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**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2009**

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# **THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY**

**A Component Unit of the State of Illinois**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the Year Ended December 31, 2009**

### **MISSION STATEMENT:**

The Illinois State Toll Highway 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.

**Prepared by the Finance Department**

**Illinois State Toll Highway Authority**  
**(A Component Unit of the State of Illinois)**  
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## INTRODUCTORY SECTION



**The Illinois Tollway**  
**2700 Ogden Avenue**  
**Downers Grove, Illinois 60515-1703**  
**Phone: 630/241-6800**  
**Fax: 630/241-6100**  
**TTY: 630/241-6898**

August 16, 2010

Board of Directors  
The Illinois State Toll Highway Authority  
2700 Ogden Avenue  
Downers Grove, Illinois 60515


Directors:


The Comprehensive Annual Financial Report (CAFR) of The Illinois State Toll Highway Authority (Tollway), for the year ended December 31, 2009, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Tollway. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the Tollway. All disclosures necessary to enable the reader to gain an understanding of the Tollway's financial activities have been included.

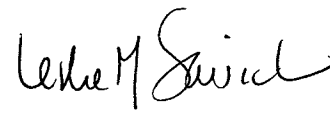
The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this letter of transmittal, the list of Tollway board members, the Tollway's organizational chart, and narrative background about the Tollway. The financial section includes the independent auditor's report, management's discussion and analysis, the basic financial statements including notes to the financial statements, and schedules that provide further business and financial information about the operation of the Tollway. The statistical section provides trend and business data, generally on a multi-year basis; includes annual supplemental information that meets the Rule 15c2-12 continuing disclosure requirement; and is useful to existing and potential investors.

We believe that this report provides a full understanding of the Tollway's 2009 financial and operational activities and describes how the Tollway is prepared to meet its financial and operational responsibilities in years to come.

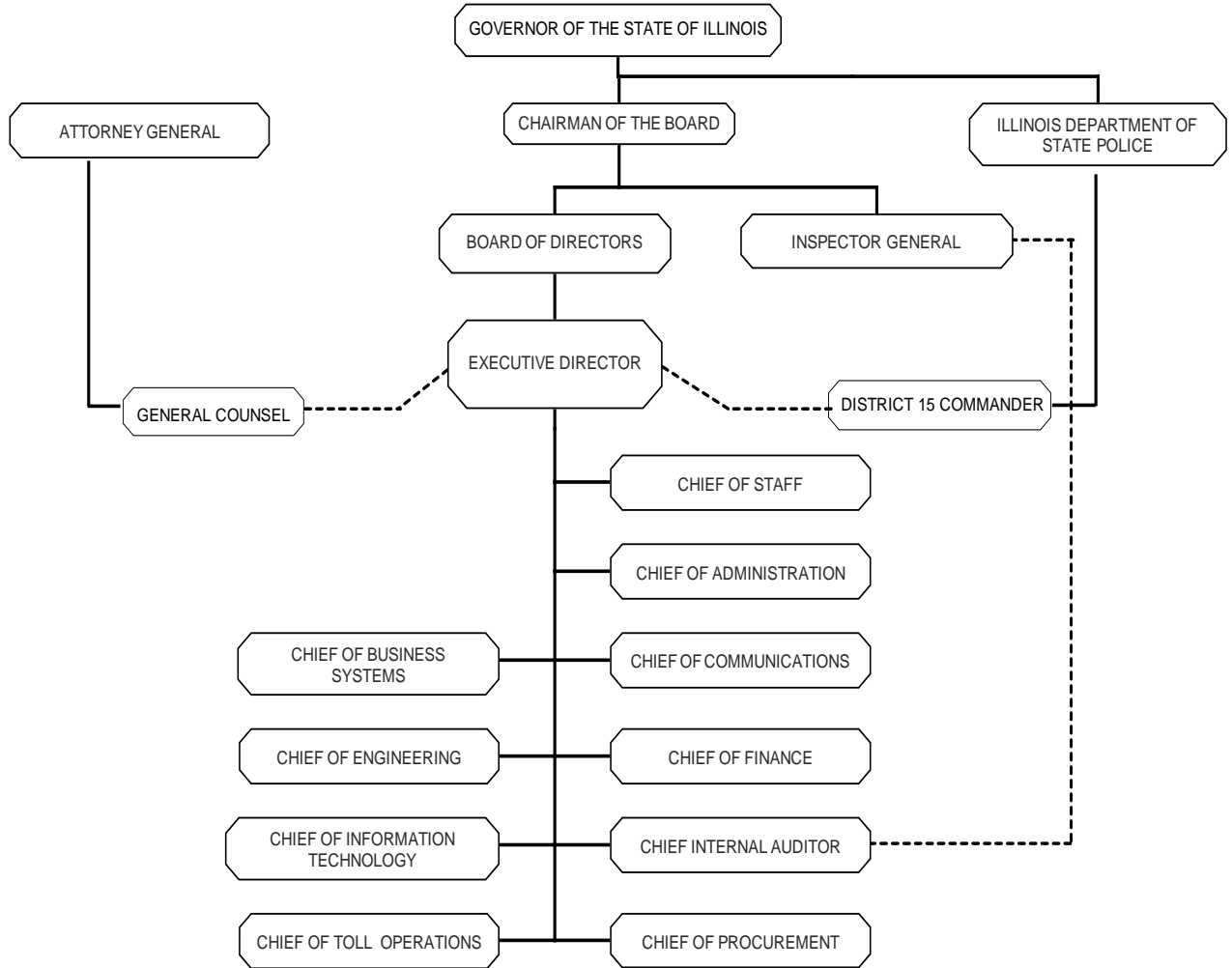
Respectfully submitted,

  
Kristi Lafleur  
Executive Director

  
Michael J. Colsch  
Chief of Finance

  
Leslie M. Savickas  
Controller

# THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY ORGANIZATIONAL CHART



**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY  
AS OF DECEMBER 31, 2009**

**Board of Directors**

**Term Expires**

Pat Quinn, Governor, State of Illinois (Ex-Officio)

Gary Hannig, Secretary, Illinois Department of Transportation (Ex-Officio)

|                            |              |
|----------------------------|--------------|
| Paula Wolff, Chair .....   | 05/01/13     |
| Maria Saldaña .....        | 05/01/11     |
| James J. Banks .....       | 05/01/09 (1) |
| Thomas Canham .....        | 05/01/11     |
| Bill Morris .....          | 05/01/11     |
| Tom Weisner .....          | 05/01/11     |
| Arthur George Pradel ..... | 05/01/07 (1) |
| James Roolf .....          | 05/01/09 (1) |
| Carl O. Towns .....        | 05/01/09 (1) |

(1) - Directors whose terms have expired serve until such director resigns, is re-appointed, or a successor is duly appointed and qualified.



## **ORGANIZATION AND BACKGROUND**

The Illinois State Toll Highway Commission (the Commission) was created by an act of the Illinois General Assembly as an instrumentality and administrative agency of the State of Illinois in 1953 to provide for the construction, operation, regulation, and maintenance of a system of toll highways within the State of Illinois. The Commission officially became the Illinois State Toll Highway Authority (the Tollway) in March, 1969, when the Illinois Supreme Court upheld the constitutionality of a new toll road act, the Toll Highway Act (the Act) that was passed by the General Assembly on August 8, 1967, with an effective date of 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; establish and amend resolutions, by-laws, rules, regulations, and toll rates; acquire, construct, relocate, operate, regulate, and maintain the Tollway system; exercise powers of eminent domain and condemnation; raise or lower toll rates; and 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 11-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, from the state at large, for terms of 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 Tollway appoints an Executive Director without the approval of the state legislature 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 12 primary departments: Executive, Legal, Engineering, Toll Operations, Finance, Administration, Communications & Marketing, Information Technology, Inspector General, Business Systems, Procurement and Illinois State Police District 15.

### **The Reporting Entity**

This report is prepared on an "enterprise fund" basis and includes all activities of and services provided by the Tollway. The Tollway is solely responsible for financing any deficit it may incur and for the disposition of any surplus funds its operations may produce in accordance with the Act. The Tollway collects revenues, controls disbursements, and has title to all its assets.

## **The Tollway System**

The Illinois Tollway currently consists of 286 miles of limited access highways which are an integral part of the expressway system in Northern Illinois and the U.S. Interstate Highway System. The entire Tollway system has been designated as part of the U.S. Interstate Highway System.

Since beginning operations in 1958, the Tollway has served an important role in the development of the Northern Illinois economy. In its early years the Tollway system was largely used as a means of 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 evolved into primarily a commuter travel system, serving suburban Chicago and Chicago-O'Hare International Airport.

At the present time, the Tollway's four routes service, among other areas, suburban Cook County and the "collar counties" which together represent one of the fastest growing areas in Illinois in terms of population and employment.

The Tollway has experienced a steady increase in toll transactions and revenues since its first full year of operation in 1959. During 1959 the Tollway system processed 37.9 million passenger vehicle transactions and 5.1 million commercial vehicle transactions. Fifty years later, in 2009, the total annual transactions for passenger vehicles have increased to 694.8 million and for commercial vehicles to 80.5 million. Annual revenues from tolls have risen from \$14.5 million in 1959 to \$592.1 million in 2009.

During 2009 construction continued on the Reagan Memorial Tollway (I-88), the Tri-State Tollway (I-294/I-94/I-80) and the Jane Addams Memorial Tollway (I-90) as part of the Congestion-Relief Program.

## **SERVICES PROVIDED**

The Illinois Tollway offers a number of convenience and safety services to its patrons. The Tollway has contracted with two private companies to operate restaurants and service stations at the Tollway's seven patron service areas (oases) and has arrangements with other companies to provide disabled vehicle service to stranded motorists and to provide ambulance assistance in the event of an accident or other emergency situation.

### **Oases**

Seven oases serve the Illinois Tollway system. These facilities contain motor fuel stations, car washes, food and retail services, restroom facilities, I-PASS customer service counters, and other traveler-related conveniences; the oases are open 24-hours a day, 365 days a year.

## **Tollway Maintenance**

Providing Tollway customers with a safe, well-operated, and well-maintained highway is a task assigned to the Maintenance & Traffic Division of the Department of Engineering. Personnel assigned to the 11 maintenance sections, spaced at approximately 25-30 mile intervals along the road, keep the Tollway in safe, convenient, and comfortable driving condition. In winter, maintenance personnel rapidly clear the roadway of snow and ice. Year-round they respond to crashes or incidents that can disrupt traffic flow.

The Tollway's Traffic Operations Center, by use of its Traffic and Incident Management System (TIMS), continuously improves incident management and communication to motorists. An important resource in this task is the network of Dynamic Message Signs that have been placed at key motorist decision points prior to major interchanges in the system. These efforts, along with other traffic management initiatives currently in implementation, are resulting in improved incident detection, confirmation, resource response, and clearance.

## **Telecommunications System**

The Tollway owns and maintains a microwave and fiber optic voice, data, and video communications network. This communications system supports mobile radios, telephones, alarms, CCTV, and computer data transmissions for toll plaza operations, roadway maintenance, State Police District 15, public safety, emergency vehicles, and security.

## **Illinois State Police**

District 15 is a unique State Police district in that the community which it serves is a mobile one: travelers from across the country and local commuters, traversing the 286 miles of the Illinois Tollway. Troopers assigned to District 15 cover 12 different counties and five geographic State Police districts. District 15 has a long history of commitment to achieving the highest standards possible in its service to citizens and commuters. The District remains committed and vigilant in ensuring that its areas of responsibility are safe and secure.

## **Patron Emergency Services**

Formal agreements are maintained 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. In addition, the Tollway also supports the \*999 Cellular Motorist Assistance Program in the Chicago Metropolitan area.

Since 1997, the Tollway has operated the Highway Emergency Lane Patrol (H.E.L.P.) Program as a service to motorists and to further enhance safety and facilitate traffic flow. Specially equipped trucks operated by trained Maintenance & Traffic Division personnel patrol the entire Tollway system during peak traffic periods to assist motorists who may be disabled, stranded or otherwise in need. As of December 31, 2009, H.E.L.P. Trucks have assisted 35,190 Tollway patrons, driving 1.5 million miles and dispensing 4,158 gallons of gasoline.

## **MAJOR INITIATIVES**

The Tollway has completed the fifth year of the Congestion-Relief Program – *Open Roads for a Faster Future* - with the focus shifting to system-wide roadway Rebuild & Widen Projects. By the end of 2009, the Tollway had awarded approximately \$4.9 billion in construction and design contracts in the \$6.1 billion Capital Program (initial estimate). The program is on schedule and within budget.

## **FINANCIAL INFORMATION**

The management of the Tollway is responsible for establishing and maintaining an internal control structure designed to ensure that Tollway assets are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). An effective internal control structure should provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

### **Accounting Systems**

The Tollway's accounting systems are organized and operated on an "enterprise fund basis." The accounting practices of the Tollway are more fully described in the summary of significant accounting policies included in the notes to its financial statements in the Financial Section of this report.

### **Management's Discussion and Analysis**

The Financial Section includes a discussion and analysis of the Tollway's financial performance that provides readers with a narrative overview of its financial activities and the changes in its financial position for the periods ended December 31, 2009 and 2008.

### **Notes to Financial Statements**

The notes provided in the Financial Section of this report should be considered an integral and essential part of adequate disclosures and fair presentation of this financial report. The notes include a Summary of Significant Accounting Policies of the Tollway and other necessary disclosures of pertinent matters relating to its financial position. The notes provide additional informative disclosures not reflected on the face of the financial statements.

### **Budgetary Controls**

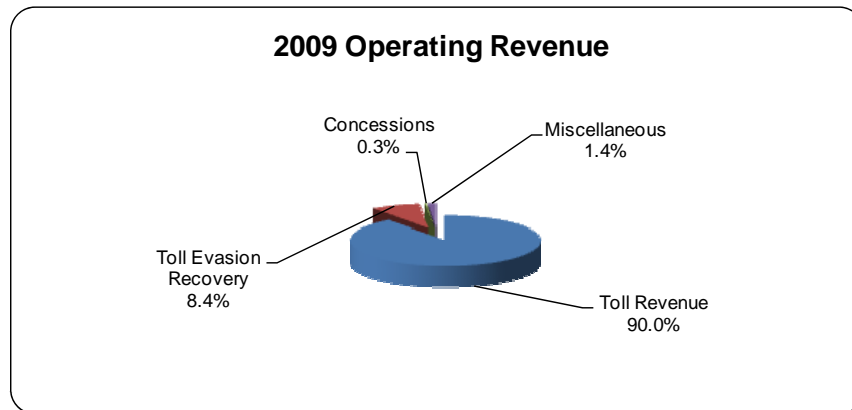
The Tollway is required by its Trust Indenture to prepare a tentative budget for the ensuing fiscal year on or before October 31 of each fiscal year and to adopt the annual budget for such fiscal year on or before January 31 of such fiscal year. The adopted budget is used for control of operating and capital expenses and for financial planning and, consequently, is not prepared on the basis of generally accepted accounting principles. The budget is approved by the board of directors but does not require the approval of the state legislature.

## Basis of Accounting and Measurement

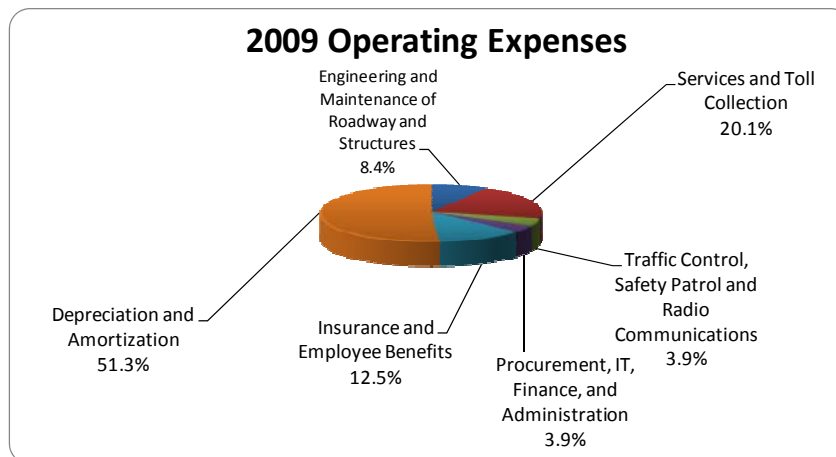
The Tollway employs generally accepted accounting principles similar to those used by private business enterprises with the accrual basis of accounting as its foundation. Under the accrual basis of accounting, revenues are recognized in the periods in which they are earned, and expenses are recognized in the periods in which they are incurred.

## Operating Revenue and Expense

Total operating revenue decreased by just over 1% from \$668 million in 2008, to \$658 million in 2009 due primarily to a decrease in toll evasion recovery revenue. Miscellaneous revenue showed a slight increase between the two years.



Total operating expenses, excluding depreciation, increased by approximately 8% in 2009. The main items contributing to this increase were higher outlays for insurance and employee benefit costs. See the Management Discussion and Analysis contained within these statements for further information.



## Risk Management

The Tollway has self-funded risk retention programs with stop-loss limits for current employee group health, workers' compensation, general liability, and business automobile liability claims. Accordingly, the Tollway has provided accruals for estimated losses arising from such claims.

### Debt Administration

As of December 31, 2009, the Tollway had outstanding \$4,075,740,000 of Illinois State Toll Highway Revenue Bonds: 1992 Series A, 1998 Series A & B, 2005 Series A, 2006 Series A-1, 2007 Series A-1 and A-2, 2008 Series A-1 and A-2, 2008 Series B, 2009 Series A and 2009 Series B.

### Investment Management

The Tollway's Trust Indenture generally requires that investments of idle cash be made only in securities issued by or guaranteed by the U.S. Government or in deposits collateralized by U.S. Government securities. All of the investments held by the Tollway at December 31, 2009 are classified in this highest (strongest) category of credit risk as defined by the Government Accounting Standards Board (GASB). The Tollway has adopted GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, which requires investments to be presented at fair market value. Additionally, the Tollway has implemented GASB Statement No. 40, *Deposit and Investment Disclosures*, which requires disclosure of investment policies, as well as information regarding credit risk, interest rate risk, and foreign currency risk, if and when applicable.

## OTHER INFORMATION

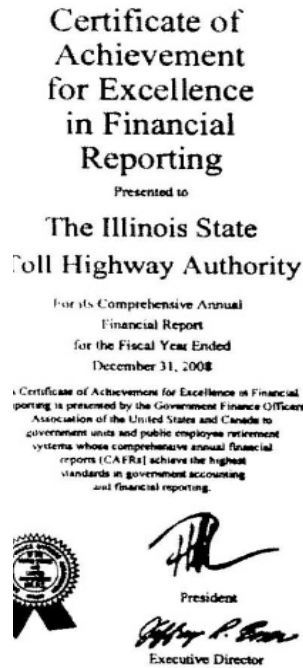
### Independent Audit

The Trust Indenture requires an annual audit of the Tollway's books and accounts for the fiscal year. The audit is to be conducted by independent certified public accountants and commence before April 30th of each year.

In addition to an independent financial audit, the Tollway is subject to an annual compliance examination as performed by Special Assistant Auditors selected by the Office of the Auditor General of the State of Illinois.

## Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Illinois State Toll Highway Authority for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2008. This was the fourteenth consecutive year that the Tollway has achieved this award. In order to be awarded a Certificate of Achievement, the recipient must publish an easily readable and efficiently organized CAFR. The report must satisfy both GAAP and applicable legal requirements. The Tollway also received a Certificate of Achievement for fiscal years ended 1989 through 1993.



A Certificate of Achievement is valid for a period of one year. The Tollway believes that its current CAFR will continue to meet the Certificate of Achievement Program's requirements; this 2009 CAFR will be submitted to the GFOA to determine its eligibility for another certificate.

## Acknowledgments

Appreciation is extended to the entire General Accounting and Fiscal Operations staff for their preparation of this financial report. Special thanks also go to all other Tollway staff for their assistance and contributions in compiling this report.

## FINANCIAL SECTION



# McGladrey & Pullen

Certified Public Accountants

## Independent Auditors' Report

Honorable William G. Holland  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the accompanying basic financial statements of the Illinois State Toll Highway Authority, a component unit of the State of Illinois, as of and for the year ended December 31, 2009, as listed in the table of contents. These basic financial statements are the responsibility of the Illinois State Toll Highway Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit. The Tollway's financial statements include partial prior year comparative information. Such information does not include notes to the financial statements which are required to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Tollway's financial statements for the year ended December 31, 2008, from which such partial information was derived.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Illinois State Toll Highway Authority, as of December 31, 2009, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 2-10 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information as listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is presented fairly, in all material respects, in relation to the basic financial statements taken as a whole. The accompanying introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*McGladrey & Pullen, LLP*

Schaumburg, Illinois  
August 16, 2010

**Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Management's Discussion and Analysis  
December 31, 2009**

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This section offers readers a discussion and analysis of the financial performance of the Illinois State Toll Highway Authority (the Tollway), provides an overview of its financial activities, and identifies changes in the Tollway's financial position for the year ended December 31, 2009. Readers should use this section of this report in conjunction with the Tollway's basic financial statements.

### **2009 FINANCIAL HIGHLIGHTS**

- Design and construction work on the Tollway's \$6.1 billion Congestion-Relief Program, initiated in 2004, continued throughout 2009. By year-end nearly 80% of the work planned for this program was completed.
- The ninth and tenth series of toll revenue bonds (2009 Series A and B, each issued as Build America Bonds) in support of the Congestion-Relief Program resulted in total par amount of \$780 million and average interest rates of 6.09% and 5.85%, for Series 2009 A and 2009 B, respectively; principal retirements are scheduled to begin in 2019 and continue through 2034. Proceeds of these issues were used to fund the projects in the Congestion-Relief Program.
- Concomitant with the issuance of the 2009 bonds, the Tollway's senior lien underlying credit ratings continued to be as follows: by Fitch Ratings – AA-; by Moody's Investor Services – Aa3; and by Standard & Poor's – AA-.
- Amounts on deposit on behalf of I-PASS account holders increased by 6% at year-end 2009 to \$132 million; the percentage of Tollway users paying by I-PASS was 82% in 2009 (versus 81% in 2008).

### **BASIC FINANCIAL STATEMENTS**

The Tollway accounts for its operations and financial transactions in a manner similar to that used by private business enterprises: the accrual basis of accounting. In these statements revenue is recognized in the period in which it is earned, and an expense is recognized in the period in which it is incurred, regardless of the timing of its related cash flow.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Tollway's basic financial statements. For each fiscal year the Tollway's basic financial statements are comprised of the following:

- Statement of Net Assets
- Statement of Revenues, Expenses and Changes in Net Assets
- Statement of Cash Flows
- Notes to the financial statements.

The Statement of Net Assets presents information on all of the Tollway's assets and liabilities, with the difference between the two reported as net assets. Increases or decreases in net assets, over time, may serve as a useful indicator of whether the financial position of the Tollway is improving or deteriorating.

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Management's Discussion and Analysis  
December 31, 2009**

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The Statement of Revenues, Expenses and Changes in Net Assets presents revenue and expense information and how the Tollway's net assets changed during the measurement period as a result of these transactions.

The Statement of Cash Flows presents sources and uses of cash for the fiscal year, displayed in the following categories: cash flows from operating activities, cash flows from non-capital financing activities, cash flows from capital financing activities and cash flows from investing activities.

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. They are an integral part of the basic financial statements.

## **FINANCIAL ANALYSIS**

### ***2009 RESULTS COMPARED TO 2008***

#### **OPERATING REVENUE:**

Total operating revenue of \$658 million in 2009 was marginally less than the previous year's \$668 million, a drop of 1.5% or \$10 million, though the Tollway's primary revenue source, tolls, resulted in a modest, 1.4%--\$8 million, increase. We believe this growth in toll revenue resulted from a combination of decreasing construction obstacles on the system, countered perhaps by a lesser amount of economic activity in the current recession and thus less traffic.

Concession revenue, earned from leases to service station and other retail operators at the oases on the Tollway system, remained steady year-over-year at \$2.3 million this year; such concession revenues equal 0.4% of total operating receipts. Miscellaneous operating revenues increased substantially over the year earlier, reaching nearly \$9 million in 2009 (from \$4 million in 2008) as a result of income from newly initiated agreements for external party use of the Tollway's fiber optic network as well as the reversal of allowances for uncollectibility taken earlier against certain amounts due to the Tollway.

Net revenue from evasion recovery for the year at \$55 million declined from \$78 million posted in 2008 (by 29%--\$23 million). Net evasion recovery revenue equals the amount of violation notices issued less dismissed notices and less an estimate of related bad debt expense for outstanding notices. This decline was, however, expected, given that 2008 evasion recovery revenues were amplified by the catch-up that year for notices deferred from 2007 during a systems conversion.

#### **OPERATING EXPENSES:**

Total (cash plus non-cash) operating expenses increased notably over the previous year, up by 8%--\$41 million to a total \$580 million. About half of this increase was the result of increased depreciation expense for the year, up 7%--\$19 million, as projects in the Congestion-Relief Program were completed and placed in service for accounting purposes, thus triggering their depreciation over 20- to 40-year periods. The second major component of increased operating expenses came from higher outlays for insurance and employee benefit costs which grew by 22%--\$13 million; these increased payments were made for employee health care and workers' compensation costs and for the Tollway's employer contribution to retirement plans.

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Management's Discussion and Analysis  
December 31, 2009

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With operating revenue close to flat and operating expense up 8%, the resultant operating income for the year was down 40% at \$78 million (versus \$128 million last year).

**NON-OPERATING REVENUE AND EXPENSE:**

Net non-operating expense continued to increase (this year by 56%--\$59 million) to \$165 million for 2009. The single largest component of this category was a \$59 million (45%) increase in interest and other financing costs, all attributable to the revenue bonds issued in support of the Congestion-Relief Program. Notably this year, and separately accounted for, the Tollway earned a \$6.4 million interest rebate from the federal treasury relating to 2009 bonds which were issued as Build America Bonds, which qualify for such a rebate.

Other notable items in this category of revenue and expense include a steep drop in investment income (86%--\$20 million) as a result of both lower interest rates earned in a lower-rate market and smaller invested balances, as Tollway and construction fund cash were used to fund Congestion-Relief Program projects. Also, miscellaneous non-operating revenue totaled \$13 million (up from about \$500,000 last year), largely as the result of the reversal of a previous year's \$10.5 million expense for allocation of state overhead assessed to the Tollway.

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Management's Discussion and Analysis  
December 31, 2009

Illinois State Toll Highway Authority  
Changes in Net Assets  
For the Years Ended December 31, 2009 and 2008

|   | <u>2009</u>             | <u>2008</u>             |
|---|-------------------------|-------------------------|
| <b>Revenues</b>   |                         |                         |
| Operating Revenues:   |                         |                         |
| Toll Revenue  | \$ 592,063,529          | \$ 583,646,592          |
| Toll Evasion Recovery                                       | 54,828,660              | 77,653,862              |
| Concessions   | 2,338,841               | 2,236,551               |
| Miscellaneous   | 8,759,200               | 4,273,563               |
| Nonoperating Revenues:                                      |                         |                         |
| Investment income   | 3,199,960               | 22,979,654              |
| Intergovernmental contributions                             | 6,570,819               | 1,071,429               |
| Revenues under intergovernmental agreements                 | 97,983,825              | 81,091,003              |
| Bond Interest Subsidy (Build America Bonds)                 | 6,422,870               | -                       |
| Miscellaneous   | 13,424,947              | 542,517                 |
| <b>Total Revenues</b>                                       | <u>\$ 785,592,651</u>   | <u>\$ 773,495,171</u>   |
| <b>Expenses</b>   |                         |                         |
| Operating Expenses:   |                         |                         |
| Engineering and Maintenance of Roadway<br>and Structures    | \$ 48,942,122           | \$ 46,309,976           |
| Services and Toll Collection                                | 116,613,280             | 110,681,535             |
| Traffic Control, Safety Patrol, and Radio<br>Communications | 22,649,767              | 22,374,844              |
| Procurement, IT, Finance, and Administration                | 22,406,891              | 22,100,592              |
| Insurance and Employee Benefits                             | 72,493,677              | 59,634,767              |
| Depreciation and Amortization                               | 297,371,719             | 278,626,714             |
| Nonoperating Expenses:                                      |                         |                         |
| Expenses under intergovernmental agreements                 | 97,983,825              | 81,091,003              |
| Net gain (loss) on disposal of property                     | 3,249,477               | (377,214)               |
| Net decrease in fair value of investments                   | 1,365,846               | 221,181                 |
| Interest expense and amortization of financing costs        | 190,168,729             | 130,889,438             |
| <b>Total Expenses</b>                                       | <u>\$ 873,245,333</u>   | <u>\$ 751,552,836</u>   |
| Increase (Decrease) in Net Assets                           | (87,652,682)            | 21,942,335              |
| Net Assets, beginning of year                               | <u>2,105,546,159</u>    | <u>2,083,603,824</u>    |
| Net Assets, end of year                                     | <u>\$ 2,017,893,477</u> | <u>\$ 2,105,546,159</u> |

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Management's Discussion and Analysis  
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**NET ASSETS:**

As a result of the large increases in both depreciation expense (a \$19 million increase in a non-cash item) and interest and financing costs (a \$59 million increase), the Tollway posted a decrease in net assets in the amount of \$88 million. Depreciation expense has steadily grown over the last four years of the Congestion-Relief Program, as projects have been completed and placed in service and thus their depreciation over their useful lives is underway. But on a cash flow basis, the Tollway shows a net increase in cash for the year of \$36 million, with \$269 million of cash coming from operating activities (versus \$384 million last year). This operating cash flow, along with \$780 million of bond proceeds and \$74 million of maturing invested cash, was sufficient to fund the year's Congestion-Relief Program and other capital outlays and to satisfy principal payments and interest and other financing costs due in 2009.

**Illinois State Toll Highway Authority  
Statement of Net Assets  
December 31, 2009 and 2008**

|   | <u>2009</u>             | <u>2008</u>             |
|---|-------------------------|-------------------------|
| Current and other assets                    | \$ 1,222,038,890        | \$ 1,178,964,531        |
| Capital assets - net                        | 5,363,764,762           | 4,853,139,669           |
| Total assets                                | <u>6,585,803,652</u>    | <u>6,032,104,200</u>    |
| Current debt outstanding                    | 1,065,000               | 97,150,000              |
| Long-term debt outstanding                  | 4,078,573,329           | 3,300,394,225           |
| Other liabilities                           | 488,271,846             | 529,013,816             |
| Total Liabilities                           | <u>4,567,910,175</u>    | <u>3,926,558,041</u>    |
| Net Assets:                                 |                         |                         |
| Invested in capital assets,                 |                         |                         |
| net of related debt                         | 1,284,350,633           | 1,622,755,006           |
| Restricted under Trust Indenture Agreements | 234,633,390             | 282,076,511             |
| Restricted for pension benefits obligations | 360,441                 | 389,834                 |
| Unrestricted                                | 498,549,013             | 200,324,808             |
| Total Net Assets                            | <u>\$ 2,017,893,477</u> | <u>\$ 2,105,546,159</u> |

Illinois State Toll Highway Authority  
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**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**CAPITAL ASSETS:**

Capital assets continue to represent the largest category of Tollway assets, totaling \$5.4 billion at year-end (\$4.9 billion a year ago) and comprising 82% of total assets (versus 80% at year-end 2008).

**Illinois State Toll Highway Authority  
Capital Assets  
For the Year Ended December 31, 2009 and 2008**

|                          | January 1, 2009<br>Net Balance | 2009<br>Net Activity    | 2009<br>Depreciation    | December 31, 2009<br>Net Balance |
|--------------------------|--------------------------------|-------------------------|-------------------------|----------------------------------|
| Land and Improvements    | \$ 299,708,525                 | \$ 4,623,010            | \$ -                    | \$ 304,331,535                   |
| Construction in Progress | 493,546,645                    | (260,616,244)           | -                       | 232,930,401                      |
| Buildings                | 10,767,599                     | 5,683,678               | (2,239,615)             | 14,211,662                       |
| Infrastructure           | 3,975,226,747                  | 1,035,180,018           | (285,419,919)           | 4,724,986,846                    |
| Machinery and Equipment  | 73,890,153                     | 23,126,350              | (9,712,185)             | 87,304,318                       |
| Total                    | <u>\$ 4,853,139,669</u>        | <u>\$ 807,996,812</u>   | <u>\$ (297,371,719)</u> | <u>\$ 5,363,764,762</u>          |
|                          | <b>(Restated)</b>              |                         |                         |                                  |
|                          | January 1, 2008<br>Net Balance | 2008<br>Net Activity    | 2008<br>Depreciation    | December 31, 2008<br>Net Balance |
| Land and Improvements    | \$ 282,676,939                 | \$ 17,031,586           | \$ -                    | \$ 299,708,525                   |
| Construction in Progress | 660,331,366                    | (166,784,721)           | -                       | 493,546,645                      |
| Buildings                | 10,933,019                     | 1,875,478               | (2,040,898)             | 10,767,599                       |
| Infrastructure           | 3,015,497,730                  | 1,228,763,360           | (269,034,343)           | 3,975,226,747                    |
| Machinery and Equipment  | 61,663,328                     | 19,778,298              | (7,551,473)             | 73,890,153                       |
| Total                    | <u>\$ 4,031,102,382</u>        | <u>\$ 1,100,664,001</u> | <u>\$ (278,626,714)</u> | <u>\$ 4,853,139,669</u>          |

The January 1, 2008 balances reflect a restatement for capitalized interest.

Additional information concerning capital assets can be found in Note 6.

**LONG -TERM DEBT:**

The Tollway issued two series of revenue bonds; each backed by pledged revenue and restricted funds, in order to finance projects under the Congestion-Relief Program. Issues in 2009 totaled \$780 million (versus \$1.1 billion in 2008). Thus total bonds payable at year-end were \$4.1 billion (versus a total amount of \$3.4 billion a year earlier).

***OTHER DEBT RELATED INFORMATION***

The 1993 Series B, 1998 Series B, 2007 Series A-1 and A-2, and 2008 Series A-1 and A-2 bonds were issued as variable rate bonds. In connection with the issuance of these variable rate series, the Tollway entered into eleven separate variable-to-fixed interest rate exchange (swap) agreements in total notional amounts and with amortizations equal to the total principal amounts and amortizations of the Tollway's four variable rate bond issues. One swap agreement was associated with the 1993 Series B bonds, in an original amount of \$178.2 million, none of which was outstanding as of December 31, 2009. Two swap agreements are associated with the 1998 Series B bonds, in original amounts totaling \$123.1 million, all of which is outstanding as of December 31, 2009. Four swap agreements are associated with the 2007 Series A-1 and A-2 bonds, in original amounts totaling \$700 million, all of which is outstanding as of December 31, 2009. Four swap agreements are associated with the 2008 Series A-1 and A-2 bonds, in original amounts totaling \$766.2 million, all of which is outstanding as of December 31, 2009. The Tollway utilized these eleven swap agreements in order to hedge against rising interest rates and to reduce its borrowing rate (as compared to the borrowing rate obtainable by issuing fixed rate bonds). The risks associated with these types of arrangements and the strategies employed by the Tollway to mitigate those risks are discussed in Note 8 of the financial statements.

In an effort to improve disclosures associated with derivative contracts, the Government Accounting Standards Board (GASB) has issued critical accounting guidance that requires more comprehensive reporting for state and local governments. This Technical Bulletin (No. 2003-1) became effective for periods ending after June 15, 2003, and requires the Tollway to determine the fair market value of the swap contracts as of the year ended December 31, 2003, and into the future, and to disclose these amounts.

The Tollway has received fair market valuations as of December 31, 2009 for each of the swaps outstanding on that date from the counterparties for each of those swaps. As of December 31, 2009, fair market value analysis of the swap agreements estimate that if the Tollway had terminated the swap contracts on that date, the Tollway would have been required to make payments of: a total of \$12.8 million for the two 1998 Series B swap agreements; a total of \$61.1 million for the four 2007 Series A-1 and A-2 swap agreements; and a total of \$38.9 million for the four 2008 Series A-1 and A-2 swap agreements.

The amount of additional bonds that the Tollway may issue at any time is limited by the requirement that the projected net revenues are sufficient to meet the Net Revenue Requirement, after giving effect to the debt service attributable to such additional bonds. The Net Revenue Requirement is comprised of the amount necessary to cure deficiencies, if any, in all debt service accounts and debt reserve accounts established under the Trust Indenture, plus the greater of (i) the sum of Aggregate Debt Service on Senior Bonds, the Junior Bond Revenue Requirement, and the Renewal and Replacement Deposit for such period, and (ii) 1.3 times the Aggregate Debt Service on Senior Bonds for such period (all capitalized terms as defined in the Trust Indenture). Under the terms of the Trust Indenture agreement the revenue bond coverage ratio for 2009 was 2.3x.



Illinois State Toll Highway Authority  
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Illinois State Toll Highway Authority  
Long-Term Debt Analysis  
December 31, 2009 and 2008

|                                 | 2009                    |                      |                         |
|---------------------------------|-------------------------|----------------------|-------------------------|
|                                 | Noncurrent              | Current              | Total                   |
| <b>Revenue Bonds Payable</b>    |                         |                      |                         |
| Issue of 1992 Series A          | \$ 100,665,000          | \$ -                 | \$ 100,665,000          |
| Issue of 1998 Series A          | 193,050,000             | 1,065,000            | 194,115,000             |
| Issue of 1998 Series B          | 123,100,000             | -                    | 123,100,000             |
| Issue of 2005 Series A          | 770,000,000             | -                    | 770,000,000             |
| Issue of 2006 Series A-1        | 291,660,000             | -                    | 291,660,000             |
| Issue of 2007 Series A-1        | 350,000,000             | -                    | 350,000,000             |
| Issue of 2007 Series A-2        | 350,000,000             | -                    | 350,000,000             |
| Issue of 2008 Series A-1        | 383,100,000             | -                    | 383,100,000             |
| Issue of 2008 Series A-2        | 383,100,000             | -                    | 383,100,000             |
| Issue of 2008 Series B          | 350,000,000             | -                    | 350,000,000             |
| Issue of 2009 Series A          | 500,000,000             | -                    | 500,000,000             |
| Issue of 2009 Series B          | 280,000,000             | -                    | 280,000,000             |
| <b>Total Rev. Bonds Payable</b> | <b>\$ 4,074,675,000</b> | <b>\$ 1,065,000</b>  | <b>\$ 4,075,740,000</b> |
|                                 |                         |                      |                         |
|                                 | 2008                    |                      |                         |
|                                 | Noncurrent              | Current              | Total                   |
| <b>Revenue Bonds Payable</b>    |                         |                      |                         |
| Issue of 1992 Series A          | \$ 100,665,000          | \$ -                 | \$ 100,665,000          |
| Issue of 1993 Series B          | -                       | 80,500,000           | 80,500,000              |
| Issue of 1996 Series A          | -                       | 15,625,000           | 15,625,000              |
| Issue of 1998 Series A          | 194,115,000             | 1,025,000            | 195,140,000             |
| Issue of 1998 Series B          | 123,100,000             | -                    | 123,100,000             |
| Issue of 2005 Series A          | 770,000,000             | -                    | 770,000,000             |
| Issue of 2006 Series A-1        | 291,660,000             | -                    | 291,660,000             |
| Issue of 2007 Series A-1        | 350,000,000             | -                    | 350,000,000             |
| Issue of 2007 Series A-2        | 350,000,000             | -                    | 350,000,000             |
| Issue of 2008 Series A-1        | 383,100,000             | -                    | 383,100,000             |
| Issue of 2008 Series A-2        | 383,100,000             | -                    | 383,100,000             |
| Issue of 2008 Series B          | 350,000,000             | -                    | 350,000,000             |
| <b>Total Rev. Bonds Payable</b> | <b>\$ 3,295,740,000</b> | <b>\$ 97,150,000</b> | <b>\$ 3,392,890,000</b> |

Note: Amounts presented in this table exclude unamortized bond premiums and deferred amount on refunding.

Additional information concerning long-term debt can be found in Note 8.

## **FACTORS IMPACTING FUTURE OPERATIONS**

During 2010 the Tollway will continue implementing the work of the Congestion-Relief Program. Additionally, management and the Tollway Board have begun a review of other prospective work that could be recommended for future capital plans. As a result of these activities the Tollway's future financial position is likely to be impacted by:

- Continued net increases in capital assets and in related depreciation expense as completed infrastructure projects are placed in service.
- The choice of sources to fund incremental capital projects that may be designated by Tollway governance.

## **CONTACTING THE TOLLWAY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our customers, bondholders, employees, and other stakeholders with an overview of the Tollway's finances and to demonstrate the Tollway's accountability for the funds it receives and deploys. Questions concerning this report or requests for additional financial information should be directed to the Controller, Illinois State Toll Highway Authority, 2700 Ogden Avenue, Downers Grove, Illinois 60515.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Statement of Net Assets  
December 31, 2009  
(With Comparative Totals as of December 31, 2008)

|   | 2009                    | 2008                    |
|---|-------------------------|-------------------------|
| <b>ASSETS</b>   |                         |                         |
| <b>CURRENT ASSETS</b>   |                         |                         |
| <b>CURRENT UNRESTRICTED ASSETS</b>  |                         |                         |
| Cash and Cash Equivalents   | \$ 499,070,519          | \$ 357,722,016          |
| Accounts Receivable, less allowance for doubtful accounts of<br>\$259,231,468 and \$195,674,372 in 2009 and 2008, respectively    | 32,912,950              | 30,567,798              |
| Intergovernmental Receivables, less allowance for doubtful accounts<br>of \$34,375 and \$0 in 2009 and 2008, respectively         | 80,003,796              | 86,814,775              |
| Accrued Interest Receivable   | 59,700                  | 317,275                 |
| Current Portion of Leases Receivable, less allowance for doubtful<br>accounts of \$0 and \$783,746 in 2009 and 2008, respectively | 1,643,250               | 1,643,250               |
| Risk Management Reserved Cash and Cash Equivalents  | 16,436,770              | 11,293,764              |
| Prepaid Expenses  | 18,547,957              | 14,631,288              |
| Total Current Unrestricted Assets   | <u>648,674,942</u>      | <u>502,990,166</u>      |
| <b>CURRENT RESTRICTED ASSETS</b>  |                         |                         |
| Cash and Cash Equivalents Restricted for Debt Service   | 317,510,640             | 267,827,509             |
| Cash and Cash Equivalents - I-PASS Accounts   | 131,548,729             | 124,296,311             |
| Investments Restricted for Debt Service, at fair value  | -                       | 74,038,196              |
| Accrued Interest Receivable   | 10,601                  | 811,212                 |
| Cash and Cash Equivalents - Construction Fund   | 224,200                 | 167,159,562             |
| Pension Benefit Assets  | 360,441                 | 396,570                 |
| Total Current Restricted Assets   | <u>449,654,611</u>      | <u>634,529,360</u>      |
| Total Current Assets  | <u>1,098,329,553</u>    | <u>1,137,519,526</u>    |
| <b>NONCURRENT ASSETS</b>  |                         |                         |
| <b>CAPITAL ASSETS</b>   |                         |                         |
| Land, Improvements and Construction in Progress   | 537,261,936             | 793,255,170             |
| Other Capital Assets, net of Accumulated Depreciation   | 4,826,502,826           | 4,059,884,499           |
| Total Capital Assets, net   | <u>5,363,764,762</u>    | <u>4,853,139,669</u>    |
| <b>OTHER NONCURRENT ASSETS</b>  |                         |                         |
| Leases Receivable, less current portion   | 28,444,750              | 30,088,000              |
| Accounts Receivable less current portion - violations   | 500,000                 | -                       |
| Intergovernmental Receivables less current portion  | 78,407,465              | -                       |
| Deferred Bond Issuance Costs, net of accumulated amortization of<br>\$10,082,316 and \$8,993,114 in 2009 and 2008, respectively   | 16,357,122              | 11,357,005              |
| Total Other Noncurrent Assets   | <u>123,709,337</u>      | <u>41,445,005</u>       |
| Total Noncurrent Assets   | <u>5,487,474,099</u>    | <u>4,894,584,674</u>    |
| <b>TOTAL ASSETS</b>   | <u>\$ 6,585,803,652</u> | <u>\$ 6,032,104,200</u> |

See accompanying notes to the financial statements.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Statement of Net Assets (Continued)  
December 31, 2009  
(With Comparative Totals as of December 31, 2008)

| LIABILITIES AND NET ASSETS   | 2009                    | 2008                    |
|--|-------------------------|-------------------------|
| <b>LIABILITIES</b>   |                         |                         |
| <b>CURRENT LIABILITIES</b>   |                         |                         |
| Payable from Unrestricted Current Assets:  |                         |                         |
| Accounts Payable   | \$ 5,404,044            | \$ 27,597,153           |
| Accrued Liabilities  | 150,653,725             | 187,178,171             |
| Accrued Compensated Absences   | 3,546,533               | 4,188,960               |
| Risk Management Claims Payable   | 16,022,848              | 10,878,028              |
| Deposits and Retainage   | 47,399,278              | 63,244,503              |
| Total Current Liabilities Payable from Unrestricted Current Assets   | <u>223,026,428</u>      | <u>293,086,815</u>      |
| Payable from Current Restricted Assets:  |                         |                         |
| Pension Benefit Obligation   | -                       | 6,736                   |
| Current Portion of Revenue Bonds Payable   | 1,065,000               | 97,150,000              |
| Accrued Interest Payable   | 82,887,851              | 60,600,406              |
| Deposits and Deferred Revenue - I-PASS Accounts  | 131,548,729             | 124,296,311             |
| Total Current Liabilities Payable from Current Restricted Assets   | <u>215,501,580</u>      | <u>282,053,453</u>      |
| Total Current Liabilities  | <u>438,528,008</u>      | <u>575,140,268</u>      |
| <b>NONCURRENT LIABILITIES</b>  |                         |                         |
| Revenue Bonds Payable, less current portion  | 4,074,675,000           | 3,295,740,000           |
| Bond Premium, less deferred amount on refunding  | 3,898,329               | 4,654,225               |
| Accrued Compensated Absences   | 3,999,282               | 3,033,384               |
| Deferred Revenue, less accumulated amortization of<br>\$25,325,635 and \$20,829,800 in 2009 and 2008, respectively | 46,809,556              | 47,990,164              |
| Total Noncurrent Liabilities   | <u>4,129,382,167</u>    | <u>3,351,417,773</u>    |
| Total Liabilities  | <u>4,567,910,175</u>    | <u>3,926,558,041</u>    |
| <b>NET ASSETS</b>  |                         |                         |
| Invested in Capital Assets, net of Related Debt  | 1,284,350,633           | 1,622,755,006           |
| Restricted under Trust Indenture Agreements  | 234,633,390             | 282,076,511             |
| Restricted for Pension Benefit Obligation  | 360,441                 | 389,834                 |
| Unrestricted   | 498,549,013             | 200,324,808             |
| Total Net Assets   | <u>2,017,893,477</u>    | <u>2,105,546,159</u>    |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>  | <u>\$ 6,585,803,652</u> | <u>\$ 6,032,104,200</u> |

See accompanying notes to the financial statements.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Statement of Revenues, Expenses and Changes in Net Assets  
For the Year Ended December 31, 2009  
(With Comparative Totals for the Year Ended December 31, 2008)

|   | 2009                    | 2008                    |
|---|-------------------------|-------------------------|
| <b>OPERATING REVENUES</b>                               |                         |                         |
| Toll Revenue  | \$ 592,063,529          | \$ 583,646,592          |
| Toll Evasion Recovery                                   | 54,828,660              | 77,653,862              |
| Concessions   | 2,338,841               | 2,236,551               |
| Miscellaneous   | 8,759,200               | 4,273,563               |
| Total Operating Revenues                                | <u>657,990,230</u>      | <u>667,810,568</u>      |
| <b>OPERATING EXPENSES</b>                               |                         |                         |
| Engineering and Maintenance of Roadway and Structures   | 48,942,122              | 46,309,976              |
| Services and Toll Collection                            | 116,613,280             | 110,681,535             |
| Traffic Control, Safety Patrol and Radio Communications | 22,649,767              | 22,374,844              |
| Procurement, IT, Finance, and Administration            | 22,406,891              | 22,100,592              |
| Insurance and Employee Benefits                         | 72,493,677              | 59,634,767              |
| Depreciation and Amortization                           | 297,371,719             | 278,626,714             |
| Total Operating Expenses                                | <u>580,477,456</u>      | <u>539,728,428</u>      |
| Operating Income  | <u>77,512,774</u>       | <u>128,082,140</u>      |
| <b>NONOPERATING REVENUES (EXPENSES)</b>                 |                         |                         |
| Investment Income                                       | 3,199,960               | 22,979,654              |
| Contributions Restricted for Capital                    | 6,570,819               | 1,071,429               |
| Revenues under Intergovernmental Agreements             | 97,983,825              | 81,091,003              |
| Expenses under Intergovernmental Agreements             | (97,983,825)            | (81,091,003)            |
| Net Decrease in Fair Value of Investments               | (1,365,846)             | (221,181)               |
| Net Gain (Loss) on Disposal of Property                 | (3,249,477)             | 377,214                 |
| Interest Expense and Amortization of Financing Costs    | (190,168,729)           | (130,889,438)           |
| Bond Interest Subsidy (Build America Bonds)             | 6,422,870               | -                       |
| Miscellaneous Revenue                                   | 13,424,947              | 542,517                 |
| Total Nonoperating Revenues (Expenses)                  | <u>(165,165,456)</u>    | <u>(106,139,805)</u>    |
| <b>(DECREASE) INCREASE IN NET ASSETS</b>                | <b>(87,652,682)</b>     | <b>21,942,335</b>       |
| <b>NET ASSETS AT BEGINNING OF YEAR</b>                  | <u>2,105,546,159</u>    | <u>2,083,603,824</u>    |
| <b>NET ASSETS AT END OF YEAR</b>                        | <u>\$ 2,017,893,477</u> | <u>\$ 2,105,546,159</u> |

See accompanying notes to the financial statements.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Statement of Cash Flows  
For the Year Ended December 31, 2009  
(With Comparative Totals for the Year Ended December 31, 2008)

|   | 2009                  | 2008                  |
|---|-----------------------|-----------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |                       |                       |
| Cash Received from Sales and Services                           | \$ 676,785,085        | \$ 675,219,969        |
| Cash Received from Other Governments for Services               | -                     | 6,029,017             |
| Cash Paid to Other Governments for Services                     | (72,096,485)          | -                     |
| Cash Payments to Suppliers                                      | (195,712,374)         | (178,387,553)         |
| Cash Payments to Employees                                      | (139,743,118)         | (118,419,630)         |
| Net Cash Provided by Operating Activities                       | <u>269,233,108</u>    | <u>384,441,803</u>    |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b> |                       |                       |
| Acquisition and Construction of Capital Assets                  | (830,929,602)         | (1,086,200,179)       |
| Cash Paid to Other Governments for Capital Assets               | -                     | (22,595,213)          |
| Cash Received from Other Governments Restricted to Capital      | 6,570,819             | -                     |
| Proceeds from Sale of Property                                  | 235,354               | 480,910               |
| Proceeds from Sale of Bonds                                     | 780,000,000           | 1,116,200,000         |
| Original Issue Discount for Sale of Bonds                       | -                     | (9,142,000)           |
| Defeased Bonds  | -                     | (708,340,000)         |
| Principal paid on Revenue Bonds                                 | (97,150,000)          | (50,030,000)          |
| Bond Interest Subsidy (Build America Bonds)                     | 6,422,870             | -                     |
| Interest Expense and Issuance Costs paid on Revenue Bonds       | (174,821,350)         | (220,795,363)         |
| Net Cash Used in Capital and Related Financing Activities       | <u>(309,671,909)</u>  | <u>(980,421,845)</u>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                     |                       |                       |
| Purchases of Investment Securities                              | -                     | (797,681,159)         |
| Proceeds from Sales and Maturities of Investments               | 74,038,196            | 863,511,064           |
| Interest on Investments   | 2,892,301             | 32,525,093            |
| Net Cash Provided by Investing Activities                       | <u>76,930,497</u>     | <u>98,354,998</u>     |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>     | 36,491,696            | (497,625,044)         |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>           | <u>928,299,162</u>    | <u>1,425,924,206</u>  |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>                 | <u>\$ 964,790,858</u> | <u>\$ 928,299,162</u> |
| <b>RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>              |                       |                       |
| Cash and Cash Equivalents                                       | \$ 499,070,519        | \$ 357,722,016        |
| Cash and Cash Equivalents Restricted for Debt Service           | 317,510,640           | 267,827,509           |
| Cash and Cash Equivalents Restricted for Construction           | 224,200               | 167,159,562           |
| Cash and Cash Equivalents - I-PASS Accounts                     | 131,548,729           | 124,296,311           |
| Risk Management Reserved Cash and Cash Equivalents              | 16,436,770            | 11,293,764            |
| <b>TOTAL CASH AND CASH EQUIVALENTS AT END OF YEAR</b>           | <u>\$ 964,790,858</u> | <u>\$ 928,299,162</u> |

See accompanying notes to the financial statements.

(Continued)

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Statement of Cash Flows (Continued)  
For the Year Ended December 31, 2009  
(With Comparative Totals for the Year Ended December 31, 2008)

|   | 2009                  | 2008                  |
|---|-----------------------|-----------------------|
| <b>Reconciliation of Operating Income to Net Cash</b>   |                       |                       |
| <b>    Provided by Operating Activities</b>             |                       |                       |
| Operating Income  | \$ 77,512,774         | \$ 128,082,140        |
| Adjustments to Reconcile Operating Income to Net        |                       |                       |
| Cash Provided by Operating Activities:                  |                       |                       |
| Depreciation and Amortization                           | 297,371,719           | 278,626,714           |
| Provision for Bad Debt                                  | 65,747,372            | 146,850,695           |
| Amortization of Deferred Revenue                        | (1,180,608)           | 4,717,379             |
| Intergovernmental Contributions and Revenues            | 97,983,825            | 82,162,432            |
| Intergovernmental Expenses                              | (97,983,825)          | -                     |
| Miscellaneous Revenue                                   | 13,424,947            | 542,517               |
| Effects of Changes in Operating Assets and Liabilities: |                       |                       |
| (Increase) in Accounts Receivable                       | (68,092,524)          | (151,537,410)         |
| (Increase) in Intergovernmental Receivables             | (72,096,485)          | (75,061,986)          |
| (Increase) Decrease in Lease Receivable                 | 1,643,250             | (4,659,214)           |
| (Increase) Decrease in Prepaid Expenses                 | 870,116               | (4,831,522)           |
| Decrease in Net Assets Available for Pension Benefits   | 36,129                | 28,202                |
| Increase (Decrease) in Accounts Payable                 | (22,193,109)          | 2,192,282             |
| (Decrease) in Accrued Liabilities                       | (36,524,446)          | (36,546,060)          |
| Increase in Accrued Compensated Absences                | 323,471               | 971,041               |
| (Decrease) in Pension Obligation                        | (6,736)               | (33,984)              |
| (Decrease) in Deposits and Retainage                    | -                     | (2,681,368)           |
| Increase in Deposits and Deferred Revenue - I-PASS      | 7,252,418             | 15,430,847            |
| Increase in Risk Management Claims Payable              | 5,144,820             | 189,098               |
| Net Cash Provided by Operating Activities               | <u>\$ 269,233,108</u> | <u>\$ 384,441,803</u> |

The fair value of investments decreased by \$1,144,665 in 2009 and by \$3,518,548 in 2008, respectively.  
The interest paid on revenue bonds was \$172,254,062 and \$148,412,572 in 2009 and 2008, respectively.

See accompanying notes to the financial statements.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)

Notes to the Financial Statements  
December 31, 2009

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and financial reporting practices of the Illinois State Toll Highway Authority (the Tollway), a component unit of the State of Illinois, conform to generally accepted accounting principles (GAAP), as promulgated in pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) issued before December 1, 1989, which are not in conflict with GASB pronouncements. As permitted by GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Tollway has elected to not apply FASB pronouncements issued after November 30, 1989.

Financial Reporting Entity

The Illinois State Toll Highway Authority, a component unit of the State of Illinois, was created by an Act of the General Assembly of the State of Illinois – the Toll Highway Act – for the purpose of constructing, operating, regulating, and maintaining a toll highway or a system of toll highways and, in connection with the financing of such projects, is authorized to issue revenue bonds which shall be retired from revenues derived from the operation of the Tollway. Under the provisions of the Act, no bond issue of the Tollway, or any interest thereon, is an obligation of the State of Illinois. In addition, the Tollway is empowered to issue refunding bonds for the purpose of refunding any revenue bonds issued under the provisions of the Act, which are then outstanding.

The enabling legislation empowers the Tollway's Board of Directors with duties and responsibilities which include, but are not limited to, the ability to approve and modify the Tollway's budget, the ability to approve and modify toll rates and fees charged for use of the system, the ability to employ and discharge employees as is necessary in the judgment of the Tollway, and the ability to acquire, own, use, hire, lease, operate, and dispose of personal property, real property, and any interest therein.

Component units are separate legal entities for which the primary government is legally accountable. The Tollway is a component unit of the State of Illinois for financial reporting purposes because exclusion would cause the State's financial statements to be incomplete. The governing body of the Tollway is an 11 member Board of Directors of which nine members are appointed by the Governor with the advice and consent of the Illinois Senate. The Governor and the Secretary of the Illinois Department of Transportation are also members of the Tollway's Board of Directors. These financial statements are included in the State's comprehensive annual financial report and the State's separately issued basic financial statements. The Tollway itself does not have any component units.

Basis of Accounting

The Tollway is accounted for as a proprietary fund (enterprise fund) using the flow of economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and all liabilities associated with the Tollway's operations are included on the Statement of Net Assets. Revenue is recognized in the period in which it is earned and expenses are recognized in the period in which incurred.

The Tollway accounts for its operations and financings 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.



Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)

Notes to the Financial Statements  
December 31, 2009

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Cash Equivalents

With the exception of \$28.7 million in locally held funds, all cash and investments are held for the Tollway either by the Illinois State Treasurer (the Treasurer) as custodian or by the bond trustee under the Tollway's Trust Indenture.

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, repurchase agreements and all other investments held on its behalf by the Treasurer, to be cash equivalents, as these investments are available upon demand.

Investments

The Tollway reports investments at fair value in its Statement of Net Assets with the corresponding changes in fair value being recognized as an increase or decrease to non-operating revenue in the Statement of Revenues, Expenses and Changes in Net Assets. Fair value is defined as the amount at which an investment could be exchanged in a current transaction between willing parties, rather than in a forced sale or liquidation. All investments are held for the Tollway either by the Treasurer as custodian or the bond trustee under the Tollway's Trust Indenture.

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

All investments in U.S. Treasury and agency issues owned by the Tollway are reported at fair value. Fair value for the investments in Illinois Funds (a state-operated money market fund, sponsored by the Treasurer in accordance with Illinois state law that is rated AAAM by Standard & Poor's rating agency) is equal to the value of the pool shares. State statute requires that Illinois Funds comply with the Illinois Public Funds Investment Act. Other funds held for the Tollway by the Treasurer and the bond trustee are invested in U.S. Treasury and agency issues at the direction of the Tollway and in repurchase agreements which are recorded at face value which approximates fair value.

The Trust Indenture, as amended, under which the Tollway's revenue bonds were issued, authorizes the Tollway to invest in U.S. Treasury and agency issues, money market funds comprised of U.S. Treasury and agency issues, repurchase agreements thereon, time deposits, and certificates of deposit. All funds held by the Tollway's bond trustee were held in compliance with these restrictions for the year ended December 31, 2009.

Accounts Receivable

The Tollway's accounts receivable consist of various toll charges and amounts due from individuals and commercial, governmental and other entities. A provision for doubtful accounts has been recorded for the estimated amount of uncollectible accounts.

Prepaid Expenses and Inventory

Certain payments made to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses. The Tollway's inventory items consist mostly of consumable supplies that are quickly turned over and therefore the payments for such are directly expensed.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)

Notes to the Financial Statements  
December 31, 2009

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets include the historical cost of land and improvements, roadway and transportation structures (infrastructure), buildings and related improvements, and equipment. Expenses for the maintenance and repairs to the roadway and transportation structures, buildings, and related improvements are charged to operations when incurred. All expenses for land, buildings, infrastructure, and construction in progress that increase the value or productive capacities of assets are capitalized. Effective July 1, 2004, machinery and equipment expenses of \$5,000 or more are capitalized. The Tollway capitalizes interest related to construction in progress incurred during the construction period.

|                         |               |
|-------------------------|---------------|
| Building                | 20 Years      |
| Infrastructure          | 5 to 40 Years |
| Machinery and equipment | 5 to 30 Years |

In 2009 the Tollway re-characterized certain recently completed infrastructure projects previously placed into service. Certain reconstruction-and-widen projects had originally been set to depreciate over 20-year periods; further review and consultation led to the conclusion that such projects have 40-year depreciable lives and these have been adjusted in 2009.

During 2006 the Tollway implemented new software to track individual capital asset acquisitions and deletions and to calculate accumulated depreciation for these assets. Prior to fiscal year 2006, the Tollway recorded and depreciated capital assets using a pooling method, that is, assets acquired for each year in each category were combined into one total and depreciated as a group. Deletions decreased the group as a whole but were not attributed to one specific asset. Assets are depreciated using the straight line method.

Accounting for Leases

The Tollway makes a distinction between 1) capital leases that effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets and 2) operating leases under which the lessor effectively retains all such risks and benefits.

When the Tollway is lessee: Assets acquired under capital leases are included as capital assets in the Statement of Net Assets. Assets acquired under capital leases are recorded at the lesser of the present value of the future minimum lease payments or the fair value of the asset at the beginning of the lease term and depreciated on a straight-line basis to the Statement of Revenues, Expenses and Changes in Net Assets, over the useful life of the asset. A corresponding liability is established and minimum lease payments are allocated between the liability and interest expense. Capital lease liabilities are classified as current and noncurrent, depending on when the principal component of the lease payment is due. The Tollway is currently not a lessee under any capital leases.

When the Tollway is lessor: A lease receivable (current and noncurrent) is established on the Statement of Net Assets which represents the future minimum rental payments guaranteed under the terms of the capital lease. Lease receipts are credited to the Statement of Revenues, Expenses and Changes in Net Assets in the periods in which they are earned over the term of the lease, as this represents the pattern of benefits derived from the leased assets. A bad debt reserve is recorded for any amounts whose collectibility is uncertain.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)

Notes to the Financial Statements  
December 31, 2009

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Accounts Receivable

In the course of business the Tollway may enter into contracts with various parties that call for payments to the Tollway to be made at a date more than one year in the future. These receivables are classified as long-term. See Note 7.

Deferred Bond Issuance Costs

Costs incurred in connection with the issuance of the 1992 Series A, 1993 Series B, 1998 Series A and B, 2005 Series A bonds, 2006 Series A-1, and 2007 Series A-1 and A-2, 2008 Series A-1 and A-2, 2008 Series B, 2009 Series A and 2009 Series B bonds are amortized over the lives of the bonds, using the straight line method.

Debt Refunding

In accordance with GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*, when the Tollway refunds any of its bonds the difference between the carrying amount of the new bonds and the reacquisition price of the old bonds is deferred and amortized over the lesser of the life of the old debt or the life of the new debt.

Deferred Revenue

The Tollway recognizes revenue when earned. Amounts received in advance of the periods in which related services are rendered are recorded as a liability under "Deferred Revenue."

Net Assets

The Statement of Net Assets presents the Tollway's assets and liabilities with the difference reported in four categories:

*Invested in capital assets, net of related debt* consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for revenue bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted net assets* result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net assets* consist of net assets that do not meet the criteria of the two preceding categories.

At December 31, 2009, restrictions on net assets consisted of:

*Restricted Under Trust Indenture Agreements* reflect restrictions on net asset use imposed by the Tollway's Master Trust Indenture Agreement.

*Restricted for Pension Benefit Obligation* reflects monies set aside for a retirement plan established in 1990 and suspended in 1994. These resources will be used to pay the remaining plan participants.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)

Notes to the Financial Statements  
December 31, 2009

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Net Assets: (continued)

When both restricted and unrestricted resources are available for a specific use, generally it is the Tollway's policy to use restricted resources first, then unrestricted resources as they are needed. At times, the Tollway will pay for capital expenditures with unrestricted resource pools and will later reimburse those pools as restricted resources become available through the issuance of bonds.

Toll Revenue

Toll Revenue is recognized in the month in which the transaction occurs. Revenue from Toll Evasion Recovery is recognized when the notice is issued. Both tolls and fines recovered under the evasion recovery enforcement system are recorded as Toll Evasion Recovery revenue.

Operating Revenues and Expenses

The Tollway's operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its tollway system. All other revenues and expenses are reported as non-operating revenues and expenses or as special items.

Comparative Data

Comparative total data for the prior year has been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the Tollway's assets, liabilities, net assets, revenues and expenses.

In 2009 the Tollway made the following financial statement presentation adjustments: Toll Evasion revenue is shown net of bad debt expense. Concession revenue includes only oasis revenue. All other types of revenue previously shown as concession revenue has been classified as miscellaneous revenue. See Note 16 for a summary of these changes.

Risk Management

The Tollway has self-insured risk retention programs with stop-loss limits for current employee group health and workers' compensation claims and has provided accruals for estimated losses arising from such claims.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)

Notes to the Financial Statements  
December 31, 2009

NOTE 2 – CASH AND INVESTMENTS

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that an institution holding Tollway deposits may fail and expose the Tollway to a loss if the Tollway's deposits were not returned upon maturity or demand. State law (30 ILCS 230/2C) requires that all deposits of public funds be covered by FDIC insurance or eligible collateral. The Tollway has no policy that would further limit the requirements under state law. As of December 31, 2009, the Tollway's deposits were not exposed to custodial credit risk.

Schedule of Investments

As of December 31, 2009, the Tollway had the following investments and maturities:

| Investment Type                 | Fair<br>Value         | Investment Maturities (in Years) |             |
|---------------------------------|-----------------------|----------------------------------|-------------|
|                                 |                       | Less<br>Than 1                   | 1 - 5       |
| Repurchase agreements           | \$ 520,793,471        | \$ 520,793,471                   | \$ -        |
| Certificates of Deposit         | 7,110,000             | 7,110,000                        | -           |
| Money market funds*             | 318,095,280           | 318,095,280                      | -           |
| Illinois Funds*                 | 128,520,528           | 128,520,528                      | -           |
| US Agency:                      |                       |                                  |             |
| Federal Home Loan Mortgage Corp | 2,511,725             | 2,511,725                        | -           |
|                                 | <u>\$ 977,031,004</u> | <u>\$ 977,031,004</u>            | <u>\$ -</u> |

\* Weighted average maturity is less than one year.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)

Notes to the Financial Statements  
December 31, 2009

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk

As a means of limiting its exposure to fair value losses from rising interest rates, and as a means of managing liquidity, the Tollway's investment policy requires that the majority of Tollway funds be invested in instruments with maturities of less than one year. No investment is to exceed a ten-year maturity. Investment maturities as of December 31, 2009 are as follows:

| December 31        | 2009              |
|--------------------|-------------------|
| <u>Maturity</u>    | <u>Percentage</u> |
| Less than one year | 100%              |
| One to five years  | 0%                |

Credit and Concentration Risks

The Tollway's investment policy limits investment of Tollway funds to securities guaranteed by the United States government; obligations of agencies and instrumentalities of the United States; municipal bonds with credit ratings not lower than the credit rating of the Tollway's senior bonds outstanding; interest-bearing savings accounts, certificates of deposit, or bank time deposits with institutions which meet specified capitalization requirements; money market mutual funds registered under the Investment Company Act of 1940; the Illinois Funds; and repurchase agreements of government securities as defined in the Government Securities Act of 1986. Investment policy further requires that the investment portfolio be diversified in terms of specific maturity, specific issuer, or specific class of securities. Final maturities are limited to ten years; the majority of Tollway funds should be invested in maturities of less than one year. The Tollway was in compliance with these policies during 2009.

The Tollway's investments in debt securities were rated or the securities underlying the repurchase agreements were rated by Standard & Poors/Moody's as follows for the year ended December 31, 2009:

| <u>Investment Type</u>          | <u>2009</u>       |               |
|---------------------------------|-------------------|---------------|
|                                 | <u>Fair Value</u> | <u>Rating</u> |
| Repurchase agreements           | \$ 520,793,471    | AAA/Aaa       |
| Money market funds              | 318,095,280       | AAAm/Aaa      |
| Illinois Funds                  | 128,520,528       | AAAm/NR       |
| US Agency:                      |                   |               |
| Federal Home Loan Mortgage Corp | 2,511,725         | AAA/Aaa       |

NR = Not Rated

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)

Notes to the Financial Statements  
December 31, 2009

**NOTE 3 – CURRENT ACCOUNTS RECEIVABLE**

The Tollway's current accounts receivable consists of various toll charges and other amounts due from individuals and commercial and other entities. A provision for doubtful accounts has been recorded for estimated uncollectible amounts.

|   | December 31, 2009 |             |
|---|-------------------|-------------|
|   | Net Receivables   |             |
| Tolls                                   | \$                | 1,299,559   |
| Toll Evasion Recovery                   |                   | 29,098,568  |
| Oases Receivable                        |                   | 134,414     |
| Damage Claims/Emergency Services        |                   | 81          |
| Insufficient I-Pass                     |                   | 328,750     |
| Overdimension Vehicle Permits           |                   | 51,135      |
| Fiber Optic Agreements                  |                   | 42,529      |
| Workers' Compensation                   |                   | 60,475      |
| Other                                   |                   | 1,897,439   |
|   |                   | <hr/>       |
| Total Non-Governmental Receivables      | \$                | 32,912,950  |
| Various Local and Municipal Governments |                   | 93,370      |
| IAG Agencies                            |                   | 7,535,920   |
| Other Agencies of the State of Illinois |                   | 72,374,506  |
|   |                   | <hr/>       |
| Total Intergovernmental Receivables     |                   | 80,003,796  |
|   |                   | <hr/>       |
| Total Receivables                       | \$                | 112,916,746 |
|   |                   | <hr/> <hr/> |

**NOTE 4 – PREPAID EXPENSES**

In the normal course of business the Tollway pays for services that will be consumed beyond the current year. These are established as prepaid expenses. Following is a summary table:

|   | December 31, 2009 |             |
|---|-------------------|-------------|
|   | Prepaid Expenses  |             |
| Insurance                               | \$                | 13,761,172  |
| Construction Contract Price Adjustments |                   | 4,786,785   |
|   |                   | <hr/>       |
|   | \$                | 18,547,957  |
|   |                   | <hr/> <hr/> |

**Illinois State Toll Highway Authority**  
**(A Component Unit of the State of Illinois)**

**Notes to the Financial Statements**  
**December 31, 2009**

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**NOTE 5 – LEASES RECEIVABLE**

During 2002, the Tollway, as lessor, entered into two 25-year lease agreements, each a capital lease, for the oasis system (a retail lease and a fuel lease). Under the terms of each lease, the lessee is financially responsible for rebuilding and renovating the oasis structures. At the end of each lease, ownership of the improvements reverts to the Tollway. In the retail lease, the lessee is responsible for the payment of all expenses associated with administration and operation of the facilities including the securing of tenants. In the fuel lease, the lessee is responsible for the operation of the service station and car wash facilities.

The fuel lease agreement requires the parties to complete a remediation program to ensure that the oasis system is in compliance with current environmental laws and that compliance continues for the term of the lease. The Tollway is solely responsible for the remediation program until it has received "No Further Remediation" (NFR) letters from the Illinois Environmental Protection Agency (IEPA), except for the DeKalb oasis, which is the responsibility of ExxonMobil. A new release in 2008 at Belvidere North will also be handled by ExxonMobil. The IEPA issues the letters along with approval for reimbursement of approved expenses from the LUST (Leaking Underground Storage Tank) Fund established by Congress. Remediation work has been completed at all oasis sites. NFR letters have been received for seven remediation sites controlled by the Tollway and by ExxonMobil for the DeKalb Oasis. The remaining sites are being contested over reimbursement and other technical issues. The Tollway believes that the remaining NFR letters, relating to five additional sites, will be issued without further material remediation costs being incurred.

The future minimum lease payments receivable under these agreements as of December 31, 2009 are as follows:

| <u>Year Ended December 31,</u> | <u>Retail Lease</u>  | <u>Fuel Lease</u>    | <u>Total Leases</u>  |
|--------------------------------|----------------------|----------------------|----------------------|
| 2010                           | \$ 743,000           | \$ 900,250           | \$ 1,643,250         |
| 2011                           | 743,000              | 900,250              | 1,643,250            |
| 2012                           | 814,333              | 900,250              | 1,714,583            |
| 2013                           | 850,000              | 900,250              | 1,750,250            |
| 2014                           | 850,000              | 900,250              | 1,750,250            |
| Thereafter                     | 10,483,333           | 11,103,084           | 21,586,417           |
|                                | <u>\$ 14,483,666</u> | <u>\$ 15,604,334</u> | <u>\$ 30,088,000</u> |

The future minimum leases receivable do not include contingent rents that are owed under these leases should the lessees generate revenues in excess of specific target amounts.



Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)

Notes to the Financial Statements  
December 31, 2009

**NOTE 6 – CAPITAL ASSETS**

Capital assets as of December 31, 2009, are as follows:

|                                       | Balance<br>January 1 | Additions<br>and<br>Transfers in | Deletions<br>and<br>Transfers Out | Balance<br>December 31 |
|---------------------------------------|----------------------|----------------------------------|-----------------------------------|------------------------|
| <b>Nondepreciable Capital Assets:</b> |                      |                                  |                                   |                        |
| Land and Improvements                 | \$ 299,708,525       | \$ 4,740,260                     | \$ (117,250)                      | \$ 304,331,535         |
| Construction in Progress              | 493,546,645          | 726,833,190                      | (987,449,434)                     | 232,930,401            |
| Total Nondepreciable Capital Assets   | 793,255,170          | 731,573,450                      | (987,566,684)                     | 537,261,936            |
| <b>Depreciable Capital Assets</b>     |                      |                                  |                                   |                        |
| Buildings                             | 40,909,823           | 5,683,678                        | -                                 | 46,593,501             |
| Less: Accumulated Depreciation        | (30,142,224)         | (2,239,615)                      | -                                 | (32,381,839)           |
| Net Buildings                         | 10,767,599           | 3,444,063                        | -                                 | 14,211,662             |
| Infrastructure                        | 6,936,281,035        | 1,038,271,617                    | (7,728,999)                       | 7,966,823,653          |
| Less: Accumulated Depreciation        | (2,961,054,288)      | (285,419,919)                    | 4,637,400                         | (3,241,836,807)        |
| Net Infrastructure                    | 3,975,226,747        | 752,851,698                      | (3,091,599)                       | 4,724,986,846          |
| Machinery and Equipment               | 181,726,203          | 23,402,332                       | (3,435,012)                       | 201,693,523            |
| Less: Accumulated Depreciation        | (107,836,050)        | (9,712,185)                      | 3,159,030                         | (114,389,205)          |
| Net Machinery and Equipment           | 73,890,153           | 13,690,147                       | (275,982)                         | 87,304,318             |
| <b>Total Capital Assets</b>           | 7,952,172,231        | 1,798,931,077                    | (998,730,695)                     | 8,752,372,613          |
| Less: Accumulated Depreciation        | (3,099,032,562)      | (297,371,719)                    | 7,796,430                         | (3,388,607,851)        |
| Total Capital Assets, Net             | \$ 4,853,139,669     | \$ 1,501,559,358                 | \$ (990,934,265)                  | \$ 5,363,764,762       |

**NOTE 7 – LONG-TERM INTERGOVERNMENTAL RECEIVABLES**

At year end, the Tollway is due the below-listed amounts that are due at various times after December 31, 2010.

|   |    |            |
|---|----|------------|
| Will County - I-355 South Intergovernmental Agreement           | \$ | 1,071,429  |
| Village of Lemont - I-355 South Intergovernmental Agreement     |    | 1,071,429  |
| City of Lockport - I-355 South Intergovernmental Agreement      |    | 1,071,429  |
| Village of Homer Glen - I-355 South Intergovernmental Agreement |    | 1,071,429  |
| Village of New Lenox - I-355 South Intergovernmental Agreement  |    | 1,071,429  |
| Various Other Intergovernmental Agreements                      |    | 1,690,660  |
| DuPage County   |    | 21,459,600 |
| Illinois Department of Transportation                           |    | 49,900,060 |
|   | \$ | 78,407,465 |

Illinois State Toll Highway Authority  
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**NOTE 8 – REVENUE BONDS PAYABLE**

Build America Bonds

The American Recovery and Reinvestment Act of 2009 authorizes the Tollway to issue taxable bonds known as "Build America Bonds" to finance capital expenditures for which it could issue tax-exempt bonds and to elect to receive a subsidy payment from the federal government equal to 35% of the amount of each interest payment on such taxable bonds. The receipt of such subsidy payments by the Tollway is subject to certain requirements, including the filing of a form with the Internal Revenue Service prior to each interest payment date. The subsidy payments are not full faith and credit obligations of the United States of America. The Series 2009B Bonds and Series 2009A Bonds are taxable Build America Bonds. All other Tollway bonds are tax-exempt bonds.

Series 2009B Bonds

On December 8, 2009, the Tollway issued \$280,000,000 of Toll Highway Senior Priority Revenue Bonds (Taxable 2009 Series B) (Build America Bonds – Direct Payment). The Tollway made an irrevocable election to designate the bonds as Build America Bonds pursuant to the provisions of Section 54AA(g) of the Internal Revenue Code of 1986. The Tollway covenanted to apply Build America Bonds subsidy payments to the payment of debt service. This issuance was the sixth bond sale utilized to finance capital projects in the Congestion-Relief Program. The bonds also financed a deposit to the Debt Reserve Account and costs of issuance. In connection with the issuance of the bonds, the Tollway deposited \$12,000,000 funds on hand into the debt service account to pay the bond interest due on June 1, 2010 and a portion of the bond interest due on December 1, 2010. The bonds mature on December 1, 2034. The bonds bear an interest rate of 5.851% and were sold at a price of 100% of the par amount of the bonds. The bonds are subject to optional redemption at a redemption price equal to the greater of: (i) 100% of the principal amount of the bonds to be redeemed; and (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the bonds to be redeemed, discounted to the date on which the bonds are to be redeemed on a semi-annual basis at the yield to maturity as of such redemption date of the United States Treasury security with a constant maturity most nearly equal to the period from the redemption date to the maturity date of the bonds, plus 25 basis points. The bonds are not insured.

Series 2009A Bonds

On May 21, 2009, the Tollway issued \$500,000,000 of Toll Highway Senior Priority Revenue Bonds (Taxable 2009 Series A) (Build America Bonds – Direct Payment). The Tollway made an irrevocable election to designate the bonds as Build America Bonds pursuant to the provisions of Section 54AA(g) of the Internal Revenue Code of 1986. The Tollway covenanted to apply Build America Bonds subsidy payments to the payment of debt service. This issuance was the fifth bond sale utilized to finance capital projects in the Congestion-Relief Program. The bonds also financed a deposit to the Debt Reserve Account and costs of issuance. The bonds were sold as two term bonds maturing on January 1, 2024 and January 1, 2034. The bonds maturing January 1, 2024 bear an interest rate of 5.293% and were sold at a price of 100% of the par amount of the bonds. The bonds maturing January 1, 2034 bear an interest rate of 6.184% and were sold at a price of 100% of the par amount of the bonds. The bonds are subject to optional redemption at a redemption price equal to the greater of: (i) 100% of the principal amount of the bonds to be redeemed; and (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the bonds to be redeemed, discounted to the date on which the bonds are to be redeemed on a semi-annual basis at the yield(s) to maturity as of such redemption date of the United States Treasury security(ies)

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Notes to the Financial Statements  
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**NOTE 8 – REVENUE BONDS PAYABLE (continued)**

Series 2009A Bonds (continued):

with a constant maturity(ies) most nearly equal to the period from the redemption date to the maturity date(s) of the bonds to be redeemed, plus 30 basis points. The bonds are not insured.

Series 2008B Bonds

On November 18, 2008, the Tollway issued \$350,000,000 of Toll Highway Senior Priority Revenue Bonds (2008 Series B). This issuance was the fourth bond sale utilized to finance capital projects in the Congestion-Relief Program. The bonds also financed capitalized interest through June 30, 2009 and costs of issuance. The bonds were sold as a term bond maturing on January 1, 2033 bearing a 5.50% interest rate and priced to yield 5.70%, which produced an Original Issue Discount of \$9,142,000. The bonds are subject to optional redemption on or after January 1, 2018 at a redemption price of 100% of the principal amount plus accrued interest. The bonds are not insured. In connection with the bond issue, a Surety Policy in the face amount of \$100,000,000 was purchased from Berkshire Hathaway Assurance Corporation for deposit in the Debt Reserve Account. The Surety Policy expires on January 1, 2033.

Series 2008A Bonds

On February 7, 2008, the Tollway issued \$766,200,000 of Variable Rate Senior Refunding Revenue Bonds (2008 Series A-1 and Series A-2). This issuance advance refunded all of the Tollway's \$500,000,000 then-outstanding 2006 Series A-2 Bonds and a \$208,340,000 portion of the \$500,000,000 then-outstanding 2006 Series A-1 Bonds. The bonds also financed costs of issuance. The bonds were sold at par and initially issued in a weekly mode and remained in a weekly mode through fiscal year-end. Interest rates on the bonds are set pursuant to the terms of a remarketing agreement. While in the weekly mode, the bonds are subject to demand for purchase from bondholders. Any such bonds tendered for purchase are remarketed pursuant to the terms of a remarketing agreement. Bonds tendered for purchase that are not remarketed to new bondholder(s) are funded, subject to certain conditions, under a Standby Bond Purchase Agreement among the Tollway, the Trustee, and Dexia Credit Local, New York Branch. Any such funded bonds that either (a) remain unremarketed for 180 days or (b) remain unremarketed on the expiration date of the Standby Bond Purchase Agreement and such Standby Bond Purchase Agreement is not replaced, are required to be repaid by the Authority on the earlier of: (i) their originally scheduled payment date; and (ii) in twenty equal semi-annual principal installments, commencing 6 months following such 180-day period. The cost of the Standby Bond Purchase Agreement is a per annum fee of 23 basis points times the commitment amount of \$774,764,647, which consists of \$766,200,000 for payment of principal and \$8,564,647 for payment of interest. The expiration date of the Standby Bond Purchase Agreement is February 7, 2011. While in the weekly mode, the bonds are subject to optional redemption by the Tollway. Scheduled payments of principal and interest of the bonds are insured by Assured Guaranty Municipal Corp., pursuant to the acquisition of the original bond insurer, Financial Security Assurance Inc., by Assured Guaranty Ltd. on July 1, 2009. The final maturity of the bonds is January 1, 2031.

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Notes to the Financial Statements  
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**NOTE 8 – REVENUE BONDS PAYABLE (continued)**

Series 2007A Bonds

On November 1, 2007, the Tollway issued \$700,000,000 of Variable Rate Senior Priority Revenue Bonds (2007 Series A-1 and Series A-2). This issuance was the third bond sale utilized to finance capital projects in the Congestion-Relief Program. The bonds also financed a deposit to the Debt Reserve Account and costs of issuance. The bonds were sold at par and initially issued in a weekly mode and remained in a weekly mode through fiscal year end. Interest rates on the bonds are set pursuant to the terms of a remarketing agreement. While in the weekly mode, the bonds are subject to demand for purchase from bondholders. Any such bonds tendered for purchase are remarketed pursuant to the terms of a remarketing agreement. Bonds tendered for purchase that are not remarketed to new bondholder(s) are funded, subject to certain conditions, under a Standby Bond Purchase Agreement among the Tollway, the Trustee, and Dexia Credit Local, New York Branch. Any such funded bonds that either (a) remain unremarketed for 180 days or (b) remain unremarketed on the expiration date of the Standby Bond Purchase Agreement and such Standby Bond Purchase Agreement is not replaced, are required to be repaid by the Authority on the earlier of: (i) their originally scheduled payment date; and (ii) in twenty equal semi-annual principal installments, commencing 6 months following such 180-day period. The cost of the Standby Bond Purchase Agreement is a per annum fee of 31 basis points times the commitment amount of \$709,780,822, which consists of \$700,000,000 for payment of principal and \$9,780,822 for payment of interest. The expiration date of the Standby Bond Purchase Agreement is March 20, 2011. While in the weekly mode, the bonds are subject to optional redemption by the Tollway. The final maturity of the bonds is July 1, 2030.

Series 2006A Bonds

On June 7, 2006, the Tollway issued \$1,000,000,000 of Senior Priority Revenue Bonds (2006 Series A-1 and Series A-2). This issuance was the second bond sale utilized to fund capital projects in the Congestion-Relief Program. The bonds also financed a deposit to the Debt Reserve Account and costs of issuance. All maturities of the bonds were sold bearing 5.0% interest rates at yields which produced an Original Issue Premium of \$40,019,000. The bonds are subject to optional redemption on or after July 1, 2016 at a redemption price of 100% of the principal amount plus accrued interest. The scheduled payments of principal and interest of the bonds are insured by Assured Guaranty Municipal Corp., pursuant to the acquisition of the original bond insurer, Financial Security Assurance Inc., by Assured Guaranty Ltd. on July 1, 2009. On February 7, 2008, \$708,340,000 of the 2006 Series A bonds was advance refunded by the Tollway's \$766,200,000 Variable Rate Senior Refunding Revenue Bonds (2008 Series A-1 and Series A-2). The final maturity of the bonds is January 1, 2025.

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Notes to the Financial Statements  
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NOTE 8 – REVENUE BONDS PAYABLE (continued)

Series 2005A Bonds

On June 22, 2005, the Tollway issued \$770,000,000 of Senior Priority Revenue Bonds (2005 Series A). This issuance was the first bond sale utilized to fund capital projects in the Congestion-Relief Program. The bonds also financed a deposit to the Debt Reserve Account and costs of issuance. All maturities of the bonds were sold bearing 5.0% interest rates except for the \$101,935,000 par amount maturing on January 1, 2020 which was sold bearing an interest rate of 4.125%. The bonds were sold at yields which produced a net Original Issue Premium of \$60,405,414. The bonds are subject to optional redemption on or after July 1, 2015 at a redemption price of 100% of the principal amount plus accrued interest. The scheduled payments of principal and interest of this bond series are insured by Assured Guaranty Municipal Corp., pursuant to the acquisition of the original bond insurer, Financial Security Assurance Inc., by Assured Guaranty Ltd. on July 1, 2009, except for the principal and interest of the \$101,935,000 maturing January 1, 2020, which is not insured. The final maturity of the bonds is January 1, 2023.

Series 1998A and 1998B Bonds

On December 30, 1998, the Tollway issued \$325,135,000 of Refunding Revenue Bonds, consisting of \$202,035,000 of Fixed Rate Bonds (1998 Series A) and \$123,100,000 of Variable Rate Bonds (1998 Series B). The bonds financed a refunding of a portion (\$313,105,000) of the Tollway's Series 1992A Bonds and also financed costs of issuance and accrued interest on the Series 1998 Series A Bonds. The Series 1998A Bonds were sold with fixed interest rates ranging from 4.0% to 5.5% at yields which produced a net Original Issue Premium of \$17,414,484. The Series 1998A Bonds, of which \$194,115,000 were outstanding as of December 31, 2009, are not subject to redemption prior to maturity. The Series 1998B Bonds were initially issued in a weekly mode and were in a weekly mode during all of 2009. Interest rates on the Series 1998B Bonds are set pursuant to the terms of a remarketing agreement. While in the weekly mode, the Series 1998B Bonds are subject to demand for purchase from bondholders. Any such Series 1998B Bonds tendered for purchase are remarketed pursuant to the terms of a remarketing agreement. Series 1998B Bonds tendered for purchase that are not remarketed to new bondholder(s) are funded, subject to certain conditions, under a Standby Bond Purchase Agreement among the Tollway, the Trustee, and Helaba Landesbank. Any such funded bonds that remain unremarketed on the expiration date of the Standby Bond Purchase Agreement and such Standby Bond Purchase Agreement is not replaced are required to be repaid by the Authority on the earlier of: (i) their originally scheduled payment date; and (ii) over a five-year period in five equal annual installments, commencing on the expiration date of the Standby Bond Purchase Agreement. The cost of the Standby Bond Purchase Agreement is a per annum fee of 50 basis points (at December 31, 2009) times the commitment amount of \$129,339,315, which consists of \$123,100,000 for payment of principal and \$6,239,315 for payment of interest. The expiration date of the Standby Bond Purchase Agreement is December 29, 2010. While in the weekly mode, the Series 1998B Bonds are subject to optional redemption by the Tollway. The final maturity of the bonds is January 1, 2017. The scheduled payments of principal and interest of the Series 1998A Bonds and the Series 1998B Bonds are insured by Assured Guaranty Municipal Corp., pursuant to the acquisition of the original bond insurer, Financial Security Assurance Inc., by Assured Guaranty Ltd. on July 1, 2009. The final maturity of the 1998A and 1998B bonds is January 1, 2016 and January 1, 2017, respectively.

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Notes to the Financial Statements  
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**NOTE 8 – REVENUE BONDS PAYABLE (continued)**

Series 1996A Bonds

On October 10, 1996, the Tollway issued \$148,285,000 of Refunding Revenue Bonds (1996 Series A). The bonds financed a refunding of certain of the Tollway's then-outstanding Series 1986 and Series 1987 Bonds. The bonds also financed costs of issuance and accrued interest. The Series 1996A Bonds were sold with fixed interest rates ranging from 4.7% to 6.0% at yields which produced a net Original Issue Premium of \$2,387,535. The bonds were insured by Financial Guaranty Insurance Company. The final maturity of the bonds was an amount of \$15,625,000 maturing on January 1, 2009, which was paid on schedule. These bonds are no longer outstanding.

Series 1993B Bonds

On March 24, 1993, the Tollway issued \$178,200,000 of Refunding Revenue Bonds (1993 Series B). The bonds were used to advance refund portions of then-outstanding Series 1985, 1986 and 1992 bonds and pay certain costs of issuance and to finance the cost of a \$22,974,900 surety bond from Municipal Bond Investors Assurance Corporation to satisfy a portion of the Debt Reserve Requirement. The bonds were sold at a price of 100% of the par amount of the bonds. The final maturity of the bonds was originally scheduled for January 1, 2010 in an amount of \$44,400,000, all of which was optionally redeemed by the Tollway on January 28, 2009. Thus these bonds are no longer outstanding. The bonds were initially issued in a weekly mode and were in a weekly mode during 2009. Interest rates on the bonds were set pursuant to the terms of a remarketing agreement. While in the weekly mode, the bonds were subject to demand for purchase from bondholders. Any such bonds tendered for purchase were remarketed pursuant to the terms of a remarketing agreement. Bonds tendered for purchase that were not remarketed to new bondholder(s) were funded, subject to certain conditions, under a Letter of Credit from Societe Generale, issued pursuant to a Reimbursement Agreement among the Tollway, the Trustee, and Societe Generale. The cost of the Letter of Credit was a per annum fee of 20 basis points times the commitment amount of \$49,324,143 which consisted of \$44,400,000 for payment of principal and \$4,924,143 for payment of interest. The Letter of Credit expired in connection with the redemption of the bonds on January 28, 2009. While in the weekly mode, the bonds were subject to optional redemption by the Tollway. The scheduled payments of principal and interest of the bonds were insured by Municipal Bond Investors Assurance Corporation.

Series 1992A Bonds

On October 14, 1992, the Tollway issued \$459,650,000 of Priority Revenue Bonds (1992 Series A). The bonds financed certain capital projects, a deposit to the Debt Reserve Account and costs of issuance. A portion of the bonds were advance refunded. The bonds that remain outstanding were sold bearing an interest rate of 6.30% at a price of 99.75% and mature on January 1, 2011 and January 1, 2012. Such outstanding bonds in the amount of \$100,665,000 are not subject to redemption prior to maturity and are not insured.

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Notes to the Financial Statements  
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NOTE 8 – REVENUE BONDS PAYABLE (continued)

All Series

Details of outstanding revenue bonds as of December 31, 2009, are as follows:

|   |                                |
|---|--------------------------------|
| Issue of 1992 Series A, 6.30% , due on<br>various dates through January 1, 2012           | \$ 100,665,000                 |
| Issue of 1998 Series A, 4.0 to 5.50%, due on<br>various dates through January 1, 2016     | 194,115,000                    |
| Issue of 1998 Series B, variable rates, due on<br>various dates through January 1, 2017   | 123,100,000                    |
| Issue of 2005 Series A, 4.125% to 5.00%, due<br>on various dates through January 1, 2023  | 770,000,000                    |
| Issue of 2006 Series A-1, 5.00%, due<br>on various dates through January 1, 2025          | 291,660,000                    |
| Issue of 2007 Series A-1, variable rates, due on<br>various dates through July 1, 2030    | 350,000,000                    |
| Issue of 2007 Series A-2, variable rates, due on<br>various dates through July 1, 2030    | 350,000,000                    |
| Issue of 2008 Series A-1, variable rates, due on<br>various dates through January 1, 2031 | 383,100,000                    |
| Issue of 2008 Series A-2, variable rates, due on<br>various dates through January 1, 2031 | 383,100,000                    |
| Issue of 2008 Series B, 5.50%, due on<br>various dates through January 1, 2033            | 350,000,000                    |
| Issue of 2009 Series A, 5.293 to 6.184%, due on<br>various dates through January 1, 2034  | 500,000,000                    |
| Issue of 2009 Series B, 5.851%, due on<br>various dates through December 1, 2034          | 280,000,000                    |
| Totals  | <u>\$ 4,075,740,000</u>        |
| Less current maturities   | (1,065,000)                    |
| Less deferred amount on refunding   | (49,587,666)                   |
| Plus bond premium   | <u>53,485,995</u>              |
| Total long-term portion   | <u><u>\$ 4,078,573,329</u></u> |

The carrying amount of the Tollway's long-term debt approximates its fair value at December 31, 2009, based on discounted cash flow analyses, using the Tollway's current estimated incremental borrowing rate. Accrued interest payable for the year ended December 31, 2009 was \$82,887,851.

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Notes to the Financial Statements  
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NOTE 8 – REVENUE BONDS PAYABLE (continued)

A summary of changes in revenue bonds payable is as follows for December 31, 2009:

|  | Balance<br>January 1 | Additions      | Deletions       | Balance<br>December 31 | Amounts<br>Due Within<br>One Year |
|--|----------------------|----------------|-----------------|------------------------|-----------------------------------|
| 1992 Series A                                    | \$ 100,665,000       | \$ -           | \$ -            | \$ 100,665,000         | \$ -                              |
| 1993 Series B                                    | 80,500,000           | -              | (80,500,000)    | -                      | -                                 |
| 1996 Series A                                    | 15,625,000           | -              | (15,625,000)    | -                      | -                                 |
| 1998 Series A                                    | 195,140,000          | -              | (1,025,000)     | 194,115,000            | 1,065,000                         |
| 1998 Series B                                    | 123,100,000          | -              | -               | 123,100,000            | -                                 |
| 2005 Series A                                    | 770,000,000          | -              | -               | 770,000,000            | -                                 |
| 2006 Series A-1 & A-2                            | 291,660,000          | -              | -               | 291,660,000            | -                                 |
| 2007 Series A-1 & A-2                            | 700,000,000          | -              | -               | 700,000,000            | -                                 |
| 2008 Series A-1 & A-2                            | 766,200,000          | -              | -               | 766,200,000            | -                                 |
| 2008 Series B                                    | 350,000,000          | -              | -               | 350,000,000            | -                                 |
| 2009 Series A                                    | -                    | 500,000,000    | -               | 500,000,000            | -                                 |
| 2009 Series B                                    | -                    | 280,000,000    | -               | 280,000,000            | -                                 |
| Totals   | \$ 3,392,890,000     | \$ 780,000,000 | \$ (97,150,000) | \$ 4,075,740,000       | \$ 1,065,000                      |
| Less:  |                      |                |                 |                        |                                   |
| Unamortized deferred<br>amount on refunding      | (53,462,612)         | -              | 3,874,946       | (49,587,666)           |                                   |
| Unamortized bond premium                         | 58,116,837           | -              | (4,630,842)     | 53,485,995             |                                   |
| Current portion of<br>Revenue bonds payable      | (97,150,000)         | (1,065,000)    | 97,150,000      | (1,065,000)            |                                   |
| Revenue bonds payable,<br>Net of current portion | \$ 3,300,394,225     | \$ 778,935,000 | \$ (755,896)    | \$ 4,078,573,329       |                                   |



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Notes to the Financial Statements  
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NOTE 8 – REVENUE BONDS PAYABLE (continued)

The annual requirements to retire the principal and interest amount for all bonds outstanding at December 31, 2009, are as follows:

| Year Ended<br>December 31, | Principal               | Interest                | Total Debt Service      |
|----------------------------|-------------------------|-------------------------|-------------------------|
| 2010                       | \$ 1,065,000            | \$ 187,919,892          | \$ 188,984,892          |
| 2011                       | 49,910,000              | 195,314,075             | 245,224,075             |
| 2012                       | 53,040,000              | 192,164,171             | 245,204,171             |
| 2013                       | 56,365,000              | 188,794,640             | 245,159,640             |
| 2014                       | 92,855,000              | 184,852,735             | 277,707,735             |
| 2015                       | 97,795,000              | 179,780,985             | 277,575,985             |
| 2016                       | 102,910,000             | 174,836,104             | 277,746,104             |
| 2017                       | 107,850,000             | 169,795,729             | 277,645,729             |
| 2018                       | 111,260,000             | 164,653,676             | 275,913,676             |
| 2019                       | 138,025,000             | 158,437,449             | 296,462,449             |
| 2020                       | 144,595,000             | 151,886,776             | 296,481,776             |
| 2021                       | 150,645,000             | 144,800,439             | 295,445,439             |
| 2022                       | 157,925,000             | 137,171,534             | 295,096,534             |
| 2023                       | 165,550,000             | 129,096,186             | 294,646,186             |
| 2024                       | 223,590,000             | 120,713,074             | 344,303,074             |
| 2025                       | 201,760,000             | 111,829,931             | 313,589,931             |
| 2026                       | 179,400,000             | 104,517,454             | 283,917,454             |
| 2027                       | 248,700,000             | 97,235,211              | 345,935,211             |
| 2028                       | 207,800,000             | 88,395,958              | 296,195,958             |
| 2029                       | 217,300,000             | 80,053,941              | 297,353,941             |
| 2030                       | 226,600,000             | 71,453,054              | 298,053,054             |
| 2031                       | 110,800,000             | 62,473,988              | 173,273,988             |
| 2032                       | 237,545,000             | 53,606,386              | 291,151,386             |
| 2033                       | 249,790,000             | 39,734,988              | 289,524,988             |
| 2034                       | 542,665,000             | 24,504,400              | 567,169,400             |
| Total                      | <u>\$ 4,075,740,000</u> | <u>\$ 3,214,022,776</u> | <u>\$ 7,289,762,776</u> |

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**NOTE 8 – REVENUE BONDS PAYABLE (continued)**

Defeased Bonds

On February 7, 2008, the Tollway issued \$766.2 million of Variable Rate Senior Refunding Bonds (2008 Series A-1 and A-2) to advance refund \$708.3 million of the 2006A (\$208.3 million of A-1 and \$500 million of A-2) Senior Priority Revenue Bonds with an interest rate of 5.0%. The net proceeds of \$758.6 million (after payment of \$7.6 million in underwriting fees, insurance and other issuance costs) plus an additional \$8.8 million of 2006A Trustee-held monies were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of 2006A Senior Priority Revenue Bonds. As a result, the refunded portion of 2006A Senior Priority Revenue Bonds is considered to be defeased and the liability for those bonds was removed from the Statement of Net Assets in 2008. The principal amount of defeased bonds outstanding as of December 31, 2009 is \$708.3 million.

Capitalized Interest

In 2009 the Tollway's total interest incurred for revenue bonds equaled \$183 million of which \$1.2 million was capitalized in respect of construction in progress.

Trust Indenture Agreement

On March 31, 1999, the Tollway executed an Amended and Restated Trust Indenture with the Trustee acting as fiduciary for bondholders. The Indenture establishes the conditions under which the Tollway may issue bonds and the security to be pledged to bondholders. The Indenture establishes two funds: (i) a Construction Fund to manage the spending of Tollway bond proceeds; and (ii) a Revenue Fund to manage the deposit of Tollway revenues. The Construction Fund is divided into different Project Accounts – one for each bond issue that finances new project(s). The Revenue Fund is divided into six different Accounts (some of which are further divided into Sub-Accounts) which establish an order of funding priority through which Tollway revenues flow. Revenues first fund the Operation and Maintenance Account, which is the only Account in the Revenue Fund in which bondholders do not have a security interest. Remaining revenues fund the other Accounts of the Revenue Fund in the following order of priority: the Debt Service Account, the Debt Reserve Account, the Renewal and Replacement Account, the Improvement Account, and the System Reserve Account. (The Indenture also allows for the creation of Junior Lien Bond Accounts; to date the Tollway has never issued Junior Lien Bonds.)

All Accounts of the Construction Fund and the Debt Service Account and Debt Reserve Account of the Revenue Fund are held by the Trustee. The classification of Trustee-held funds in these financial statements is detailed in Footnote 10.

Interest Rate Exchange Agreements

As a means of lowering its borrowing costs, the Tollway has entered into eleven separate variable-to-fixed interest rate exchange agreements (swaps) in connection with its five variable rate bond issues. Ten of the eleven swaps were outstanding as of December 31, 2009. Per the terms of the swaps, the Tollway pays a fixed rate of interest to the swap provider in exchange for a variable rate of interest expected to match or closely approximate the variable rate of interest owed by the Tollway to bondholders. At the time each of the swaps was entered into by the Tollway, the Tollway's fixed rate obligation in the swap was less than the fixed rate of interest obtainable by the Tollway from issuing fixed rate bonds. Four of the swaps became effective February 7, 2008, two of which are associated with the

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NOTE 8 – REVENUE BONDS PAYABLE (continued)

Interest Rate Exchange Agreements (continued)

2008 Series A-1 bonds and two of which are associated with the 2008 Series A-2 bonds. Four of the swaps became effective November 1, 2007, two of which are associated with the 2007 Series A-1 bonds and two of which are associated with the 2007 Series A-2 bonds. Two of the swaps became effective December 30, 1998 and are associated with the 1998 Series B bonds. One swap became effective March 24, 1993 and is associated with the 1993 Series B bonds. The swap counterparty ratings included in the following chart are from Moody's Investors Service and Standard & Poor's Corporation, respectively.

Significant terms of the agreements are as follows:

|                | Notional<br>Amount | Effective<br>Date | Fixed<br>Rate Paid | Variable<br>Rate Received | Termination<br>Date | Mark to<br>Market* | Counterparty<br>Credit Ratings |
|----------------|--------------------|-------------------|--------------------|---------------------------|---------------------|--------------------|--------------------------------|
| Series 1998B   | \$ 67,705,000      | 12/30/1998        | 4.3250%            | Cost of Funds             | 01/01/17            | \$ (6,463,315)     | Aa1/AAA                        |
| Series 1998B   | 55,395,000         | 12/30/1998        | 4.3250%            | Cost of Funds             | 01/01/17            | (6,336,698)        | Aa1/AA-                        |
| Series 2007A-1 | 175,000,000        | 11/01/2007        | 3.9720%            | SIFMA 7-day Muni Index    | 07/01/30            | (15,126,363)       | A1/A                           |
| Series 2007A-1 | 175,000,000        | 11/01/2007        | 3.9720%            | SIFMA 7-day Muni Index    | 07/01/30            | (14,667,200)       | Aa3/A                          |
| Series 2007A-2 | 262,500,000        | 11/01/2007        | 3.9925%            | SIFMA 7-day Muni Index    | 07/01/30            | (23,673,596)       | Aa3/A+                         |
| Series 2007A-2 | 87,500,000         | 11/01/2007        | 3.9925%            | SIFMA 7-day Muni Index    | 07/01/30            | (7,621,801)        | Aa2/AA                         |
| Series 2008A-1 | 191,550,000        | 02/07/2008        | 3.7740%            | SIFMA 7-day Muni Index    | 01/01/31            | (9,736,279)        | Aaa/AA                         |
| Series 2008A-1 | 191,550,000        | 02/07/2008        | 3.7740%            | SIFMA 7-day Muni Index    | 01/01/31            | (9,491,256)        | Aa1/A+                         |
| Series 2008A-2 | 287,325,000        | 02/07/2008        | 3.7640%            | SIFMA 7-day Muni Index    | 01/01/31            | (14,856,901)       | A3/BBB                         |
| Series 2008A-2 | 95,775,000         | 02/07/2008        | 3.7640%            | SIFMA 7-day Muni Index    | 01/01/31            | (4,796,372)        | A2/A                           |

\* Includes accrued interest. Mark to market valuation provided by swap counterparties.

The swap associated with the 1993 Series B Bonds was terminated on January 28, 2009 in connection with the Tollway's optional redemption on that same date of all then-outstanding 1993 Series B Bonds.

The notional amounts of the swaps match the outstanding principal amounts of the associated bonds. The Tollway's swaps contain scheduled reductions to notional amounts that match the scheduled reductions in the associated "revenue bonds payable" category. For the 1993 Series B bonds before their redemption on January 28, 2009, the Tollway paid the counterparty a fixed rate of 4.920% and received a variable payment which was based on the SIFMA 7-day Municipal Swap Index. For the 1998 Series B bonds, the Tollway pays the counterparties a fixed rate of 4.325% and receives a variable payment based on the actual amount of interest paid to bondholders (cost of funds). For the 2007 Series A-1 and Series A-2 bonds, the Tollway pays the counterparties fixed rates of 3.972% and 3.9925%, respectively, and receives variable payments based on the SIFMA 7-day Municipal Swap Index. For the 2008 Series A-1 and Series A-2 bonds, the Tollway pays the counterparties fixed rates of 3.774% and 3.764%, respectively, and receives variable payments based on the SIFMA 7-day Municipal Swap Index.

**NOTE 8 – REVENUE BONDS PAYABLE (continued)**

*Market Valuation*

Low interest rates and to a lesser extent a decrease in duration contributed to the negative December 31, 2009 market valuations included in the preceding chart for the Tollway's swaps. At the time of the swaps, the synthetic fixed rates achieved by the swaps were less than the fixed rates that could have been achieved by issuing fixed rate bonds. The swaps' fair market values were estimated by the respective counterparties and were confirmed by the Tollway.

*Counterparty Credit Risk*

Counterparty credit risk is the risk that a swap is terminated and the counterparty fails to make a required termination payment. The termination payment is a market-based payment approximating the value of the swap at the time of termination. The Tollway was not exposed to counterparty credit risk as of December 31, 2009 because the negative market values of each swap would render no payments owing by the counterparties in the event of a termination. If changes in interest rates were to create positive market values for the swaps in the future, the Tollway would be exposed to counterparty credit risk in the amount of those positive market values. The swaps require full collateralization of any positive market value of the swaps in the event the counterparty's credit rating falls below a Standard & Poor's rating of A- or a Moody's Investor Services' rating of A3. The swaps require such collateral to be held by a third party custodian in the form of cash, debt obligations issued by the U.S. Treasury or debt issued by federally sponsored agencies. The ten swaps outstanding as of December 31, 2009 are with ten different counterparties from eight different financial firms. The counterparty with the largest notional amount holds 21% of the total notional amount of the outstanding swaps. The financial firm with the largest notional amount holds 25% of the total notional amount of the outstanding swaps.

*Basis Risk*

Basis risk is the extent to which the Tollway's variable rate interest payments to bondholders differs from the variable rate payments received from the swap counterparties. The Tollway's variable rate interest payments are determined by rates established by remarketing agents on a weekly basis. In the case of the 1993 Series B swap, for the period in 2009 before the 1993 Series B bonds were redeemed and the 1993 Series B swap was terminated, both of which occurred on January 28, 2009, the average interest rate paid to bondholders was 1.53%, compared to a SIFMA 7-day Municipal Swap Index of 0.41%. In the case of the 1998 Series B swaps, the variable rate interest payments received from the swap counterparties are equal to the variable rate interest payments owed to bondholders, which renders this swap to be without basis risk. In the case of the 2007 Series A-1 and Series A-2 swaps, the variable rate payments received from the swap counterparties is equal to the SIFMA 7-day Municipal Swap Index, so basis risk is incurred to the extent the rates set by remarketing agents on the Tollway's 2007 Series A-1 and A-2 bonds exceed the SIFMA 7-day Municipal Swap Index. During 2009, the average interest rate paid to Series 2007A bondholders was 1.11%, compared to a SIFMA 7-day Municipal Swap Index of 0.41%. In the case of the 2008 Series A-1 and Series A-2 swaps, the variable rate payments received from the swap counterparties are equal to the SIFMA 7-day Municipal Swap Index, so basis risk is incurred to the extent the rates set by remarketing agents on the Tollway's 2008 Series A-1 and A-2 bonds exceed the SIFMA 7-day Municipal Swap Index. During 2009, the average interest rate paid to Series 2008A bondholders was 1.48%, compared to a SIFMA 7-day Municipal Swap Index of 0.41%.

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**NOTE 8 – REVENUE BONDS PAYABLE (continued)**

*Termination Risk*

The Tollway or the counterparties may terminate any of the swaps if the other party fails to perform under terms of the swaps. If a swap were terminated, the associated variable rate bonds would no longer carry synthetic fixed interest rates. In addition, if the swap has a negative market value at the time of termination, the Tollway would be liable to the counterparty for a payment equal to the swap's market value.

**NOTE 9 – DEFERRED REVENUE**

During 2002, the Tollway, as lessor, entered into two 25-year capital lease agreements for the refurbishing and operation of the oasis system. Rental payments earned have been recorded as concession revenue. The future minimum rental payments for the remainder of the terms of the leases as of December 31, 2009 of \$30,088,000 have been recorded as lease receivables and as deferred revenue which will be amortized over the remaining lease terms.

In the year 2000, the Tollway upgraded its communications network with the addition of a fiber optic system. Excess capacity on the fiber optic lines was leased to other organizations in order to offset the cost of the system. In 1999 and 2000, the Tollway entered into eight twenty-year fiber optic system lease agreements and at those times collected \$26,086,389 in total payments; the related revenue was deferred and has been and is being amortized over the lease terms. From 2002 through 2009 the Tollway entered into additional fiber optic leases in the total amount of \$3,654,552. These leases are being accounted for in the same manner.

The total deferred revenue balance for the oasis system and fiber optic system was \$72,135,191 at December 31, 2009, and accumulated amortization of deferred revenue was \$25,325,635 as of December 31, 2009.

A summary of changes in deferred revenue for the year ended December 31, 2009, is as follows:

|                          | Balance at<br>January 1 | Current Year<br>Activity | Balance at<br>December 31 |
|--------------------------|-------------------------|--------------------------|---------------------------|
| Deferred Revenue         |                         |                          |                           |
| Fiber Optics             | \$ 27,807,214           | \$ 1,933,727             | \$ 29,740,941             |
| Accumulated Amortization | (11,548,300)            | (1,471,085)              | (13,019,385)              |
|                          | <u>16,258,914</u>       | <u>462,642</u>           | <u>16,721,556</u>         |
| Lease Receivable         | 41,012,750              | 1,381,500                | 42,394,250                |
| Accumulated Amortization | (9,281,500)             | (3,024,750)              | (12,306,250)              |
|                          | <u>31,731,250</u>       | <u>(1,643,250)</u>       | <u>30,088,000</u>         |
| Totals                   |                         |                          |                           |
| Deferred Revenue         | 68,819,964              | 3,315,227                | 72,135,191                |
| Accumulated Amortization | (20,829,800)            | (4,495,835)              | (25,325,635)              |
| Net Deferred Revenue     | <u>\$ 47,990,164</u>    | <u>\$ (1,180,608)</u>    | <u>\$ 46,809,556</u>      |

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**NOTE 10 – RESTRICTED NET ASSETS**

As of December 31, 2009, the Tollway reported the following restricted net assets:

| Description   | December 31,<br>2009 |
|---|----------------------|
| Revenue bond trust indenture<br>agreement restrictions                  | \$ 233,792,590       |
| Portion classified as Invested in Capital<br>Assets net of Related Debt | 840,800              |
| Net assets restricted under Trust<br>Indenture agreement restrictions   | 234,633,390          |
| Assets restricted to paying<br>pension benefit obligations              | 360,441              |
| Total   | \$ 234,993,831       |

**NOTE 11 – CONTRIBUTIONS TO STATE EMPLOYEES' RETIREMENT SYSTEM**

*Plan Description:* Substantially all of the Tollway's full-time employees, as well as the State Police assigned to the Tollway who are not eligible for any other state-sponsored retirement plan, participate in the State Employees' Retirement System (SERS), which is a component unit of the State of Illinois reporting entity. SERS is a single-employer defined benefit public employee retirement system (PERS) in which state employees participate, except those covered by the State Universities, Teachers, General Assembly and Judges' Retirement Systems. SERS issues a separate comprehensive annual financial report (CAFR). The financial position and results of operations for SERS for fiscal year 2009 are also included in the state's Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2009.

A summary of SERS' benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the SERS CAFR. Also included therein is a discussion of employer and employee obligations to contribute and the authority under which those obligations are established.

To obtain a copy of SERS' CAFR, write, call, or email:

State Employees Retirement System  
2101 S. Veterans Parkway  
Springfield, IL. 62794-9255  
(217) 785-2340  
[sers@mail.state.il.us](mailto:sers@mail.state.il.us)

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**NOTE 11 – CONTRIBUTIONS TO STATE EMPLOYEES’ RETIREMENT SYSTEM (CONTINUED):**

*Funding Policy:* The contribution requirements of SERS members and the State are established by State statute and may be amended by action of the General Assembly and the Governor. Tollway employees covered by SERS contribute between 4.0% and 8.5% of their annual covered payroll. The State contribution rates for the State’s fiscal years ended June 30, 2010 and 2009 were actuarially determined according to the statutory schedule.

Tollway contribution rates to SERS for its SERS covered employees for the State fiscal years ended June 30, 2010, 2009 and 2008 were 28.377 percent, 21.049 percent and 16.561 percent respectively. Tollway contributions for the calendar years ended December 31, 2009, 2008 and 2007 were \$33,618,063, \$20,215,178 and \$14,383,885 respectively.

In addition to contributions to this retirement plan, effective July 1, 1990, the Tollway adopted, under the provisions of the Tollway Act (605 ILCS 10/1 et. seq.), a non-contributory defined-benefit pension plan which covered employees who were members of SERS and who were not members of any collective bargaining unit. The plan was intended to meet the requirements of a tax-qualified plan under Section 401(a) of the Internal Revenue Code. The plan provided benefits based upon years of service and employee compensation levels. The Tollway’s policy was to make contributions consistent with sound actuarial practice. Annual cost was determined using the projected unit credit actuarial method. The Tollway suspended the plan’s benefits as of September 15, 1994, and terminated the plan effective December 31, 1994. As of December 31, 2009 the net assets available for these benefits were \$360,441, (valued at the lesser of market value or actuarial value) and there was no pension benefit obligation. As of December 31, 2009, 9 beneficiaries remained in the plan.

*Other Post Employment Benefits:* Under provisions of SERS, the State of Illinois provides certain health, dental, and life insurance benefits to annuitants who are former Tollway employees. Substantially all Tollway employees may become eligible for post-employment benefits if they eventually become annuitants. Currently, 812 retirees meet the eligibility requirements. Life insurance benefits are limited to \$5,000 per annuitant age 60 or older. For the year ended December 31, 2009 the Tollway contributed \$3,672,797 towards the state’s cost of these benefits.

The actuarially determined annual OPEB cost for providing these benefits and the related OPEB obligations are recorded in the financial statements of the state agencies responsible for paying these benefits. The Department of Healthcare and Family Services (HFS) administers the Health Insurance Reserve Fund (for payment of health benefits), and the Department of Central Management Services (CMS) administers the Group Life Insurance Funds (for payment of life insurance benefits).

A summary of OPEB budget provisions, changes in benefit provisions, employee eligibility requirements, including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the State’s CAFR. Also included therein is a discussion of employer and employee obligations to contribute and the authority under which those obligations are established.

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**NOTE 12 – RISK MANAGEMENT**

The Tollway has self-insured risk retention programs for workers' compensation claims. The Tollway's exposure under this program is limited to self-insured retentions per workers' compensation incident. In accordance with GASB Statement No. 10, claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The estimated liabilities for asserted workers' compensation claims of \$15,222,848 and both asserted and unasserted employee health claims of \$800,000 are included in the accompanying financial statements. Amounts reported as current because the Tollway generally pays the self-insured retention portion in the subsequent fiscal year.

| Year | Estimated<br>Claims Payable<br>January 1 | Current<br>Claims | Claims<br>Payments | Estimated<br>Claims Payable<br>December 31 |
|------|--|-------------------|--------------------|--|
| 2009 | \$ 10,878,028                            | \$ 11,946,415     | \$ 6,801,595       | \$ 16,022,848                              |
| 2008 | 10,688,930                               | 5,438,898         | 5,249,800          | 10,878,028                                 |

Additionally, the Tollway purchases commercial insurance policies for general liability insurance and vehicle liability damage to capital assets other than vehicles which have a level of retention of \$250,000 per occurrence. Property coverage includes retention of \$1,000,000 per occurrence. The Tollway has not had significant reductions in insurance coverage during the current or prior year nor did settlements exceed insurance coverage in any of the last three years.

**NOTE 13 – COMPENSATED ABSENCES**

The liability reported in the Statement of Net Assets represents the vacation and 50% of unused sick time for the period beginning January 1, 1984, and ending December 31, 1997, accrued by the employees, and is payable upon termination or death of the employee. The payment provided shall not be allowed if the purpose of the separation from employment and any subsequent re-employment is for the purpose of obtaining such payment. The Tollway's liability for unused annual vacation leave and sick leave as defined above is recorded in the accompanying financial statements at the employee's pay rate.

Amounts accrued as compensated absences payable at December 31, 2009 are as follows:

| Balance at<br>January 1 | Accrued      | Used         | Balance at<br>December 31 | Due Within<br>One Year |
|-------------------------|--------------|--------------|---------------------------|------------------------|
| \$ 7,222,344            | \$ 5,887,516 | \$ 5,564,045 | \$ 7,545,815              | \$ 3,546,533           |



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**NOTE 14 – PLEDGES OF FUTURE REVENUES**

All revenue bonds issued under the Tollway's Trust Indenture are secured by a pledge of and lien on Tollway revenues and certain other funds (excluding amounts reserved for the payment of maintenance and operating expenses) as provided in the Trust Indenture.

| Bond Issue   | Purpose  | Future Pledged Revenues | Term of Commitment |
|--|--|-------------------------|--------------------|
| 1992 Series A Priority Revenue Bonds   | Fund Construction for Tri-State Tollway Widening Project | \$ 113,445,653          | 2012               |
| 1998 Series A Priority Refunding Revenue Bonds (Fixed Rate)                        | Refund Outstanding Bonds                                 | 243,274,460             | 2016               |
| 1998 Series B Priority Refunding Revenue Bonds (Variable Rate)                     | Refund Outstanding Bonds                                 | 160,699,388             | 2017               |
| 2005 Series A Senior Priority Revenue Bonds  | Fund Congestion Relief Program                           | 1,152,847,979           | 2023               |
| 2006 Series A-1 & A-2 Senior Priority Revenue Bonds                                | Fund Congestion Relief Program                           | 483,446,500             | 2025               |
| 2007 Series A-1 & A-2 Variable Rate Senior Priority Revenue Bonds                  | Fund Congestion Relief Program                           | 1,216,706,535           | 2030               |
| 2008 Series A-1 & A-2 Variable Rate Senior Refunding Revenue Bonds                 | Refund Outstanding Bonds                                 | 1,290,258,674           | 2031               |
| 2008 Series B Senior Priority Revenue Bonds  | Fund Congestion Relief Program                           | 793,007,675             | 2033               |
| 2009 Series A Senior Priority Revenue Bonds (Build America Bonds - Direct Payment) | Fund Congestion Relief Program                           | 1,158,824,467           | 2034               |
| 2009 Series B Senior Priority Revenue Bonds (Build America Bonds - Direct Payment) | Fund Congestion Relief Program                           | 677,251,445             | 2034               |
|  |  | \$ 7,289,762,776        |                    |

Proceeds from the bonds identified above provided financing for the construction and/or improvement of the various toll highway systems in Illinois. Annual principal and interest payments on the bonds are expected to require approximately 60% of the pledged net revenues. The total principal and interest remaining to be paid on the bonds is \$7.3 billion. Principal and interest paid for the current year and total pledged net revenues were \$269.4 million and \$403 million, respectively.

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**Notes to the Financial Statements**  
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**NOTE 15 – COMMITMENTS**

In addition to amounts already recorded, contracts of approximately \$158.7 million have been let and are outstanding as of December 31, 2009, for projects to be included under the Tollway's construction accounts. During 2009, approximately \$1.0 billion in invoices were paid on approximately \$4.9 billion of total contracts. The Tollway plans to fund remaining payments under these contracts through revenues and accumulated cash.

**NOTE 16 – STATEMENT PRESENTATION**

There are times when the Tollway changes presentation of accounts either to meet the requirements of governmental GAAP or to provide information that is easier for users of the statements to understand. Below is a summary of presentation changes made in 2009 to the 2008 Statement of Revenues, Expenses and Changes in Net Assets. The most significant change is netting bad debt expense against the corresponding revenue.

|   | 2008                     |                         |
|---|--------------------------|-------------------------|
|   | Original<br>Presentation | Revised<br>Presentation |
| Toll Evasion Recovery Revenue                                   | \$ 224,047,528           | \$ 77,653,862           |
| Concession Revenue  | 1,754,403                | 2,236,551               |
| Miscellaneous Revenue   | 3,429,783                | 4,273,563               |
| Engineering and Maintenance of Roadway and Structures Expense   | (45,304,051)             | (46,309,976)            |
| Services and Toll Collection Expense                            | (110,093,269)            | (110,681,535)           |
| Traffic Control, Safety Patrol and Radio Communications Expense | (22,344,274)             | (22,374,844)            |
| Procurement, IT, Finance, and Administration Expense            | (21,942,396)             | (22,100,592)            |
| Bad Debt Expense  | (146,850,695)            | -                       |
| Total   | \$ (117,302,971)         | \$ (117,302,971)        |

**NOTE 17 – PENDING LITIGATION**

There are lawsuits pending against the Tollway claiming, among other things, damages for wrongful discharge, personal injuries and from the operation of the Tollway's evasion recovery system. Workers' compensation lawsuits are also pending. The Tollway's exposure is limited to the self-insured retention of \$250,000 per general liability incident.

Management, after taking into consideration legal counsel's evaluation of such actions, is of the opinion that the outcome of these matters will have no material adverse effect on the financial position of the Tollway.

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Notes to the Financial Statements  
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**NOTE 18 – CONTINGENT LIABILITIES**

A contingent liability is defined as a liability that is not sufficiently predictable to permit recording in the accounts but in which there is a reasonable possibility of an outcome which might affect financial position or results of operations.

*Contingent Liability for Arbitrage Rebate*

In the 1980's, the U.S. Congress determined that arbitrage rebate rules were needed to curb issuance of investment motivated tax-exempt bonds. These rules were designed to create additional safeguards against issuers obtaining an arbitrage benefit by issuing bonds either prematurely or in excess of actual need in order to benefit from an expected spread between tax-exempt borrowing cost and return on investment of bond proceeds. As a result, under certain conditions any gain from arbitrage that is realized must be rebated to the United States Government.

The Tollway retained a third-party expert to perform arbitrage calculations and determine any arbitrage rebate liability. In the opinion of this third party, as of December 31, 2009, the Tollway need not accrue any arbitrage rebate liability relating to its Series 1992A, 1993B, 1996A, 1998A, 1998B, 2005A, 2006A, 2007A, 2008A, 2008B, and 2009A Bonds.

The contingent arbitrage rebate liability relating to the Tollway's Series 2009B Bonds, which were issued on December 8, 2009, has been calculated internally by the Tollway. The Tollway calculates no contingent arbitrage rebate liability on its Series 2009B Bonds for the period ended December 31, 2009.

**NOTE 19 – NEW GOVERNMENTAL ACCOUNTING STANDARDS**

The Governmental Accounting Standards Board (GASB) has issued the following statements:

Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, establishes accounting and financial reporting requirements for intangible assets. All intangible assets not specifically excluded by the scope of this Statement should be classified as capital assets. All existing authoritative guidance for capital assets should be applied to these intangible assets, as applicable. The Tollway is required to implement this Statement for the year ending December 31, 2010.

Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. The Tollway is required to implement this Statement for the year ending December 31, 2010.

Management has not yet determined what impact, if any, these Statements will have on the financial position and results of operations of the Tollway.

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**Notes to the Financial Statements  
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**NOTE 20 – RELATED PARTIES**

The Tollway has entered into various intergovernmental agreements with the State of Illinois, through the Illinois Department of Transportation (IDOT). Intergovernmental receivables of \$122 million (\$72 million current and \$50 million long-term) are recorded at December 31, 2009, representing construction projects performed by the Tollway that pertain to infrastructure owned by IDOT. Accrued liabilities totaling \$58 million are recorded for amounts owed to IDOT for construction projects IDOT is performing for infrastructure assets owned by the Tollway.

**NOTE 21 – SUBSEQUENT EVENTS**

On July 1, 2010 the Tollway issued \$279,300,000 of Toll Highway Senior Refunding Revenue Bonds, 2010 Series A-1 (the "2010A-1 Bonds"). The 2010A-1 Bonds were issued to refund \$287,300,000 of the Tollway's Variable Rate Senior Refunding Revenue Bonds, 2008 Series A-2. The purpose of the refunding was to reduce the Tollway's reliance on bank liquidity agreements and to reduce swap counterparty risk. In connection with this refunding the Tollway terminated its swap agreement with Depfa Bank, plc, in the notional amount of \$287,300,000. The Tollway made a payment of \$10,331,528 to Depfa Bank, plc in connection with the termination of the swap agreement.

**SUPPLEMENTARY INFORMATION**

Illinois State Toll Highway Authority  
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Schedule of Changes in Fund Balance - By Fund  
Trust Indenture Basis of Accounting (Non GAAP)  
For the Year Ended December 31, 2009

|   | Revenue<br>Fund       | Construction<br>Fund | Total                 |
|---|-----------------------|----------------------|-----------------------|
| <b>INCREASES</b>  |                       |                      |                       |
| Toll Revenue  | \$ 592,063,529        | \$ -                 | \$ 592,063,529        |
| Toll Evasion Recovery                                       | 54,828,660            | -                    | 54,828,660            |
| Concessions   | 2,338,841             | -                    | 2,338,841             |
| Interest  | 3,199,960             | 143,395              | 3,343,355             |
| Miscellaneous   | 5,620,819             | -                    | 5,620,819             |
| <b>Total Increases</b>                                      | <b>658,051,809</b>    | <b>143,395</b>       | <b>658,195,204</b>    |
| <b>DECREASES</b>  |                       |                      |                       |
| Engineering and Maintenance of<br>Roadway and Structures    | 47,895,062            | -                    | 47,895,062            |
| Services and Toll Collection                                | 91,540,686            | -                    | 91,540,686            |
| Traffic Control, Safety Patrol, and<br>Radio Communications | 22,649,812            | -                    | 22,649,812            |
| Procurement, IT, Finance and Administration                 | 20,604,762            | -                    | 20,604,762            |
| Insurance and Employee Benefits                             | 72,493,678            | -                    | 72,493,678            |
| Construction  | 898,904,716           | -                    | 898,904,716           |
| Bond Principal Payments                                     | 52,750,000            | -                    | 52,750,000            |
| Bond Interest and Other Financing Costs                     | 187,805,554           | -                    | 187,805,554           |
| Build America Bond Interest Subsidy                         | (6,422,870)           | -                    | (6,422,870)           |
| <b>Total Decreases</b>                                      | <b>1,388,221,400</b>  | <b>-</b>             | <b>1,388,221,400</b>  |
| <b>NET INCREASES (DECREASES)</b>                            | <b>(730,169,591)</b>  | <b>143,395</b>       | <b>(730,026,196)</b>  |
| <b>OTHER CHANGES IN FUND BALANCES</b>                       |                       |                      |                       |
| Early Retirement of 1993 Series B Bonds (Principal)         | (44,400,000)          | -                    | (44,400,000)          |
| Transfers in (out)  | 940,439,822           | (940,439,822)        | -                     |
| Reversal of State Administrative Charge                     | 10,589,896            | -                    | 10,589,896            |
| Proceeds from Bond Sale                                     | -                     | 780,000,000          | 780,000,000           |
| Bond Issuance Costs   | -                     | (6,211,587)          | (6,211,587)           |
|   | <b>906,629,718</b>    | <b>(166,651,409)</b> | <b>739,978,309</b>    |
| <b>CHANGE IN FUND BALANCE</b>                               | <b>176,460,127</b>    | <b>(166,508,014)</b> | <b>9,952,113</b>      |
| <b>FUND BALANCE, JANUARY 1</b>                              | <b>469,252,853</b>    | <b>166,508,014</b>   | <b>635,760,867</b>    |
| <b>FUND BALANCE, DECEMBER 31</b>                            | <b>\$ 645,712,980</b> | <b>\$ -</b>          | <b>\$ 645,712,980</b> |

See accompanying Notes to the Trust Indenture Basis Schedules.

Illinois State Toll Highway Authority  
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Schedule of Changes in Fund Balance - Revenue Fund - By Account  
Trust Indenture Basis of Accounting (Non GAAP)  
For the Year Ended December 31, 2009

|  | Revenue Fund and Accounts |                            |                               |                    |                      |                         |                    |                      |
|--|---------------------------|----------------------------|-------------------------------|--------------------|----------------------|-------------------------|--------------------|----------------------|
|  | Revenue Account           | Maintenance and Operations |                               | Debt Service       | Debt Service Reserve | Renewal and Replacement | Improvement        | Total                |
|  |                           | Operating Sub-Account      | Operating Reserve Sub-Account |                    |                      |                         |                    |                      |
| <b>INCREASES</b>   |                           |                            |                               |                    |                      |                         |                    |                      |
| Toll Revenue   | \$ 592,063,529            | \$ -                       | \$ -                          | \$ -               | \$ -                 | \$ -                    | \$ -               | \$ 592,063,529       |
| Toll Evasion Recovery                                    | 54,828,660                | -                          | -                             | -                  | -                    | -                       | -                  | 54,828,660           |
| Concessions  | 2,338,841                 | -                          | -                             | -                  | -                    | -                       | -                  | 2,338,841            |
| Interest   | 721,791                   | -                          | -                             | 200,253            | 1,492,619            | 463,238                 | 322,059            | 3,199,960            |
| Miscellaneous  | 5,620,819                 | -                          | -                             | -                  | -                    | -                       | -                  | 5,620,819            |
| Intrafund Transfers                                      | (653,614,808)             | 257,645,800                | -                             | 183,370,112        | -                    | 161,000,000             | 51,598,896         | -                    |
| <b>Total Increases</b>                                   | <b>1,958,832</b>          | <b>257,645,800</b>         | <b>-</b>                      | <b>183,570,365</b> | <b>1,492,619</b>     | <b>161,463,238</b>      | <b>51,920,955</b>  | <b>658,051,809</b>   |
| <b>DECREASES</b>   |                           |                            |                               |                    |                      |                         |                    |                      |
| Engineering and Maintenance of Roadway and Structures    | -                         | 47,895,062                 | -                             | -                  | -                    | -                       | -                  | 47,895,062           |
| Services and Toll Collection                             | -                         | 91,540,686                 | -                             | -                  | -                    | -                       | -                  | 91,540,686           |
| Traffic Control, Safety Patrol, and Radio Communications | -                         | 22,649,812                 | -                             | -                  | -                    | -                       | -                  | 22,649,812           |
| Procurement, IT, Finance and Administration              | -                         | 20,604,762                 | -                             | -                  | -                    | -                       | -                  | 20,604,762           |
| Insurance and Employee Benefits                          | -                         | 72,493,678                 | -                             | -                  | -                    | -                       | -                  | 72,493,678           |
| Construction Expenses                                    | -                         | -                          | -                             | -                  | -                    | 155,278,492             | 743,626,224        | 898,904,716          |
| Bond Principal Payments                                  | -                         | -                          | -                             | 52,750,000         | -                    | -                       | -                  | 52,750,000           |
| Bond Interest and Other Financing Costs                  | 243,135                   | -                          | -                             | 186,202,871        | 1,359,548            | -                       | -                  | 187,805,554          |
| Build America Bond Interest Subsidy                      | -                         | -                          | -                             | (6,422,870)        | -                    | -                       | -                  | (6,422,870)          |
| <b>Total Decreases</b>                                   | <b>243,135</b>            | <b>255,184,000</b>         | <b>-</b>                      | <b>232,530,001</b> | <b>1,359,548</b>     | <b>155,278,492</b>      | <b>743,626,224</b> | <b>1,388,221,400</b> |

(Continued)

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Schedule of Changes in Fund Balance - Revenue Fund - By Account (continued)  
Trust Indenture Basis of Accounting (Non GAAP)  
For the Year Ended December 31, 2009

|   | Revenue Fund and Accounts |                              |                                      |                 |                            |                               |                  |                  |
|---|---------------------------|------------------------------|--------------------------------------|-----------------|----------------------------|-------------------------------|------------------|------------------|
|   | Revenue<br>Account        | Maintenance and Operations   |                                      | Debt<br>Service | Debt<br>Service<br>Reserve | Renewal<br>and<br>Replacement | Improvement      | Total            |
|   |                           | Operating<br>Sub-<br>Account | Operating<br>Reserve Sub-<br>Account |                 |                            |                               |                  |                  |
| <b>NET INCREASES (DECREASES)</b>            | \$ 1,715,697              | \$ 2,461,800                 | \$ -                                 | \$ (48,959,636) | \$ 133,071                 | \$ 6,184,746                  | \$ (691,705,269) | \$ (730,169,591) |
| <b>OTHER CHANGES IN FUND BALANCE</b>        |                           |                              |                                      |                 |                            |                               |                  |                  |
| Early Retirement of 1993B Bonds (Principal) | -                         | -                            | -                                    | (44,400,000)    | -                          | -                             | -                | (44,400,000)     |
| Transfer from Construction Fund             | -                         | -                            | -                                    | -               | 38,609,053                 | -                             | 901,830,769      | 940,439,822      |
| Reversal of State Admin Charge              | 10,589,896                | -                            | -                                    | -               | -                          | -                             | -                | 10,589,896       |
| Funding for Early Retirement of Debt        | -                         | -                            | -                                    | 44,400,000      | -                          | -                             | (44,400,000)     | -                |
| Transfer funds for 2009 B Interest          | -                         | -                            | -                                    | 12,000,000      | -                          | -                             | (12,000,000)     | -                |
|   | 10,589,896                | -                            | -                                    | 12,000,000      | 38,609,053                 | -                             | 845,430,769      | 906,629,718      |
| <b>CHANGE IN FUND BALANCE</b>               | 12,305,593                | 2,461,800                    | -                                    | (36,959,636)    | 38,742,124                 | 6,184,746                     | 153,725,500      | 176,460,127      |
| <b>FUND BALANCE, JANUARY 1</b>              | 26,988,309                | 2,532,282                    | 17,000,000                           | 62,854,568      | 171,476,672                | 132,032,249                   | 56,368,773       | 469,252,853      |
| <b>FUND BALANCE, DECEMBER 31</b>            | \$ 39,293,902             | \$ 4,994,082                 | \$ 17,000,000                        | \$ 25,894,932   | \$ 210,218,796             | \$ 138,216,995                | \$ 210,094,273   | \$ 645,712,980   |

See accompanying Notes to the Trust Indenture Basis Schedules.



Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)

Notes to the Trust Indenture Basis Schedules  
December 31, 2009

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The 1999 Amended and Restated Trust Indenture (the Trust Indenture) requires the Tollway to provide separate funds for construction (Construction Fund) and for operations (Revenue Fund), which funds are not appropriated by the Illinois General Assembly. The Trust Indenture permits the Tollway to create additional accounts for the purpose of more precise accounting. The Illinois State Treasurer holds monies for the Tollway as ex-officio custodian and has recorded these monies in a custodian account. This account is part of the Maintenance and Operation Account within the Revenue Fund.

Prior to fiscal year 2005, the Tollway issued separate financial statements, prepared on the basis of accounting described below, in order to demonstrate compliance with the requirements of the Trust Indenture (Trust Indenture Statements). Beginning in 2005, the Tollway has included schedules, prepared on the basis of accounting described below, in the supplementary information section of this report. The Tollway believes that these schedules, along with the GAAP basis financial statements contained in this report, are sufficient to demonstrate compliance with the requirements of the Trust Indenture. As a result, separate Trust Indenture Statements are no longer prepared. Certain items in the presentation of the Trust Indenture information contained herein vary from the presentation previously used in the Trust Indenture Statements. In addition, the schedules contained in this section of the report present only the Revenue Fund and the Construction Fund. Previously, the Trust Indenture Statements included "Infrastructure and Long-term Debt of Accounts", which was optional reporting allowed under the Trust Indenture.

Basis of Accounting

Under the provisions of the Trust Indenture, the basis of accounting followed for the Construction Fund and the Revenue Fund within the Schedule of Changes in Fund Balance by Fund, differs in certain respects from accounting principles generally accepted in the United States of America.

The major differences are as follows:

1. Capital construction and asset acquisitions are charged against fund balance as incurred. In addition, there is no provision for depreciation.
2. Monies received from sale of assets are recorded as revenue when the cash is received.
3. Monies received for long term fiber optic leases are recorded as revenue when received.
4. Principal retirements on revenue bonds are expensed when paid.
5. Bond proceeds (including premiums) are recorded as income in the year received. Amounts received from refunding issuances, if any, are recorded net of transfers to the escrow agent.
6. Unrealized gains and losses on debt reserve invested funds are netted against interest and other financing costs.
7. Bond issuance costs are expensed as incurred.
8. Capital lease obligations are not recorded. Payments under capital leases are expensed in the period payments are made.
9. Interest related to construction in progress is not capitalized.
10. Recoveries of expenses are classified as decreases in operating expenses for trust indenture and as miscellaneous operating revenue for GAAP.
11. Construction expenses incurred under intergovernmental agreements are decreased by payments received under these intergovernmental agreements.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)

Notes to the Trust Indenture Basis Schedules  
December 31, 2009

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Therefore, the accompanying Schedules of Changes in Fund Balance by Account and by Fund, which are prepared in accordance with the aforementioned accounting principles, are not intended to, and do not, present the financial position or the results of operations in accordance with accounting principles generally accepted in the United States of America.

A description of the individual accounts within the Revenue Fund and Construction Fund, as well as the required distribution of revenues collected, is as follows:

*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 20<sup>th</sup> 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, less all other amounts previously transferred by the Treasurer for deposit to the credit of the Operating Sub-Account during that fiscal year, less the balance, if any, which was on deposit to the credit of the Operating Sub-Account on December 31 of the preceding fiscal year.
- B. To the Operating Reserve Sub-Account, the amount specified by the Tollway, but not to exceed thirty percent of the amount annually budgeted for operating expenses.
- C. To the Interest Sub-Account, an amount equal to interest due on unpaid 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 bonds.
- 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 the renewal and replacement amount 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 of the 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.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)

Notes to the Trust Indenture Basis Schedules  
December 31, 2009

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Maintenance and Operation Account*

The Maintenance and Operation Account consists of the Operating Sub-Account and the Operating Reserve Sub-Account. 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 once a month. Revenue is recorded on an accrual basis and as such may not be available for allocation until the cash is collected.

The Operating Reserve Sub-Account receives or retains an amount not to exceed 30 percent of the amount budgeted for operating expenses in the annual budget for the current fiscal year. Monies in the Operating Reserve Sub-Account are held as a reserve for the payment of operating expenses and are to be withdrawn 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, 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 and has subsequently authorized a fund balance of \$17 million.

*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 in an 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.

*Renewal and Replacement Account*

Revenues must be credited to the Renewal and Replacement Account in an amount set forth in the annual budget for the renewal and replacement deposit. An amount set forth in the budget shall be determined based on recommendations of the Consulting Engineer. Additional funds can be transferred to this account by the Tollway, based on the capital plan expenditures.

*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.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)

Notes to the Trust Indenture Basis Schedules  
December 31, 2009

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*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 bonds and investment of proceeds. 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.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Schedule of Capital Assets by Source (1)  
December 31, 2009

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|  |                                    |
|--|------------------------------------|
| Capital Assets (at original cost):           |                                    |
| Land and Improvements                        | \$ 304,331,535                     |
| Buildings                                    | 46,593,501                         |
| Infrastructure                               | 7,841,985,964                      |
| Vehicles                                     | 41,770,509                         |
| Office Equipment                             | 31,035,451                         |
| Information Systems                          | 128,887,564                        |
| Construction in Progress                     | <u>232,930,401</u>                 |
| <br>Total Capital Assets                     | <br><u><u>\$ 8,627,534,925</u></u> |
| <br>Capital Assets Provided From:            |                                    |
| Bond Proceeds net of related Interest Income | \$ 5,552,273,928                   |
| Revenues                                     | <u>3,075,260,997</u>               |
| <br>Total Sources of Capital Assets          | <br><u><u>\$ 8,627,534,925</u></u> |

(1) Prepared in accordance with the Trust Indenture (non-GAAP).

Infrastructure assets do not include capitalized interest totaling \$124,837,690.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Schedule of Changes in Capital Assets (1)  
For the Year Ended December 31, 2009

|                             | Balance<br>January 1,<br>2009  | Additions                      | Deletions                      | Balance<br>December 31,<br>2009 |
|-----------------------------|--------------------------------|--------------------------------|--------------------------------|---------------------------------|
| Land and Improvements       | \$ 299,708,525                 | \$ 4,740,260                   | \$ (117,250)                   | \$ 304,331,535                  |
| Buildings                   | 40,909,823                     | 5,683,678                      | -                              | 46,593,501                      |
| Infrastructure              | 6,812,627,397                  | 1,037,087,566                  | (7,728,999)                    | 7,841,985,964                   |
| Vehicles                    | 37,050,942                     | 7,355,210                      | (2,635,643)                    | 41,770,509                      |
| Office Equipment            | 20,375,852                     | 11,458,968                     | (799,369)                      | 31,035,451                      |
| Information Systems         | 124,299,409                    | 4,588,155                      | -                              | 128,887,564                     |
| Construction in Progress    | <u>493,546,645</u>             | <u>726,833,190</u>             | <u>(987,449,434)</u>           | <u>232,930,401</u>              |
| <b>TOTAL CAPITAL ASSETS</b> | <u><u>\$ 7,828,518,593</u></u> | <u><u>\$ 1,797,747,027</u></u> | <u><u>\$ (998,730,695)</u></u> | <u><u>\$ 8,627,534,925</u></u>  |

(1) Prepared in accordance with the Trust Indenture (non-GAAP). Infrastructure assets do not include capitalized interest of \$124,837,690.

**STATISTICAL SECTION (UNAUDITED)**

**Illinois State Toll Highway Authority**  
**(A Component Unit of the State of Illinois)**  
**Statistical Section**

This part of the Tollway's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Tollway's overall financial health.

*Financial Trends - These schedules contain trend information to assist the reader in understanding how the Tollway's financial performance and well-being have changed over time.*

|                            |         |
|----------------------------|---------|
| Net Assets by Type         | 54      |
| Changes in Net Assets      | 55      |
| Revenues by Source         | 56      |
| Toll Revenue by Toll Plaza | 57 - 60 |

*Revenue Capacity – These schedules contain information to help the reader assess the Tollway's most significant revenue source (tolls).*

|  |    |
|--|----|
| Historical Toll Rates by Vehicle Class                         | 61 |
| Toll Revenue Versus Traffic                                    | 62 |
| Toll Revenue by Class of Vehicles and Other Revenue Sources    | 63 |
| Rehabilitation Repair and Replacement Program                  | 64 |
| Operating Revenues, Maintenance and Operating Expenses, Net    |    |
| Operating Revenues and Debt Service Coverage                   | 65 |
| Annual Toll Transactions – Passenger and Commercial Vehicles   | 66 |
| Annual Toll Revenues – Passenger and Commercial Vehicles       | 67 |
| Operating Revenues, Maintenance and Operating Expenses and Net |    |
| Operating Revenues   | 68 |

*Debt Capacity – This schedule presents information to help the reader assess the affordability of the Tollway's current levels of outstanding debt and the ability to issue additional debt in the future.*

|                       |    |
|-----------------------|----|
| Debt Service Coverage | 69 |
|-----------------------|----|

*Demographic and Economic Information – This schedule offers demographic indicators to help the reader understand the environment within which the Tollway's operations take place.*

|  |         |
|--|---------|
| Population, Commuting and Migration Statistics | 70 - 72 |
|--|---------|

*Operating Information – These schedules contain service and other data to help the reader understand how the information in the Tollway's report relates to the services it provides.*

|   |    |
|---|----|
| Average Number of Employees by Function | 73 |
| Location Map                            | 74 |
| Service Efforts and Accomplishments     | 75 |
| Miscellaneous Data and Statistics       | 76 |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant years. The Tollway implemented GASB Statement No. 34 in 2002. As such, the first three financial trend schedules contain eight years of information.



Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Net Assets by Type  
Last Eight Fiscal Years (GAAP Basis)

| Net Assets by Type                 | 2009                    | 2008                    | 2007 (Restated)         | 2006                    | 2005                    | 2004 (Restated)         | 2003                    | 2002                    |
|------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Invested in Capital Assets, net of |                         |                         |                         |                         |                         |                         |                         |                         |
| Related Debt                       | \$ 1,284,350,633        | \$ 1,622,755,006        | \$ 1,577,006,044        | \$ 1,337,313,700        | \$ 1,355,863,781        | \$ 1,183,582,118        | \$ 1,116,030,103        | \$ 1,072,332,198        |
| Restricted Net Assets              | 234,993,831             | 282,466,345             | 288,359,204             | 249,169,152             | 167,271,355             | 74,848,940              | 108,522,545             | 111,753,002             |
| Unrestricted Net Assets            | 498,549,013             | 200,324,808             | 218,238,576             | 347,153,490             | 248,815,433             | 301,687,060             | 282,517,463             | 282,994,233             |
| <b>Total Net Assets</b>            | <b>\$ 2,017,893,477</b> | <b>\$ 2,105,546,159</b> | <b>\$ 2,083,603,824</b> | <b>\$ 1,933,636,342</b> | <b>\$ 1,771,950,569</b> | <b>\$ 1,560,118,118</b> | <b>\$ 1,507,070,111</b> | <b>\$ 1,467,079,433</b> |

The Tollway only has business-type activities.

10 years of data is not available for presentation.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Changes in Net Assets (GAAP Basis)  
Last Eight Fiscal Years

|   | 2009             | 2008             | 2007 (Restated)  | 2006             | 2005             | 2004 (Restated)  | 2003             | 2002             |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>OPERATING REVENUES</b>                               |                  |                  |                  |                  |                  |                  |                  |                  |
| Toll Revenue  | \$ 592,063,529   | \$ 583,646,592   | \$ 572,092,902   | \$ 567,499,808   | \$ 580,441,697   | \$ 391,586,232   | \$ 377,453,858   | \$ 363,235,305   |
| Toll Evasion Recovery                                   | 54,828,660       | 77,653,862       | 6,516,958        | 196,461          | 13,256,859       | 15,767,091       | 37,249,197       | 46,079           |
| Concessions   | 2,338,841        | 2,236,551        | 3,788,756        | 3,031,576        | 2,790,847        | 2,654,668        | 3,701,249        | 4,076,456        |
| Miscellaneous   | 8,759,200        | 4,273,563        | 2,819,131        | 2,868,573        | 2,266,957        | 3,445,212        | 3,571,209        | 3,722,324        |
| Total Operating Revenues                                | \$ 657,990,230   | \$ 667,810,568   | \$ 585,217,747   | \$ 573,596,418   | \$ 598,756,360   | \$ 413,453,203   | \$ 421,975,513   | \$ 371,080,164   |
| <b>OPERATING EXPENSES</b>                               |                  |                  |                  |                  |                  |                  |                  |                  |
| Engineering and Maintenance of Roadway and Structures   | 48,942,122       | 46,309,976       | 44,833,917       | 35,261,319       | 34,886,799       | 32,579,707       | 35,274,963       | 30,537,090       |
| Services and Toll Collection                            | 116,613,280      | 110,681,535      | 86,550,454       | 84,164,027       | 82,716,282       | 78,646,218       | 71,893,237       | 65,285,543       |
| Traffic Control, Safety Patrol and Radio Communications | 22,649,767       | 22,374,844       | 21,246,925       | 18,743,387       | 18,034,485       | 15,340,985       | 16,147,314       | 15,266,993       |
| Procurement, IT, Finance, and Administration            | 22,406,891       | 22,100,592       | 24,261,781       | 19,983,865       | 22,018,346       | 20,933,265       | 19,524,219       | 14,600,472       |
| Insurance and Employee Benefits                         | 72,493,677       | 59,634,767       | 52,414,462       | 49,640,432       | 44,659,657       | 47,756,919       | 41,343,365       | 38,813,064       |
| Depreciation and Amortization                           | 297,371,719      | 278,626,714      | 219,434,538      | 186,283,372      | 152,195,010      | 142,835,466      | 162,785,493      | 146,304,077      |
| Total Operating Expenses                                | \$ 580,477,456   | \$ 539,728,428   | \$ 448,742,077   | \$ 394,076,402   | \$ 354,510,579   | \$ 338,092,560   | \$ 346,968,591   | \$ 310,807,239   |
| Operating Income  | \$ 77,512,774    | \$ 128,082,140   | \$ 136,475,670   | \$ 179,520,016   | \$ 244,245,781   | \$ 75,360,643    | \$ 75,006,922    | \$ 60,272,925    |
| <b>NONOPERATING REVENUES (EXPENSES)</b>                 |                  |                  |                  |                  |                  |                  |                  |                  |
| Investment Income                                       | 3,199,960        | 22,979,654       | 43,367,461       | 74,738,940       | 32,298,872       | 6,966,085        | 8,255,543        | 10,672,163       |
| Intergovernmental Contributions                         | 6,570,819        | 1,071,429        | -                | -                | -                | -                | -                | -                |
| Intergovernmental Agreement Revenue                     | 97,983,825       | 81,091,003       | -                | -                | -                | -                | -                | -                |
| Build America Bond Interest Subsidy                     | 6,422,870        | -                | -                | -                | -                | -                | -                | -                |
| Net Increase (Decrease) in Fair Value of Investments    | (1,365,846)      | (221,181)        | 3,297,367        | (2,471,262)      | (2,092,025)      | (72,859)         | (301,544)        | 3,248,780        |
| Net Gain (Loss) on Disposal of Property                 | (3,249,477)      | 377,214          | (8,491,090)      | (2,240,196)      | 175,863          | 1,776,272        | 206,450          | (1,105,919)      |
| Interest Expense and Amortization of Financing Costs    | (190,168,729)    | (130,889,438)    | (92,553,608)     | (93,613,153)     | (62,796,040)     | (39,768,842)     | (43,176,693)     | (44,257,135)     |
| Intergovernmental Agreement Expense                     | (97,983,825)     | (81,091,003)     | -                | -                | -                | -                | -                | -                |
| Miscellaneous Income/(Expense)                          | 13,424,947       | 542,517          | (11,461,519)     | 5,751,428        | -                | -                | -                | -                |
| Total Nonoperating Revenues (Expenses)                  | \$ (165,165,456) | \$ (106,139,805) | \$ (65,841,389)  | \$ (17,834,243)  | \$ (32,413,330)  | \$ (31,099,344)  | \$ (35,016,244)  | \$ (31,442,111)  |
| <b>(DECREASE) INCREASE IN NET ASSETS</b>                | (87,652,682)     | 21,942,335       | 70,634,281       | 161,685,773      | 211,832,451      | 44,261,299       | 39,990,678       | 28,830,814       |
| <b>NET ASSETS AT BEGINNING OF YEAR</b>                  | 2,105,546,159    | 2,083,603,824    | 2,012,969,543    | 1,771,950,569    | 1,560,118,118    | 1,515,856,819    | 1,467,079,433    | 1,438,248,619    |
| <b>NET ASSETS AT END OF YEAR</b>                        | \$ 2,017,893,477 | \$ 2,105,546,159 | \$ 2,083,603,824 | \$ 1,933,636,342 | \$ 1,771,950,569 | \$ 1,560,118,118 | \$ 1,507,070,111 | \$ 1,467,079,433 |

10 years of data is not available for presentation.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Revenues by Source (GAAP Basis)  
Last Eight Fiscal Years

|                                     | Toll Revenue   | Toll Evasion<br>Recovery | Concessions  | Miscellaneous | Total Revenue  |
|-------------------------------------|----------------|--------------------------|--------------|---------------|----------------|
| 2002                                | \$ 363,235,305 | \$ 46,079                | \$ 4,076,456 | \$ 3,722,324  | \$ 371,080,164 |
| 2003                                | 377,453,858    | 37,249,197               | 3,701,249    | 3,571,209     | 421,975,513    |
| 2004                                | 391,586,232    | 15,767,091               | 2,654,668    | 3,445,212     | 413,453,203    |
| 2005                                | 580,441,697    | 13,256,859               | 2,790,847    | 2,266,957     | 598,756,360    |
| 2006                                | 567,499,808    | 196,461                  | 3,031,576    | 2,868,573     | 573,596,418    |
| 2007                                | 572,092,902    | 6,516,958                | 3,788,756    | 2,819,131     | 585,217,747    |
| 2008                                | 583,646,592    | 77,653,862               | 2,236,551    | 4,273,563     | 667,810,568    |
| 2009                                | 592,063,529    | 54,828,660               | 2,338,841    | 8,759,200     | 657,990,230    |
| <b>Change from<br/>2002 to 2009</b> | 63.0%          | 118888.4%                | -42.6%       | 135.3%        | 77.3%          |

10 years of data is not available for presentation.

Certain balances for 2008 have changed from the previous year's presentation – see Note 16.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Toll Revenue by Toll Plaza (GAAP Basis)  
Last Nine Fiscal Years

| Toll Plaza                                       | Plaza<br>Number | 2009                  | 2008                  | 2007                  | 2006                  | 2005                  | 2004                 | 2003                 | 2002                 | 2001                 |
|--|-----------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>JANE ADDAMS MEMORIAL TOLLWAY (NORTHWEST):</b> |                 |                       |                       |                       |                       |                       |                      |                      |                      |                      |
| WESTERN SECTION:                                 |                 |                       |                       |                       |                       |                       |                      |                      |                      |                      |
| South Beloit                                     | 1               | \$ 25,235,627         | \$ 25,322,241         | \$ 26,830,755         | \$ 26,383,291         | \$ 27,583,000         | \$ 12,958,687        | \$ 10,447,747        | \$ 10,406,233        | \$ 10,013,857        |
| Riverside Drive                                  | 2               | 1,168,112             | 1,117,439             | 1,035,965             | 843,952               | 774,838               | 515,755              | 414,449              | 390,089              | 347,334              |
| South Rockford                                   | 3               | -                     | -                     | -                     | -                     | -                     | 917,798              | 1,622,134            | 1,764,638            | 1,523,999            |
| Route 173  | 4               | 614,479               | 570,041               | 278,404               | -                     | -                     | -                    | -                    | -                    | -                    |
| Belvidere  | 5               | 14,026,981            | 14,072,128            | 14,305,341            | 13,969,134            | 14,453,671            | 8,066,087            | 7,609,730            | 7,770,070            | 7,601,125            |
| Marengo  | 7               | 15,901,593            | 16,224,587            | 15,775,474            | 15,811,292            | 16,109,600            | 9,290,906            | 8,701,938            | 8,871,863            | 8,644,019            |
| Randall Road                                     | 8               | 1,257,254             | 1,284,311             | 1,242,444             | 1,191,452             | 1,160,792             | 834,950              | 673,515              | 620,200              | 551,383              |
| Elgin  | 9               | 24,781,192            | 24,961,460            | 24,676,301            | 23,961,581            | 24,330,122            | 15,658,922           | 14,761,417           | 14,094,990           | 13,822,505           |
| EASTERN SECTION                                  |                 |                       |                       |                       |                       |                       |                      |                      |                      |                      |
| Barrington Road                                  | 10              | 1,091,721             | 1,119,303             | 1,134,063             | 1,254,969             | 1,287,160             | 1,066,524            | 1,077,456            | 951,219              | 1,109,697            |
| Route 31   | 11              | 3,099,635             | 3,093,940             | 3,221,424             | 3,502,222             | 3,507,383             | 2,927,477            | 2,528,554            | 2,332,747            | 2,601,335            |
| Roselle Rd                                       | 12              | 1,163,776             | 1,132,132             | 1,068,669             | 1,105,596             | 1,145,233             | 989,433              | 932,678              | 810,171              | 919,773              |
| Route 25   | 13              | 956,875               | 1,032,590             | 1,084,534             | 1,177,995             | 1,200,037             | 914,070              | 815,146              | 739,323              | 852,500              |
| Route 59   | 14              | 692,618               | 691,510               | 664,398               | 637,033               | 627,252               | 535,065              | 493,921              | 462,725              | 378,942              |
| Route 53   | 15              | 3,527,547             | 3,415,206             | 3,440,463             | 3,551,472             | 3,458,449             | 2,540,640            | 2,126,918            | 2,137,907            | 2,008,362            |
| Route 16 (Beverly Rd)                            | 16              | 1,655,483             | 1,606,868             | 1,456,851             | 1,611,084             | 1,703,091             | 1,266,745            | 1,191,014            | 1,017,333            | 1,156,060            |
| Devon Avenue                                     | 17              | 18,073,323            | 18,593,856            | 18,475,502            | 18,098,289            | 21,095,490            | 15,167,605           | 14,917,430           | 14,173,821           | 15,516,284           |
| Arlington Heights Rd                             | 18              | 2,926,321             | 2,914,846             | 3,001,904             | 2,927,023             | 2,778,785             | 2,250,750            | 2,122,100            | 1,838,625            | 1,957,906            |
| River Road                                       | 19              | 13,221,147            | 13,177,712            | 12,604,155            | 13,195,475            | 15,332,230            | 11,749,287           | 11,718,731           | 11,470,555           | 12,284,035           |
|  |                 | <u>\$ 129,393,684</u> | <u>\$ 130,330,170</u> | <u>\$ 130,296,647</u> | <u>\$ 129,221,860</u> | <u>\$ 136,547,133</u> | <u>\$ 87,650,701</u> | <u>\$ 82,154,878</u> | <u>\$ 79,852,509</u> | <u>\$ 81,289,116</u> |

10 years of data is not available for presentation.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Toll Revenue by Toll Plaza (GAAP Basis) - Continued  
Last Nine Fiscal Years

| Toll Plaza                                  | Plaza<br>Number | 2009                 | 2008                 | 2007                 | 2006                 | 2005                 | 2004                 | 2003                 | 2002                 | 2001                 |
|---|-----------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>REAGAN MEMORIAL TOLLWAY (EAST-WEST):</b> |                 |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| EASTERN SECTION:                            |                 |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| York Road                                   | 51              | \$ 14,098,853        | \$ 13,611,550        | \$ 15,594,535        | \$ 28,825,800        | \$ 34,024,883        | \$ 24,710,761        | \$ 23,571,972        | \$ 22,677,694        | \$ 22,952,175        |
| Meyers Road                                 | 52              | 13,299,792           | 13,688,586           | 15,037,979           | 3,918,875            | -                    | -                    | -                    | -                    | -                    |
| Spring Road                                 | 53              | 1,092,645            | 1,117,416            | 1,308,128            | 1,281,111            | 1,247,968            | 1,135,959            | 1,129,873            | 1,122,042            | 1,237,336            |
| Route 83                                    | 54              | 1,256,377            | 1,303,216            | 1,378,382            | 411,950              | -                    | -                    | -                    | -                    | -                    |
| Midwest Road                                | 55              | 513,693              | 465,140              | 421,554              | 971,091              | 1,420,687            | 1,311,106            | 1,247,112            | 1,221,598            | 1,295,660            |
| Highland Avenue                             | 56              | 1,782,123            | 1,792,728            | 1,724,252            | 1,803,764            | 1,663,700            | 1,444,287            | 1,374,887            | 1,297,580            | 1,333,902            |
| Naperville Road                             | 57              | 620,527              | 561,807              | 247,083              | 499,242              | 591,286              | 585,687              | 549,182              | 543,593              | 531,590              |
| Winfield Road                               | 58              | 509,667              | 567,139              | 785,807              | 605,029              | 456,027              | 413,509              | 375,302              | 350,917              | 295,034              |
| Farnsworth Road                             | 59              | 4,354,527            | 4,193,611            | 3,977,423            | 4,245,236            | 4,027,012            | 2,973,155            | 2,437,770            | 2,361,911            | 2,553,581            |
| Aurora                                      | 61              | 17,542,168           | 16,976,347           | 18,127,768           | 18,531,964           | 17,773,521           | 12,555,650           | 12,316,697           | 11,449,956           | 9,998,674            |
| WESTERN SECTION:                            |                 |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Route 31                                    | 63              | 335,656              | 268,255              | 545,239              | 552,436              | 525,237              | 386,881              | 330,237              | 331,795              | 367,202              |
| Orchard Rd.                                 | 64              | 752,448              | 732,731              | 640,503              | 580,702              | 520,004              | 387,590              | 317,910              | 276,842              | 276,523              |
| DeKalb East (Peace Rd)                      | 65              | 2,094,029            | 2,058,003            | 2,023,308            | 2,045,837            | 1,748,966            | 1,254,582            | 1,060,129            | 987,337              | 969,628              |
| DeKalb Main                                 | 66              | 16,351,774           | 15,667,524           | 15,647,288           | 14,498,904           | 12,932,195           | 7,872,356            | 8,207,759            | 7,115,704            | 6,391,585            |
| DeKalb (Annie Glidden Rd)                   | 67              | 1,549,878            | 1,468,141            | 1,484,467            | 1,596,770            | 2,061,710            | 1,664,610            | 1,656,923            | 1,479,739            | 1,174,440            |
| Dixon Mainline                              | 69              | 13,676,669           | 13,177,619           | 13,114,045           | 11,174,733           | 9,858,706            | 5,983,539            | 6,109,396            | 5,702,005            | 5,487,356            |
| Dixon Ramp 1                                | 70              | -                    | -                    | -                    | 198,327              | 336,070              | 219,309              | 188,956              | 179,868              | 151,570              |
| Dixon Ramp 2                                | 71              | -                    | -                    | -                    | 880,429              | 1,343,021            | 941,532              | 805,853              | 773,121              | 683,114              |
|   |                 | <u>\$ 89,830,826</u> | <u>\$ 87,649,813</u> | <u>\$ 92,057,761</u> | <u>\$ 92,622,200</u> | <u>\$ 90,530,993</u> | <u>\$ 63,840,513</u> | <u>\$ 61,679,958</u> | <u>\$ 57,871,702</u> | <u>\$ 55,699,370</u> |

10 years of data is not available for presentation.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Toll Revenue by Toll Plaza (GAAP Basis) - Continued  
Last Nine Fiscal Years

| Toll Plaza                   | Plaza<br>Number | 2009           | 2008           | 2007           | 2006           | 2005           | 2004           | 2003           | 2002           | 2001           |
|------------------------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| TRI-STATE TOLLWAY:           |                 |                |                |                |                |                |                |                |                |                |
| NORTHERN SECTION:            |                 |                |                |                |                |                |                |                |                |                |
| Buckley Road                 | 20              | \$ 1,088,014   | \$ 908,583     | \$ 822,451     | \$ 807,752     | \$ 885,087     | \$ 776,180     | \$ 735,539     | \$ 664,564     | \$ 682,003     |
| Waukegan                     | 21              | 38,835,619     | 37,611,917     | 39,495,418     | 42,136,567     | 43,461,370     | 24,156,452     | 23,854,103     | 22,693,247     | 22,532,414     |
| Route 60                     | 22              | 1,094,784      | 950,758        | 1,064,386      | 1,116,365      | 1,131,062      | 937,919        | 983,699        | 913,918        | 986,496        |
| Half Day Road                | 23              | 904,295        | 1,042,946      | 1,144,347      | 1,194,063      | 1,247,086      | 988,235        | 838,003        | 940,522        | 1,148,228      |
| Edens Spur                   | 24              | 15,440,293     | 14,406,731     | 15,842,507     | 16,912,037     | 18,038,128     | 11,885,624     | 11,931,403     | 11,539,505     | 10,765,756     |
| Lake Cook Road               | 26              | 3,546,201      | 3,565,800      | 3,828,910      | 3,739,047      | 3,629,646      | 2,657,684      | 2,381,347      | 2,058,080      | 1,281,999      |
| Willow Road                  | 27              | 3,368,255      | 3,302,397      | 3,050,296      | 3,481,053      | 3,293,200      | 2,842,712      | 2,536,281      | 2,385,463      | 2,806,436      |
| Golf Road                    | 28              | 3,420,611      | 3,416,909      | 3,711,393      | 3,903,549      | 3,822,194      | 2,986,869      | 2,705,086      | 2,904,131      | 3,277,272      |
| CENTRAL SECTION:             |                 |                |                |                |                |                |                |                |                |                |
| Touhy Avenue                 | 29              | 21,875,432     | 21,501,911     | 21,990,791     | 25,301,960     | 25,565,231     | 17,941,304     | 17,758,932     | 17,188,466     | 17,580,265     |
| O'Hare West                  | 31              | 3,581,919      | 3,831,869      | 4,075,336      | 4,173,715      | 4,074,305      | 3,181,501      | 2,899,042      | 3,004,786      | 3,266,109      |
| O'Hare East                  | 32              | 3,600,944      | 4,058,177      | 4,260,308      | 4,276,021      | 3,957,574      | 3,085,216      | 2,791,380      | 2,945,824      | 3,100,720      |
| Irving Park Road             | 33              | 20,902,093     | 21,375,825     | 22,699,363     | 22,838,478     | 23,370,770     | 16,683,523     | 16,389,690     | 15,778,468     | 15,302,589     |
| 75th St. (Willow Springs Rd) | 34              | 1,956,474      | 1,977,680      | 1,914,772      | 1,974,737      | 1,932,731      | 1,106,766      | 988,326        | 1,054,582      | 1,014,065      |
| Cermak Road                  | 35              | 39,446,104     | 39,351,136     | 41,486,213     | 40,841,586     | 41,780,596     | 27,532,155     | 27,197,949     | 25,510,913     | 23,921,345     |
| SOUTHERN SECTION:            |                 |                |                |                |                |                |                |                |                |                |
| 82nd Street                  | 36              | 18,283,772     | 18,538,749     | 22,322,985     | 21,654,345     | 22,214,041     | 14,627,647     | 14,365,694     | 13,661,569     | 12,480,695     |
| I-55 (Stevenson Expressway)  | 37              | 6,601,247      | 6,163,670      | 5,848,223      | 6,703,122      | 6,664,951      | 4,190,522      | 3,992,882      | 3,520,472      | 3,712,902      |
| 95th Street                  | 38              | 2,489,008      | 2,661,269      | 2,712,443      | 2,625,874      | 2,746,034      | 1,785,107      | 1,520,842      | 1,543,479      | 1,545,992      |
| 83rd Street                  | 39              | 18,171,747     | 18,797,801     | 21,948,441     | 20,838,615     | 21,274,482     | 14,388,180     | 14,131,225     | 13,469,173     | 12,324,789     |
| 159th Street                 | 40              | 2,031,375      | 2,293,107      | 3,461,818      | 5,155,368      | 3,826,158      | 2,130,938      | 1,664,960      | 1,724,525      | 2,198,972      |
| 163rd Street                 | 41              | 31,154,805     | 31,424,656     | 36,002,318     | 31,651,475     | 33,917,099     | 20,676,961     | 20,847,280     | 20,044,131     | 17,197,231     |
| I-80 Westbound               | 43              | 9,480,275      | 9,003,061      | 7,849,812      | 5,997,921      | 6,496,000      | 3,891,744      | 3,915,560      | 3,905,039      | 3,751,867      |
| I-80 Eastbound               | 45              | 9,329,820      | 8,860,204      | 7,790,133      | 5,631,042      | 7,306,771      | 3,790,107      | 3,885,604      | 3,825,252      | 3,677,405      |
| Halsted Street               | 47              | 2,049,649      | 1,971,568      | 1,530,762      | 1,142,316      | 1,356,371      | 1,225,401      | 1,127,229      | 1,202,580      | 1,151,032      |
|                              |                 | \$ 258,652,736 | \$ 257,016,724 | \$ 274,853,426 | \$ 274,097,008 | \$ 281,990,887 | \$ 183,468,747 | \$ 179,442,056 | \$ 172,478,689 | \$ 165,706,582 |

10 years of data is not available for presentation.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Toll Revenue by Toll Plaza (GAAP Basis) - Continued  
Last Nine Fiscal Years

| Toll Plaza                                      | Plaza<br>Number | 2009                  | 2008                  | 2007                  | 2006                  | 2005                  | 2004                  | 2003                  | 2002                  | 2001                  |
|---|-----------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>VETERANS MEMORIAL TOLLWAY (NORTH-SOUTH):</b> |                 |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| NORTHERN SECTION:                               |                 |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Army Trail Road                                 | 73              | \$ 29,307,534         | \$ 29,291,830         | \$ 28,276,067         | \$ 28,401,464         | \$ 28,653,765         | \$ 22,673,411         | \$ 21,601,027         | \$ 20,998,969         | \$ 20,706,113         |
| North Avenue                                    | 75              | 5,777,117             | 5,696,651             | 5,751,292             | 5,789,741             | 5,650,694             | 4,458,268             | 4,230,735             | 4,571,936             | 4,560,085             |
| Roosevelt Road                                  | 77              | 2,140,078             | 2,048,499             | 2,043,047             | 2,068,631             | 2,037,189             | 1,765,074             | 1,615,944             | 1,564,973             | 1,680,145             |
| Butterfield Road                                | 79              | 1,866,968             | 1,868,556             | 1,744,271             | 1,730,117             | 1,632,444             | 1,465,721             | 1,369,738             | 1,277,168             | 1,273,899             |
| SOUTHERN SECTION:                               |                 |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Ogden Avenue                                    | 81              | 471,477               | 513,554               | 503,718               | 454,930               | 411,798               | 363,392               | 360,225               | 325,609               | 336,206               |
| Maple Avenue                                    | 83              | 1,587,843             | 1,635,285             | 1,692,871             | 1,643,775             | 1,602,975             | 1,435,226             | 1,307,007             | 1,224,729             | 1,181,751             |
| 63rd Street                                     | 85              | 2,388,491             | 2,407,346             | 2,497,638             | 2,532,161             | 2,390,546             | 2,157,229             | 1,883,689             | 2,000,161             | 2,092,897             |
| 75th Street                                     | 87              | 2,859,632             | 3,072,069             | 3,387,915             | 3,571,094             | 3,527,218             | 3,083,565             | 2,902,724             | 2,735,677             | 2,917,960             |
| Boughton Road                                   | 89              | 30,724,141            | 29,484,985            | 24,726,213            | 24,469,221            | 24,746,569            | 18,575,052            | 18,278,807            | 17,729,499            | 16,712,214            |
| Boughton Ramp                                   | 90              | 1,299,068             | 1,193,429             | 774,066               | 601,929               | 470,624               | 362,058               | 307,444               | 264,987               | 263,159               |
| 127th Street                                    | 93              | 1,544,261             | 1,331,573             | 4,040                 | -                     | -                     | -                     | -                     | -                     | -                     |
| Archer Ave/143Rd Street                         | 95              | 2,165,616             | 1,783,164             | 182,742               | -                     | -                     | -                     | -                     | -                     | -                     |
| Route 7 (159th Street)                          | 97              | 3,882,286             | 3,466,494             | 372,119               | -                     | -                     | -                     | -                     | -                     | -                     |
| Spring Creek                                    | 99              | 27,450,312            | 24,313,287            | 2,461,905             | -                     | -                     | -                     | -                     | -                     | -                     |
| Route 6   | 101             | 357,860               | 266,496               | 25,245                | -                     | -                     | -                     | -                     | -                     | -                     |
|   |                 | \$ 113,822,684        | \$ 108,373,218        | \$ 74,443,149         | \$ 71,263,063         | \$ 71,123,822         | \$ 56,338,996         | \$ 53,857,340         | \$ 52,693,708         | \$ 51,724,429         |
| OVER DIMENSION VEHICLES                         |                 | 363,599               | 276,665               | 273,720               | 295,677               | 248,862               | 287,275               | 319,626               | 338,697               | 354,466               |
| <b>TOTAL TOLL REVENUE</b>                       |                 | <b>\$ 592,063,529</b> | <b>\$ 583,646,592</b> | <b>\$ 572,092,902</b> | <b>\$ 567,499,808</b> | <b>\$ 580,441,697</b> | <b>\$ 391,586,232</b> | <b>\$ 377,453,858</b> | <b>\$ 363,235,305</b> | <b>\$ 354,773,963</b> |

10 years of data is not available for presentation.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Historical Toll Rates by Vehicle Class  
For the Years 1959 to 2009

| Vehicle Class  |   | Period    |           |           |           |                               |                       |
|----------------|---|-----------|-----------|-----------|-----------|-------------------------------|-----------------------|
| Classification | Description   | 1959-1963 | 1964-1970 | 1971-1983 | 1983-2004 | 2005 - 2009 <sup>(1)(2)</sup> |                       |
|                |   |           |           |           |           | Non-Discounted                | Discounted            |
| 1              | Automobile, motorcycle, taxi, station wagon, ambulance, single unit truck or tractor, tow axles, four or less tires | \$0.30    | \$0.35    | \$0.30    | \$0.40    | \$0.80 <sup>(3)</sup>         | \$0.40 <sup>(3)</sup> |
| 2              | Single unit truck or tractor, buses, two axles, six tires   | \$0.40    | \$0.45    | \$0.30    | \$0.50    | \$1.50                        | \$1.00                |
| 3              | Three axle trucks and buses   | \$0.50    | \$0.50    | \$0.45    | \$0.75    | \$2.25                        | \$1.75                |
| 3              | Trucks with four axles  | \$0.50    | \$0.60    | \$0.60    | \$1.00    | \$2.25                        | \$1.75                |
| 3              | Class 1 vehicle with one axle trailer   | \$0.50    | \$0.50    | \$0.45    | \$0.60    | \$2.25                        | \$1.75                |
| 3              | Class 1 vehicle with two axle trailer   | \$0.50    | \$0.60    | \$0.60    | \$0.80    | \$2.25                        | \$1.75                |
| 4              | Trucks with five axles  | \$0.50    | \$0.75    | \$0.75    | \$1.25    | \$4.00                        | \$3.00                |
| 4              | Trucks with six axles   | \$0.50    | \$0.90    | \$0.90    | \$1.50    | \$4.00                        | \$3.00                |
| 4              | Miscellaneous, special or unusual vehicles classified above   | \$0.50    | \$0.90    | \$1.00    | \$1.75    | \$4.00                        | \$3.00                |

<sup>(1)</sup>Class 1 vehicles making payment via I-PASS at the time of the transaction are tolled at the discounted rate. The non-discounted rate applies to cash and other post-pay forms of payment.

<sup>(2)</sup>Commercial vehicles (Tiers 2 - 4) discounted rate applies overnight from 10PM to 6AM. At other times the non-discounted rate applies. From 2005 through 2008, commercial vehicles using I-PASS were tolled at the discounted rate between 9AM and 3:30PM on weekdays and at all times on the weekends.

<sup>(3)</sup> The toll rate for Class 1 I-355 and I-355 Extension is \$0.50 (I-PASS) and \$1.00 (Cash).



Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Toll Revenue Versus Traffic (GAAP Basis)  
Last Seven Fiscal Years  
(Amounts in thousands)

|                           |                | 2009       | 2008       | 2007       | 2006       | 2005       | 2004       | 2003       |
|---------------------------|----------------|------------|------------|------------|------------|------------|------------|------------|
| <i>Passenger</i>          | <i>Revenue</i> | \$ 334,520 | \$ 335,653 | \$ 321,008 | \$ 324,556 | \$ 341,352 | \$ 287,218 | \$ 275,751 |
|                           | <i>Traffic</i> | 694,837    | 688,516    | 696,055    | 678,535    | 695,378    | 714,120    | 693,507    |
| <i>Commercial</i>         | <i>Revenue</i> | \$ 257,543 | \$ 247,993 | \$ 251,085 | \$ 242,943 | \$ 239,090 | \$ 104,368 | \$ 101,703 |
|                           | <i>Traffic</i> | 80,516     | 89,366     | 92,237     | 85,590     | 85,068     | 109,025    | 108,096    |
| <i>Total</i>              | <i>Revenue</i> | \$ 592,063 | \$ 583,646 | \$ 572,093 | \$ 567,499 | \$ 580,442 | \$ 391,586 | \$ 377,454 |
|                           | <i>Traffic</i> | 775,353    | 777,882    | 788,292    | 764,125    | 780,446    | 823,145    | 801,603    |
| <i>Revenue Percentage</i> |                |            |            |            |            |            |            |            |
|                           | Passenger      | 57%        | 58%        | 56%        | 57%        | 59%        | 73%        | 73%        |
|                           | Commercial     | 43%        | 42%        | 44%        | 43%        | 41%        | 27%        | 27%        |
| <i>Traffic Percentage</i> |                |            |            |            |            |            |            |            |
|                           | Passenger      | 90%        | 89%        | 88%        | 89%        | 89%        | 87%        | 87%        |
|                           | Commercial     | 10%        | 11%        | 12%        | 11%        | 11%        | 13%        | 13%        |

10 years of data is not available for presentation.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Toll Revenue by Class of Vehicles and Other Revenue Sources  
Last Two Fiscal Years

| Class of Vehicle   | 2009                        |                       | 2008                        |                       |
|--|-----------------------------|-----------------------|-----------------------------|-----------------------|
|  | Average Daily Transactions* | Revenue               | Average Daily Transactions* | Revenue               |
| 1. Auto, motorcycle, taxi, station wagon, ambulance, single-unit truck or tractor:<br>2 axles, 4 tires | 1,903,663                   | \$ 334,519,451        | 1,881,192                   | \$ 335,653,248        |
| 2. Single-unit truck or tractor, buses:<br>2 axles, 6 tires  | 34,542                      | 17,144,543            | 37,199                      | 15,738,510            |
| 3. Trucks and buses with 3 & 4 axles   | 34,157                      | 26,464,126            | 35,534                      | 24,290,663            |
| 4. Trucks with 5 or more axles, other vehicles and toll adjustments                                    | 151,892                     | 213,935,409           | 171,436                     | 207,964,171           |
| <b>TOTAL</b>   | <b>2,124,254</b>            | <b>592,063,529</b>    | <b>2,125,361</b>            | <b>583,646,592</b>    |
| <b>Other Revenues</b>  |                             |                       |                             |                       |
| Toll Evasion Recovery  |                             | 54,828,660            |                             | 77,653,862            |
| Concessions  |                             | 2,338,841             |                             | 2,236,551             |
| Interest - Revenue Fund  |                             | 3,199,960             |                             | 22,980,042            |
| Gain (Loss) on Sale of Investments   |                             | -                     |                             | 1,125                 |
| Miscellaneous  |                             | 5,620,819             |                             | 4,595,310             |
| <b>TOTAL</b>   |                             | <b>\$ 658,051,809</b> |                             | <b>\$ 691,113,482</b> |

\* The "Average Daily Transactions" represents the average daily number of vehicles passing through the toll plazas.

Illinois State Toll Highway Authority  
 (A Component Unit of the State of Illinois)  
 Rehabilitation Repair and Replacement Program  
 For the Years 1996 through 2009

| Year | Total Funds<br>Credited (1) |
|------|-----------------------------|
| 1996 | \$ 71,480,356               |
| 1997 | 31,632,184                  |
| 1998 | 30,493,591                  |
| 1999 | 59,505,292                  |
| 2000 | 87,517,692                  |
| 2001 | 91,073,256                  |
| 2002 | 121,375,438                 |
| 2003 | 157,366,445                 |
| 2004 | 157,375,682                 |
| 2005 | 204,609,580                 |
| 2006 | 186,545,035                 |
| 2007 | 198,331,687                 |
| 2008 | 1,907,175                   |
| 2009 | 161,463,238                 |

(1) - Includes earnings on the Renewal and Replacement Account

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Operating Revenues, Maintenance and Operating  
Expenses, Net Operating Revenues and Debt Service Coverage  
Trust Indenture Basis  
For the Years 2005 through 2009  
(Amounts in Thousands)

|   | 2009              | 2008              | 2007              | 2006              | 2005              |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Operating Revenue:                          |                   |                   |                   |                   |                   |
| Toll Revenue                                | \$ 592,063        | \$ 583,647        | \$ 572,093        | \$ 567,500        | \$ 580,442        |
| Toll Evasion Recovery                       | 54,829            | 77,654            | 10,080            | 195               | 13,257            |
| Concession & Other Revenue                  | 7,960             | 6,832             | 5,775             | 5,900             | 8,014             |
| Interest Income (1)                         | 3,200             | 22,980            | 49,846            | 33,359            | 11,321            |
| Total Operating Revenue                     | <u>\$ 658,052</u> | <u>\$ 691,113</u> | <u>\$ 637,794</u> | <u>\$ 606,954</u> | <u>\$ 613,034</u> |
| Maintenance and Operating Expenses:         |                   |                   |                   |                   |                   |
| Engineering and Maintenance                 | \$ 47,895         | \$ 43,899         | \$ 44,834         | \$ 35,559         | \$ 31,644         |
| Toll Services                               | 91,541            | 100,464           | 79,538            | 85,887            | 86,089            |
| Police, Safety and Communication            | 22,650            | 21,895            | 21,247            | 19,145            | 18,034            |
| Procurement, IT, Finance and Administration | 20,605            | 18,382            | 24,262            | 23,279            | 27,698            |
| Insurance and Employee Benefits             | 72,494            | 59,635            | 52,414            | 49,640            | 42,110            |
| Total Expenses                              | <u>255,185</u>    | <u>244,275</u>    | <u>222,295</u>    | <u>213,510</u>    | <u>205,575</u>    |
| Net Operating Revenues                      | <u>\$ 402,867</u> | <u>\$ 446,838</u> | <u>\$ 415,499</u> | <u>\$ 393,444</u> | <u>\$ 407,459</u> |
| Total Debt Service (2) (3)                  | \$ 172,254        | \$ 198,429        | \$ 172,284        | \$ 145,633        | \$ 99,366         |
| Net Revenues After Debt Service (2)         | \$ 230,613        | \$ 248,409        | \$ 243,215        | \$ 247,811        | \$ 308,093        |
| Debt Service Coverage (2)                   | 2.339             | 2.252             | 2.412             | 2.702             | 4.101             |

(1) - Excludes interest income on construction funds.

(2) - Includes an annual synthetic fixed interest rate as determined under swap agreements for 1993 Series B, 1998 Series B, 2007 Series A and 2008 Series A. See footnote 8 for specifics.

(3) - In January 2009 the Tollway early retired the 1993B bonds (\$44.4 million of principal) from existing funds. The amount is not shown as part of the FY2009 Total Debt Service above.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Annual Toll Transactions  
Passenger and Commercial Vehicles

For Selected Years from 1959 to 2009  
(Transactions in thousands)

| Year | Passenger | Commercial | Total   | % Passenger |
|------|-----------|------------|---------|-------------|
| 1959 | 37,884    | 5,050      | 42,937  | 88.23%      |
| 1964 | 72,721    | 7,005      | 79,726  | 91.21%      |
| 1969 | 146,476   | 14,488     | 160,964 | 91.00%      |
| 1974 | 204,360   | 28,446     | 232,806 | 87.78%      |
| 1979 | 268,051   | 42,606     | 310,657 | 86.29%      |
| 1984 | 308,104   | 42,890     | 350,994 | 87.78%      |
| 1989 | 428,745   | 57,193     | 485,938 | 88.23%      |
| 1994 | 565,601   | 66,693     | 632,294 | 89.45%      |
| 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 | 715,073   | 77,763     | 792,836 | 90.19%      |
| 2003 | 693,507   | 108,096    | 801,603 | 86.52%      |
| 2004 | 714,120   | 109,025    | 823,145 | 86.76%      |
| 2005 | 695,378   | 85,068     | 780,446 | 89.10%      |
| 2006 | 678,535   | 85,590     | 764,125 | 88.80%      |
| 2007 | 696,055   | 92,237     | 788,292 | 88.30%      |
| 2008 | 688,516   | 89,366     | 777,882 | 88.51%      |
| 2009 | 694,837   | 80,516     | 775,353 | 89.62%      |

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Annual Toll Revenues  
Passenger and Commercial Vehicles

For Selected Years from 1959 to 2009  
(Amounts in thousands)

| Year | Passenger | Commercial | Total     | % Passenger |
|------|-----------|------------|-----------|-------------|
| 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%      |
| 1974 | 55,419    | 14,891     | 70,310    | 78.82%      |
| 1979 | 73,048    | 24,068     | 97,116    | 75.22%      |
| 1984 | 114,233   | 43,094     | 157,327   | 72.61%      |
| 1989 | 155,394   | 57,387     | 212,781   | 73.03%      |
| 1994 | 215,221   | 66,922     | 282,143   | 76.28%      |
| 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 | 275,751   | 101,703    | 377,454   | 73.06%      |
| 2004 | 287,218   | 104,368    | 391,586   | 73.35%      |
| 2005 | 341,352   | 239,090    | 580,442   | 58.81%      |
| 2006 | 324,556   | 242,944    | 567,500   | 57.19%      |
| 2007 | 321,008   | 251,085    | 572,093   | 56.11%      |
| 2008 | 335,653   | 247,994    | 583,647   | 57.51%      |
| 2009 | 334,520   | 257,543    | 592,063   | 56.50%      |

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Operating Revenues, Maintenance and Operating  
Expenses and Net Operating Revenues <sup>1</sup>

For Select Years from 1964 to 2009  
(Amounts in thousands)

| Year | Operating<br>Revenue | Maintenance<br>and<br>Operating<br>Expenses | Net<br>Operating<br>Revenues |
|------|----------------------|---|------------------------------|
| 1964 | \$ 32,135            | \$ 6,832                                    | \$ 25,303                    |
| 1969 | 57,395               | 13,015                                      | 44,380                       |
| 1974 | 72,737               | 23,715                                      | 49,022                       |
| 1979 | 100,436              | 39,733                                      | 60,703                       |
| 1984 | 162,108              | 56,639                                      | 105,469                      |
| 1989 | 254,734              | 85,065                                      | 169,669                      |
| 1994 | 309,949              | 116,996                                     | 192,953                      |
| 1995 | 341,636              | 121,103                                     | 220,533                      |
| 1996 | 343,743              | 127,704                                     | 216,039                      |
| 1997 | 352,176              | 131,437                                     | 220,739                      |
| 1998 | 362,726              | 134,334                                     | 228,392                      |
| 1999 | 366,092              | 146,881                                     | 219,211                      |
| 2000 | 398,215              | 150,372                                     | 247,843                      |
| 2001 | 389,827              | 160,565                                     | 229,262                      |
| 2002 | 381,329              | 166,009                                     | 215,320                      |
| 2003 | 430,804              | 187,300                                     | 243,504                      |
| 2004 | 423,427              | 198,302                                     | 225,125                      |
| 2005 | 613,034              | 205,575                                     | 407,459                      |
| 2006 | 606,954              | 213,510                                     | 393,444                      |
| 2007 | 637,794              | 222,295                                     | 415,499                      |
| 2008 | 691,113              | 244,275                                     | 446,838                      |
| 2009 | 658,052              | 255,185                                     | 402,867                      |

(1) Determined according to the Series 1955 Bond Resolution through December 26, 1985, and in accordance with the Indenture subsequent to December 16, 1985.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Debt Service Coverage (GAAP Basis) <sup>(1)</sup>  
Last Eight Fiscal Years

|                     | Gross<br>Revenue <sup>(2)</sup> | Operating<br>Expenses <sup>(3)</sup> | Net Revenue<br>Available for<br>Debt Service | Debt Service Requirements <sup>(6)</sup> |                |                | Debt<br>Service<br>Coverage |
|---------------------|---------------------------------|--------------------------------------|--|--|----------------|----------------|-----------------------------|
|                     |                                 |                                      |  | Principal                                | Interest       | Total          |                             |
| 2009                | \$ 785,592,651                  | \$ 300,792,968                       | \$ 484,799,683                               | \$ 1,065,000                             | \$ 172,254,062 | \$ 173,319,062 | 2.797                       |
| 2008 <sup>(5)</sup> | 773,872,385                     | 261,101,715                          | 512,770,670                                  | 52,750,000                               | 145,678,579    | 198,428,579    | 2.584                       |
| 2007                | 646,613,131                     | 252,529,185                          | 394,083,946                                  | 50,030,000                               | 122,254,166    | 172,284,166    | 2.287                       |
| 2006                | 660,874,141                     | 219,291,843                          | 441,582,298                                  | 47,350,000                               | 98,283,402     | 145,633,402    | 3.032                       |
| 2005                | 642,619,648                     | 215,796,147                          | 426,823,501                                  | 45,035,000                               | 54,330,616     | 99,365,616     | 4.295                       |
| 2004 <sup>(4)</sup> | 428,790,126                     | 200,524,681                          | 228,265,445                                  | 13,455,000                               | 35,262,960     | 48,717,960     | 4.685                       |
| 2003 <sup>(4)</sup> | 441,655,172                     | 195,702,308                          | 245,952,864                                  | 71,130,000                               | 38,422,260     | 109,552,260    | 2.245                       |
| 2002                | 384,861,187                     | 165,469,161                          | 219,392,026                                  | 39,360,000                               | 40,302,840     | 79,662,840     | 2.754                       |

<sup>(1)</sup> - Note that for purposes of this chart, debt service owed on January 1st is treated as though due on December 31st of the preceding year.

<sup>(2)</sup> - Gross revenue includes operating and nonoperating revenue.

<sup>(3)</sup> - Operating expenses exclusive of depreciation and amortization.

<sup>(4)</sup> - Includes impact of \$29,895,000 series 1993B bonds originally due January 1, 2005 retired early in December, 2003.

<sup>(5)</sup> - Certain balances for 2008 have changed from the previous year's presentation - see Note 16.

<sup>(6)</sup> - All debt represents revenue bonds. The Tollway reports only business-type activities. Details about the Tollway's outstanding revenue bonds can be found in the notes to the financial statements.

10 years of data is not available for presentation.



Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Population, Commuting and Migration Statistics  
For the Years 2003 Through 2009

| Year | County    | Population       | Workers<br>Commuting to<br>Work | Percentage<br>that Carpool | Percentage that<br>drive alone | Mean Travel<br>Time in<br>Minutes | Migration Statistics |         |
|------|-----------|------------------|---------------------------------|----------------------------|--------------------------------|-----------------------------------|----------------------|---------|
|      |           |                  |                                 |                            |                                |                                   | In                   | Out     |
| 2009 | Boone     | 54,020           | n/a                             | n/a                        | n/a                            | n/a                               | n/a                  | n/a     |
|      | Cook      | 5,287,037        | n/a                             | n/a                        | n/a                            | n/a                               | n/a                  | n/a     |
|      | DeKalb    | 107,333          | n/a                             | n/a                        | n/a                            | n/a                               | n/a                  | n/a     |
|      | DuPage    | 932,541          | n/a                             | n/a                        | n/a                            | n/a                               | n/a                  | n/a     |
|      | Kane      | 511,892          | n/a                             | n/a                        | n/a                            | n/a                               | n/a                  | n/a     |
|      | Lake      | 712,567          | n/a                             | n/a                        | n/a                            | n/a                               | n/a                  | n/a     |
|      | McHenry   | 320,961          | n/a                             | n/a                        | n/a                            | n/a                               | n/a                  | n/a     |
|      | Will      | 685,251          | n/a                             | n/a                        | n/a                            | n/a                               | n/a                  | n/a     |
|      | Winnebago | 299,702          | n/a                             | n/a                        | n/a                            | n/a                               | n/a                  | n/a     |
|      |           | <u>8,911,304</u> |                                 |                            |                                |                                   |                      |         |
| 2008 | Boone     | 54,142           | 24,690                          | 10.9%                      | 83.2%                          | 32.3                              | n/a                  | n/a     |
|      | Cook      | 5,294,664        | 2,425,243                       | 9.7%                       | 63.5%                          | 32.0                              | n/a                  | n/a     |
|      | DeKalb    | 106,321          | 52,790                          | 8.7%                       | 79.9%                          | 24.9                              | n/a                  | n/a     |
|      | DuPage    | 930,528          | 474,062                         | 7.2%                       | 78.9%                          | 28.9                              | n/a                  | n/a     |
|      | Kane      | 507,579          | 242,035                         | 10.3%                      | 79.3%                          | 28.9                              | n/a                  | n/a     |
|      | Lake      | 712,453          | 349,971                         | 9.4%                       | 77.4%                          | 30.9                              | n/a                  | n/a     |
|      | McHenry   | 318,641          | 159,013                         | 8.3%                       | 81.1%                          | 33.2                              | n/a                  | n/a     |
|      | Will      | 681,097          | 327,594                         | 7.9%                       | 82.2%                          | 33.9                              | n/a                  | n/a     |
|      | Winnebago | 300,252          | 136,231                         | 9.5%                       | 84.6%                          | 21.6                              | n/a                  | n/a     |
|      |           | <u>8,905,677</u> |                                 |                            |                                |                                   |                      |         |
| 2007 | Boone     | 53,531           | 23,669                          | 11.3%                      | 81.9%                          | 30.7                              | 4,450                | 3,215   |
|      | Cook      | 5,285,107        | 2,379,962                       | 9.9%                       | 63.9%                          | 31.8                              | 116,866              | 165,586 |
|      | DeKalb    | 103,729          | 50,768                          | 8.5%                       | 80.6%                          | 24.4                              | 6,358                | 5,329   |
|      | DuPage    | 929,192          | 466,098                         | 7.1%                       | 79.3%                          | 28.9                              | 44,781               | 52,600  |
|      | Kane      | 501,021          | 235,466                         | 11.2%                      | 79.1%                          | 28.7                              | 27,194               | 24,531  |
|      | Lake      | 710,241          | 342,154                         | 8.5%                       | 78.7%                          | 30.6                              | 28,893               | 31,141  |
|      | McHenry   | 315,943          | 154,228                         | 8.2%                       | 81.6%                          | 33.6                              | 14,929               | 12,910  |
|      | Will      | 673,586          | 314,656                         | 8.6%                       | 81.3%                          | 33.8                              | 38,748               | 30,801  |
|      | Winnebago | 298,759          | 134,092                         | 9.5%                       | 84.5%                          | 21.6                              | 12,211               | 9,786   |
|      |           | <u>8,871,109</u> |                                 |                            |                                |                                   |                      |         |
| 2006 | Boone     | 52,617           | n/a                             | n/a                        | n/a                            | n/a                               | 4,753                | 3,253   |
|      | Cook      | 5,288,655        | 2,365,196                       | 1.00%                      | 64.0%                          | 31.7                              | 115,732              | 185,552 |
|      | DeKalb    | 100,139          | 51,295                          | 10.0%                      | 77.7%                          | 24.1                              | 6,681                | 5,363   |
|      | DuPage    | 932,670          | 496,226                         | 6.2%                       | 75.9%                          | 28.6                              | 49,701               | 59,133  |
|      | Kane      | 493,735          | 239,453                         | 10.9%                      | 79.2%                          | 28.3                              | 28,001               | 26,706  |
|      | Lake      | 713,076          | 351,677                         | 8.9%                       | 78.3%                          | 30.6                              | 32,547               | 33,177  |
|      | McHenry   | 312,373          | 160,378                         | 7.0%                       | 82.9%                          | 32.5                              | 17,393               | 13,765  |
|      | Will      | 668,217          | 332,924                         | 8.4%                       | 81.4%                          | 33.0                              | 47,918               | 31,155  |
|      | Winnebago | 295,635          | 136,215                         | 10.8%                      | 83.0%                          | 21.3                              | 11,460               | 9,877   |
|      |           | <u>8,857,117</u> |                                 |                            |                                |                                   |                      |         |

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Population, Commuting and Migration Statistics - Continued  
For the Years 2003 Through 2009

| Year | County    | Population       | Workers<br>Commuting to<br>Work | Percentage<br>that Carpool | Percentage that<br>drive alone | Mean Travel<br>Time in<br>Minutes | Migration Statistics |         |
|------|-----------|------------------|---------------------------------|----------------------------|--------------------------------|-----------------------------------|----------------------|---------|
|      |           |                  |                                 |                            |                                |                                   | In                   | Out     |
| 2005 | Boone     | 50,419           | n/a                             | n/a                        | n/a                            | n/a                               | 4,461                | 2,942   |
|      | Cook      | 5,303,943        | 2,323,617                       | 10.12%                     | 64.80%                         | 31.9                              | 107,743              | 183,991 |
|      | DeKalb    | 97,770           | 46,262                          | 7.55%                      | 84.22%                         | 24.9                              | 6,669                | 5,221   |
|      | DuPage    | 931,219          | 462,182                         | 8.22%                      | 79.02%                         | 27.4                              | 48,366               | 58,085  |
|      | Kane      | 483,208          | 206,014                         | 11.88%                     | 80.46%                         | 27.1                              | 26,802               | 26,187  |
|      | Lake      | 704,086          | 327,738                         | 8.54%                      | 80.14%                         | 30.7                              | 32,646               | 32,690  |
|      | McHenry   | 304,701          | 149,936                         | 8.07%                      | 82.23%                         | 34.4                              | 17,055               | 13,475  |
|      | Will      | 642,625          | 266,490                         | 10.25%                     | 81.64%                         | 32.1                              | 46,469               | 30,046  |
|      | Winnebago | 291,639          | 131,148                         | 9.09%                      | 85.28%                         | 21.4                              | 9,984                | 9,799   |
|      |           | <u>8,809,610</u> |                                 |                            |                                |                                   |                      |         |
| 2004 | Boone     | 48,399           | n/a                             | n/a                        | n/a                            | n/a                               | 4,252                | 2,836   |
|      | Cook      | 5,326,269        | 2,294,564                       | 10.70%                     | 64.50%                         | 32.4                              | 103,308              | 183,166 |
|      | DeKalb    | 95,358           | n/a                             | n/a                        | n/a                            | n/a                               | 6,545                | 5,640   |
|      | DuPage    | 929,439          | 470,816                         | 7.41%                      | 80.25%                         | 27.4                              | 54,863               | 63,405  |
|      | Kane      | 473,533          | 220,983                         | 12.62%                     | 78.48%                         | 27.7                              | 27,453               | 23,140  |
|      | Lake      | 693,425          | 320,526                         | 8.80%                      | 80.60%                         | 30.4                              | 32,999               | 32,777  |
|      | McHenry   | 296,625          | 148,824                         | 7.79%                      | 80.95%                         | 34.6                              | 16,531               | 13,442  |
|      | Will      | 617,846          | 291,934                         | 10.76%                     | 80.65%                         | 32.7                              | 40,557               | 23,294  |
|      | Winnebago | 288,549          | 127,966                         | 10.59%                     | 83.68%                         | 21.2                              | 9,562                | 9,840   |
|      |           | <u>8,769,443</u> |                                 |                            |                                |                                   |                      |         |
| 2003 | Boone     | 46,575           | n/a                             | n/a                        | n/a                            | n/a                               | 4,008                | 2,772   |
|      | Cook      | 5,348,906        | 2,324,996                       | 10.50%                     | 65.40%                         | 30.8                              | 102,830              | 179,682 |
|      | DeKalb    | 93,616           | n/a                             | n/a                        | n/a                            | n/a                               | 6,065                | 5,326   |
|      | DuPage    | 925,554          | 453,655                         | 7.63%                      | 80.23%                         | 27                                | 54,646               | 64,207  |
|      | Kane      | 458,770          | 222,139                         | 9.93%                      | 80.80%                         | 27.6                              | 27,060               | 21,894  |
|      | Lake      | 682,705          | 316,525                         | 10.30%                     | 78.90%                         | 30.1                              | 32,565               | 32,433  |
|      | McHenry   | 288,634          | 144,272                         | 9.16%                      | 81.04%                         | 35.1                              | 16,801               | 12,538  |
|      | Will      | 585,526          | 266,490                         | 10.25%                     | 81.64%                         | 32.1                              | 35,587               | 19,381  |
|      | Winnebago | 286,193          | 134,839                         | 10.42%                     | 83.33%                         | 20.3                              | 9,640                | 9,375   |
|      |           | <u>8,716,479</u> |                                 |                            |                                |                                   |                      |         |

n/a = not available

Source: US Census Bureau - American Fact Finder Website (American Community Surveys)

Source: Population Migration Characteristics - illinoisdata.com

time series: 1990-2005 (US Internal Revenue Service)

10 years of data is not available for presentation.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Population, Commuting and Migration Statistics  
For the Years 2007 Through 2009

| <i>Year</i> | <i>County</i> | <i>Population</i> | <i>Population in<br/>Labor Force</i> | <i>% of<br/>Population in<br/>Labor Force</i> | <i>Unemployment<br/>Rate</i> | <i>Median<br/>Household<br/>Income</i> | <i>Per Capita<br/>Income in \$</i> |
|-------------|---------------|-------------------|--------------------------------------|---|------------------------------|--|------------------------------------|
| 2009        | Boone         | 54,020            | n/a                                  | n/a   | n/a                          | n/a                                    | n/a                                |
|             | Cook          | 5,287,037         | n/a                                  | n/a   | n/a                          | n/a                                    | n/a                                |
|             | DeKalb        | 107,333           | n/a                                  | n/a   | n/a                          | n/a                                    | n/a                                |
|             | DuPage        | 932,541           | n/a                                  | n/a   | n/a                          | n/a                                    | n/a                                |
|             | Kane          | 511,892           | n/a                                  | n/a   | n/a                          | n/a                                    | n/a                                |
|             | Lake          | 712,567           | n/a                                  | n/a   | n/a                          | n/a                                    | n/a                                |
|             | McHenry       | 320,961           | n/a                                  | n/a   | n/a                          | n/a                                    | n/a                                |
|             | Will          | 685,251           | n/a                                  | n/a   | n/a                          | n/a                                    | n/a                                |
|             | Winnebago     | 299,702           | n/a                                  | n/a   | n/a                          | n/a                                    | n/a                                |
|             |               | <u>8,911,304</u>  |                                      |   |                              |  |                                    |
| 2008        | Boone         | 54,142            | 27,484                               | 68.1%   | 7.9%                         | 59,641                                 | n/a                                |
|             | Cook          | 5,294,664         | 3,499,773                            | 66.1%   | 8.2%                         | 54,355                                 | n/a                                |
|             | DeKalb        | 106,321           | 76,445                               | 71.9%   | 8.3%                         | 56,373                                 | n/a                                |
|             | DuPage        | 930,528           | 664,397                              | 71.4%   | 5.1%                         | 103,460                                | n/a                                |
|             | Kane          | 507,579           | 365,457                              | 72.0%   | 5.8%                         | 87,639                                 | n/a                                |
|             | Lake          | 712,453           | 512,966                              | 72.0%   | 6.4%                         | 111,405                                | n/a                                |
|             | McHenry       | 318,641           | 231,971                              | 72.8%   | 5.8%                         | 90,376                                 | n/a                                |
|             | Will          | 681,097           | 489,028                              | 71.8%   | 6.0%                         | 88,853                                 | n/a                                |
|             | Winnebago     | 300,252           | 197,266                              | 65.7%   | 7.7%                         | 61,283                                 | n/a                                |
|             |               | <u>8,905,677</u>  |                                      |   |                              |  |                                    |
| 2007        | Boone         | 53,531            | 26,415                               | 49.3%   | n/a                          | 59,405                                 | 23,753                             |
|             | Cook          | 5,285,107         | 2,691,444                            | 50.9%   | n/a                          | 52,554                                 | 27,899                             |
|             | DeKalb        | 103,729           | 58,048                               | 56.0%   | n/a                          | 54,945                                 | 23,647                             |
|             | DuPage        | 929,192           | 507,302                              | 54.6%   | n/a                          | 73,818                                 | 36,532                             |
|             | Kane          | 501,021           | 258,010                              | 51.5%   | n/a                          | 68,513                                 | 28,579                             |
|             | Lake          | 710,241           | 342,154                              | 52.7%   | n/a                          | 77,904                                 | 36,968                             |
|             | McHenry       | 315,943           | 154,228                              | 53.6%   | n/a                          | 74,115                                 | 30,900                             |
|             | Will          | 673,586           | 314,656                              | 51.3%   | n/a                          | 71,597                                 | 28,763                             |
|             | Winnebago     | 298,759           | 134,092                              | 50.3%   | n/a                          | 48,394                                 | 23,194                             |
|             |               | <u>8,871,109</u>  |                                      |   |                              |  |                                    |

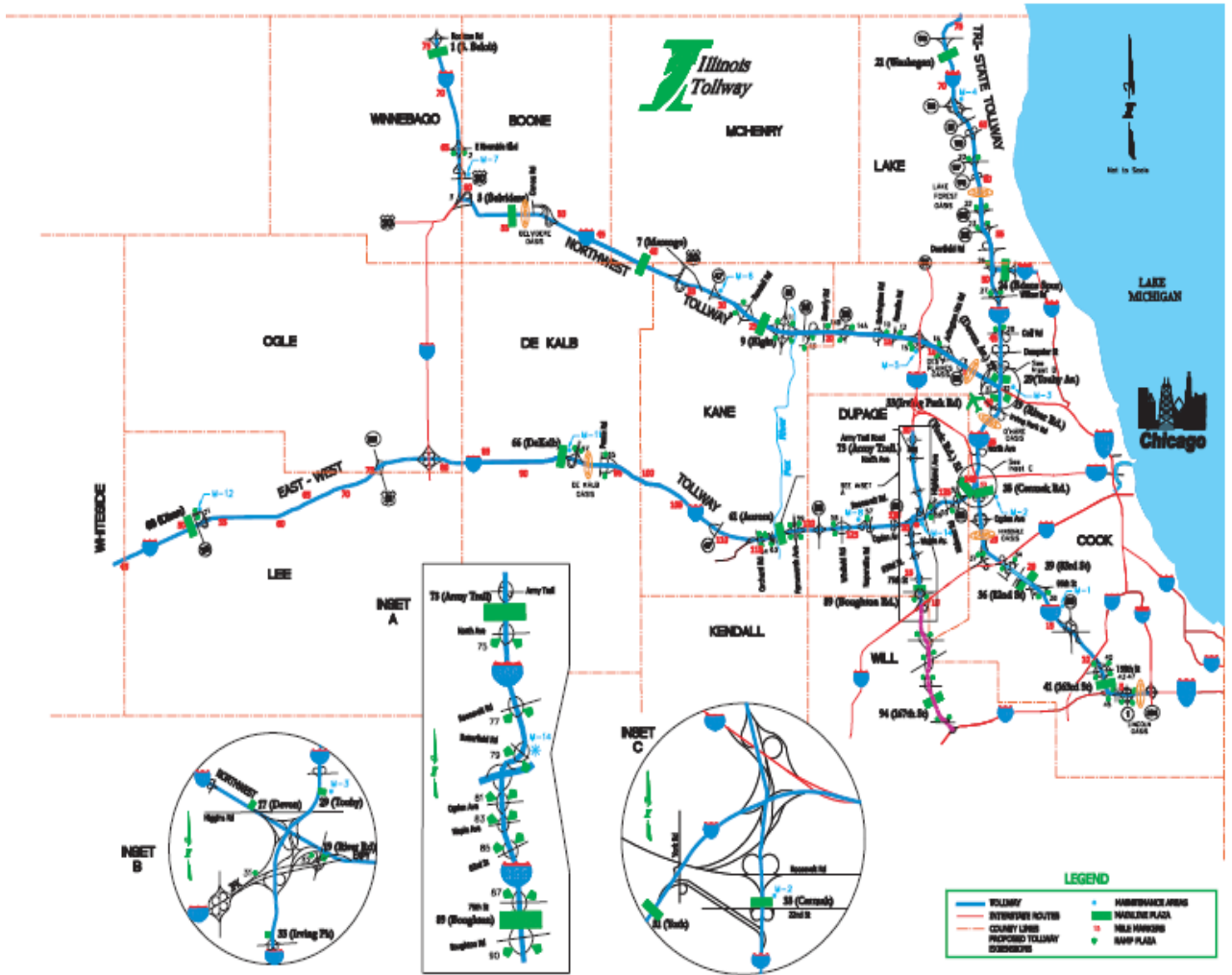
10 years of data is not available for presentation.

Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Average Number of Employees by Function  
For the Years 2005 through 2009

|                                     | 2009                | 2008                | 2007                | 2006                | 2005                |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Tollway Employees</b>            |                     |                     |                     |                     |                     |
| Executive Director                  | 3                   | 4                   | 4                   | 3                   | 5                   |
| Directors                           | 10                  | 10                  | 10                  | 10                  | 10                  |
| Inspector General                   | 13                  | 13                  | 11                  | 12                  | 7                   |
| Legal                               | 11                  | 11                  | 12                  | 12                  | 12                  |
| State Police                        | 17                  | 18                  | 16                  | 16                  | 14                  |
| Finance                             | 49                  | 51                  | 49                  | 51                  | 50                  |
| Administration                      | 31                  | 141                 | 139                 | 36                  | 84                  |
| Operations                          |                     |                     |                     |                     |                     |
| Toll Collectors                     | 539                 | 568                 | 582                 | 591                 | 599                 |
| Lane Walkers                        | -                   | -                   | -                   | -                   | 18                  |
| Plaza Supervisors<br>and Assistants | 39                  | 47                  | 53                  | 53                  | 48                  |
| Other                               | 154                 | 40                  | 35                  | 178                 | 196                 |
| Office of Info.Tech                 | 61                  | 63                  | 62                  | 66                  | 65                  |
| Engineering:                        |                     |                     |                     |                     |                     |
| Maintenance:                        |                     |                     |                     |                     |                     |
| Roadway                             | 381                 | 381                 | 371                 | 362                 | 379                 |
| Transportation                      | 69                  | 72                  | 65                  | 69                  | 72                  |
| Engineers                           | 35                  | 34                  | 32                  | 42                  | 34                  |
| Others                              | 73                  | 75                  | 70                  | 62                  | 38                  |
| Planning                            | 17                  | 17                  | 18                  | 15                  | 9                   |
| Procurement                         | 52                  | 51                  | 51                  | 50                  | 0                   |
| Communications                      | 10                  | 11                  | 11                  | 5                   | 7                   |
| Business Systems                    | 63                  | 58                  | 48                  | 12                  | 10                  |
| Total Authority Employees           | <u>1,627</u>        | <u>1,665</u>        | <u>1,639</u>        | <u>1,645</u>        | <u>1,657</u>        |
| State Troopers                      | <u>193</u>          | <u>196</u>          | <u>188</u>          | <u>138</u>          | <u>148</u>          |
| Total Personnel                     | <u><u>1,820</u></u> | <u><u>1,861</u></u> | <u><u>1,827</u></u> | <u><u>1,783</u></u> | <u><u>1,805</u></u> |

10 years of data is not available for presentation.

Illinois State Toll Highway Authority  
 (A Component Unit of the State of Illinois)  
 Location Map  
 For the Year Ended December 31, 2009



**Illinois State Toll Highway Authority  
(A Component Unit of the State of Illinois)  
Service Efforts and Accomplishments  
For the Year Ended December 31, 2009**

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### **Agency Mission**

The Illinois State Toll Highway Authority is dedicated to providing and promoting a safe and efficient system of toll supported highways while ensuring the highest possible level of customer service.

### **Strategic Priorities**

- Reduce traffic congestion
- Implement Congestion-Relief Program (12 year capital construction plan)
- Improve operational efficiency and effectiveness

### **Summary of Agency Operations**

The Illinois Tollway maintains and operates 286 miles of interstate tollway for 12 counties in northeastern Illinois, including the Reagan Memorial Tollway (I-88), the Veterans Memorial Tollway (I-355), the Jane Addams Memorial Tollway (I-90) and the Tri-State Tollway (I-94/I-294/I-80). In September 2004, the Illinois Tollway embarked on a Congestion-Relief Program to reduce traffic and congestion by rebuilding and restoring a majority of the system. Major improvements will include: adding lanes, converting all mainline toll plazas to Open Road Tolling, rebuilding and widening the majority of the system and constructing the south extension of I-355.

### **Key Performance Measures**

The following metrics were reported for the year ending December 31, 2009.

1. The percentage of vehicles using I-PASS during rush hour: 87%
2. The percentage of vehicles using I-PASS for all hours: 82%
3. Number of Open Road Tolling (ORT) Lanes: 113
4. Travel Time Index Congestion Measure for the A.M. rush hour: 1.07
5. The average Accident Clearance Time for personal injury incidents: 38:53 minutes

**Illinois State Toll Highway Authority**  
**(A Component Unit of the State of Illinois)**  
**Miscellaneous Data and Statistics**  
**For the Year Ended December 31, 2009**

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|  |                 |
|--|-----------------|
| Legislation enabled Illinois State Toll Highway Commission to issue bonds..... | 1953            |
| Construction began on tollways .....   | September, 1956 |
| Jane Addams Tollway opened .....   | August, 1958    |
| Tri-State Tollway opened .....   | August, 1958    |
| Ronald Reagan Tollway opened .....   | November, 1958  |
| Veterans Memorial Tollway opened .....   | December, 1989  |
| Veterans Memorial South Extension Tollway opened .....                         | November, 2007  |

***Length of Illinois Tollways:***

|                                    |          |
|------------------------------------|----------|
| Jane Addams Memorial Tollway ..... | 76 miles |
| Tri-State Tollway .....            | 84 miles |
| Reagan Memorial Tollway .....      | 96 miles |
| Veterans Memorial Tollway.....     | 30 miles |

***Tollway Oases:***

|  |  |                                   |
|--|--|-----------------------------------|
| Jane Addams<br>Memorial Tollway (I-90) | Tri-State Tollway<br>(I-94/I-294/I-80) | Reagan Memorial<br>Tollway (I-88) |
| Des Plaines                            | Chicago Southland Lincoln              | DeKalb                            |
| Belvidere                              | Hinsdale                               |                                   |
|  | O'Hare                                 |                                   |
|  | Lake Forest                            |                                   |

Each oasis includes service stations and concessions.

***Number of Employees:***

|  |     |
|--|-----|
| Engineering and maintenance of roadway and structures.....     | 575 |
| Services and toll collection .....                             | 732 |
| Traffic control, safety, patrol, and radio communication ..... | 210 |
| Administrative.....  | 303 |

Note: The Tollway does not receive any tax revenue from the State of Illinois.

