



2020 Budget Analysis

(Preliminary and Unaudited)

Quarterly Financial Review

April 1 - June 30, 2020

Quarterly Financial Review June 30, 2020

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INTRODUCTION

In December 2019, the Tollway Board of Directors adopted the annual budget for 2020. 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.

This report provides an analysis of actual revenue and expenditures through the second quarter of fiscal year 2020. The purpose of this analysis is to assess the actual financial performance of the Tollway relative to the 2020 Budget.

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, toll revenue generated through a toll rate increase for passenger vehicles in 2012 and previously approved increases for commercial vehicles beginning in 2015. The 2020 Budget, approved by the Board of Directors in December 2019, included the maintenance and operations budget, debt service transfers and capital budget in support of the ninth year of the *Move Illinois* Program.

Budgeted Revenue 2020

The 2020 revenue was estimated at \$1,535 million, including \$1,495 million from toll revenue and evasion recovery, \$30 million from investment income and \$10 million from concessions and miscellaneous revenue.

The Tollway's 2020 Budget allocated \$380 million for maintenance and operations expenses, \$450 million for debt service transfers and \$705 million for the *Move Illinois* Program including non-roadway capital investments (deposits to the renewal/ replacement and improvement accounts).

2020 Revenue Sources and Allocations

SOURCES OF REVENUE

(\$ millions)	2020 Budget
Toll Revenue and Evasion Recovery	\$1,495
Investment Income	30
Concessions Revenue and Miscellaneous Income	10
Total Revenue	\$1,535

ALLOCATIONS OF REVENUE

(\$ millions)	2020 Budget
Maintenance and Operations	\$380
Debt Service Transfers	450
Deposits to Renewal/Replacement and Improvement	705
Total Allocations	\$1,535

SECOND QUARTER RESULTS SUMMARY 2020

Revenue

Revenue for 2020 second quarter totaled \$250.5 million, which comprised 16.3 percent of the \$1,535 million annual budget. Toll and evasion recovery revenue totaled \$247.3 million, miscellaneous revenue totaled \$0.6 million, concessions revenue totaled \$0.3 million and investment income totaled \$2.3 million.

Revenue for June 30, 2020 totaled \$594.5 million, which comprised 38.7 percent of the \$1,535 million annual budget. Toll and evasion recovery revenue totaled \$570.5 million, miscellaneous revenue totaled \$12.2 million, concessions revenue totaled \$0.7 million and investment income totaled \$11.1 million.

Expenditures

The Illinois Tollway's 2020 second quarter operating expenditures totaled \$75.7 million, which was 19.9 percent of the \$380.2 million annual maintenance and operations budget. Operating expenditures through June 30, 2020, totaled \$164.3 million, or 43.2 percent of the \$380.2 million annual maintenance and operations budget.

Second quarter 2020 debt service transfers totaled \$107.1 million or \$4.1 million less than the second quarter budget. Transfers for debt service for the six months ended June 30, 2020 were \$210 million, compared to a budgeted amount of \$222 million, resulting in a favorable variance of \$12 million, or 5.4 percent.

Capital program expenditures for the second quarter totaled \$351.0 million and were \$225.4 million less than projected. The capital expenditures were \$414.7 million but other adjustments and reimbursements made during the quarter reduced expenditures by \$63.8 million.

Capital program expenditures through June 30, 2020, totaled \$510.2 million, which comprised 34.9 percent of the \$1,462 million annual capital program budget. Intergovernmental agreements and fiber optic agreement reimbursements for work performed in prior periods and other adjustments reduced capital expenditures by \$65.2 million. The reimbursement of \$65.6 million is the final payment from Northwest Suburban Municipal Joint Action Water Agency (NSMJAWA) to the Tollway for the agreement to relocate transmission lines in connection with the reconstruction on I-90.

REVENUE SUMMARY

REVENUE Budget vs. Unaudited Actual Second Quarter 2020

(\$ thousands)	2nd Qtr		Change	
	Budget	Actual	\$	%
Toll Revenue and Evasion Recovery	\$386,284	\$247,284	(\$139,000)	(36.0%)
Concessions	500	332	(168)	(33.6%)
Investment Income	7,500	2,323	(5,177)	(69.0%)
Miscellaneous	2,000	599	(1,401)	(70.0%)
Total Revenue	\$396,284	\$250,539	(\$145,745)	(36.8%)

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

REVENUE Percent of Annual Budget Realized (Unaudited) Year-To-Date June 30, 2020

(\$ thousands)	2020		% Budget Realized
	Annual Budget	YTD Actual	
Toll Revenue and Evasion Recovery	\$1,495,000	\$570,542	38.2%
Concessions	2,000	688	34.4%
Investment Income	30,000	11,102	37.0%
Miscellaneous	8,000	12,169	152.1%
Total Revenue	\$1,535,000	\$594,501	38.7%

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

Second Quarter Analysis

Revenue for the 2020 second quarter totaled \$250.5 million, \$145.7 million less than budgeted for the period. The second quarter revenue was 16.3 percent of the \$1,535 million annual revenue budget.

Toll and evasion recovery revenue totaled \$247.3 million, \$139.0 million less than budget.

Toll transactions for all vehicle classes declined 39.1 percent from the second quarter 2019 and were 41.1 percent less than projected for the quarter. Passenger car transactions declined 42.9 percent from second quarter 2019 and were 45 percent less than projected for the quarter. Second quarter commercial vehicle transactions declined 10.4 percent from second quarter 2019 and were 11.7 percent less than projected.

Investment income totaled \$2.3 million, \$5.2 million less than budget. Concessions revenue totaled \$332 thousand, or \$168 thousand less than budget. Miscellaneous income totaled \$599 thousand, or \$1.4 million less than budget.

MAINTENANCE AND OPERATIONS SUMMARY

Maintenance and Operations

Budget vs. Unaudited Actual

Second Quarter 2020

(\$ thousands)

(\$ thousands)	2nd Qtr		Change	
	Budget	Actual	\$	%
Payroll and Related Costs	\$43,254	\$43,964	\$711	1.6%
Group Insurance	9,050	6,457	(2,593)	(28.6%)
Contractual Services	19,871	14,740	(5,130)	(25.8%)
Materials/Operational Supplies/Other Expen	1,599	61	(1,538)	(96.2%)
Utilities	2,176	1,859	(317)	(14.6%)
All Other Insurance	2,620	2,598	(22)	(0.9%)
Parts and Fuel	1,320	847	(473)	(35.9%)
Equipment/Office Rental and Maintenance	7,931	5,466	(2,465)	(31.1%)
Other Miscellaneous Expenses	337	102	(235)	(69.8%)
Recovery of Expenses	(563)	(399)	164	29.1%
Total Maintenance and Operations Expendit	\$87,594	\$75,695	(\$11,899)	(13.6%)

Note: Numbers may not add to totals due to rounding

Maintenance and Operations

Percent of Annual Budget Realized (Unaudited)

Year-To-Date June 30, 2020

(\$ thousands)

(\$ thousands)	YTD		% Budget
	Budget	Actual	Realized
Payroll and Related Costs	\$175,559	\$88,653	50.5%
Group Insurance	35,800	14,534	40.6%
Contractual Services	100,731	33,797	33.6%
Materials/Operational Supplies/Other Expenses	10,743	2,753	25.6%
Utilities	8,658	3,432	39.6%
All Other Insurance	11,587	5,172	44.6%
Parts and Fuel	6,569	2,485	37.8%
Equipment/Office Rental and Maintenance	31,172	14,081	45.2%
Other Miscellaneous Expenses	1,734	335	19.3%
Recovery of Expenses	(2,305)	(972)	42.2%
Total Maintenance and Operations Expenditures	\$380,248	\$164,270	43.2%

Note: Numbers may not add to totals due to rounding

Second Quarter Analysis

The Tollway's 2020 second quarter operating expenditures totaled \$75.7 million, representing a favorable variance of \$11.9 million. The second quarter expenditures were 19.9 percent of the \$380.2 million annual maintenance and operations budget.

The variances to the 2020 budget during the second quarter are explained below:

Payroll and related costs for the second quarter totaled \$44 million, \$0.7 million more than budget. This unfavorable variance is mainly attributed to accrued vacation and sick time in salaries and wages.

Group insurance expenses totaled \$6.5 million, \$2.6 million less than budget. The variance is due to lower administrative costs and less than budgeted headcount.

Contractual services totaled \$14.7 million, \$5.1 million less than budget. The favorable variance is due to lower customer service costs and credit card charges associated to lower revenue.

Materials/operational supplies/other expenses totaled \$61 thousand, \$1.6 million less than budget. This variance is mainly due to the timing of operational materials being purchased.

Utilities expenses, which include electricity, natural gas, water and telephone, totaled \$1.9 million, \$317 thousand less than budget. This favorable variance is due to less usage of utilities in the facilities.

All other insurance expenses totaled \$2.6 million, \$22 thousand less than budget. This category includes expenses for property and liability insurance, as well as amounts allocated to the workers' compensation claim fund.

Parts and fuel expenses totaled \$847 thousand, \$473 thousand less than budget. This favorable variance is partially due to fewer parts purchases and lower fuel prices.

Equipment/office rental and maintenance expenditures totaled \$5.5 million, \$2.5 million less than the budgeted amount. This variance is mainly due to timing of maintenance support contracts anticipated later in the year.

Other Miscellaneous Expenses totaled \$102 thousand, \$235 thousand less than budget. This cost category includes travel, training, dues, books, subscriptions, uniforms and accessories.

Recovery of expenses totaled \$399 thousand; 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 2020 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 2019.

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; and
- (iii) other annual bond costs.

Following are the unaudited transfers for debt service for the quarter and six months year-to-date ended June 30, 2020, each with comparisons to budget.

Budget vs. Actual (Unaudited) (\$ thousands)

	Budget	Actual	Actual less Budget	
			\$	%
Debt Service Transfers – 1 st Qtr	\$110,302	\$102,923	(\$7,379)	(6.7%)
Debt Service Transfers – 2 nd Qtr	\$111,676	\$107,109	(\$4,568)	(4.1%)
Debt Service Transfers YTD Jun 30, 2020	\$221,978	\$210,032	(\$11,946)	(5.4%)

% of Budget Realized (Unaudited) (\$ thousands)

	Annual Budget	YTD Actual	Realized
Debt Service Transfers	\$449,581	\$210,035	46.7%

Numbers may not foot due to rounding.

Analysis

For the full year 2020 the Tollway budgeted to transfer \$449.6 million of revenues to the Debt Service Account to provide for the payments described above. That budgeted amount assumed an additional source of funds of \$13.5 million from federal subsidies associated with the Tollway's Series 2009A and Series 2009B Build America Bonds.

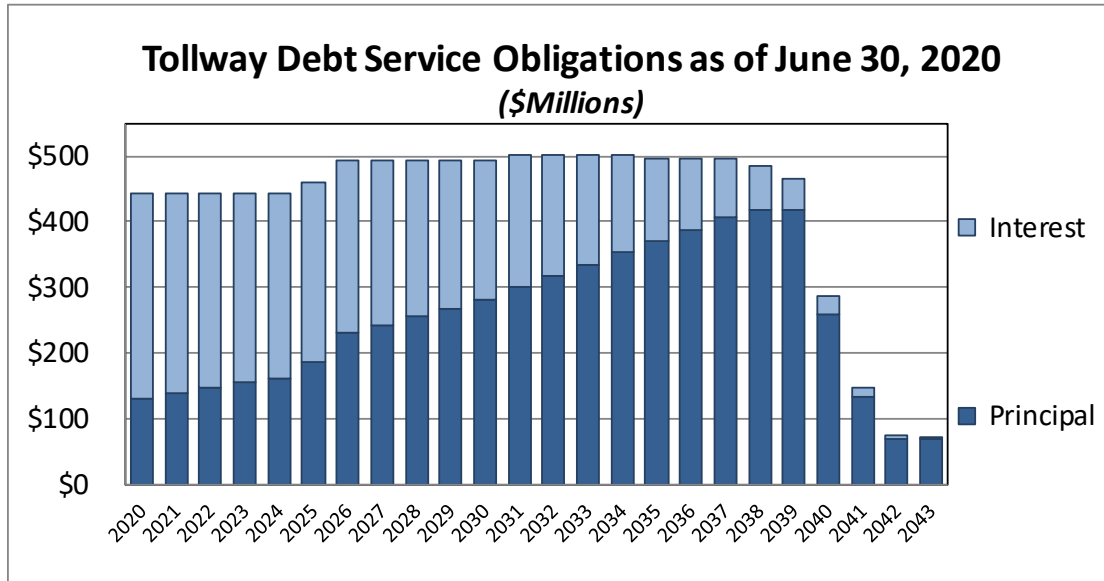
Transfers for debt service for the six months ended June 30, 2020 were \$210 million, compared to a budgeted amount of \$222 million, resulting in a favorable variance of \$12 million, or 5.4 percent. The primary contributors to the favorable variance were: (i) a change in timing of the Tollway's 2020 new money bond issuance from first quarter to third quarter; and (ii) reduced transfers in January 2020 due to two refundings completed in fourth quarter 2019.

Second quarter transfers for debt service were \$107.1 million, compared to a budgeted amount of \$111.7 million, resulting in a favorable variance of \$4.6 million, or 4.1 percent. The second

quarter favorable variance was due to the afore-mentioned change in timing of new money bond issuance, from first quarter to third quarter.

Debt Service Schedule

As of June 30, 2020, the Tollway has \$6,048,625,000 of revenue bonds outstanding, all of which are fixed rate, senior-lien bonds. The aggregate debt service schedule is as follows.



Authorizations to Issue Additional Debt

As of June 30, 2020, the Tollway is authorized to issue additional revenue bonds in amounts of:

- (i) up to \$400 million to fund a portion of the Move Illinois Program; and
- (ii) up to \$900 million to refund Series 2013A and Series 2014B bonds for purposes of reducing debt service. The authorization requires aggregate net present value savings of at least 8% of the par amount of bonds refunded.

Both authorizations are to issue fixed rate, senior-lien revenue bonds.

CAPITAL PROGRAM SUMMARY

Capital Budget 2020

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 budget for *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 2020 Capital Budget allocated \$1,461.5 million to fund the ninth year of the *Move Illinois* Program.

CAPITAL PROGRAM
2019 Estimate and Expenditures; 2020 Approved Budget
(\$ millions)

(\$ millions)	2019 October Estimate	2019 Expenditure	2020 Budget
Tri-State Tollway (I-94/I-294/I-80)	\$381.3	\$372.1	\$446.9
Reagan Memorial Tollway (I-88)	74.5	59.7	27.9
Jane Addams Memorial Tollway (I-90)	6.7	5.2	12.2
Veterans Memorial Tollway (I-355)	27.8	24.5	10.8
Systemwide Improvements	377.1	321.7	328.7
I-294/I-57 Interchange	16.8	10.3	71.6
Elgin O'Hare Western Access	190.3	147.1	559.6
Other Emerging Projects	8.9	4.2	3.9
Move Illinois Subtotal	\$1,083.4	\$944.8	\$1,461.5
Agreement Reimbursements and Other Misc Adjustments	(0.7)	(4.4)	-
Total Capital Program	\$1,082.8	\$940.4	\$1,461.5

Allocation of Capital Budget 2020

CORRIDOR

2020 Budget

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

\$446.9 million

The 2020 *Move Illinois* budget allocates \$446.9 million for Tri-State Tollway. Design efforts will continue for roadway reconstruction and widening between 95th Street and Balmoral Avenue, with planned expenditures of \$38.8 million. Approximately \$140 million has been allocated to construction activities on the Mile Long Bridge over the Des Plaines River and the BNSF Railway Bridge over I-294. Key construction will begin this year such as reconstruction of the Archer Avenue bridges and relocation of the Flagg Creek Water Reclamation District Sanitary Sewer in order to enable mainline construction south of I-55 to begin. Prior to the start of mainline construction, right-of-way acquisition of \$19.6 million is anticipated to occur in 2020 along with \$46 million in utility relocations. \$45.6 million has been allocated towards the ongoing Edens Spur reconstruction.

Reagan Memorial Tollway (I-88)

\$27.9 million

The 2020 *Move Illinois* budget allocates \$27.9 million for work on this corridor in 2020, largely for construction between Aurora Toll Plaza and Illinois Route 59, as well as to complete work related to roadway reconstruction between York Road and I-290 and reconstruction of the connector ramp between the Tri-State Tollway (I-294) and I-88

Jane Addams Memorial Tollway (I-90)

\$12.2 million

The *Move Illinois* Program budget allocates \$12.2 million for work on the I-90 corridor in 2020 with completion of various roadway work including fiber optic removal, grading, tree planting, patching and repairs, landscaping and right-of-way fence installation anticipated throughout the corridor. Bridge and ramp repairs between Rockton Road and I-39 are also scheduled.

Veterans Memorial Tollway (I-355)

\$10.8 million

The *Move Illinois* Program capital budget allocates approximately \$10.8 million in 2020 for improvements on I-355, which includes the completion of work related to the resurfacing from I-55 to Army Trail Road and roadway widening between Illinois Route 56 and Illinois Route 38.

Systemwide

\$328.7 million

The *Move Illinois* Program capital budget allocates \$328.7 million on systemwide improvements including \$60.3 million for bridge, pavement and safety improvements. More than \$3.5 million has been allocated for completion of work related to the construction of interchange improvements on the Reagan Memorial Tollway (I-88) at the Illinois Route 47 Interchange and the new interchange on the Jane Adams Tollway (I-90) at Illinois Route 23.

Tollway systemwide facility upgrades will continue in 2020 with approximately \$85.5 million budgeted for improvements. In addition, \$84.3 million is budgeted for non-roadway projects, and approximately \$38.9 million will be spent on program support activities, including project management services, materials engineering services, utility relocations, support staff and land acquisition support services.

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

\$71.6 million

The *Move Illinois* Program includes construction of a new interchange at the Tri-State Tollway (I-294) and I-57. The first phase of construction was completed in October 2014, allowing movements from northbound I-57 to I-294 and from I-294 to southbound I-57, as well as a new

access at 147th Street. The second phase of interchange construction will begin in 2020, with \$70.1 million estimated to be spent by the Tollway for ongoing construction of the I-57 median north of I-294, I-57 roadway and bridge widening between Kedzie Avenue and the CXS Railroad and several I-294/I-57 ramp connections.

Elgin O’Hare Western Access Project

\$559.6 million

The *Move Illinois* Program budget allocates \$559.6 million for work on this corridor in 2020. Included in the capital budget are major anticipated right-of-way expenditures associated with the airport and railroads properties required to complete the I-490 segment. Design development will continue for the interchange connecting the new I-490 Tollway to the Illinois Route 390 Tollway, the south leg of the new I-490 Tollway from I-294 to Franklin Avenue/Green Street and the I-490/I-90 Interchange. Construction in 2020 includes continuation of construction from Illinois Route 83 to the proposed new I-490, work on the I-490/IL 390 Interchange including I-490 construction from Irving Park Road to Illinois Route 390, construction at the I-490/I-294 Interchange including advanced work and construction at the I-490/I-90 Interchange. Right-of-way acquisitions and utility relocations will also continue in support of the new I-490 Tollway.

Other Emerging Projects

\$3.9 million

The *Move Illinois* Program includes \$3.9 million in 2020 for various emerging projects.

Capital Program Expenditures

CAPITAL PROGRAM
Budget vs. Unaudited Actual
Second Quarter 2020
 (\$ thousands)

(\$ thousands)	2nd Qtr		Change	
	Budget	Actual	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$139,375	\$136,068	(\$3,307)	(2.4%)
Reagan Memorial Tollway (I-88)	7,155	16,607	9,452	132.1%
Jane Addams Memorial Tollway (I-90)	2,301	328	(1,973)	(85.7%)
Veterans Memorial Tollway (I-355)	3,400	3,092	(308)	(9.1%)
Systemwide Improvements	87,962	62,748	(25,214)	(28.7%)
Tri-State Tollway (I-294)/I-57 Interchange	23,269	8,496	(14,773)	(63.5%)
Elgin O'Hare Western Access	311,961	187,244	(124,717)	(40.0%)
Other Emerging Projects	972	122	(850)	(87.5%)
Move Illinois Subtotal	\$576,396	\$414,705	(\$161,691)	(28.1%)
Agreement Reimbursements and Other Adjustments	-	(63,753)	(63,753)	-
Total Capital Program Expenditures	\$576,396	\$350,952	(\$225,444)	(39.1%)

Analysis

Capital program expenditures are reported on an accrual basis. For the quarter ending June 30, 2020, unaudited capital program expenditures totaled \$351 million. This amount includes expenses paid during the second quarter and \$180 million of work for which payments have not been made as of June 30, 2020. The intergovernmental agreement reimbursements and other adjustments made during the quarter reduced expenditures by \$63.8 million. The reimbursement of \$65.6 million is the final payment from Northwest Suburban Municipal Joint Action Water Agency (NSMJAWA) to the Tollway for the agreement to relocate transmission lines in connection with the reconstruction on I-90.

The second quarter expenditures were \$225.4 million less than projected, primarily due to scheduling changes resulting from timing of right-of-way acquisitions and slower than projected spending on systemwide projects.

Corridor

2020 Second Quarter Expenditures

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

\$136.1 million

During the second quarter, design services for the Central Tri-State Tollway (I-294) Project from 95th Street to Balmoral Avenue have continued. The Mile Long Bridge reconstruction project continued along with reconstruction of the Burlington Northern Santa Fe Railway Bridge over I-294. Work continued on the mainline rehabilitation and widening from Wolf Road to Balmoral Avenue. Construction began this quarter on the interchange at Archer Avenue, relocation of portions of the Flagg Creek Water Reclamation District sanitary sewer, and shoulder rehabilitation and crossovers between 95th Street and I-55 in advance of mainline reconstruction and widening. Work also continued on the roadway and bridge reconstruction between Pfingsten Road and the Edens Expressway on the I-94 Edens Spur.

Expenditures for the second quarter of 2020 were \$3.3 million less than anticipated. The main contributors were \$26.4 million and \$5.4 million in underspend respectively associated with the timing of utility relocation and right-of-way expenditures. These were offset primarily by \$15.0 million in increased design spending and \$11.2 million in increased construction spending.

Reagan Memorial Tollway (I-88)

\$16.6 million

During the second quarter, wrap-up construction activities continued on the I-88 reconstruction and widening between York Road and I-290 and pavement and structural preservation between the Aurora Toll Plaza and Illinois Route 59 continued, including the Prairie Path culvert reconstruction.

Expenditures for the corridor were \$9.5 million more than the projection, primarily due to greater than anticipated progress on the I-88 pavement and structure preservation between Aurora Toll Plaza 61 and Illinois Route 59 due to optimized construction staging.

Jane Addams Memorial Tollway (I-90)

\$0.3 million

During the second quarter, closeout activities continued along with tree planting and landscaping work.

Second quarter expenditures were \$2.0 million lower than expected largely due to delays resulting from the timing of preservation construction activities.

Veterans Memorial Tollway (I-355)

\$3.1 million

During the second quarter, noise abatement wall installation started between I-55 and Army Trail Road.

Second quarter expenditures were \$0.3 million lower than expected due to variations in the timing of the contract closeout process.

Systemwide Improvements

\$62.7 million

During the second quarter, work on various pavement, bridge and ramp repair contracts continued including improvements at the I-90 at Illinois Route 23 Interchange and facility improvements at the Bensenville (M-16) and Aurora (M-8) maintenance sites.

Expenditures in the second quarter were \$25.2 million less than projected due to a \$15.2 million underspend in bridge, pavement and ramp repairs primarily as a result the timing of preservation construction activities from I-39 to Rockton Road and the deferral of ITS preservation projects

based on an evaluation of state of good repair needs. Timing of spending on Fleet, Central Warehouse, Business Systems and IT projects contributed to the overall variance.

Tri-State I-294/I-57 Interchange

\$8.5 million

During the second quarter, construction continued on the I-57 roadway and bridge widening between Kedzie Ave and CSX Railroad and continued on the I-57 median and new ramp connecting southbound I-294 to northbound I-57 construction.

Expenditures in the second quarter were \$14.8 million less than projected largely attributed to less than anticipated progress on the I-57 roadway and bridge widening between Kedzie Ave and CSX Railroad and a schedule change for the Southbound I-57 to Southbound I-294 Ramp C Flyover construction to optimize construction sequencing.

Elgin O'Hare Western Access Project

\$187.2 million

Second quarter construction expenditures include ongoing mainline and bridge construction for Illinois Route 390 from Illinois Route 83 to York Road. Punch list and closeout work continues along the Illinois Route 390 Tollway and for advanced contracts at the I-490 interchanges with I-90 and I-294. Planning and design work progressed for various portions of the future I-490 Tollway. Right-of-way closing for Union Pacific Railroad was also completed in this quarter.

Second quarter spending was \$124.7 million less than projection due primarily to revised timing of railroad and Chicago Department of Aviation right-of-way closings.

Other Emerging Projects

\$0.12 million

Planning studies continued in the second quarter for the U.S. Route 20 Interchange on the Illinois Route 390 Tollway.

Expenditures for this corridor were \$0.9 million less than projected.

Financial Summaries

Quarterly Financial Review June 30, 2020

ILLINOIS TOLLWAY				
BUDGET vs. UNAUDITED ACTUAL				
Second Quarter Ending June 30, 2020				
	2nd Qtr		Change	
	Budget	Actual	\$	%
REVENUE				
Toll Revenue and Evasion Recovery	\$386,284,220	\$247,284,296	(\$138,999,924)	(36.0%)
Concessions	500,000	332,215	(167,785)	(33.6%)
Investment Income	7,500,000	2,323,232	(5,176,768)	(69.0%)
Miscellaneous	2,000,000	599,332	(1,400,668)	(70.0%)
Total Revenue	\$396,284,220	\$250,539,075	(\$145,745,145)	(36.8%)
Maintenance and Operations (M and O) Expenditures				
Payroll and Related Costs	\$43,253,510	\$43,964,430	\$710,920	1.6%
Group Insurance	9,050,000	6,457,399	(2,592,601)	(28.6%)
Contractual Services	19,870,734	14,740,484	(5,130,250)	(25.8%)
Materials/Operational Supplies/Other Expe	1,598,885	61,027	(1,537,858)	(96.2%)
Utilities	2,175,805	1,859,115	(316,690)	(14.6%)
All Other Insurance	2,620,000	2,597,550	(22,450)	(0.9%)
Parts and Fuel	1,319,980	846,665	(473,315)	(35.9%)
Equipment/Office Rental and Maintenance	7,931,050	5,465,674	(2,465,376)	(31.1%)
Other Miscellaneous Expenses	336,915	101,787	(235,128)	(69.8%)
Recovery of Expenses	(562,800)	(398,804)	163,996	29.1%
Total Maintenance and Operations Exper	\$87,594,079	\$75,695,327	(\$11,898,752)	(13.6%)
Net Revenue				
Revenue Less M and O Expenditures	\$308,690,141	\$174,843,747	(\$133,846,393)	(43.4%)
Debt Service Transfers				
Existing Debt	\$107,551,500	\$107,108,590	(\$442,910)	(0.4%)
New Debt	4,125,000	-	(4,125,000)	-
Total Debt Service Transfers	\$111,676,500	\$107,108,590	(\$4,567,910)	(4.1%)
Net Revenue Less Debt Service Transfer:	\$197,013,641	\$67,735,157	(\$129,278,483)	(65.6%)

Quarterly Financial Review June 30, 2020

ILLINOIS TOLLWAY				
BUDGET vs. UNAUDITED ACTUAL				
Second Quarter Ending June 30, 2020				
	2nd Qtr		Change	
	Budget	Actual	\$	%
Capital Program				
Tri-State Tollway (I-94/I-294/I-80)	\$139,374,505	\$136,067,846	(\$3,306,659)	(2.4%)
Reagan Memorial Tollway (I-88)	7,155,259	16,607,356	9,452,097	132.1%
Jane Addams Memorial Tollway (I-90)	2,301,378	328,348	(1,973,030)	(85.7%)
Veterans Memorial Tollway (I-355)	3,400,000	3,091,981	(308,019)	(9.1%)
Systemwide Improvements	87,962,391	62,748,049	(25,214,342)	(28.7%)
Tri-State Tollway (I-294)/I-57 Interchange	23,268,905	8,495,516	(14,773,389)	(63.5%)
Elgin O'Hare Western Access	311,961,422	187,244,350	(124,717,072)	(40.0%)
Other Emerging Projects	971,958	121,681	(850,277)	(87.5%)
Move Illinois Subtotal	\$576,395,818	\$414,705,127	(\$161,690,691)	(28.1%)
Agreement Reimbursements and Other Adjustments	-	(63,753,241)	(63,753,241)	-
Total Capital Program Expenditures	\$576,395,818	\$350,951,886	(\$225,443,932)	(39.1%)

Quarterly Financial Review June 30, 2020

ILLINOIS TOLLWAY				
BUDGET vs. UNAUDITED ACTUAL				
Year-To-Date June 30, 2020				
	Budget	YTD Actual	Change	
			\$	%
REVENUE				
Toll Revenue and Evasion Recovery	\$730,230,464	\$570,541,613	(\$159,688,851)	(21.9%)
Concessions	1,000,000	688,049	(311,951)	(31.2%)
Investment Income	15,000,000	11,101,737	(3,898,263)	(26.0%)
Miscellaneous	4,000,000	12,169,430	8,169,430	204.2%
Total Revenue	\$750,230,464	\$594,500,829	(\$155,729,635)	(20.8%)
Maintenance and Operations (M and O) Expenditures				
Payroll and Related Costs	\$88,406,306	\$88,652,666	\$246,360	0.3%
Group Insurance	17,300,000	14,534,108	(2,765,892)	(16.0%)
Contractual Services	39,327,709	33,796,518	(5,531,191)	(14.1%)
Materials/Operational Supplies/Other Expenses	4,606,580	2,752,500	(1,854,080)	(40.2%)
Utilities	3,914,805	3,432,374	(482,431)	(12.3%)
All Other Insurance	5,465,000	5,172,473	(292,527)	(5.4%)
Parts and Fuel	2,790,600	2,485,135	(305,465)	(10.9%)
Equipment/Office Rental and Maintenance	15,736,325	14,081,196	(1,655,129)	(10.5%)
Other Miscellaneous Expenses	672,405	335,321	(337,084)	(50.1%)
Recovery of Expenses	(1,058,000)	(972,041)	85,959	8.1%
Total Maintenance and Operations Expenditures	\$177,161,730	\$164,270,249	(\$12,891,481)	(7.3%)
Net Revenue				
Revenue Less M and O Expenditures	\$573,068,734	\$430,230,580	(\$142,838,154)	(24.9%)
Debt Service Transfers				
Existing Debt	\$215,103,000	\$210,031,514	(5,071,486)	(2.4%)
New Debt	6,875,000	-	(6,875,000)	(100.0%)
Total Debt Service Transfers	\$221,978,000	\$210,031,514	(11,946,486)	(5.4%)
Net Revenue Less Debt Service (Coverage)	\$351,090,734	\$220,199,066	(\$130,891,668)	(37.3%)

Quarterly Financial Review June 30, 2020

ILLINOIS TOLLWAY				
BUDGET vs. UNAUDITED ACTUAL				
Year-To-Date June 30, 2020				
	YTD		Change	
	Budget	Actual	\$	%
Capital Program				
Tri-State Tollway (I-94/I-294/I-80)	\$235,778,374	\$218,124,432	(\$17,653,942)	(7.5%)
Reagan Memorial Tollway (I-88)	15,532,512	26,620,966	\$11,088,453	71.4%
Jane Addams Memorial Tollway (I-90)	3,422,431	567,016	(\$2,855,415)	(83.4%)
Veterans Memorial Tollway (I-355)	9,300,000	5,409,441	(\$3,890,559)	(41.8%)
Systemwide Improvements	157,447,634	101,272,626	(\$56,175,008)	(35.7%)
Tri-State Tollway (I-294)/I-57 Interchange	28,534,003	15,484,900	(\$13,049,103)	(45.7%)
Elgin O'Hare Western Access	396,797,043	207,681,891	(\$189,115,152)	(47.7%)
Other Emerging Projects	1,943,916	274,667	(\$1,669,249)	(85.9%)
Move Illinois Subtotal	\$848,755,914	\$575,435,940	(\$273,319,975)	(32.2%)
Agreement Reimbursements and Other Adjustments	-	(65,239,996)	(65,239,996)	-
Total Capital Program Expenditures	\$848,755,914	\$510,195,943	(\$338,559,971)	(39.9%)

Quarterly Financial Review June 30, 2020

ILLINOIS TOLLWAY			
Percent of Annual Budget Realized (UNAUDITED)			
Year-To-Date June 30, 2020			
	2020 Annual Budget	2020 YTD Actual	% Budget Realized
REVENUE			
Toll Revenue and Evasion Recovery	\$1,495,000,000	\$570,541,613	38.16%
Concessions	2,000,000	688,049	34.40%
Investment Income	30,000,000	11,101,737	37.01%
Miscellaneous	8,000,000	12,169,430	152.12%
Total Revenue	\$1,535,000,000	\$594,500,829	38.73%
Maintenance and Operations (M and O) Expenditures			
Payroll and Related Costs	\$175,559,359	\$88,652,666	50.5%
Group Insurance	35,800,000	14,534,108	40.6%
Contractual Services	100,730,826	33,796,518	33.6%
Materials/Operational Supplies/Other Expenses	10,743,170	2,752,500	25.6%
Utilities	8,658,477	3,432,374	39.6%
All Other Insurance	11,586,790	5,172,473	44.6%
Parts and Fuel	6,568,793	2,485,135	37.8%
Equipment/Office Rental and Maintenance	31,171,500	14,081,196	45.2%
Other Miscellaneous Expenses	1,733,620	335,321	19.3%
Recovery of Expenses	(2,305,000)	(972,041)	42.2%
Total Maintenance and Operations Expenditures	\$380,247,536	\$164,270,249	43.2%
Net Revenue			
Revenue Less M and O Expenditures	\$1,154,752,464	\$430,230,580	37.3%
Debt Service Transfers			
Existing Debt	\$430,206,000	\$210,031,514	48.8%
New Debt	19,375,000	-	0.0%
Total Debt Service Transfers	\$449,581,000	\$210,031,514	46.7%
Net Revenue Less Debt Service Transfers	\$705,171,464	\$220,199,066	31.2%

Quarterly Financial Review June 30, 2020

ILLINOIS TOLLWAY			
Percent of Budget Realized (UNAUDITED)			
Year-To-Date June 30, 2020			
	2020	YTD	% Budget
	Budget	Actual	Realized
Capital Program			
Tri-State Tollway (I-94/I-294/I-80)	\$446,896,731	\$218,124,432	48.8%
Reagan Memorial Tollway (I-88)	27,935,555	26,620,966	95.3%
Jane Addams Memorial Tollway (I-90)	12,157,008	567,016	4.7%
Veterans Memorial Tollway (I-355)	10,800,000	5,409,441	50.1%
Systemwide Improvements	328,691,807	101,272,626	30.8%
Tri-State Tollway (I-294)/I-57 Interchange	71,580,821	15,484,900	21.6%
Elgin O'Hare Western Access	559,573,007	207,681,891	37.1%
Other Emerging Projects	3,897,931	274,667	7.0%
Move Illinois Subtotal	\$1,461,532,860	\$575,435,940	39.4%
Agreement Reimbursements and Other Adjustments	-	(65,239,996)	-
Total Capital Program Expenditures	\$1,461,532,860	\$510,195,943	34.9%

Quarterly Financial Review June 30, 2020

ILLINOS TOLLWAY				
2020 Unaudited Actual vs. 2019 Actual				
Second Quarter Ending June 30, 2020				
	2nd Qtr		Change	
	2019	2020	\$	%
REVENUE				
Toll Revenue and Evasion Recovery	\$374,684,803	\$247,284,296	(\$127,400,507)	(34.0%)
Concessions	446,593	332,215	(114,379)	(25.6%)
Investment Income	10,372,035	2,323,232	(8,048,803)	(77.6%)
Miscellaneous	2,170,315	599,332	(1,570,983)	(72.4%)
Total Revenue	\$387,673,746	\$250,539,075	(\$137,134,671)	(35.4%)
Maintenance and Operations (M and O) Expenditures				
Payroll and Related Costs	\$41,960,695	\$43,964,430	\$2,003,735	4.8%
Group Insurance	7,109,439	6,457,399	(652,039)	(9.2%)
Contractual Services	20,668,669	14,740,484	(5,928,185)	(28.7%)
Materials/Operational Supplies/Other Expenses	513,443	61,027	(452,416)	(88.1%)
Utilities	2,539,925	1,859,115	(680,810)	(26.8%)
All Other Insurance	3,259,486	2,597,550	(661,936)	(20.3%)
Parts and Fuel	2,248,929	846,665	(1,402,264)	(62.4%)
Equipment/Office Rental and Maintenance	7,353,942	5,465,674	(1,888,269)	(25.7%)
Other Miscellaneous Expenses	138,500	101,787	(36,713)	(26.5%)
Recovery of Expenses	(490,020)	(398,804)	91,216	18.6%
Total Maintenance and Operations Expenditures	\$85,303,008	\$75,695,327	(\$9,607,680)	(11.3%)
Net Revenue				
Revenue Less M and O Expenditures	\$302,370,739	\$174,843,747	(\$127,526,991)	(42.2%)
Debt Service Transfers				
Existing Debt	\$102,763,445	\$107,108,590	\$4,345,145	4.2%
New Debt	-	-	-	-
Total Debt Service Transfers	\$102,763,445	\$107,108,590	\$4,345,145	4.2%
Net Revenue Less Debt Service Transfers	\$199,607,294	\$67,735,157	(\$131,872,136)	(66.1%)

Quarterly Financial Review June 30, 2020

ILLINOIS TOLLWAY				
2020 Unaudited Actual vs. 2019 Actual				
Second Quarter Ending June 30, 2020				
	2019	2nd Qtr 2020	Change \$	%
Capital Program				
Tri-State Tollway (I-94/I-294/I-80)	\$90,685,021	\$136,067,846	\$45,382,825	50.0%
Reagan Memorial Tollway (I-88)	28,733,246	16,607,356	(12,125,890)	(42.2%)
Jane Addams Memorial Tollway (I-90)	80,594	328,348	247,754	307.4%
Veterans Memorial Tollway (I-355)	9,154,062	3,091,981	(6,062,081)	(66.2%)
Systemwide Improvements	92,810,902	62,748,049	(30,062,853)	(32.4%)
Tri-State Tollway (I-294)/I-57 Interchange	730,852	8,495,516	7,764,664	1062.4%
Elgin O'Hare Western Access	38,678,953	187,244,350	148,565,397	384.1%
Other Emerging Projects	716,239	121,681	(594,558)	(83.0%)
Move Illinois Subtotal	261,589,869	414,705,127	\$153,115,258	58.5%
Agreement Reimbursements and Other Adjustments	(836,010)	(63,753,241)	(62,917,231)	-
Total Capital Program Expenditures	\$260,753,859	\$350,951,886	\$90,198,027	34.6%

Quarterly Financial Review June 30, 2020

ILLINOIS TOLLWAY					
2020 Unaudited Actual vs. 2019 Actual					
Year-To-Date June 30, 2020					
		YTD		Change	
	2019	2020	\$	%	
REVENUE					
Toll Revenue and Evasion Recovery	\$711,329,234	\$570,541,613	(\$140,787,621)	(19.8%)	
Concessions	853,214	688,049	(165,166)	(19.4%)	
Investment Income	19,909,884	11,101,737	(8,808,147)	(44.2%)	
Miscellaneous	3,980,127	12,169,430	8,189,303	205.8%	
Total Revenue	\$736,072,459	\$594,500,829	(\$141,571,630)	(19.2%)	
Maintenance and Operations (M and O) Expenditures					
Payroll and Related Costs	\$86,321,787	\$88,652,666	\$2,330,878	2.7%	
Group Insurance	15,572,243	14,534,108	(1,038,134)	(6.7%)	
Contractual Services	42,993,191	33,796,518	(9,196,673)	(21.4%)	
Materials/Operational Supplies/Other Expenses	4,112,843	2,752,500	(1,360,342)	(33.1%)	
Utilities	4,201,046	3,432,374	(768,673)	(18.3%)	
All Other Insurance	5,586,064	5,172,473	(413,591)	(7.4%)	
Parts and Fuel	4,218,671	2,485,135	(1,733,535)	(41.1%)	
Equipment/Office Rental and Maintenance	11,789,842	14,081,196	2,291,353	19.4%	
Other Miscellaneous Expenses	336,752	335,321	(1,432)	(0.4%)	
Recovery of Expenses	(979,912)	(972,041)	7,870	0.8%	
Total Maintenance and Operations Expenditures	\$174,152,528	\$164,270,249	(\$9,882,278)	(5.7%)	
Net Revenue					
Revenue Less M and O Expenditures	\$561,919,931	\$430,230,580	(\$131,689,352)	(23.4%)	
Debt Service Transfers					
Existing Debt	\$194,020,453	\$210,031,514	\$16,011,061	8.3%	
New Debt	-	-	-	-	
Total Debt Service Transfers	\$194,020,453	\$210,031,514	\$16,011,061	8.3%	
Net Revenue Less Debt Service (Coverage)	\$367,899,478	\$220,199,066	(\$147,700,413)	(40.1%)	

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ILLINOIS TOLLWAY				
2020 Unaudited Actual vs. 2019 Actual				
Year-To-Date June 30, 2020				
	2019	2020	Change	
			\$	%
Capital Program				
Tri-State Tollway (I-94/I-294/I-80)	\$144,146,012	218,124,432	(\$73,978,420)	(51.3%)
Reagan Memorial Tollway (I-88)	35,780,526	26,620,966	9,159,560	25.6%
Jane Addams Memorial Tollway (I-90)	3,135,188	567,016	2,568,173	81.9%
Veterans Memorial Tollway (I-355)	16,725,139	5,409,441	11,315,698	67.7%
Systemwide Improvements	135,811,399	101,272,626	34,538,773	25.4%
Tri-State Tollway (I-294)/I-57 Interchange	1,091,518	15,484,900	(14,393,382)	-
Elgin O'Hare Western Access	70,659,176	207,681,891	(137,022,716)	(193.9%)
Other Emerging Projects	2,925,154	274,667	2,650,487	90.6%
Move Illinois Subtotal	\$410,274,112	\$575,435,940	(\$165,161,827)	(40.3%)
Agreement Reimbursements and Other Adjustments	(1,368,641)	(65,239,996)	63,871,355	-
Total Capital Program Expenditures	\$408,905,471	\$510,195,943	(\$101,290,472)	(24.8%)