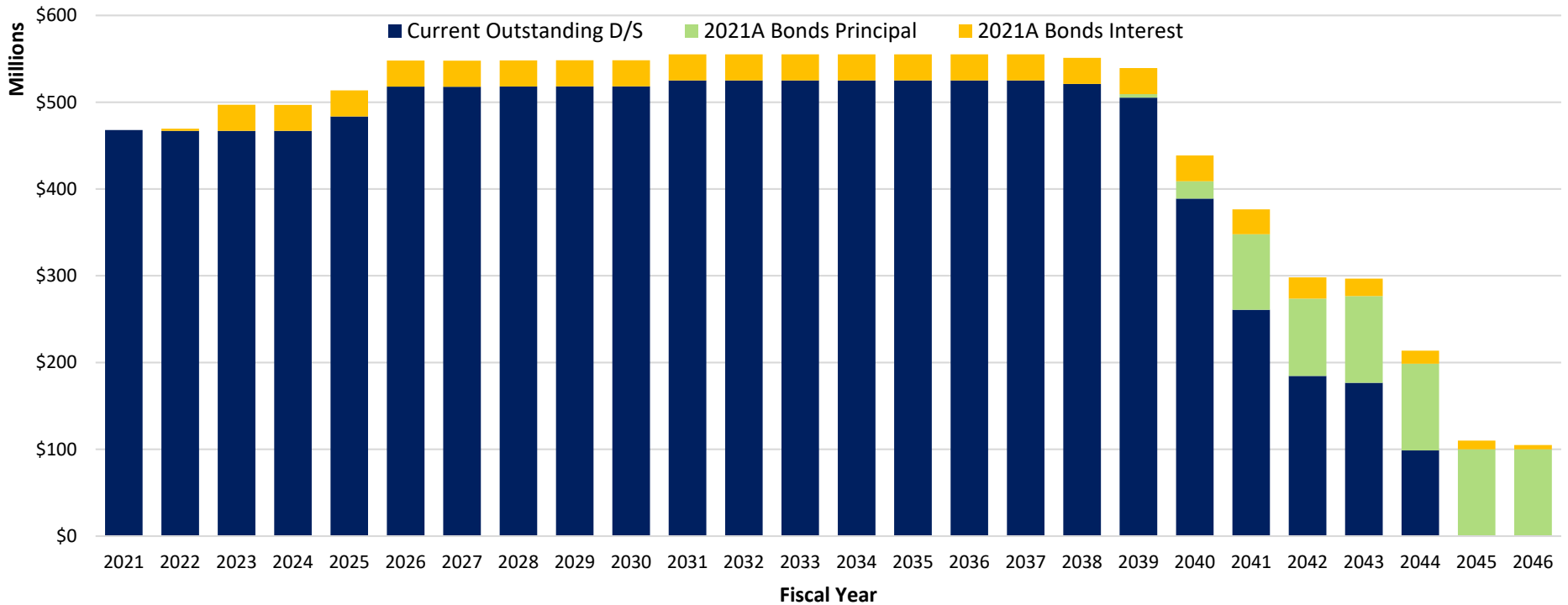
<p><b>Pledge of Revenues and Funds</b></p>	<p>Bonds issued under the Indenture are payable solely from and secured solely by a pledge of and lien on Net Revenues (defined below) of the Tollway System and certain other funds as provided in the Indenture</p>
<p><b>Net Revenues</b></p>	<p>For any Fiscal Year, the Revenues, excluding the amounts transferred (i) to the Revenue Fund from the Construction Fund and (ii) to the Trustee by the Authority from the System Reserve Account, the Improvement Account or the Renewal and Replacement Account, less the Operating Expenses for such Fiscal Year or period</p>
<p><b>Toll Covenant</b></p>	<p>The Authority, which by statute has the exclusive right to set tolls, covenants to set tolls at levels that produce sufficient Net Revenues to meet or exceed the Net Revenue Requirement</p> <ul style="list-style-type: none"> <li>▪ Amount necessary to cure deficiencies, if any, in the Debt Service Account, the Debt Reserve Account, any Junior Bond Debt Service and/or Junior Reserve Account, <i>plus</i></li> <li>▪ The greater of (i) the sum of Aggregate Debt Service on Senior Bonds, the Junior Bonds Revenue Requirement and the Renewal and Replacement Deposit or (ii) 1.30x Aggregate Debt Service on Senior Bonds</li> </ul>
<p><b>Net Revenue Requirement</b></p>	<p>The amount necessary to cure any deficiencies in the Debt Service and Debt Reserve Accounts (Senior and Junior), <i>plus</i> the greater of:</p> <ul style="list-style-type: none"> <li>▪ The sum of: Aggregate Debt Service and reserve fund requirements on Senior and Junior Bonds and the Renewal and Replacement Deposit</li> <li>▪ 1.30x Aggregate Debt Service on the Senior Bonds</li> </ul>
<p><b>Additional Bonds Test</b></p>	<ul style="list-style-type: none"> <li>▪ <b>Look-Back (Test #1)</b> - Net Revenues for a period of 12 consecutive months out of the 18 months preceding the issuance of additional senior bonds must exceed the Net Revenue Requirement; and</li> <li>▪ <b>Forward-Looking (Test #2)</b> - For the current and each Fiscal Year through the fifth full Fiscal Year after the date of issuance, Net Revenues shall be at least equal to the estimated Net Revenue Requirement for such Fiscal Year</li> </ul>
<p><b>Debt Reserve Requirement</b></p>	<p>The maximum annual Aggregate Debt Service for any Fiscal Year for all outstanding Senior Bonds; currently 80% of which is funded with cash and investments and 20% covered by a financial guaranty from Berkshire Hathaway</p>

Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

# Toll Highway Senior Revenue Bonds Debt Profile\*

- The 2021A Bond proceeds are being issued to fund a portion of the Authority's *Move Illinois* Program
- The 2021A Bonds are expected to amortize from Fiscal Years ending 1/1/2039 to 1/1/2046

## Annual Debt Service Requirements\*



\*Preliminary, subject to change. Note: Debt Service due January 1 of each year is deemed payable in the preceding year. Investors should read the entire Preliminary Official Statement carefully before making an investment decision

## Projected Debt Service Coverage\*

- Per its Debt Management Guidelines, the Authority strives to maintain average senior lien debt service coverage near 2x

### Forecasted Debt Service Coverage (\$ in millions)

Projected Revenues	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Expected Toll Revenues <sup>(1)</sup>	\$1,481	\$1,539	\$1,572	\$1,623	\$1,652	\$1,731	\$1,791	\$1,833	\$1,863	\$1,899	\$1,935	\$1,976
Evaded Tolls <sup>(2)</sup>	(201)	(185)	(173)	(162)	(165)	(173)	(179)	(183)	(186)	(190)	(193)	(198)
Evasion Recovery <sup>(3)</sup>	167	123	114	106	107	113	116	119	121	123	126	128
Concessions and Miscellaneous	10	11	10	10	10	10	10	10	10	10	10	10
Investment Income	2	3	10	19	20	17	18	18	18	18	18	18
<b>Total Revenues</b>	<b>\$1,459</b>	<b>\$1,491</b>	<b>\$1,533</b>	<b>\$1,596</b>	<b>\$1,624</b>	<b>\$1,698</b>	<b>\$1,756</b>	<b>\$1,797</b>	<b>\$1,826</b>	<b>\$1,861</b>	<b>\$1,895</b>	<b>\$1,935</b>
Projected Operating Expenses <sup>(4)</sup>	\$380	\$411	\$426	\$442	\$458	\$475	\$492	\$508	\$526	\$543	\$562	\$583
<b>Projected Net Revenues</b>	<b>\$1,080</b>	<b>\$1,080</b>	<b>\$1,107</b>	<b>\$1,154</b>	<b>\$1,166</b>	<b>\$1,222</b>	<b>\$1,264</b>	<b>\$1,289</b>	<b>\$1,300</b>	<b>\$1,318</b>	<b>\$1,333</b>	<b>\$1,352</b>
Projected Debt Service <sup>(5)</sup>	\$468	\$498	\$497	\$497	\$514	\$548	\$548	\$548	\$548	\$548	\$555	\$555
<b>Pro Forma Debt Service Coverage</b>	<b>2.3 x</b>	<b>2.2 x</b>	<b>2.2 x</b>	<b>2.3 x</b>	<b>2.3 x</b>	<b>2.2 x</b>	<b>2.3 x</b>	<b>2.4 x</b>	<b>2.4 x</b>	<b>2.4 x</b>	<b>2.4 x</b>	<b>2.4 x</b>
Projected Net Cash Flow <sup>(6)</sup>	\$612	\$582	\$610	\$657	\$653	\$675	\$717	\$741	\$752	\$769	\$778	\$797

Source: Preliminary Official Statement ("POS"). Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

(1) Projected Expected Toll Revenues, the toll revenues that would be collected if applicable toll payments were received from all vehicles, are based upon the Traffic Engineers' Report.

(2) Evaded Tolls (aka Toll Revenue Leakage) is projected at 13.6% of Expected Toll Revenues in 2021, 12% in 2022, 11% in 2023 and 10% thereafter.

(3) Evasion Recovery in 2021 is projected at 83% of Evaded Tolls, equating to net leakage of 2.3%. Net leakage is projected to be 4.0% in 2022, 3.75% in 2023 and 3.5% thereafter.

(4) Projected Operating Expenses are based upon the Consulting Engineers' Report

(5) See "FINANCIAL INFORMATION – Annual Debt Service Requirements" for certain assumptions relating to debt service on the outstanding Senior Bonds. **This table assumes the issuance of the 2021A Bonds but does not take into account any bond issuance thereafter.** This table does not take into account, either as revenue or as a credit against debt service, Subsidy Payments expected in connection with the issuance of the 2009A Bonds and 2009B Bonds as Build America Bonds. Debt Service due January 1 of each year is deemed payable in the preceding year. See the definition of "Debt Service" in APPENDIX D.

(6) In each year, the projected net cash flow exceeds the projected Renewal and Replacement Deposit for such year set forth in the Consulting Engineers' Report.

# Transaction Timeline\* and Contact Information

## Financing Schedule

November						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

December						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Action Item	Date*
Electronically Post POS	November 22, 2021
Pricing of Bonds	December 2, 2021
Closing	December 16, 2021

**The Authority is available for investor calls. Please contact any of the four bankers listed to the right to schedule a call.**

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\*Preliminary, Subject to Change. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.