



2013 Budget Analysis

(Unaudited)

Quarterly Financial Review

July 1 - September 30, 2013

Quarterly Financial Review September 30, 2013

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INTRODUCTION

In December 2012, the Tollway Board of Directors adopted the annual budget for 2013. To monitor performance against this budget, each quarter the Finance Department reviews and compares actual revenue and expenditures of the Tollway to the budget and presents the resulting analysis in this quarterly report to the Finance Administration and Operations Committee.

The annual budget is prepared in conformance with provisions of the Tollway's Trust Indenture. This quarterly financial report is unaudited and is prepared on a basis of accounting that comports with the Trust Indenture, which is a basis of accounting other than generally accepted accounting principles. Revenue and expenditures are reported on an accrual basis net of certain allowances for bad debt. Capital expenditures are expensed in the period incurred. Non-roadway capital accruals do not reflect work completed for which invoices have not been received. No accommodation is made for depreciation of capital assets.

Tollway revenue sources include toll revenue and evasion recovery, concessions, investment income, and miscellaneous income.

- Toll revenue is collected from Tollway users either by cash or electronic toll collection for users of I-PASS.
- Evasion recovery revenue includes fines, fees and tolls collected from toll violators.
- Concessions revenue is generated from the Tollway's oases, where third-party vendors provide fuel, food and other conveniences to users of the Tollway.
- Investment income is primarily interest earned on Tollway funds and I-PASS escrow accounts.
- Miscellaneous income includes revenue from overweight truck fines, rental and easement income, tower co-location fees, rental income from fiber optic lines and other miscellaneous receipts.

This report provides an analysis of actual revenue and expenditures through the third quarter of fiscal year 2013. The purpose of this analysis is to assess the actual financial performance of the Tollway relative to the 2013 Budget. The report indicates variances from budgeted amounts. A favorable variance contributes to a higher fund balance, while an unfavorable variance reduces the fund balance.

All figures contained in this report are preliminary and unaudited and should be used for informational purposes only.

BUDGET SUMMARY

Introduction

The Illinois Tollway Board of Directors on August 25, 2011, adopted the 15-year, \$12 billion capital program, *Move Illinois: The Illinois Tollway Driving the Future*, funded by bonds and toll revenue generated through a toll rate increase for passenger vehicles in 2012 and previously approved increases for commercial vehicles beginning in 2015. The 2013 Budget, approved by the Board of Directors in December 2012, includes the maintenance and operations budget, debt service transfers and capital budget in support of the second year of the *Move Illinois* Program.

Budgeted Revenue 2013

The 2013 budget estimates annual revenue totaling \$986 million, including \$977 million from toll revenue and evasion recovery, \$1 million from investment income and \$8 million from concessions revenue and miscellaneous income.

The Tollway's 2013 Budget allocates \$283 million for maintenance and operations expenses, \$317 million for debt service transfers and \$386 million for the *Move Illinois* and Congestion-Relief programs and other non-roadway capital investments (deposits to the renewal/replacement and improvement accounts).

During the 2014 Tentative Budget preparation in October, the Tollway revised the 2013 revenue estimates from \$986 million to \$998 million. Please refer to the table below for the 2013 revised revenue sources and allocations.

2013 Revenue Sources and Allocations		
SOURCES OF REVENUE		<i>(\$ millions)</i>
	2013 Budget	2013 October Estimate
Toll Revenue and Evasion Recovery	\$977	\$987
Investment Income	1	1
Concessions Revenue and Miscellaneous Income	8	10
Total Revenue	\$986	\$998
ALLOCATIONS OF REVENUE		<i>(\$ millions)</i>
	2013 Budget	2013 October Estimate
Maintenance and Operations	\$283	\$269
Debt Service Transfers	317	295
Deposits to Renewal/Replacement and Improvement	386	435
Total Allocations	\$986	\$998

THIRD QUARTER RESULTS SUMMARY

Revenue

Revenue for the 2013 third quarter totaled \$268.4 million, \$5.2 million more than budgeted for the period. Toll and evasion recovery revenue totaled \$266.8 million, \$6.3 million more than budget. Concessions, investment and miscellaneous revenue totaled \$1.6 million for the quarter.

Revenue through September 30, 2013, totaled \$752.7 million, which comprised 76.3 percent of the \$986 million annual revenue budget. Toll and evasion recovery revenue totaled \$747.3 million. Concessions, investment and miscellaneous income totaled \$5.4 million.

Expenditures

The Tollway's 2013 third quarter operating expenditures totaled \$71.7 million, \$358 thousand less than budget. Operating expenditures through September 30 totaled \$200 million, which comprised 70.6 percent of the \$283.4 million annual operating budget.

The Tollway's 2013 third quarter debt service transfers totaled \$78.2 million, or \$3.8 million less than the budgeted amount. Debt service transfers through the first nine months of 2013 totaled \$216.6 million, which comprised 68.4 percent of the \$317 million annual debt service.

Third quarter capital program expenditures totaled \$221.5 million, compared to the budget projection of \$301.7 million. These capital expenditures included \$210.1 million for the *Move Illinois* Program and the Congestion-Relief Program expenses and \$12.2 million for other capital project expenses. Intergovernmental agreement (IGA) reimbursements for work performed in prior periods and other adjustments reduced third quarter expenses by \$778 thousand.

Capital program expenditures through September 30 amounted to \$417.1 million. *Move Illinois* Program and Congestion-Relief Program expenses totaled \$400.5 million, other capital project expenses totaled \$26.4 million and intergovernmental agreement reimbursements and other adjustments reduced year-to-date expenses by \$9.8 million.

Outlook

Revenue exceeded estimates by \$12.3 million for the first nine months of 2013. The 2014 Tentative Budget, approved by the Board in October 2013, revised the 2013 revenue estimate to reflect an increase of \$12 million. With steady economic growth and stable fuel prices, the Tollway expects to meet the revised revenue projection for the remainder of the year. The Tollway will continue to monitor such external factors and their impact on revenue.

Maintenance and operations expenses were under budget through the first nine months of 2013, mainly due to vacancies and slower spending for contractual services, winter materials and group insurance, partially offset by additional allocation to workers' compensation claim reserve fund during the third quarter. The Tollway will continue to monitor payroll/related costs and vacancies, as well as other categories that are sensitive to price fluctuations including fuels, utilities and roadway materials.

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Capital program expenditures were under the budget projection through September 30 mainly due to scheduling changes and project cost savings. The 2014 Tentative Budget revised downward the 2013 *Move Illinois* and CRP portion of the capital program budget projection from \$872 million to \$671.8 million and the other capital projects estimate from \$50 million to \$47.2 million. Given recent Board approvals of contracts and assuming favorable weather conditions, capital expenses are anticipated to track closer to the revised estimates for the rest of 2013.

REVENUE SUMMARY

Budget vs. Unaudited Actual

Third Quarter 2013

(\$ thousands)

	3rd Qtr		Variance	
	Budget	Actual	\$	%
Toll Revenue and Evasion Recovery	\$260,538	\$266,798	\$6,260	2.4%
Concessions	500	607	107	21.3%
Investment Income	250	206	(44)	-17.7%
Miscellaneous	1,920	826	(1,094)	-57.0%
Total Revenue	\$263,208	\$268,437	\$5,229	2.0%

Budget vs. Unaudited Actual

Year-To-Date September 30, 2013

(\$ thousands)

	YTD		Variance	
	Budget	Actual	\$	%
Toll Revenue and Evasion Recovery	\$733,630	\$747,333	\$13,703	1.9%
Concessions	1,500	1,737	237	15.8%
Investment Income	750	719	(31)	-4.1%
Miscellaneous	4,560	2,912	(1,648)	-36.2%
Total Revenue	\$740,440	\$752,701	\$12,261	1.7%

Analysis

Revenue for the third quarter 2013 totaled \$268.4 million, \$5.2 million more than budgeted for the period.

Toll revenue and evasion recovery was \$6.3 million more than projected for the third quarter.

Toll transactions for the third quarter for all vehicle classes grew 3.4 percent compared to the same period in 2012 and were 0.5 percent greater than the 2013 projection for the quarter. Passenger vehicle transactions grew 3.1 percent from third quarter 2012 and were 0.5 percent greater than the 2013 projection for the same period. Commercial vehicle transactions grew 5.8 percent compared to 2012 third quarter and were 0.7 percent greater than the 2013 projection.

Concessions revenue totaled \$107 thousand more than the third quarter budget while investment income totaled \$44 thousand less than budget. Miscellaneous income totaled \$1.1 million less than budget mainly due to increased bad debt expenses netted against miscellaneous revenue, as well as reduced income from transponder replacement and fiber optic agreement fees.

MAINTENANCE AND OPERATIONS SUMMARY

Budget vs. Unaudited Actual Third Quarter 2013

(\$ thousands)

	3rd Qtr		Variance	
	Budget	Actual	\$	%
Payroll and Related Costs	\$38,728	\$36,154	\$2,575	6.6%
Group Insurance	7,298	7,187	110	1.5%
Contractual Services	14,670	16,298	(1,628)	-11.1%
Materials/Operational Supplies/Other Expenses	2,160	842	1,318	61.0%
Utilities	1,397	665	732	52.4%
All Other Insurance	2,471	5,484	(3,013)	-122.0%
Parts and Fuel	1,772	1,886	(114)	-6.4%
Equipment/Office Rental and Maintenance	3,886	3,575	311	8.0%
Professional Development	251	140	111	44.3%
Recovery of Expenses	(608)	(564)	(43)	-7.1%
Total Maintenance and Operations Expenditures	\$72,024	\$71,666	\$358	0.5%

Notes:

1. Positive variance indicates lower than estimate, while negative variance indicates higher than estimate.
2. Number may not add to totals due to rounding.

Budget vs. Unaudited Actual Year-To-Date September 30, 2013

(\$ thousands)

	YTD		Variance	
	Budget	Actual	\$	%
Payroll and Related Costs	\$116,185	\$110,686	\$5,500	4.7%
Group Insurance	21,893	20,811	1,081	4.9%
Contractual Services	39,119	35,304	3,815	9.8%
Materials/Operational Supplies/Other Expenses	5,900	3,566	2,334	39.6%
Utilities	4,191	4,186	6	0.1%
All Other Insurance	7,412	10,069	(2,658)	-35.9%
Parts and Fuel	5,315	5,367	(52)	-1.0%
Equipment/Office Rental and Maintenance	11,658	11,222	436	3.7%
Professional Development	752	631	121	16.1%
Recovery of Expenses	(1,823)	(1,853)	30	1.6%
Total Maintenance and Operations Expenditures	\$210,601	\$199,989	\$10,612	5.0%

Analysis

The Tollway's 2013 third quarter operating expenditures totaled \$71.7 million, representing a favorable variance of \$358 thousand. The third quarter year-to-date expenditures totaled \$200 million or 70.6 percent of the \$283.4 million annual maintenance and operations budget.

The variances to budget during the third quarter of 2013 are explained below:

Payroll and related costs for the third quarter totaled \$36.2 million, \$2.6 million under budget. This favorable variance is attributable to vacant positions in both the salary and wage categories partially offset by hourly overtime. This category also includes wage adjustments for collective bargaining units as well as salaried employees.

Group insurance totaled \$7.2 million during the third quarter, \$110 thousand under budget. This variance reflects a number of vacant positions resulting in paid claims being less than anticipated in the third quarter.

Contractual services for the third quarter totaled \$16.3 million, \$1.6 million over budget. This third quarter variance is mainly attributable to timing of expenditures for the pavement specialist quality assurance, construction management audit, underwater inspections, bioswale maintenance and the diversity initiative that were all re-classed from capital in 2012 to the maintenance and operations budget in 2013. In addition, information technology consulting services (Web production and disaster recovery, qualified security assessor audit, e-recruiting, diversity managed services, IBM disaster recovery services, sharepoint resources and PMO for enterprise resource planning) were greater than budget during the third quarter.

Materials/operational supplies/other expense totaled \$842 thousand during the third quarter, \$1.3 million under budget. This variance is partially due to the seasonal purchase of winter roadway materials such as rock salt, calcium chloride and abrasives that occurs in the October - November timeframe.

Utilities, which include electricity, natural gas, water and telephone expenses, totaled \$665 thousand, \$732 thousand under budget during the third quarter. This positive variance reflects a \$450 thousand year-to-date credit from CMS regarding telephone billing errors for the Business Systems 800 number, IT and Administration as well as year-to-date accrual adjustments.

All other insurance expenses totaled \$5.5 million, \$3.0 million over the third quarter budget. This category includes expenses for property and liability insurance as well as amounts allocated to the workers' compensation claim fund. This variance reflects an increase in the workers' compensation claim reserve fund based on recommendations included in the most recent actuarial study.

Parts and fuel expenses totaled \$1.9 million, \$114 thousand over the third quarter budget. This unfavorable variance is attributable to spikes in fuel prices as well as the changeover to seasonal gasoline blends during the summer months. In addition, the purchase of heavy truck parts also contributed to the negative variance.

Equipment/office rental and maintenance expenditures totaled \$3.6 million during the third quarter, \$311 thousand under budget. This favorable variance is due to software maintenance for the Toll Revenue Management and Maintenance Program (TRMMP). Some aspects of

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electronic tolling equipment maintenance and application development have been reduced as a result of the procurement of a next generation back office toll collection system.

Professional development expenses totaled \$140 thousand, \$111 thousand under the third quarter budget. This cost category includes travel, training, dues, books, subscriptions, uniforms and accessories.

Recovery of expenses totaled \$564 thousand, a \$43 thousand unfavorable variance in comparison to budget. This category includes reimbursement for services (ambulances or fire trucks) or damage to Tollway property caused by others.

Budget Transfers

Budget to actual comparisons in this analysis are based on the original 2013 maintenance and operations budget adopted by the Tollway Board in December 2012. During the budget year, management approves transfers from accounts with surplus funds to those requiring additional funds due to shortfalls. These transfers do not change the dollar amount of the 2013 maintenance and operations budget.

DEBT SERVICE SUMMARY

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

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

For 2013, the Tollway budgeted \$316.6 million for transfers from the Revenue Account to the Debt Service Account to provide for these payments. That budgeted amount assumed an additional \$16.2 million in funds from federal subsidies associated with the Tollway’s Series 2009A and Series 2009B Build America Bonds.

Following are unaudited quarterly results through September 30, 2013 with comparisons to budget.

Budget vs. Actual (Unaudited)

(\$ thousands) (#s may not total due to rounding)

	Budget	Actual	Variance	
			\$	%
Debt Service Transfers – 1 st Qtr	\$76,340	\$68,667	\$7,673	10.1%
Debt Service Transfers – 2 nd Qtr	\$76,340	\$69,776	\$6,564	8.6%
Debt Service Transfers – 3 rd Qtr	\$81,965	\$78,168	\$3,797	4.6%
Debt Service Transfers - YTD Sep 30, 2013	\$234,645	\$216,611	\$18,034	7.7%

% of Budget Realized (Unaudited)

(\$ thousands)

	Annual Budget	YTD Actual	Realized
Debt Service Transfers	\$316,610	\$216,611	68.4%

Analysis

The primary contributor to the \$18.0 million year-to-date favorable variance and the \$3.8 million second quarter favorable variance was lower-than-expected interest expense on new bond issuance because of delayed issuance of such new bonds. The Series 2013A Bonds in the par amount of \$500 million were issued on May 16, 2013 with a first interest payment date of January 1, 2014, requiring monthly debt service transfers beginning in July 2013. An assumed second new money issuance of \$500 million which had been assumed for budgeting purposes to be issued at the beginning of the third quarter has not been issued as of the date of this report. The reduced debt service transfers for new money bonds during the first nine months of

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2013 accounted for \$14.7 million of the year-to-date favorable variance and \$3.4 million of the third quarter favorable variance. The other contributors to favorable variance were: (i) a provision for additional debt service for refunding synthetic fixed rate bonds and/or incurring variable bond interest in excess of variable swap receipts that was less than expected because no synthetic fixed rate refunding occurred; (ii) reduced costs of credit/liquidity facilities supporting variable rate bonds; (iii) favorable variances related to timing of the monthly transfers for debt service for the Series 2007A and 2008A synthetic fixed rate bonds; and (iv) reduced transfer in September for the Tollway's Series 2005A Bonds due to a refunding of a portion of those bonds in August.

DERIVATIVES

The Tollway employed the use of interest rate exchange (swap) agreements and forward-starting interest rate exchange agreements (forward agreements) to hedge against increases in interest rates by providing synthetic fixed rates associated with the Tollway's variable rate bonds. The following chart presents the Tollway's swap portfolio as of September 30, 2013. The four swap agreements related to the Series 2007A Bonds were originally entered into as forward agreements in September 2005, and became effective upon the closing of the Series 2007A Bonds on November 1, 2007. The three swap agreements related to the Series 2008A Bonds were originally entered into in December 2007, and became effective upon the closing of the Series 2008A Bonds on February 7, 2008.

The Illinois State Toll Highway Authority						
Swap Portfolio as of September 30, 2013						
(Note: Valuations are net of accrued interest.)						
(\$ thousands)						
Series	Provider	Notional Amount	Fixed Rate Paid	Variable Rate Rec'd	Maturity	Valuation
1998 SERIES B	Goldman Sachs Mitsui Marine	67,705	4.3250%	Actual	1/1/2017	(7,154)
1998 SERIES B	JP Morgan Chase Bank*	55,395	4.3250%	Actual	1/1/2017	(5,853)
1998 SERIES B TOTAL		\$123,100				(\$13,007)
2007 SERIES A-1	Citibank N.A., New York	175,000	3.9720%	SIFMA	7/1/2030	(\$25,173)
2007 SERIES A-1	Goldman Sachs Bank USA	175,000	3.9720%	SIFMA	7/1/2030	(\$25,173)
2007 SERIES A-1 TOTAL		\$350,000				(\$50,346)
2007 SERIES A-2	Bank of America, N.A.	262,500	3.9925%	SIFMA	7/1/2030	(\$38,397)
2007 SERIES A-2	Wells Fargo Bank**	87,500	3.9925%	SIFMA	7/1/2030	(\$12,799)
2007 SERIES A-2 TOTAL		\$350,000				(\$51,196)
2008 SERIES A-1	The Bank of New York	191,550	3.7740%	SIFMA	1/1/2031	(\$23,830)
2008 SERIES A-1	Deutsche Bank AG, New York Branch	191,550	3.7740%	SIFMA	1/1/2031	(\$23,830)
2008 SERIES A-1 TOTAL		\$383,100				(\$47,660)
2008 SERIES A-2	Bank of America, N.A.***	95,775	3.7640%	SIFMA	1/1/2031	(\$11,804)
2008 SERIES A-2 TOTAL		\$95,775				(\$11,804)
TOTAL		\$1,301,975				(\$174,012)

NOTE: 1998B swaps are valued assuming the receipt of SIFMA+8bp, as an approximation of the valuation of these actual-bond-rate swaps.

* Originally Bear Stearns Financial Products; novated to JP Morgan Chase Bank in May 2009.

** Originally Wachovia Bank, N.A.; acquired by Wells Fargo in December 2008; name changed in March 2010.

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

Mark-to-market valuations of the Tollway's swap agreements typically decline in value (from the Tollway's perspective) when interest rates decline and increase in value when interest rates increase. To the extent any negative valuation of the Tollway's derivatives were to become realized by a swap agreement termination, it is possible (although not certain) that such a realized loss might be mitigated by a lower cost of capital expected to be available in that lower-interest rate market.

CAPITAL PROGRAM SUMMARY

Capital Budget 2013

The majority of the expenditures for the capital program are for major capital renewal or repair projects and for improvements made to the system. Variances from year to year are due to the schedule of work and the differing values for projects included in the overall capital program.

The capital budget comprises of two major programs. The newest program, *Move Illinois: The Illinois Tollway Driving the Future*, was approved by the Board of Directors on August 25, 2011. The *Move Illinois* Program is a 15-year program which extends from 2012 through 2026 and includes anticipated capital investments totaling an estimated \$12 billion. The fiscal year 2013 Capital Budget allocates \$770.9 million to fund the second year of the *Move Illinois* Program.

The second program is the Congestion-Relief Program (CRP). The 12-year Congestion-Relief Program, which began in 2005 and will be completed by 2016, is currently budgeted at \$5.8 billion. The Tollway anticipates project cost savings of approximately \$100 million will reduce total expenditures to \$5.7 million by the end of the program. The fiscal year 2013 Capital Budget allocates \$101.1 million to fund the ninth year of the CRP. Additionally, the fiscal year 2013 Capital Budget allocates approximately \$79.3 million to fund “other” capital projects to support ongoing operations of the Tollway. It is anticipated \$50 million will be spent in 2013.

2013 Approved Budget

(\$ million)	2013 Budget
Tri-State Tollway (I-94/I-294/I-80)	\$36.9
Reagan Memorial Tollway (I-88)	5.5
Jane Addams Memorial Tollway (I-90)	415.2
Veterans Memorial Tollway (I-355)	23.2
Open Road Tolling (ORT)	4.1
Systemwide Improvements	218.0
Tri-State Tollway (I-294/I-57) Interchange	66.7
Elgin O'Hare Western Access	95.6
Illinois Route 53/120/Other Planning Studies	6.8
Move Illinois and CRP Subtotal	\$872.0
Other Capital Projects	79.3*
Capital Program Subtotal	\$951.4
Intergovernmental Agreement Reimbursements	-
Total Capital Program	\$951.4

*The Other Capital Projects portion of the Capital Program Budget for 2013 totals \$79.3 million; \$50 million is anticipated to be spent.

Revised Estimate 2013

Revision to expenditure projections are made during the course of the year. For the preparation of the 2014 Tentative Budget in October 2013, the Tollway revised the estimates for the 2013 *Move Illinois* and CRP portion of the capital program downward from \$872 million to \$671.8 million and the other capital projects estimate from \$50 million to \$47.2 million.

For the purpose of the third quarter 2013 review, the capital program actual expenditures are compared to the original budget approved at the December 2012 Board meeting.

Allocation of Capital Budget 2013

Tri-State Tollway (I-94/I-294/I-80) \$36.9 Million

The *Move Illinois* Program capital budget for the Tri-State Tollway corridor is \$18.1 million which includes bridge and ramp repairs throughout the corridor.

The CRP budget for the Tri-State Tollway corridor is \$18.8 million to complete the 2012 resurfacing and bridge repairs from 95th Street to Balmoral Avenue. The relocation of Dixie Creek is also scheduled to be completed by the end of 2013 for the new I-294/ I-57 Interchange that is being constructed as part of *Move Illinois*.

Reagan Memorial Tollway (I-88) \$5.5 Million

The 2013 budget for this corridor is \$5.5 million to complete the rehabilitation and repair of pavement and bridges between Illinois Route 251 and Illinois Route 56, as well as the mainline rebuilding and widening from Illinois Route 56 to Deerpath Road.

Jane Addams Memorial Tollway (I-90) \$415.2 Million

The *Move Illinois* Program includes \$411.7 million to begin the I-90 Rebuilding and Widening Project work on the eastbound I-90 mainline from Mill Road to the Elgin Toll Plaza. This work will also incorporate the reconstruction of local crossroad bridges, as well as rebuild and widen bridges at the Union Pacific (formerly C&NW) Railroad, Mosquito Creek, Coon Creek, U.S. Route 20, Sleepy Hollow Road and the Kishwaukee River.

The CRP budget of \$3.5 million for this corridor is associated with advance design work for *Move Illinois* I-90 Rebuilding and Widening Project.

Veterans Memorial Tollway (I-355) \$23.2 Million

The *Move Illinois* Program capital budget for this corridor is \$19.5 million to complete the resurfacing of portions of the pavement and collector-distributor roadways between I-55 to Army Trail Road.

The CRP budget for this corridor is \$3.7 million to fund the replacement of the tunnel lighting under the Reagan Memorial Tollway (I-88).

Open Road Tolling \$4.1 Million

The 2013 Capital Budget allocates \$4.1 million for the Traffic Revenue Maintenance and Management Program and to accommodate modifications to existing cash lanes at several toll plazas.

Systemwide

\$218 Million

The *Move Illinois* Program capital budget allocates \$152.5 million on systemwide improvements, including the interchange at the Jane Addams Memorial Tollway (I-90) and Illinois Route 47; bridge, pavement and safety improvements; toll collection; and IT/ ITS and maintenance facility upgrades. Of this, \$22.6 million will be spent on program support activities, including project management services, materials engineering services, support staff and land acquisition support services.

The CRP budget allocates \$65.4 million for systemwide improvements including pavement improvements to ensure the integrity of the system, bridge improvements and environmental projects, landscaping, program management and other related projects.

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

\$66.7 Million

The budget for this project is \$66.7 million to fund the construction of a new ramp from northbound I-57 to northbound I-294, a new ramp from southbound I-294 to southbound I-57, an exit ramp from southbound I-294 to 147th Street and an entrance ramp from 147th Street to northbound I-294, construction of a toll plaza and retaining walls, land acquisition and utility relocations, as well as ongoing inspection and construction.

Elgin O'Hare Western Access

\$95.6 Million

The 2013 budget for this corridor is \$95.6 million. Noisewall design will continue and construction will begin later in the year along with other advanced construction. A number of right-of-way purchases and design for utility relocation will occur on the existing Elgin O'Hare Expressway. Design will continue on the extension from I-290 to York Road and the I-90/Elmhurst Road Interchange, including local road improvements. Construction of the southbound Elmhurst Road Bridge over I-90 at the interchange will begin once right-of-way has been purchased. Master plan design and right-of-way purchases will begin on the south leg of the western access and corridor-wide survey work will also continue.

Illinois Route 53/120/Other Planning Studies

\$6.8 Million

The 2013 budget for this corridor is \$6.8 million to fund feasibility studies for possible extension of Illinois Route 53 north of Lake Cook Road and other planning studies.

Other Capital Projects

\$79.3 Million

In addition to the *Move Illinois* and CRP, other projects are needed to support ongoing operations of the Tollway and to ensure that the existing roadway network is maintained and safe for travel. While the *Move Illinois* and CRP are the major components of the Tollway's capital program, other elements include new technologies to manage congestion, reduce travel times and provide enhanced customer service; improvements to maintenance buildings and other structures to maintain Tollway assets; and additional equipment for the Illinois State Police District 15 and maintenance staff to improve efficiency and enhance public safety. The 2013 Budget anticipates spending \$50 million of the \$79.3 million budgeted for other capital projects.

Capital Program Expenditures

Projection vs. Unaudited Actual
Third Quarter 2013

(\$ thousands)

	3rd Qtr		Variance	
	Projection	Actual ⁽¹⁾	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$10,309	\$17,361	(\$7,052)	-68.4%
Reagan Memorial Tollway (I-88)	971	1,871	(900)	-92.7%
Jane Addams Memorial Tollway (I-90)	148,311	118,119	30,192	20.4%
Veterans Memorial Tollway (I-355)	9,609	8,421	1,188	12.4%
Open Road Tolling (ORT)	1,034	1,008	26	2.5%
Systemwide Improvements	67,338	32,006	35,332	52.5%
Tri-State Tollway (I-294)/I-57 Interchange	20,384	19,582	802	3.9%
Elgin O'Hare Western Access	26,014	11,604	14,410	55.4%
Illinois Route 53/120/Other Planning Studies	1,750	118	1,632	93.2%
Move Illinois and CRP Subtotal	\$285,721	\$210,090	\$75,630	26.5%
"Other" Capital Projects	16,000	12,236	3,764	23.5%
Capital Program Subtotal	\$301,721	\$222,326	\$79,394	26.3%
Intergovernmental Agreements Reimbursement and Other Adjustments ⁽²⁾	-	(778)	778	N/A
Total Capital Program Expenditures	\$301,721	\$221,549	\$80,172	26.6%

⁽¹⁾ Capital Program Actual included \$128,239,517 in work completed for which payments have not been made as of September 30, 2013.

⁽²⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods.

Projection vs. Unaudited Actual
Year-To-Date September 30, 2013

(\$ thousands)

	YTD		Variance	
	Projection	Actual ⁽¹⁾	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$29,450	\$36,472	(\$7,022)	-23.8%
Reagan Memorial Tollway (I-88)	5,471	7,470	(1,998)	-36.5%
Jane Addams Memorial Tollway (I-90)	287,976	210,704	77,272	26.8%
Veterans Memorial Tollway (I-355)	17,098	11,739	5,358	31.3%
Open Road Tolling (ORT)	3,101	3,481	(380)	-12.2%
Systemwide Improvements	155,948	67,574	88,375	56.7%
Tri-State Tollway (I-294)/I-57 Interchange	41,937	31,718	10,218	24.4%
Elgin O'Hare Western Access	71,035	31,223	39,813	56.0%
Illinois Route 53/120/Other Planning Studies	5,250	143	5,107	97.3%
Move Illinois and CRP Subtotal	\$617,267	\$400,524	\$216,743	35.1%
"Other" Capital Projects ⁽²⁾	34,000	26,374	7,626	22.4%
Capital Program Subtotal	\$651,267	\$426,897	\$224,370	34.5%
Intergovernmental Agreement Reimbursements and Other Adjustments ⁽³⁾	-	(9,827)	9,827	N/A
Total Capital Program Expenditures	\$651,267	\$417,070	\$234,197	36.0%

⁽¹⁾ Capital Program Actual included \$128,239,517 in work completed for which payments have not been made as of September 30, 2013.

⁽²⁾ The Other Projects portion of the Capital Program Budget for 2013 totaled \$79.3 million, of which \$50 million is anticipated to be spent.

⁽³⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods.

Analysis

Capital program expenditures are reported on an accrual basis. For the quarter ending September 30, 2013, unaudited capital program expenditures totaled \$221.5 million. This amount included expenses paid during the third quarter, as well as \$128.2 million of work completed during the quarter and/or in prior periods for which payments have not been made as of September 30, 2013. *Move Illinois* and CRP expenditures totaled \$210.1 million and other capital project expenditures totaled \$12.2 million. IGA reimbursements and other adjustments made during the quarter reduced expenses by \$778 thousand.

The third quarter favorable variance of \$80.2 million for the capital program can be attributed to:

- Savings/lower cost of construction – an estimated \$29.3 million
- Scheduling changes – an estimated \$43.6 million
- Reduced scope of projects – an estimated (\$1.8) million
- Other - \$8.3 million
- IGA and other adjustments – \$0.8 million

CORRIDOR

2013 Third Quarter Expenditures

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

\$17.4 million

During the third quarter, closeout efforts continued for roadway resurfacing and bridge improvements on the central Tri-State between 95th Street and Balmoral Avenue in both the southbound and northbound directions.

The unfavorable variance of \$7.1 million was due to the earlier than scheduled final payment to the Village of Rosemont for the Balmoral Avenue exit ramp offset by closeout balancing.

Reagan Memorial Tollway (I-88)

\$1.9 million

During the third quarter, closeout efforts continued for roadway rebuilding and widening between Illinois Route 56 and Illinois Route 251. Reconstruction also continued on the ramps at York Road, Spring Road, and Highland Avenue.

The unfavorable variance of \$900 thousand was primarily due to cash flow variations in the third quarter between previous projections and accruals.

Jane Addams Memorial Tollway

\$118.1 million

During the third quarter, design continued on the I-90 Rebuilding and Widening Project efforts from the Kennedy Expressway to the Elgin Toll Plaza. Construction work as well as mainline and crossroad bridge reconstruction continued from Elgin Toll Plaza to I-39 for both the westbound and eastbound directions.

The favorable variance for this corridor was \$30.2 million, including \$22.7 million due to bid savings, \$12.3 million in savings realized due to refinement of estimates and \$6.3 million from rescheduling work, partially offset by \$1.5 million due to project scope changes. The remaining variance can be attributed to compressed design schedules and cash flow variations between previous projections and accruals in the third quarter.

Veterans Memorial Tollway (I-355)

\$8.4 million

During the third quarter, resurfacing from I-55 to Army Trail Road continued as well as the replacement of tunnel lighting under I-88 on I-355.

The favorable variance of \$1.2 million was primarily due to delayed construction starts for the resurfacing and tunnel lighting projects and effects of weather restrictions from the prior quarter.

Open Road Tolling (ORT) \$1.0 million

The favorable variance of \$26 thousand was due to decreased spending on hardware enhancement on the Traffic Revenue and Maintenance Management project (TRMMP).

Systemwide Improvements \$32.0 million

During the third quarter, construction work continued for the interchange improvement on the Jane Addams Memorial Tollway (I-90) at Illinois Route 47. Intermittent pavement repairs and micro-surfacing continued on the Reagan Memorial Tollway (I-88). Pavement marking continued on the Tri-State Tollway (I-294). Design work continued along the Veterans Memorial (I-355) to repair three ramp bridges connecting I-88 to I-355 and the Finley Road bridge, as well as fiber optic relocations and maintenance.

The favorable variance was \$35.3 million including \$8.7 million for IT and toll collection related projects and \$25 for systemwide repair and maintenance contracts due to slower spending, \$3.9 million on the maintenance facilities projects due to procurement delays, partially offset by \$4 million additional construction cost due to right-of-way delay for the I-90 at IL Route 47 interchange.

Tri-State Tollway (I-294/I-57) Interchange \$19.6 million

During the third quarter, pier construction for the northbound I-57 to northbound I-294 ramp bridge continued as well as construction of the ramp from southbound I-294 to southbound I-57. Building and tree removal were also mostly completed.

The favorable variance of \$802 thousand for this corridor is mostly due to \$3 million in schedule shifts for utility work, offset by changes in cash flow in the third quarter, minor impacts from delays in parcel possession and the start of closeout savings.

Elgin O'Hare Western Access \$11.6 million

During the third quarter, design work completed for the existing Elgin O'Hare section from U.S. 20 to Illinois Route 83 and for the I-90 and Elmhurst Road Interchange. Concept design is underway for the Western Access. Land acquisition, survey and utility relocation coordination activities continued for the quarter.

Third quarter expenditures were \$14.4 million less than the estimate mainly due to delays associated with land acquisition.

Illinois Route 53/120/Other Planning Studies \$118 thousand

Task assignments on the preliminary study on the Illinois Route 53/120 Project in Lake County were the only work on this corridor during the third quarter. The \$1.6 million favorable variance is related to studies that were budgeted but not realized.

Other Capital Projects \$12.2 million

Expenditures included fleet and transponder purchases, general engineering and traffic consultant services, fuel system rehab, design, construction management and Intelligent Transportation Systems (ITS) services, signage, various research/studies with the University of Illinois, web/e-commerce and LAN/WAN upgrades, vehicle hoist replacement/repair, and cubical furniture and other small capital equipment purchases. The favorable variance of \$3.8 million is mainly due to slower than estimated project spending.

Financial Summaries

Quarterly Financial Review September 30, 2013

ILLINOIS TOLLWAY				
BUDGET vs. UNAUDITED ACTUAL				
Third Quarter Ending September 30, 2013				
	3rd Quarter		Variance	
	Budget	Actual	\$	%
REVENUE				
Toll Revenue and Evasion Recovery	\$260,537,790	\$266,798,250	\$6,260,460	2.4%
Concessions	500,000	606,632	106,632	21.3%
Investment Income	250,000	205,720	(44,280)	-17.7%
Miscellaneous	1,920,000	826,071	(1,093,929)	-57.0%
Total Revenue	\$263,207,790	\$268,436,673	\$5,228,883	2.0%
Maintenance and Operations (M and O) Expenditures				
Payroll and Related Costs	\$38,728,416	\$36,153,797	\$2,574,620	6.6%
Group Insurance	7,297,500	7,187,084	110,416	1.5%
Contractual Services	14,669,628	16,297,864	(1,628,237)	-11.1%
Materials/Operational Supplies/Other Expenses	2,160,412	842,344	1,318,068	61.0%
Utilities	1,397,109	665,301	731,808	52.4%
All Other Insurance	2,470,500	5,483,844	(3,013,344)	-122.0%
Parts and Fuel	1,771,632	1,885,569	(113,937)	-6.4%
Equipment/Office Rental and Maintenance	3,885,955	3,574,857	311,097	8.0%
Professional Development	250,829	139,650	111,179	44.3%
Recovery of Expenses	(607,750)	(564,400)	(43,350)	-7.1%
Total Maintenance and Operations Expenditures	\$72,024,230	\$71,665,910	\$358,320	0.5%
Net Revenue				
Revenue Less M and O Expenditures	\$191,183,560	\$196,770,763	\$5,587,203	2.9%
Debt Service Transfers				
Existing Debt	\$70,715,000	\$70,355,663	\$359,337	0.5%
New Debt	11,250,000	7,812,500	3,437,500	30.6%
Total Debt Service Transfers	\$81,965,000	\$78,168,163	\$3,796,837	4.6%
Net Revenue Less Debt Service Transfers	\$109,218,560	\$118,602,600	\$9,384,040	8.6%

Quarterly Financial Review September 30, 2013

ILLINOIS TOLLWAY				
PROJECTION vs. UNAUDITED ACTUAL				
Third Quarter Ending September 30, 2013				
	3rd Quarter		Variance	
	Projection	Actual ⁽²⁾	\$	%
Capital Program ⁽¹⁾				
Tri-State Tollway (I-94/I-294/I-80)	\$10,309,423	\$17,361,194	(\$7,051,771)	-68.4%
Reagan Memorial Tollway (I-88)	971,156	1,871,084	(899,928)	-92.7%
Jane Addams Memorial Tollway (I-90)	148,310,899	118,119,390	30,191,509	20.4%
Veterans Memorial Tollway (I-355)	9,609,300	8,421,118	1,188,182	12.4%
Open Road Tolling (ORT)	1,033,791	1,007,859	25,932	2.5%
Systemwide Improvements	67,337,902	32,005,618	35,332,284	52.5%
Tri-State Tollway (I-294)/I-57 Interchange	20,383,684	19,581,538	802,146	3.9%
Elgin O'Hare Western Access	26,014,405	11,604,206	14,410,198	55.4%
Illinois Route 53/120/Other Planning Studies	1,749,999	118,414	1,631,585	93.2%
Move Illinois and CRP Subtotal	\$285,720,559	\$210,090,422	\$75,630,137	26.5%
"Other" Capital Projects	16,000,000	12,236,059	3,763,941	23.5%
Capital Program Subtotal	\$301,720,559	\$222,326,480	\$79,394,078	26.3%
Intergovernmental Agreement Reimbursements ⁽³⁾ and Other Adjustments	-	(777,612)	777,612	N/A
Total Capital Program Expenditures	\$301,720,559	\$221,548,868	\$80,171,690	26.6%

⁽¹⁾ Capital Program expenses are financed by funds available in the Renewal/ Replacement and Improvement accounts.

⁽²⁾ Capital Program Actual included \$128,239,517 in work completed for which payments have not been made as of September 30, 2013.

⁽³⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods.

Quarterly Financial Review September 30, 2013

ILLINOIS TOLLWAY				
BUDGET vs. UNAUDITED ACTUAL				
Year-To-Date September 30, 2013				
	YTD		Variance	
	Budget	Actual	\$	%
REVENUE				
Toll Revenue and Evasion Recovery	\$733,629,507	\$747,332,979	\$13,703,471	1.9%
Concessions	1,500,000	1,736,996	236,996	15.8%
Investment Income	750,000	719,362	(30,638)	-4.1%
Miscellaneous	4,560,000	2,911,548	(1,648,452)	-36.2%
Total Revenue	\$740,439,507	\$752,700,885	\$12,261,377	1.7%
Maintenance and Operations (M and O) Expenditures				
Payroll and Related Costs	\$116,185,249	\$110,685,708	\$5,499,541	4.7%
Group Insurance	21,892,500	20,811,340	1,081,160	4.9%
Contractual Services	39,119,007	35,304,340	3,814,667	9.8%
Materials/Operational Supplies/Other Expenses	5,899,586	3,565,600	2,333,986	39.6%
Utilities	4,191,326	4,185,797	5,529	0.1%
All Other Insurance	7,411,500	10,069,228	(2,657,728)	-35.9%
Parts and Fuel	5,314,896	5,366,568	(51,672)	-1.0%
Equipment/Office Rental and Maintenance	11,657,864	11,222,360	435,503	3.7%
Professional Development	752,487	631,297	121,190	16.1%
Recovery of Expenses	(1,823,250)	(1,852,770)	29,520	1.6%
Total Maintenance and Operations Expenditures	\$210,601,164	\$199,989,470	\$10,611,694	5.0%
Net Revenue				
Revenue Less M and O Expenditures	\$529,838,343	\$552,711,415	\$22,873,072	4.3%
Debt Service Transfers				
Existing Debt	\$212,145,000	\$208,798,734	\$3,346,266	1.6%
New Debt	22,500,000	7,812,500	14,687,500	65.3%
Total Debt Service Transfers	\$234,645,000	\$216,611,234	\$18,033,766	7.7%
Net Revenue Less Debt Service (Coverage)	\$295,193,343	\$336,100,181	\$40,906,838	13.9%

Quarterly Financial Review September 30, 2013

ILLINOIS TOLLWAY				
PROJECTION vs. UNAUDITED ACTUAL				
Year-To-Date September 30, 2013				
	YTD		Variance	
	Projection	Actual ⁽²⁾	\$	%
Capital Program ⁽¹⁾				
Tri-State Tollway (I-94/I-294/I-80)	\$29,449,789	\$36,471,889	(\$7,022,100)	-23.8%
Reagan Memorial Tollway (I-88)	5,471,492	7,469,502	(1,998,010)	-36.5%
Jane Addams Memorial Tollway (I-90)	287,975,945	210,703,877	77,272,068	26.8%
Veterans Memorial Tollway (I-355)	17,097,607	11,739,462	5,358,145	31.3%
Open Road Tolling (ORT)	3,101,372	3,481,194	(379,822)	-12.2%
Systemwide Improvements	155,948,395	67,573,873	88,374,522	56.7%
Tri-State Tollway (I-294)/I-57 Interchange	41,936,750	31,718,384	10,218,365	24.4%
Elgin O'Hare Western Access	71,035,330	31,222,783	39,812,546	56.0%
Illinois Route 53/120/Other Planning Studies	5,249,997	142,605	5,107,392	97.3%
Move Illinois and CRP Subtotal	\$617,266,677	\$400,523,569	\$216,743,108	35.1%
"Other" Capital Projects ⁽³⁾	34,000,000	26,373,506	7,626,494	22.4%
Capital Program Subtotal	\$651,266,677	\$426,897,076	\$224,369,602	34.5%
Intergovernmental Agreement Reimbursements and Other Adjustments ⁽⁴⁾	-	(9,827,070)	9,827,070	N/A
Total Capital Program Expenditures	\$651,266,677	\$417,070,005	\$234,196,672	36.0%

⁽¹⁾ Capital Program expenses are financed by funds available in the Renewal/ Replacement and Improvement accounts.

⁽²⁾ Capital Program Actual included \$128,239,517 in work completed for which payments have not been made as of September 30, 2013.

⁽³⁾ The Other Projects portion of the Capital Program Budget for 2013 totaled \$79.3 million, of which \$50 million is anticipated to be spent.

⁽⁴⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods.

Quarterly Financial Review September 30, 2013

ILLINOIS TOLLWAY			
% of BUDGET REALIZED (UNAUDITED)			
Year-To-Date September 30, 2013			
	2013 Budget	YTD Actual	% Budget Realized
REVENUE			
Toll Revenue and Evasion Recovery	\$977,000,000	\$747,332,979	76.5%
Concessions	2,000,000	1,736,996	86.8%
Investment Income	1,000,000	719,362	71.9%
Miscellaneous	6,000,000	2,911,548	48.5%
Total Revenue	\$986,000,000	\$752,700,885	76.3%
Maintenance and Operations (M and O) Expenditures			
Payroll and Related Costs	\$154,913,665	\$110,685,708	71.4%
Group Insurance	29,190,000	20,811,340	71.3%
Contractual Services	54,331,954	35,304,340	65.0%
Materials/Operational Supplies/Other Expenses	8,309,275	3,565,600	42.9%
Utilities	5,588,435	4,185,797	74.9%
All Other Insurance	9,882,000	10,069,228	101.9%
Parts and Fuel	7,086,528	5,366,568	75.7%
Equipment/Office Rental and Maintenance	15,543,818	11,222,360	72.2%
Professional Development	1,003,316	631,297	62.9%
Recovery of Expenses	(2,431,000)	(1,852,770)	76.2%
Total Maintenance and Operations Expenditures	\$283,417,991	\$199,989,470	70.6%
Net Revenue			
Revenue Less M and O Expenditures	\$702,582,009	\$552,711,415	78.7%
Debt Service Transfers			
Existing Debt	\$282,860,000	\$208,798,734	73.8%
New Debt	33,750,000	7,812,500	23.1%
Total Debt Service Transfers	\$316,610,000	\$216,611,234	68.4%
Net Revenue Less Debt Service Transfers	\$385,972,009	\$336,100,181	87.1%

Quarterly Financial Review September 30, 2013

ILLINOIS TOLLWAY			
% of PROJECTION REALIZED (UNAUDITED)			
Year-To-Date September 30, 2013			
	2013 Projection	YTD Actual ⁽¹⁾	% Projection Realized
Capital Program			
Tri-State Tollway (I-94/I-294/I-80)	\$36,873,092	\$36,471,889	98.9%
Reagan Memorial Tollway (I-88)	5,525,463	7,469,502	135.2%
Jane Addams Memorial Tollway (I-90)	415,201,319	210,703,877	50.7%
Veterans Memorial Tollway (I-355)	23,186,764	11,739,462	50.6%
Open Road Tolling (ORT)	4,135,163	3,481,194	84.2%
Systemwide Improvements	217,969,540	67,573,873	31.0%
Tri-State Tollway (I-294)/I-57 Interchange	66,737,418	31,718,384	47.5%
Elgin O'Hare Western Access	95,555,539	31,222,783	32.7%
Illinois Route 53/120/Other Planning Studies	6,833,330	142,605	2.1%
Move Illinois and CRP Subtotal	\$872,017,628	\$400,523,569	45.9%
"Other" Capital Projects ⁽²⁾	50,000,000	26,373,506	52.7%
Capital Program Subtotal	\$922,017,628	\$426,897,076	46.3%
Intergovernmental Agreement Reimbursements and Other Adjustments ⁽³⁾	-	(9,827,070)	N/A
Total Capital Program Expenditures	\$922,017,628	\$417,070,005	45.2%

⁽¹⁾ Capital Program expenses are financed by funds available in the Renewal/ Replacement and Improvement accounts.

⁽²⁾ The Other Projects portion of the Capital Program Budget for 2013 totaled \$79.3 million, of which \$50 million is anticipated to be spent.

⁽³⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods.

Quarterly Financial Review September 30, 2013

ILLINOIS TOLLWAY				
2012 Actual vs. 2013 Unaudited Actual				
Third Quarter Ending September 30th				
	Third Quarter		Variance	
	2012	2013	\$	%
REVENUE				
Toll Revenue and Evasion Recovery	\$248,669,418	\$266,798,250	\$18,128,831	7.3%
Concessions	612,406	606,632	(5,774)	-0.9%
Investment Income	411,690	205,720	(205,971)	-50.0%
Miscellaneous	1,632,062	826,071	(805,991)	-49.4%
Total Revenue	\$251,325,577	\$268,436,673	\$17,111,096	6.8%
Maintenance and Operations (M and O) Expenditures				
Payroll and Related Costs	\$35,510,516	\$36,153,797	(\$643,281)	-1.8%
Group Insurance	6,203,846	7,187,084	(983,238)	-15.8%
Contractual Services	11,597,772	16,297,864	(4,700,092)	-40.5%
Materials/Operational Supplies/Other Expenses	482,369	842,344	(359,975)	-74.6%
Utilities	1,113,711	665,301	448,410	40.3%
All Other Insurance	1,073,284	5,483,844	(4,410,559)	-410.9%
Parts and Fuel	2,125,008	1,885,569	239,439	11.3%
Equipment/Office Rental and Maintenance	2,971,363	3,574,857	(603,494)	-20.3%
Professional Development	174,721	139,650	35,071	20.1%
Recovery of Expenses	(712,540)	(564,400)	(148,140)	-20.8%
Total Maintenance and Operations Expenditures	\$60,540,050	\$71,665,910	(\$11,125,860)	-18.4%
Net Revenue				
Revenue Less M and O Expenditures	\$190,785,527	\$196,770,763	\$5,985,236	3.1%
Debt Service Transfers				
Existing Debt	\$61,088,363	\$70,355,663	(\$9,267,300)	-15.2%
New Debt	-	7,812,500	(7,812,500)	N/A
Total Debt Service Transfers	\$61,088,363	\$78,168,163	(\$17,079,800)	-28.0%
Net Revenue Less Debt Service Transfers	\$129,697,164	\$118,602,600	(\$11,094,564)	-8.6%

Quarterly Financial Review September 30, 2013

ILLINOIS TOLLWAY				
2012 Actual vs. 2013 Unaudited Actual				
Third Quarter Ending September 30th				
	3rd Qtr		Variance	
	2012	2013	\$	%
Capital Program				
Tri-State Tollway (I-94/I-294/I-80)	\$41,047,194	\$17,361,194	\$23,686,000	58%
Reagan Memorial Tollway (I-88)	34,760,169	1,871,084	32,889,085	95%
Jane Addams Memorial Tollway (I-90)	27,530,744	118,119,390	(90,588,646)	-329%
Veterans Memorial Tollway (I-355)	576,639	8,421,118	(7,844,479)	-1360%
Open Road Tolling (ORT)	406,906	1,007,859	(600,953)	-148%
Systemwide Improvements	18,343,799	32,005,618	(13,661,819)	-74%
Tri-State Tollway (I-294)/I-57 Interchange	4,453,823	19,581,538	(15,127,716)	-340%
Elgin O'Hare Western Access	1,832,933	11,604,206	(9,771,273)	-533%
Illinois Route 53/120/Other Planning Studies	-	118,414	(118,414)	N/A
Move Illinois and CRP Subtotal	\$128,952,206	\$210,090,422	(\$81,019,802)	-63%
"Other" Capital Projects	11,930,870	12,236,059	(305,189)	-3%
Capital Program Subtotal	\$140,883,076	\$222,326,480	(\$81,324,991)	-58%
Intergovernmental Agreement Reimbursements and Other Adjustments ⁽¹⁾	(17,427,924)	(777,612)	(16,650,312)	96%
Total Capital Program Expenditures	\$123,455,152	\$221,548,868	(\$97,975,303)	-79%

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

Quarterly Financial Review September 30, 2013

ILLINOIS TOLLWAY				
2012 Actual vs. 2013 Unaudited Actual				
Year-To-Date September 30th				
	YTD		Variance	
	2012	2013	\$	%
REVENUE				
Toll Revenue and Evasion Recovery	\$712,999,805	\$747,332,979	\$34,333,173	4.8%
Concessions	1,712,593	1,736,996	24,403	1.4%
Investment Income	898,046	719,362	(178,685)	-19.9%
Miscellaneous	3,862,794	2,911,548	(951,246)	-24.6%
Total Revenue	\$719,473,239	\$752,700,885	\$33,227,646	4.6%
Maintenance and Operations (M and O) Expenditures				
Payroll and Related Costs	\$107,884,475	\$110,685,708	(\$2,801,233)	-2.6%
Group Insurance	20,040,033	20,811,340	(771,307)	-3.8%
Contractual Services	28,544,266	35,304,340	(6,760,075)	-23.7%
Materials/Operational Supplies/Other Expenses	3,633,955	3,565,600	68,355	1.9%
Utilities	4,069,910	4,185,797	(115,887)	-2.8%
All Other Insurance	5,572,887	10,069,228	(4,496,341)	-80.7%
Parts and Fuel	4,166,322	5,366,568	(1,200,246)	-28.8%
Equipment/Office Rental and Maintenance	8,964,203	11,222,360	(2,258,158)	-25.2%
Professional Development	589,247	631,297	(42,050)	-7.1%
Recovery of Expenses	(1,765,938)	(1,852,770)	86,831	4.9%
Total Maintenance and Operations Expenditures	\$181,699,360	\$199,989,470	(\$18,290,110)	-10.1%
Net Revenue				
Revenue Less M and O Expenditures	\$537,773,879	\$552,711,415	\$14,937,536	2.8%
Debt Service Transfers				
Existing Debt	\$180,428,753	\$208,798,734	(\$28,369,982)	-15.7%
New Debt	-	7,812,500	(7,812,500)	N/A
Total Debt Service Transfers	\$180,428,753	\$216,611,234	(\$36,182,482)	-20.1%
Net Revenue Less Debt Service (Coverage)	\$357,345,126	\$336,100,181	(\$21,244,946)	-5.9%

Quarterly Financial Review September 30, 2013

ILLINOIS TOLLWAY				
2012 Actual vs. 2013 Unaudited Actual				
Yar-To-Date September 30th				
	YTD		Variance	
	2012	2013	\$	%
Capital Program				
Tri-State Tollway (I-94/I-294/I-80)	\$68,748,713	\$36,471,889	\$32,276,824	47%
Reagan Memorial Tollway (I-88)	49,304,092	7,469,502	41,834,590	85%
Jane Addams Memorial Tollway (I-90)	41,427,763	210,703,877	(169,276,114)	-409%
Veterans Memorial Tollway (I-355)	733,569	11,739,462	(11,005,893)	-1500%
Open Road Tolling (ORT)	1,158,401	3,481,194	(2,322,793)	-201%
Systemwide Improvements	47,783,756	67,573,873	(19,790,117)	-41%
Tri-State Tollway (I-294)/I-57 Interchange	6,393,298	31,718,384	(25,325,086)	-396%
Elgin O'Hare Western Access	1,946,596	31,222,783	(29,276,187)	-1504%
Illinois Route 53/120/Other Planning Studies	-	142,605	(142,605)	N/A
Move Illinois & CRP Subtotal	\$217,496,188	\$400,523,569	(\$182,884,777)	-84%
"Other" Capital Projects	24,913,436	26,373,506	(1,460,070)	-6%
Capital Program Subtotal	\$242,409,624	\$426,897,076	(\$184,344,847)	-76%
Intergovernmental Agreement Reimbursements and Other Adjustments ⁽¹⁾	(20,435,015)	(9,827,070)	(10,607,945)	52%
Total Capital Program Expenditures	\$221,974,609	\$417,070,005	(\$194,952,792)	-88%

⁽¹⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods, and Other Adjustments were accounting adjustments made year-to-date.