



2018 Budget Analysis

(Preliminary and Unaudited)

Quarterly Financial Review

October 1 - December 31, 2018

revised March 29, 2019

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INTRODUCTION

In December 2017, the Tollway Board of Directors adopted the annual budget for 2018. To monitor performance against this budget, each quarter the Finance Department reviews and compares actual revenue and expenditures of the Tollway to the budget and presents the resulting analysis in this quarterly report to the Finance, Administration and Operations Committee and the Tollway Board.

The annual budget is prepared in conformance with provisions of the Tollway's Trust Indenture. This quarterly financial report is unaudited and is prepared on a basis of accounting that comports with the Trust Indenture, which is a basis of accounting other than generally accepted accounting principles. Revenue and expenditures are reported on an accrual basis net of certain allowances for bad debt. Capital expenditures are expensed in the period incurred, and no accommodation is made for depreciation of capital assets. Reimbursements for capital expenditures are treated as reduction in expenses.

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

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

During preparation of the 2019 Budget in October 2018, the Tollway revised the 2018 revenue estimates for toll evasion and recovery from \$1,430 million to \$1,417 million. Investment income was revised from \$12 million to \$28 million. Concessions and Miscellaneous revenue was revised from \$8 million to \$10 million. In addition, debt service transfers were revised from \$413 million to \$410 million, and the 2018 capital program projections were revised downward by \$4 million, from \$1,184 million to \$1,180 million.

This report provides an analysis of actual revenue and expenditures through the fourth quarter of fiscal year 2018. The purpose of this analysis is to assess the actual financial performance of the Tollway relative to the 2018 Budget. A favorable variance contributes to a higher fund balance, while an unfavorable variance reduces the fund balance.

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

BUDGET SUMMARY

Introduction

On August 25, 2011, the Illinois Tollway Board of Directors adopted the 15-year, \$12 billion capital program, *Move Illinois: The Illinois Tollway Driving the Future*. In 2017, the Board of Directors expanded this program to \$14 billion. The program is funded by bonds, 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 2018 Budget, approved by the Board of Directors in December 2017, included the maintenance and operations budget, debt service transfers and capital budget in support of the seventh year of the *Move Illinois* Program.

Budgeted Revenue 2018

The 2018 revenue was estimated at \$1,450 million, including \$1,430 million from toll revenue and evasion recovery, \$12.0 million from investment income and \$8.0 million from concessions revenue and miscellaneous income.

The Tollway's 2018 Budget allocated \$353 million for maintenance and operations expenses, \$413 million for debt service transfers and \$684 million for the *Move Illinois* and Congestion-Relief Programs including non-roadway capital investments (deposits to the renewal/replacement and improvement accounts).

Revised Revenue Estimates 2018

During preparation of the 2019 Budget in October 2018, the Tollway revised the 2018 revenue estimates for toll evasion and recovery from \$1,430 million to \$1,417 million. Investment income was revised from \$12 million to \$28 million. Concessions and Miscellaneous revenue was revised from \$8 million to \$10 million. In addition, debt service transfers were revised from \$413 million to \$410 million.

2018 Revenue Sources and Allocations

(\$ millions)

| SOURCES OF REVENUE | (\$ millions) | |
|--|----------------|-------------------------------|
| | 2018 Budget | 2018 October Revised Estimate |
| Toll Revenue and Evasion Recovery | \$1,430 | \$1,417 |
| Investment Income | 12 | 28 |
| Concessions Revenue and Miscellaneous Income | 8 | 10 |
| Total Revenue | \$1,450 | \$1,455 |

ALLOCATIONS OF REVENUE

(\$ millions)

| ALLOCATIONS OF REVENUE | (\$ millions) | |
|---|----------------|-------------------------------|
| | 2018 Budget | 2018 October Revised Estimate |
| Maintenance and Operations | \$353 | \$353 |
| Debt Service Transfers | 413 | 410 |
| Deposits to Renewal/Replacement and Improvement | 684 | 692 |
| Total Allocations | \$1,450 | \$1,455 |

RESULTS SUMMARY 2018

Revenue

Revenue for 2018 totaled \$1,464.7 million and was \$9.7 million more than the October revised estimate. Toll and evasion recovery revenue totaled \$1,418.1 million, \$1.1 million more than the revised estimate. Miscellaneous revenue totaled \$10.1 million, concessions revenue totaled \$2.2 million and investment income totaled \$34.4 million.

Expenditures

The Illinois Tollway's 2018 fourth quarter operating expenditures totaled \$85.3 million, which was 23.3 percent of the \$352.8 million annual maintenance and operations budget. Operating expenditures through December 31, 2018, totaled \$336 million, which was 95.2 percent of the \$352.8 million annual maintenance and operations budget.

2018 debt service transfers totaled \$410.6 million or \$0.9 million more than the October revised estimate and \$2.7 million less than budgeted at the beginning of 2018.

Capital program expenditures for 2018 totaled \$928.1 million, or 21.3 percent less than the revised estimate of \$1,179.8 million. Move Illinois Program and the Congestion-Relief Program expenses totaled \$934.1 million. Reimbursements pursuant to intergovernmental agreements and other adjustments reduced expenditures by \$6.1 million.

REVENUE SUMMARY

REVENUE
October Estimate vs. Unaudited Actual
Fourth Quarter 2018
(\$ thousands)

| (\$ thousands) | October Revised Estimate | 4th Qtr | | Variance | |
|-----------------------------------|--------------------------|------------------|----------------|-------------|--|
| | | Actual | \$ | % | |
| Toll Revenue and Evasion Recovery | \$348,633 | \$349,720 | \$1,087 | 0.3% | |
| Concessions | 325 | 477 | 152 | 46.6% | |
| Investment Income | 4,638 | 11,027 | 6,389 | 137.8% | |
| Miscellaneous | 3,500 | 1,783 | (1,717) | (49.1%) | |
| Total Revenue | \$357,096 | \$363,007 | \$5,911 | 1.7% | |

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

REVENUE
October Estimate vs. Unaudited Actual
Fiscal Year 2018

| (\$ thousands) | October Revised Estimate | YTD | | Variance | |
|-----------------------------------|--------------------------|--------------------|----------------|-------------|--|
| | | Actual | \$ | % | |
| Toll Revenue and Evasion Recovery | \$1,417,000 | \$1,418,087 | \$1,087 | 0.1% | |
| Concessions | 2,000 | 2,152 | 152 | 7.6% | |
| Investment Income | 28,000 | 34,389 | 6,389 | 22.8% | |
| Miscellaneous | 8,000 | 10,080 | 2,080 | 26.0% | |
| Total Revenue | \$1,455,000 | \$1,464,708 | \$9,708 | 0.7% | |

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

During preparation of the 2019 Budget in October 2018, the Tollway revised the 2018 toll revenue estimates from \$1,430 million to \$1,417 million.

Fourth Quarter Analysis

Revenue for the 2018 fourth quarter totaled \$363 million, \$5.9 million more than estimated for the period. The fourth quarter revenue was 25 percent of the annual revenue estimate of \$1,455 million developed in October.

Toll and evasion recovery revenue totaled \$349.7 million, \$1.1 million more than the revised October estimate. Concession and miscellaneous revenue and investment income totaled \$13.3 million.

Passenger car transactions declined 1.9 percent from fourth quarter 2017 and were 5.6 percent less than projected for the quarter. Fourth quarter commercial vehicle transactions grew 2.6 percent from fourth quarter 2017 and were 0.2 percent less than projected.

Full Year 2018 Analysis

Revenue for fiscal year 2018 totaled \$1,464.7 million.

Toll and evasion recovery revenue totaled \$1,418.1 million, or \$1.1 million more than the revised estimate. The variance can be attributed to evasion recovery totaling \$7.0 million more than the October revised estimate and toll revenue totaling \$5.9 million less than October revised estimate.

Toll transactions for all vehicle classes grew 1.2 percent compared to 2017 but were 0.4 percent less than the October revised estimate. Passenger car transactions grew 0.6 percent from 2017 but were 0.4 percent below the October revised estimate. Commercial vehicle transactions grew 5.2 percent compared to 2017 but were 0.7 percent lower than the October revised estimate.

Concessions revenue totaled \$2.2 million and was \$0.2 million lower than the estimate. Investment income totaled \$34.4 million and was \$6.4 million higher than the revised estimate. Miscellaneous revenue totaled \$10.1 million and was \$2.1 million higher than the revised estimate.

MAINTENANCE AND OPERATIONS SUMMARY

Budget vs. Unaudited Actual Fourth Quarter 2018

(\$ thousands)

| (\$ thousands) | 4th Qtr | | Variance | |
|--|-----------------|-----------------|----------------|-------------|
| | Budget | Actual | \$ | % |
| Payroll and Related Costs | \$41,822 | \$41,719 | \$103 | 0.2% |
| Group Insurance | 9,897 | 7,988 | 1,909 | 19.3% |
| Contractual Services | 23,860 | 21,505 | 2,356 | 9.9% |
| Materials/Operational Supplies/Other Expenses | 2,134 | 2,633 | (499) | (23.4%) |
| Utilities | 2,224 | 640 | 1,584 | 71.2% |
| All Other Insurance | 2,927 | 1,959 | 967 | 33.0% |
| Parts and Fuel | 1,841 | 2,954 | (1,114) | (60.5%) |
| Equipment/Office Rental and Maintenance | 8,400 | 6,353 | 2,047 | 24.4% |
| Other Miscellaneous Expenses | 280 | 216 | 64 | 23.0% |
| Recovery of Expenses | (635) | (672) | 37 | 5.8% |
| Total Maintenance and Operations Expenditures | \$92,750 | \$85,296 | \$7,454 | 8.0% |

Note: Numbers may not add to totals due to rounding

Budget vs. Unaudited Actual Fiscal Year 2018

(\$ thousands)

| (\$ thousands) | YTD | | Variance | |
|--|------------------|------------------|-----------------|-------------|
| | Budget | Actual | \$ | % |
| Payroll and Related Costs | \$167,200 | \$164,177 | \$3,024 | 1.8% |
| Group Insurance | 39,807 | 36,496 | 3,311 | 8.3% |
| Contractual Services | 85,519 | 83,638 | 1,881 | 2.2% |
| Materials/Operational Supplies/Other Expenses | 6,561 | 6,204 | 357 | 5.4% |
| Utilities | 8,236 | 7,816 | 421 | 5.1% |
| All Other Insurance | 11,473 | 7,313 | 4,159 | 36.3% |
| Parts and Fuel | 6,021 | 7,206 | (1,185) | (19.7%) |
| Equipment/Office Rental and Maintenance | 29,189 | 24,746 | 4,442 | 15.2% |
| Other Miscellaneous Expenses | 994 | 839 | 155 | 15.6% |
| Recovery of Expenses | (2,251) | (2,474) | 224 | 9.9% |
| Total Maintenance and Operations Expenditures | \$352,750 | \$335,962 | \$16,788 | 4.8% |

Note: Numbers may not add to totals due to rounding

Analysis

The Tollway's operating expenditures in 2018 totaled \$336 million, or \$16.8 million below the annual maintenance and operations budget of \$353 million.

The variances to the 2018 budget are explained below:

Payroll and related costs totaled \$164.2 million, \$3 million less than budget. This favorable variance is mainly attributed to unfilled vacant positions; both in the salaries and wages area, as well as retirement came in less than budget.

Group insurance expenses totaled \$36.5 million, \$3.3 million less than budget. The variance is due to more vacancies than anticipated and lower costs for the HMO plan.

Contractual services totaled \$83.6 million, \$1.9 million less than budget. The favorable variance is attributed to contracts that are either not being renewed or starting later than anticipated in the Diversity Department.

Materials/operational supplies/other expenses totaled \$6.2 million, \$356 thousand less than budget. This variance is mainly due to less spending for operational materials.

Utilities expenses, which include electricity, natural gas, water and telephone, totaled \$7.8 million, \$421 thousand less than budget. This favorable variance in 2018 was due to a change in telecommunication lines to new internal state broadband lines. The fourth quarter expenses were lower due to timing of utility invoices in previous quarters.

All other insurance expenses totaled \$7.3 million, \$4.2 million less than budget. This category includes expenses for property and liability insurance, as well as amounts allocated to the workers' compensation claim fund. The variance was due to favorable adjustment for prior year's claims pursuant to an annual actuarial review conducted in 2018.

Parts and fuel expenses totaled \$7.2 million, \$1.2 million more than budget. This unfavorable variance is partially due to the need for winter parts and fuel based on storm occurrences in the fourth quarter.

Equipment/office rental and maintenance expenditures totaled \$24.7 million, \$4.4 million less than the budgeted amount. This variance is mainly due to timing of maintenance support, a decrease in license support and software support for back-office system maintenance.

Other Miscellaneous Expenses totaled \$839 thousand, \$155 thousand less than budget. This cost category includes travel, training, dues, books, subscriptions, uniforms and accessories.

Recovery of expenses totaled \$2.5 million, \$224 thousand more recovery than budgeted. This category includes reimbursement for emergency services (ambulances and/or fire departments) or damage to Tollway property caused by others.

Budget Transfers

Budget to actual comparisons in this analysis are based on the 2018 maintenance and operations budget adopted by the Tollway Board. During the budget year, management approves transfers from accounts that incur surpluses to those requiring additional funds due to shortfalls. These transfers, approved by management, do not change the total dollar amount of the maintenance and operations budget approved by the Board in December 2017.

DEBT SERVICE SUMMARY

For annual budgeting and quarterly reporting purposes, debt service consists of the sum of monthly transfers from the Revenue Fund 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 redemption;
- (iii) net payments on interest rate exchange (“swap”) agreements; and
- (iv) costs of bond credit/liquidity agreements, bond remarketing agreements and bond ratings.

Budget/Revised Estimate vs. Actual (Unaudited)
Fiscal Year 2018
(\$ millions)

| | Budget | Revised Estimate | Actual | Revised Est. less Actual | |
|---|----------|------------------|----------|--------------------------|--------|
| | | | | \$ | % |
| Debt Service Transfers for Existing Debt | \$ 410.2 | \$ 409.6 | \$ 410.6 | \$ (0.9) | (0.2)% |
| Debt Service Transfers for New Debt | \$ 3.1 | \$ 0.0 | \$ 0.0 | \$ 0.0 | 0.0% |
| Total Debt Service Transfers | \$ 413.3 | \$ 409.6 | \$ 410.6 | \$ (0.9) | (0.2)% |

Analysis

For 2018, the Tollway budgeted \$413.3 million for transfers from the Revenue Fund to the Debt Service Account to provide for the payments described above. That budgeted amount assumed an additional source of funds of \$15.1 million from federal subsidies associated with the Tollway’s Series 2009A and Series 2009B Build America Bonds.

In October 2018, in connection with preparing its 2019 Budget, the Tollway reduced its estimated transfers for debt service from the \$413.3 million budgeted amount to a revised estimate of \$409.6 million, primarily due to new bonds that were budgeted to be issued in the fourth quarter of 2018 but that will instead be issued in 2019.

Actual 2018 transfers to the Debt Service Account were \$410.6 million, materially in line with the revised estimate. The actual transfers exceeded the revised estimate by approximately \$943,000. The variance was primarily due to a refunding bond issuance that closed on January 10, 2019, which necessitated that the December 2018 monthly transfer to the Debt Service Account be increased to include an amount to provide for interest on the refunded bonds for the period January 1–9, 2019.

DERIVATIVES

The Tollway utilized 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 December 31, 2018. 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 Series 2007A Bonds' issuance 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 Series 2008A Bonds' issuance on February 7, 2008. See the third and fourth footnotes to the below table for descriptions of two swaps terminated December 11, 2018.

| The Illinois State Toll Highway Authority Swap Portfolio as of December 31, 2018 (Note: Valuations are net of accrued interest.) (\$ thousands) | | | | | | | |
|--|-----------------------------|------------------|-----------------|-----------------|----------|-------------------------------------|--------------------|
| Series | Counterparty | Notional Amount | Fixed Rate Paid | Var. Rate Rec'd | Maturity | Terminated? | Valuation |
| 2007 SERIES A-1 | Citibank N.A., New York | 175,000 | 3.9720% | SIFMA | 7/1/2030 | | (\$27,493) |
| 2007 SERIES A-1 | Goldman Sachs Bank USA | 175,000 | 3.9720% | SIFMA | 7/1/2030 | | (\$27,493) |
| 2007 SERIES A-1 TOTAL | | \$350,000 | | | | | (\$54,985) |
| 2007 SERIES A-2 | Bank of America, N.A. | 262,500 | 3.9925% | SIFMA | 7/1/2030 | yes, on 12/11/18 effective 1/10/19 | (\$161) ^ |
| 2007 SERIES A-2 | Wells Fargo Bank * | 87,500 | 3.9925% | SIFMA | 7/1/2030 | | (\$13,889) |
| 2007 SERIES A-2 TOTAL | | \$350,000 | | | | | (\$14,050) |
| 2008 SERIES A-1 | The Bank of New York Mellon | 190,600 | 3.7740% | SIFMA | 1/1/2031 | | (\$26,356) |
| 2008 SERIES A-1 | Deutsche Bank AG, NY Branch | -- | 3.7740% | SIFMA | 1/1/2031 | yes, on 12/11/18 effective 12/11/18 | -- ^^ |
| 2008 SERIES A-1 TOTAL | | 190,600 | | | | | (\$26,356) |
| 2008 SERIES A-2 | Bank of America, N.A.** | 95,300 | 3.7640% | SIFMA | 1/1/2031 | | (\$13,105) |
| 2008 SERIES A-2 TOTAL | | 95,300 | | | | | (\$13,105) |
| TOTAL | | \$985,900 | | | | | (\$108,497) |

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

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

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

^ The swap with Bank of America associated with Series 2007A-2 was terminated December 11, 2018, effective January 10, 2019, for a swap termination payment of \$38,345,000.00 payable (and paid) by the Tollway to Bank of America on January 10, 2019. The Tollway and Bank of America continued to pay their respective amounts owing under the swap between December 11, 2018 through January 9, 2019. The valuation shown as of December 31, 2018 is the valuation of the swap's cashflows for the period January 1, 2019 through January 9, 2019.

^^ The swap with Deutsche Bank associated with Series 2008A-1, which was identical in amounts/terms to the swap with The Bank of New York Mellon, was terminated December 11, 2018, effective December 11, 2018, for a swap termination payment of \$24,133,130.85. All payment obligations under the swap ceased December 11, 2018, except for \$24,243,000 payable (and paid) by the Tollway to Deutsche Bank on January 10, 2019, consisting of the afore-mentioned termination payment of \$24,133,130.85 and \$109,869.15 for accrued interest for the period Dec 1 - 10, 2018.

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 2018

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

The capital budget is comprised of two major programs. The *Move Illinois: The Illinois Tollway Driving the Future* capital program was approved by the Board of Directors on August 25, 2011. On April 27, 2017, the Board of Directors approved expansion of this program to \$14 billion. The *Move Illinois* Program is a 15-year program which extends from 2012 through 2026 and includes anticipated capital investments totaling an estimated \$14 billion. The fiscal year 2018 Capital Budget allocated \$1,181.8 million to fund the seventh year of the *Move Illinois* Program.

The other major capital program is the Congestion-Relief Program (CRP). The 12-year Congestion-Relief Program began in 2005 and is currently estimated to cost \$5.7 billion. This program ended in 2016 and projects awarded by end of 2016 are expected to be completed by 2018. The fiscal year 2018 Capital Budget allocates \$2.0 million to fund the final projects.

Revised Estimate 2018

Revisions to expenditure projections are made during the course of the year. During preparation of the 2019 Budget in October 2018, the Tollway revised the estimates for the 2018 capital program downward from \$1,183.7 million to \$1,179.8 million.

CAPITAL PROGRAM

Fiscal Year 2018

(\$ millions)

| (\$ millions) | Approved Budget | October Revised Estimate |
|--|------------------|--------------------------|
| Tri-State Tollway (I-94/I-294/I-80) | \$238.1 | \$266.2 |
| Reagan Memorial Tollway (I-88) | 175.0 | 166.3 |
| Jane Addams Memorial Tollway (I-90) | 24.4 | 43.4 |
| Veterans Memorial Tollway (I-355) | 35.1 | 103.1 |
| Systemwide Improvements | 325.5 | 350.1 |
| Tri-State Tollway (I-294/I-57) Interchange | 0.0 | 0.4 |
| Elgin O'Hare Western Access | 375.9 | 248.1 |
| Other Emerging Projects | 9.7 | 9.4 |
| Move Illinois and CRP Total | \$1,183.7 | \$1,187.0 |
| Other Capital Projects | 0.0 | (7.2) |
| Total Capital Program | \$1,183.7 | \$1,179.8 |

Capital Program Expenditures

For the purpose of the 2018 fourth quarter review, the capital program actual expenditures are compared to the October revised estimates.

Revised Estimate vs. Unaudited Actual Fourth Quarter 2018

| (\$ thousands) | 4th Qtr | | Variance | |
|---|--------------------------|------------------|------------------|--------------|
| | October Revised Estimate | Actual | \$ | % |
| Tri-State Tollway (I-94/I-294/I-80) | \$91,853 | \$96,456 | (\$4,603) | (5.0%) |
| Reagan Memorial Tollway (I-88) | 39,764 | 33,003 | 6,761 | 17.0% |
| Jane Addams Memorial Tollway (I-90) | 8,374 | 2,564 | 5,811 | 69.4% |
| Veterans Memorial Tollway (I-355) | 33,180 | 34,830 | (1,651) | (5.0%) |
| Systemwide Improvements | 117,377 | 67,162 | 50,214 | 42.8% |
| Tri-State Tollway (I-294)/I-57 Interchange | 106 | 46 | 61 | 56.9% |
| Elgin O'Hare Western Access | 160,700 | 45,543 | 115,157 | 71.7% |
| Other Emerging Projects | 2,969 | 2,217 | 752 | 25.3% |
| Move Illinois and CRP Subtotal | \$454,323 | \$281,821 | \$172,502 | 38.0% |
| Agreement Reimbursement and other Adjustments | - | (2,992) | 2,992 | - |
| Total Capital Program Expenditures | \$454,323 | \$278,829 | \$175,494 | 38.6% |

CAPITAL PROGRAM October Estimate vs. Unaudited Actual Fiscal Year 2018 (\$ thousands)

| (\$ thousands) | YTD | | Variance | |
|--|--------------------------|------------------|------------------|--------------|
| | October Revised Estimate | Actual | \$ | % |
| Tri-State Tollway (I-94/I-294/I-80) | \$266,222 | \$226,932 | \$39,290 | 14.8% |
| Reagan Memorial Tollway (I-88) | 166,309 | 153,070 | 13,239 | 8.0% |
| Jane Addams Memorial Tollway (I-90) | 43,426 | 38,818 | 4,608 | 10.6% |
| Veterans Memorial Tollway (I-355) | 103,105 | 85,478 | 17,627 | 17.1% |
| Systemwide Improvements | 350,060 | 278,159 | 71,901 | 20.5% |
| Tri-State Tollway (I-294)/I-57 Interchange | 362 | 314 | 48 | 13.4% |
| Elgin O'Hare Western Access | 248,106 | 143,125 | 104,982 | 42.3% |
| Other Emerging Projects | 9,381 | 8,252 | 1,129 | 12.0% |
| Move Illinois and CRP Subtotal | \$1,186,972 | \$934,147 | \$252,825 | 21.3% |
| Agreement Reimbursements and Other Adjustments | (7,174) | (6,077) | (1,097) | 15.3% |
| Total Capital Program Expenditures | \$1,179,798 | \$928,070 | \$251,728 | 21.3% |

Analysis

Capital program expenditures are reported on an accrual basis. For the quarter ending December 31, 2018, unaudited capital program expenditures totaled \$278.8 million. This amount includes expenses paid during the fourth quarter and \$159.2 million of work for which payments have not been made as of December 31, 2018. The intergovernmental agreement reimbursements and other adjustments made during the quarter reduced expenditures by \$3.0 million.

For fiscal year 2018, capital program expenditures totaled \$928.1 million, or \$252 million less than the October revised estimate. In addition, reimbursements and other adjustments made during 2018 reduced expenditures by \$6.1 million. The 2018 variance of \$252 million was primarily attributable to the timing of expenditures for right-of-way acquisitions and utility relocations, and to construction delays.

Corridor

2018 October
Revised Estimate
(\$ millions)

2018
Expenditure
(\$ millions)

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

\$266.2

\$226.9

During the fourth quarter, design services for the Central Tri-State Tollway (I-294) Project from 95th Street to Balmoral Avenue have continued. Early-stage construction began and includes work associated with roadway rehabilitation and widening and bridge rehabilitation on the inside lanes between the O'Hare Oasis and Balmoral Avenue, as well as median reconstruction and widening at the Cermak Road, 82nd Street and 83rd Street Toll Plazas (plazas 35, 36 and 39). Preparation for the removal of the O'Hare Oasis bridge structure and construction for advance intelligent transportation systems fiber relocation for the new I-490 Tollway tie-in also took place.

Expenditures in 2018 were \$39.3 million less than the revised projection. The main contributors were design expenditures that were \$10.8 million less than projected spending in 2018, as well as \$14.9 million less in construction-related expenditures and \$19.8 million less in expenditures due to timing differences in utility relocations.

Reagan Memorial Tollway (I-88)

\$166.3

\$153.1

During the fourth quarter, roadway reconstruction proceeded between York Road and I-290. Construction also proceeded on the roadway resurfacing and bridge rehabilitation between Annie Glidden Road to Illinois Route 56. Design on the connector ramp to the Tri-State Tollway (I-294) continued as well.

Expenditures for the corridor were \$13.2 million less than the revised projection, mainly due to construction spending less than anticipated in the fourth quarter.

Jane Addams Memorial Tollway (I-90)

\$43.4

\$38.8

During the fourth quarter, closeout activities continued for roadway reconstruction and widening, as well as reconstruction of interchanges and bridges between Elgin Toll Plaza (plaza 9) and the Kennedy Expressway.

Roadside completion improvements between Elgin Toll Plaza and the Kennedy Expressway continued throughout the year, as did work on Barrington Road Interchange. Fence replacement and signing between Mill Road and Randall Road was ongoing.

2018 expenditures were \$4.6 million lower than revised projections, due primarily to the timing of the contract closeout process and the extension of the completion of the Barrington Road Interchange into 2019.

Veterans Memorial Tollway (I-355)

\$103.1

\$85.5

During the fourth quarter, design and construction efforts for resurfacing and repairs continued between I-55 and Army Trail Road, as well as I-55 to Butterfield Road.

Expenditures for this corridor in 2018 were \$17.6 million less than projected, primarily due to \$18.5 million in weather delays and differing site conditions, slightly offset by extra work on construction contracts between Butterfield Road and Army Trail Road.

Systemwide Improvements

\$350.1

\$278.2

During the fourth quarter, work on various pavement, bridge and ramp repair contracts continued, including pavement and bridge preservation on the Tri-State Tollway (I-94/I-294) and reconstruction of the Rockford (M-7) and Marengo (M-6) maintenance facilities.

Expenditures in 2018 were \$71.9 million less than projected mainly due to a \$23.3 million underspend in pavement, bridge and ramp repairs, as well as M-8 maintenance site right-of-way acquisition and construction from Washington Street to York Road and Balmoral Ave to Lake Cook Road. Slower than expected spending on non-roadway capital projects in Information Technology, Toll Operations, Business Systems and Fleet contributed \$48.6 million to the overall variance.

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

\$0.4

\$0.3

Surveying upon request was ongoing.

Expenditures for the corridor were \$.05 million less than projected.

Elgin O'Hare Western Access Project

\$248.1

\$143.1

During the fourth quarter, there were eleven active construction projects ongoing for the Elgin O'Hare Western Access Project, including significant earthwork associated with both the Chicago Department of Aviation advance earthwork grading phase II and the I-490 Tollway advance earthwork and retaining wall projects. Construction also continued for the advance fiber relocation along south I-490 and I-294, the I-90 collector-distributor ramps over Higgins Creek Bridge, the bridge construction and building removal at I-90 from Elmhurst Road to Mount Prospect Road and on multiple landscaping contracts. The Tollway also awarded two projects in this quarter, including the long anticipated I-490/Illinois Route 390 Interchange from Illinois Route 83 to York Road and the I-490/I-90 Interchange east and westbound ramps.

2018 expenditures were \$105.0 million less than the revised estimate, primarily due to less than planned spending associated with the delay in right-of-way acquisition in the amount of \$112.8 million.

Other Emerging Projects

\$9.4

\$8.3

Feasibility studies continued throughout fourth quarter and year for the possible Tri-County Access extension's Environmental Impact Statement study.

Expenditures for this corridor were \$1.1 million less than projected on the contract for phase 1 study.

Financial Summaries

Quarterly Financial Review December 31, 2018

| ILLINOIS TOLLWAY | | | | |
|--|-----------------------------|----------------------|---------------------|---------------|
| October Revised Estimate vs. UNAUDITED ACTUAL | | | | |
| Fourth Quarter Ending December 31, 2018 | | | | |
| | 4th Qtr | | Variance | |
| | October Revised Estimate | Actual | \$ | % |
| REVENUE | | | | |
| Toll Revenue and Evasion Recovery | \$348,633,194 | \$349,720,299 | \$1,087,105 | 0.3% |
| Concessions | 325,191 | 476,765 | 151,574 | 46.6% |
| Investment Income | 4,637,774 | 11,027,065 | 6,389,290 | 137.8% |
| Miscellaneous | 3,500,000 | 1,783,104 | (1,716,896) | (49.1%) |
| Total Revenue | \$357,096,159 | \$363,007,232 | \$5,911,073 | 1.7% |
| Maintenance and Operations (M and O) Expenditures | | | | |
| Payroll and Related Costs | \$41,821,676 | \$41,718,928 | \$102,748 | 0.2% |
| Group Insurance | 9,897,482 | 7,988,346 | 1,909,136 | 19.3% |
| Contractual Services | 23,860,454 | 21,504,518 | 2,355,936 | 9.9% |
| Materials/Operational Supplies/Other Expenses | 2,134,254 | 2,633,215 | (498,961) | (23.4%) |
| Utilities | 2,224,075 | 640,252 | 1,583,823 | 71.2% |
| All Other Insurance | 2,926,600 | 1,959,446 | 967,154 | 33.0% |
| Parts and Fuel | 1,840,552 | 2,954,230 | (1,113,678) | (60.5%) |
| Equipment/Office Rental and Maintenance | 8,399,830 | 6,353,015 | 2,046,815 | 24.4% |
| Other Miscellaneous Expenses | 280,196 | 215,818 | 64,378 | 23.0% |
| Recovery of Expenses | (635,475) | (672,258) | 36,783 | 5.8% |
| Total Maintenance and Operations Expenditure | \$92,749,644 | \$85,295,511 | \$7,454,133 | 8.0% |
| Net Revenue | | | | |
| Revenue Less M and O Expenditures | \$264,346,515 | \$277,711,721 | \$13,365,206 | 5.1% |
| Debt Service Transfers | | | | |
| Existing Debt | \$103,443,226 | \$104,386,523 | (\$943,297) | (0.9%) |
| New Debt | - | - | - | - |
| Total Debt Service Transfers | \$103,443,226 | \$104,386,523 | (\$943,297) | (0.9%) |
| Net Revenue Less Debt Service Transfers | \$160,903,289 | \$173,325,199 | \$12,421,909 | 7.7% |

Quarterly Financial Review December 31, 2018

| ILLINOIS TOLLWAY | | | | |
|--|-----------------------------|----------------------|----------------------|--------------|
| October Estimate vs. UNAUDITED ACTUAL | | | | |
| Fourth Quarter Ending December 31, 2018 | | | | |
| | 4th Qtr | | Variance | |
| | October Revised Estimate | Actual | \$ | % |
| Capital Program | | | | |
| Tri-State Tollway (I-94/I-294/I-80) | \$91,852,801 | \$96,455,693 | (\$4,602,892) | (5.0%) |
| Reagan Memorial Tollway (I-88) | 39,764,196 | 33,003,191 | 6,761,005 | 17.0% |
| Jane Addams Memorial Tollway (I-90) | 8,374,365 | 2,563,509 | 5,810,856 | 69.4% |
| Veterans Memorial Tollway (I-355) | 33,179,772 | 34,830,496 | (1,650,724) | (5.0%) |
| Systemwide Improvements | 117,376,560 | 67,162,370 | 50,214,190 | 42.8% |
| Tri-State Tollway (I-294)/I-57 Interchange | 106,407 | 45,903 | 60,504 | 56.9% |
| Elgin O'Hare Western Access | 160,699,979 | 45,543,196 | 115,156,783 | 71.7% |
| Other Emerging Projects | 2,968,948 | 2,216,730 | 752,218 | 25.3% |
| Move Illinois and CRP Subtotal | \$454,323,028 | \$281,821,089 | \$172,501,939 | 38.0% |
| Agreement Reimbursements and Other Adjustments | - | (2,991,697) | 2,991,697 | - |
| Total Capital Program Expenditures | \$454,323,028 | \$278,829,392 | \$175,493,636 | 38.6% |

Quarterly Financial Review December 31, 2018

| ILLINOIS TOLLWAY | | | | | |
|--|---------------------------------|------------------------|---------------------|-----------------|--|
| October Revised Estimate vs. UNAUDITED ACTUAL | | | | | |
| Fiscal Year 2018 | | | | | |
| | | FY 2018 | | Variance | |
| | October Revised Estimate | Actual | \$ | % | |
| REVENUE | | | | | |
| Toll Revenue and Evasion Recovery | \$1,417,000,000 | \$1,418,087,105 | \$1,087,105 | 0.1% | |
| Concessions | 2,000,000 | 2,151,574 | 151,574 | 7.6% | |
| Investment Income | 28,000,000 | 34,389,290 | 6,389,290 | 22.8% | |
| Miscellaneous | 8,000,000 | 10,080,265 | 2,080,265 | 26.0% | |
| Total Revenue | \$1,455,000,000 | \$1,464,708,234 | \$9,708,234 | 0.7% | |
| Maintenance and Operations (M and O) Expenditures | | | | | |
| Payroll and Related Costs | \$167,200,130 | \$164,176,520 | \$3,023,610 | 1.8% | |
| Group Insurance | 39,807,482 | 36,496,173 | 3,311,309 | 8.3% | |
| Contractual Services | 85,519,374 | 83,638,321 | 1,881,053 | 2.2% | |
| Materials/Operational Supplies/Other Expenses | 6,560,610 | 6,203,904 | 356,706 | 5.4% | |
| Utilities | 8,236,480 | 7,815,809 | 420,671 | 5.1% | |
| All Other Insurance | 11,472,585 | 7,313,416 | 4,159,169 | 36.3% | |
| Parts and Fuel | 6,021,347 | 7,206,080 | (1,184,733) | (19.7%) | |
| Equipment/Office Rental and Maintenance | 29,188,524 | 24,746,229 | 4,442,295 | 15.2% | |
| Other Miscellaneous Expenses | 994,046 | 839,209 | 154,837 | 15.6% | |
| Recovery of Expenses | (2,250,500) | (2,474,004) | 223,504 | 9.9% | |
| Total Maintenance and Operations Expenditures | \$352,750,078 | \$335,961,657 | \$16,788,421 | 4.8% | |
| Net Revenue | | | | | |
| Revenue Less M and O Expenditures | \$1,102,249,922 | \$1,128,746,577 | \$26,496,655 | 2.4% | |
| Debt Service Transfers | | | | | |
| Existing Debt | \$409,612,566 | \$410,555,862 | (\$943,297) | (0.2%) | |
| New Debt | - | - | - | - | |
| Total Debt Service Transfers | \$409,612,566 | \$410,555,862 | (\$943,297) | (0.2%) | |
| Net Revenue Less Debt Service (Coverage) | | | | | |
| Net Revenue Less Debt Service (Coverage) | \$692,637,356 | \$718,190,715 | \$25,553,358 | 3.7% | |

Quarterly Financial Review December 31, 2018

| ILLINOIS TOLLWAY | | | | |
|--|--------------------------|----------------------|----------------------|--------------|
| October Estimate vs. UNAUDITED ACTUAL | | | | |
| Fiscal Year 2018 | | | | |
| | 2018 | | Variance | |
| | October Revised Estimate | Actual | \$ | % |
| Capital Program | | | | |
| Tri-State Tollway (I-94/I-294/I-80) | 266,222,073 | \$226,932,213 | \$39,289,860 | 14.8% |
| Reagan Memorial Tollway (I-88) | 166,309,293 | 153,069,899 | 13,239,394 | 8.0% |
| Jane Addams Memorial Tollway (I-90) | 43,425,963 | 38,818,390 | 4,607,573 | 10.6% |
| Veterans Memorial Tollway (I-355) | 103,105,293 | 85,477,878 | 17,627,415 | 17.1% |
| Systemwide Improvements | 350,059,757 | 278,158,621 | 71,901,136 | 20.5% |
| Tri-State Tollway (I-294)/I-57 Interchange | 362,374 | 313,958 | 48,416 | 13.4% |
| Elgin O'Hare Western Access | 248,106,298 | 143,124,785 | 104,981,513 | 42.3% |
| Other Emerging Projects | 9,380,989 | 8,251,683 | 1,129,306 | 12.0% |
| Move Illinois and CRP Subtotal | \$1,186,972,040 | \$934,147,427 | \$252,824,613 | 21.3% |
| Agreement Reimbursements and Other Adjustments | (7,174,232) | (6,077,422) | (1,096,810) | 15.3% |
| Total Capital Program Expenditures | \$1,179,797,808 | \$928,070,005 | \$251,727,804 | 21.3% |

Quarterly Financial Review December 31, 2018

| ILLINOIS TOLLWAY | | | | | |
|--|------------------------|------------------------|---------------------|-------------|--|
| BUDGET vs. UNAUDITED ACTUAL | | | | | |
| Fiscal Year 2018 | | | | | |
| | | YTD | | Variance | |
| | Budget | Actual | \$ | % | |
| REVENUE | | | | | |
| Toll Revenue and Evasion Recovery | \$1,430,000,000 | \$1,418,087,105 | (\$11,912,895) | (0.8%) | |
| Concessions | 2,000,000 | 2,151,574 | 151,574 | 7.6% | |
| Investment Income | 12,000,000 | 34,389,290 | 22,389,290 | 186.6% | |
| Miscellaneous | 6,000,000 | 10,080,265 | 4,080,265 | 68.0% | |
| Total Revenue | \$1,450,000,000 | \$1,464,708,234 | \$14,708,234 | 1.0% | |
| Maintenance and Operations (M and O) Expenditures | | | | | |
| Payroll and Related Costs | \$167,200,130 | \$164,176,520 | \$3,023,610 | 1.8% | |
| Group Insurance | 39,807,482 | 36,496,173 | 3,311,309 | 8.3% | |
| Contractual Services | 85,519,374 | 83,638,321 | 1,881,053 | 2.2% | |
| Materials/Operational Supplies/Other Expenses | 6,560,610 | 6,203,904 | 356,706 | 5.4% | |
| Utilities | 8,236,480 | 7,815,809 | 420,671 | 5.1% | |
| All Other Insurance | 11,472,585 | 7,313,416 | 4,159,169 | 36.3% | |
| Parts and Fuel | 6,021,347 | 7,206,080 | (1,184,733) | (19.7%) | |
| Equipment/Office Rental and Maintenance | 29,188,524 | 24,746,229 | 4,442,295 | 15.2% | |
| Other Miscellaneous Expenses | 994,046 | 839,209 | 154,837 | 15.6% | |
| Recovery of Expenses | (2,250,500) | (2,474,004) | 223,504 | 9.9% | |
| Total Maintenance and Operations Expenditures | \$352,750,078 | \$335,961,657 | \$16,788,421 | 4.8% | |
| Net Revenue | | | | | |
| Revenue Less M and O Expenditures | \$1,097,249,922 | \$1,128,746,577 | \$31,496,655 | 2.9% | |
| Debt Service Transfers | | | | | |
| Existing Debt | \$410,185,328 | \$410,555,862 | (\$370,535) | (0.1%) | |
| New Debt | 3,125,000 | - | 3,125,000 | 100.0% | |
| Total Debt Service Transfers | \$413,310,328 | \$410,555,862 | \$2,754,465 | 0.7% | |
| Net Revenue Less Debt Service (Coverage) | | | | | |
| | \$683,939,594 | \$718,190,715 | \$34,251,120 | 5.0% | |

Quarterly Financial Review December 31, 2018

| ILLINOIS TOLLWAY | | | | |
|--|------------------------|----------------------|----------------------|--------------|
| PROJECTION vs. UNAUDITED ACTUAL | | | | |
| Fiscal Year 2018 | | | | |
| | YTD | | Variance | |
| | Projection | Actual | \$ | % |
| Capital Program | | | | |
| Tri-State Tollway (I-94/I-294/I-80) | \$238,095,948 | \$226,932,213 | \$11,163,735 | 4.7% |
| Reagan Memorial Tollway (I-88) | 174,959,160 | 153,069,899 | 21,889,261 | 12.5% |
| Jane Addams Memorial Tollway (I-90) | 24,438,535 | 38,818,390 | (14,379,855) | (58.8%) |
| Veterans Memorial Tollway (I-355) | 35,116,384 | 85,477,878 | (50,361,494) | (143.4%) |
| Systemwide Improvements | 325,477,926 | 278,158,621 | 47,319,305 | 14.5% |
| Tri-State Tollway (I-294)/I-57 Interchange | - | 313,958 | (313,958) | - |
| Elgin O'Hare Western Access | 375,912,046 | 143,124,785 | 232,787,261 | 61.9% |
| Other Emerging Projects | 9,735,920 | 8,251,683 | 1,484,237 | 15.2% |
| Move Illinois and CRP Subtotal | \$1,183,735,919 | \$934,147,427 | \$249,588,493 | 21.1% |
| Agreement Reimbursements and Other Adjustments | - | (6,077,422) | 6,077,422 | - |
| Total Capital Program Expenditures | \$1,183,735,919 | \$928,070,005 | \$255,665,915 | 21.6% |

Quarterly Financial Review December 31, 2018

| ILLINOS TOLLWAY | | | | |
|--|----------------------|----------------------|----------------------|---------------|
| 2018 Unaudited Actual vs. 2017 Actual | | | | |
| Fourth Quarter Ending December 31, 2018 | | | | |
| | 4th Qtr | | Variance | |
| | 2017 | 2018 | \$ | % |
| REVENUE | | | | |
| Toll Revenue and Evasion Recovery | \$345,267,466 | \$349,720,299 | \$4,452,833 | 1.3% |
| Concessions | 568,407 | 476,765 | (91,642) | (16.1%) |
| Investment Income | 4,430,971 | 11,027,065 | 6,596,094 | 148.9% |
| Miscellaneous | 4,148,834 | 1,783,104 | (2,365,730) | (57.0%) |
| Total Revenue | \$354,415,677 | \$363,007,232 | \$8,591,556 | 2.4% |
| Maintenance and Operations (M and O) Expenditures | | | | |
| Payroll and Related Costs | \$38,794,049 | \$41,718,928 | (\$2,924,880) | (7.5%) |
| Group Insurance | 7,139,122 | 7,988,346 | (849,224) | (11.9%) |
| Contractual Services | 22,280,236 | 21,504,518 | 775,718 | 3.5% |
| Materials/Operational Supplies/Other Expenses | 2,032,965 | 2,633,215 | (600,250) | (29.5%) |
| Utilities | 1,983,572 | 640,252 | 1,343,320 | 67.7% |
| All Other Insurance | 2,676,010 | 1,959,446 | 716,564 | 26.8% |
| Parts and Fuel | 2,197,123 | 2,954,230 | (757,107) | (34.5%) |
| Equipment/Office Rental and Maintenance | 6,074,689 | 6,353,015 | (278,326) | (4.6%) |
| Other Miscellaneous Expenses | 244,853 | 215,818 | 29,035 | 11.9% |
| Recovery of Expenses | (685,620) | (672,258) | (13,362) | (1.9%) |
| Total Maintenance and Operations Expenditures | \$82,736,999 | \$85,295,511 | (\$2,558,512) | (3.1%) |
| Net Revenue | | | | |
| Revenue Less M and O Expenditures | \$271,678,678 | \$277,711,721 | \$6,033,044 | 2.2% |
| Debt Service Transfers | | | | |
| Existing Debt | \$97,411,272 | \$104,386,523 | (\$6,975,250) | (7.2%) |
| New Debt | - | - | - | - |
| Total Debt Service Transfers | \$97,411,272 | \$104,386,523 | (\$6,975,250) | (7.2%) |
| Net Revenue Less Debt Service Transfers | \$174,267,405 | \$173,325,199 | (\$942,206) | (0.5%) |

Quarterly Financial Review December 31, 2018

| ILLINOIS TOLLWAY | | | | |
|--|----------------------|--------------------|-----------------------|----------------|
| 2018 Unaudited Actual vs. 2017 Actual | | | | |
| Fourth Quarter Ending December 31, 2018 | | | | |
| | 4th Qtr | | Variance | |
| | 2017 | 2018 | \$ | % |
| Capital Program | | | | |
| Tri-State Tollway (I-94/I-294/I-80) | \$20,352,185 | 96,455,693 | (\$76,103,508) | (373.9%) |
| Reagan Memorial Tollway (I-88) | 6,085,466 | 33,003,191 | (26,917,725) | (442.3%) |
| Jane Addams Memorial Tollway (I-90) | 29,339,853 | 2,563,509 | 26,776,344 | 91.3% |
| Veterans Memorial Tollway (I-355) | 1,953,194 | 34,830,496 | (32,877,302) | (1683.3%) |
| Systemwide Improvements | 91,521,002 | 67,162,370 | 24,358,631 | 26.6% |
| Tri-State Tollway (I-294)/I-57 Interchange | 136,954 | 45,903 | 91,051 | 66.5% |
| Elgin O'Hare Western Access | 45,997,807 | 45,543,196 | 454,611 | 1.0% |
| Other Emerging Projects | 1,679,893 | 2,216,730 | (536,838) | - |
| Move Illinois and CRP Subtotal | 197,066,354 | 281,821,089 | (\$84,754,735) | (43.0%) |
| Agreement Reimbursements and Other Adjustments | (821,053) | (2,991,697) | 2,170,644 | 264.4% |
| Total Capital Program Expenditures | \$196,245,301 | 278,829,392 | (\$82,584,091) | (42.1%) |

Quarterly Financial Review December 31, 2018

| ILLINOIS TOLLWAY | | | | | |
|--|------------------------|------------------------|-----------------------|-----------------|--|
| 2018 Unaudited Actual vs. 2017 Actual | | | | | |
| Fiscal Year 2018 | | | | | |
| | | YTD | | Variance | |
| | 2017 | 2018 | \$ | % | |
| <u>REVENUE</u> | | | | | |
| Toll Revenue and Evasion Recovery | \$1,374,829,214 | \$1,418,087,105 | \$43,257,891 | 3.1% | |
| Concessions | 2,298,943 | 2,151,574 | (147,369) | (6.4%) | |
| Investment Income | 13,947,161 | 34,389,290 | 20,442,129 | 146.6% | |
| Miscellaneous | 10,742,309 | 10,080,265 | (662,043) | (6.2%) | |
| Total Revenue | \$1,401,817,627 | \$1,464,708,234 | \$62,890,608 | 4.5% | |
| Maintenance and Operations (M and O) Expenditures | | | | | |
| Payroll and Related Costs | \$158,169,586 | \$164,176,520 | (\$6,006,934) | (3.8%) | |
| Group Insurance | 33,812,559 | 36,496,173 | (2,683,614) | (7.9%) | |
| Contractual Services | 78,515,315 | 83,638,321 | (5,123,007) | (6.5%) | |
| Materials/Operational Supplies/Other Expenses | 5,322,123 | 6,203,904 | (881,781) | (16.6%) | |
| Utilities | 8,134,249 | 7,815,809 | 318,439 | 3.9% | |
| All Other Insurance | 7,499,473 | 7,313,416 | 186,057 | 2.5% | |
| Parts and Fuel | 6,019,597 | 7,206,080 | (1,186,483) | (19.7%) | |
| Equipment/Office Rental and Maintenance | 23,432,683 | 24,746,229 | (1,313,546) | (5.6%) | |
| Other Miscellaneous Expenses | 952,138 | 839,209 | 112,930 | 11.9% | |
| Recovery of Expenses | (2,319,556) | (2,474,004) | 154,448 | 6.7% | |
| Total Maintenance and Operations Expenditures | \$319,538,166 | \$335,961,657 | (\$16,423,491) | (5.1%) | |
| Net Revenue | | | | | |
| Revenue Less M and O Expenditures | \$1,082,279,460 | \$1,128,746,577 | \$46,467,117 | 4.3% | |
| Debt Service Transfers | | | | | |
| Existing Debt | \$388,969,136 | \$410,555,862 | (\$21,586,726) | (5.5%) | |
| New Debt | - | - | - | - | |
| Total Debt Service Transfers | \$388,969,136 | \$410,555,862 | (\$21,586,726) | (5.5%) | |
| Net Revenue Less Debt Service (Coverage) | | | | | |
| | \$693,310,324 | \$718,190,715 | \$24,880,391 | 3.6% | |

Quarterly Financial Review December 31, 2018

| ILLINOIS TOLLWAY | | | | |
|--|--------------------|----------------------|------------------------|----------------|
| 2018 Unaudited Actual vs. 2017 Actual | | | | |
| Fiscal Year 2018 | | | | |
| | 2017 | 2018 | Variance | |
| | | | \$ | % |
| Capital Program | | | | |
| Tri-State Tollway (I-94/I-294/I-80) | \$44,395,932 | \$226,932,213 | (\$182,536,281) | (411.2%) |
| Reagan Memorial Tollway (I-88) | 27,420,182 | 153,069,899 | (125,649,717) | (458.2%) |
| Jane Addams Memorial Tollway (I-90) | 160,700,749 | 38,818,390 | 121,882,359 | 75.8% |
| Veterans Memorial Tollway (I-355) | 7,721,867 | 85,477,878 | (77,756,011) | (1007.0%) |
| Systemwide Improvements | 239,547,158 | 278,158,621 | (38,611,464) | (16.1%) |
| Tri-State Tollway (I-294)/I-57 Interchange | 858,761 | 313,958 | 544,804 | 63.4% |
| Elgin O'Hare Western Access | 318,171,089 | 143,124,785 | 175,046,304 | 55.0% |
| Other Emerging Projects | 2,479,483 | 8,251,683 | (5,772,200) | (232.8%) |
| Move Illinois & CRP Subtotal | 801,295,221 | \$934,147,427 | (\$132,852,206) | (16.6%) |
| Agreement Reimbursements and Other Adjustments | (9,858,028) | (6,077,422) | (3,780,605) | 38.4% |
| Total Capital Program Expenditures | 791,437,194 | \$928,070,005 | (\$136,632,811) | (17.3%) |