

The background of the slide is a photograph of a modern, multi-story building with a curved facade and large windows. In the foreground, there are three flagpoles. The leftmost pole has the United States flag, and the middle pole has the Illinois state flag. The sky is clear and blue. A green horizontal bar is overlaid across the top half of the image, containing the main title.

TENTATIVE 2021 BUDGET

October 15, 2020

Cathy Williams



2021 Budget Schedule

October

- Tentative 2021 Budget presented to Board

November

- Public review/comment on Tentative 2021 Budget
- Public comments provided to Board
- Incorporate changes arising from review process

December

- Board votes on Final 2021 Budget

2021 Budget Public Hearings

Two public hearings scheduled for the Tentative 2021 Budget

- Wednesday, November 4 – noon
- Wednesday, November 4 – 6 p.m.

Public comments may be shared during the public hearings, mailed or submitted online via the Tollway's website illinoistollway.com through November 13

2021 Budget Highlights

Revenue

- 2021 budgeted revenue is 11 percent* above 2020 estimate but 7.8 percent below the 2020 budget
- Continued anticipated impacts of pandemic and economic recovery

Maintenance and Operations

- Remains flat from the 2020 Budget
- Organizational realignments

Capital Program

- Demonstrates the Tollway's commitment to infrastructure improvements, maintaining system integrity and technology

* Expected revenue projections from CDM Smith



2021 Revenue Sources

Sources of Revenues FY 2019 - FY 2021

(\$ Millions)	2019 Actual	2020 Budget	2020 Estimates	2021 Projections	Percent Change	
					2021 Proj./ 2020 Est.	2021 Proj./ 2020 Budget
CDM Smith Revenue Estimate	\$1,465	\$1,516	\$1,304	\$1,469	12.7%	(3.1%)
Evaded Tolls Net of Evasion Recovery	(2)	(21)	(64)	(74)		
Toll Revenues and Net Evaded Tolls	\$1,463	\$1,495	\$1,240	\$1,395	12.5%	(6.7%)
Investment Income, Concessions and Miscellaneous Revenues	47	40	30	20		
Revenues Total	\$1,510	\$1,535	\$1,270	\$1,415	11.4%	(7.8%)

Potential factors considered by Traffic Engineers' revenue estimates

- Traffic trends
- COVID-19 recovery
- Construction and related lane closures
- Socioeconomic trends
- CPI-based commercial toll rate increases
- Weather-related events
- Weekday/weekend/holiday travel
- Gas prices (if elevated)



2021 Revenue Allocations

MORE THAN 73 PERCENT OF REVENUES ALLOCATED TO SUPPORT INFRASTRUCTURE

Allocation of Revenues FY 2020 - FY 2021

(\$ millions)

(\$ millions)	FY 2020 Budget	FY 2020 Estimates	FY 2021 Projections
Maintenance and Operations	\$380	\$365	\$380
Debt Service and Reserve	450	426	468
Deposits to Renewal and Replacement and Improvement	705	479	567
Allocations Total	\$1,535	\$1,270	\$1,415

The M&O estimate for fiscal year 2020 does not include \$15 million available from the prior year.

Note: Numbers may not add to totals due to rounding

Presented by Cathy Williams on October 15, 2020



2021 Budget – Focus on Customers

The Illinois Tollway serves 1.6 million daily drivers

91 percent of all transactions are I-PASS transactions

2021 Operating Budget includes:

- \$104.0 million in Business Systems and Toll Operations to support tolling and customer service
- \$103.1 million in Engineering and Facilities and Fleet to support roadway maintenance and traffic operations
- \$35.6 million in State Police for safety services
- \$26.8 million in Information Technology

Goal: Enhance the customer driving experience



2021 Maintenance and Operations

KEY DRIVERS OF OPERATING BUDGET

- Increase in total payroll due to increase in salaried positions and wage adjustments
- Increase in equipment maintenance for new and renewed support and software maintenance
- Increase in customer service cost due to increased image reviews and I-PASS communications
- Decrease in credit card usage associated with lower toll revenue
- Decrease in operational materials based on better pricing for winter materials
- Decrease in employee group insurance due to lower headcount and lower administrative costs



2021 Maintenance and Operations By Category

Category (\$ millions)	2019 Actual Expenditures	2020 Budget Expenditures	2021 Budget Request	\$ Change from 2020 Budget	% Change from 2020 Budget
Salary and Wages	\$106,715	\$109,182	\$112,869	\$3,686	3.4%
FICA and Retirement	63,011	66,377	68,984	2,607	3.9%
Group Insurance	31,522	35,800	32,800	(3,000)	-8.4%
All Other Insurance	10,712	11,587	11,099	(488)	-4.2%
Credit Card Fees and Bank Charges	31,408	33,050	30,200	(2,850)	-8.6%
All Other Contractual Services	55,873	66,481	69,776	3,295	5.0%
Equipment/ Office Rental/ Maintenance	24,278	32,372	32,895	523	1.6%
Parts and Fuels	9,154	6,569	5,940	(629)	-9.6%
Utilities	8,437	8,658	8,093	(565)	-6.5%
Operational Materials and Supplies	9,953	10,743	7,606	(3,137)	-29.2%
Other Miscellaneous Expenses	1,091.1	1,733.6	1,449.4	(284)	-16.4%
Recovery of Expenses	(1,947)	(2,305)	(2,194)	111	-4.8%
Total M and O Expenditures	\$350,207	\$380,248	\$379,516	(\$731.1)	-0.2%



2021 Debt Service

Outstanding debt at 1/1/2021 is \$6.4 billion

Assumes issuance of \$600 million of new bonds in 2021

Transfers for debt service estimated at \$468 million

- Principal \$141 million
- Interest \$341 million
- Offset by \$(14) million federal Build America Bonds subsidies

Estimated debt service coverage

- 2.0x in 2020
- 2.1x in 2021

Current Long Term Credit Ratings: Fitch AA- and Moody's A1



2021 Capital Program Summary

(\$ millions)	2012-2019 Expenditures	2020 Estimated Expenditures	2021 Request	Remaining 2022-2027	Move Illinois Program 2012 -2027
Existing System Needs	\$4,657.6	\$775.1	\$1,002.5	\$4,107.0	\$10,542.3
Jane Addams Memorial Tollway (I-90)	2,326.5	5.4	0.7	26.6	2,359.2
Tri-State Tollway (I-94/ I-294/ I-80)	720.7	485.0	690.4	2,423.2	4,319.4
Veterans Memorial Tollway (I-355)	142.0	19.3	1.3	102.7	265.3
Reagan Memorial Tollway (I-88)	244.3	27.3	24.9	69.5	366.0
Systemwide Improvements	1,224.1	238.1	285.3	1,485.0	3,232.5
System Expansion	\$1,745.9	\$386.3	\$531.5	\$1,049.0	\$3,712.8
Tri-State (I-294)/I-57 Interchange	129.6	45.4	78.0	72.3	325.3
Elgin O'Hare Western Access	1,597.1	338.8 *	451.4 **	879.1	3,266.4
Other Emerging Projects	19.3	2.1	2.2	97.6	121.1
Move Illinois Program Total	\$6,403.5	\$1,161.4	\$1,534.1	\$5,156.0	\$14,255.0
Agreement Reimbursements and Other Adjustments	(\$80.6)	(\$67.0)	\$0.0	\$0.0	(\$147.6)
Capital Program Total	\$6,322.9	\$1,094.4	\$1,534.1	\$5,156.0	\$14,107.4

*2020 estimated expenditures Include \$176.5 million of ROW payments to UP/CP and CDA.

**2021 Budget includes scheduled payments of \$174 million for UP/CP and CDA.



Capital Program

KEY 2021 CAPITAL PROGRAM HIGHLIGHTS

Elgin O'Hare Western Access Project – \$451.4 million

- Construction of new I-490 Tollway
- Construction of I-490 Interchange and connection to Illinois Route 390 Tollway
- Construction work at I-490/I-294 Interchange and I-490/I-90 Interchange
- Right-of-way acquisition and utility relocation

Central Tri-State Tollway (I-294) Project – \$690.4 million

- Continued design and construction between 95th Street and Balmoral Avenue
- Construction continuing on Mile Long Bridge and BNSF Railway Bridge
- Widening and reconstruction of two mainline segments

Tri-State Tollway (I-294)/I-57 Interchange Project – \$78.0 million

- Phase II ramp construction to continue



Capital Program

KEY 2021 CAPITAL PROGRAM HIGHLIGHTS

Systemwide Projects \$285.3 million

- Bridge, pavement and interchange improvements
- Toll collection and information technology improvements
- Facility upgrades, Job Order Contracting and program support

Reagan Memorial Tollway (I-88) \$24.9 million

- Roadway and bridge rehabilitation between Aurora Toll Plaza and Illinois Route 59
- Deerpath Road Bridge reconstruction and Windsor Road Bridge widening

Veterans Memorial Tollway (I-355) \$1.3 million

- Closeout of Butterfield Road to Army Trail Road improvements



Tentative 2021 Budget Summary

CONSISTENT WITH LONG-TERM FINANCIAL PLAN

Tenth year of *Move Illinois* Capital Program projected to be \$1.5 billion

- 63 percent of the spending, or \$9.0 billion, will be spent on *Move Illinois* Program by end of 2021

2021 budgeted revenue is 11 percent* above 2020 estimate but 7.8 percent below the 2020 budget

Operating costs – remain flat

Debt service coverage projected at 2.1x in 2021





THANK YOU

