

# Illinois Tollway Financial Results Year Ended December 31, 2017

July 19, 2018

Michael J. Colsch



# Audited Annual Financial Reports

## Financial Report and Compliance Examination (Issued by Illinois Auditor General)

- Contains audited Generally Accepted Accounting Principles (GAAP) financial statement and footnotes and supplementary info
  - Trust Indenture financial statements
- Contains External Audit material findings

# Audited Annual Financial Reports

## Comprehensive Annual Financial Report

- Contains audited Generally Accepted Accounting Principles (GAAP) financial statement and footnotes
- Supplementary information including
  - Trust Indenture financial statements
- Statistical information
  - Traffic and revenue statistics
  - Economic and demographic information
- Submitted to Government Finance Officers' Association for Certificate of Achievement in Financial Reporting

# Basis of Accounting

**Tollway financial statements are prepared in accordance with GAAP**

**GAAP accounting is different from Trust Indenture accounting used for budgeting and quarterly budget-to-actual presentations**

## **Major differences in Trust Indenture accounting**

- Fixed assets are expensed, no depreciation
- Bond principal retirements are expensed when paid
- Long-term fiber-optic revenue recorded as revenue when received
- GASB 68 pension liability and increased expense are not recognized

# 2017 Financial Results (GAAP Basis)

**Operating revenues increased 7.3 percent (\$95.2 million) to \$1.4 billion**

- Passenger and commercial traffic continued to increase
- Commercial vehicle toll rates increased
- Full year of tolling on the first phase of the Illinois Route 390 Tollway

**Operating expenses (excluding depreciation) increased 2.3 percent (\$9.1 million)**

- Increased credit card fees and consulting fees

# 2017 Financial Results (GAAP Basis)

**Tollway proportionate share of the State net pension liability under GASB 68 and 71 decreased by \$12.4 million to \$888.5 million**

**Tollway net position improved by \$356 million**

**Tollway maintains a healthy balance sheet with a net position of \$2.9 billion**

# Statement Of Changes In Net Position

	<u>2017</u>	<u>2016</u>	<u>Percent Change</u>
Tolls	1,309	1,216	7.60%
Evasion Recovery	66	65	1.50%
Concessions	2	2	-
Other	21	20	0.10%
<b>Total Operating Revenue</b>	<b>1,398</b>	<b>1,303</b>	<b>7.30%</b>
Depreciation and Amortization	418	370	13.00%
Other Operating Expenses	403	394	14.80%
<b>Total Operating Expenses</b>	<b>821</b>	<b>764</b>	<b>13.80%</b>
<b>Operating Income</b>	<b>577</b>	<b>539</b>	<b>7.00%</b>
Net -Non-Operating Expense	-221	-220	-
<b>Change in Net Assets</b>	<b>356</b>	<b>319</b>	<b>11.60%</b>

(Amounts in Millions)



# Statement of Net Position Assets and Deferred Outflows

	<u>2017</u>	<u>2016</u>	<u>Percent Change</u>
Unrestricted cash and cash equivalents	1,257	1,047	20.1%
Accounts receivable, net	21	18	16.7%
IGA receivables - current portion	48	31	54.8%
Other	8	2	300.0%
<b>Total current unrestricted</b>	<b>1,334</b>	<b>1,098</b>	<b>21.5%</b>
Restricted cash - debt service	147	129	14.0%
IPASS cash in escrow	180	178	1.1%
Other current restricted	2	1	-
<b>Total current restricted</b>	<b>329</b>	<b>308</b>	<b>6.8%</b>
<b>Total current assets</b>	<b>1,663</b>	<b>1,406</b>	<b>18.3%</b>
Capital assets, net of depreciation	8599	8204	4.8%
Other non-current assets & deferred outflow of resources	1033	1095	-5.7%
<b>Total assets</b>	<b>11,295</b>	<b>10,705</b>	<b>5.5%</b>

(Amounts in Millions)



# Statement of Net Position Liabilities and Net Position

	<u>2017</u>	<u>2016</u>	<u>Percent Change</u>
Accounts payable and accruals	284	197	44.2%
Deposits and retainage	35	68	-48.5%
Other unrestricted liabilities	60	29	106.9%
<b>Current - payable from unrestricted</b>	<b>379</b>	<b>294</b>	<b>28.9%</b>
Bonds payable- current portion	113	89	27.0%
Interest payable	113	112	0.9%
Deposits- IPASS escrow	180	178	1.1%
<b>Current - payable from restricted</b>	<b>406</b>	<b>379</b>	<b>7.1%</b>
<b>Total current liabilities</b>	<b>785</b>	<b>673</b>	<b>16.6%</b>
Revenue bonds payable	6474	6265	3.3%
Other	279	323	-13.6%
Net pension liability and related deferred inflows	889	931	-4.5%
<b>Total liabilities</b>	<b>8,427</b>	<b>8,192</b>	<b>2.9%</b>
<b>Net position</b>	<b>2,868</b>	<b>2,512</b>	<b>14.2%</b>

(Amounts in Millions)





THANK YOU

