

The background of the slide is a photograph of a modern, multi-story office building with a curved facade and many windows. In the foreground, three flagpoles stand tall against a clear blue sky. The leftmost pole has an American flag, the middle pole has a white flag with a green logo, and the rightmost pole has a dark flag. The sun is visible in the upper left, creating a lens flare effect. A semi-transparent dark grey banner is overlaid across the middle of the image, containing the main title and speaker information.

Tentative 2024 Budget

Chief Financial Officer Cathy Williams
October 26, 2023



2024 Budget Schedule

October

- Tentative 2024 Budget presented to Board

November

- Public review/comment on Tentative 2024 Budget
- Public comments provided to Board
- Incorporate changes from review process

December

- Board votes on Final 2024 Budget

2024 Budget Public Hearings

Two public hearings scheduled for the Tentative 2024 Budget

- Monday, November 13 – 9 a.m. at Illinois Tollway headquarters
- Monday, November 13 – 6 p.m. at the Village of Willow Springs

Public comments may be shared during the public hearings, mailed or submitted online via the Tollway's website illinoistollway.com through November 26



2024 Budget Highlights

Revenue

- 2024 budgeted revenue is 2.7 percent above 2023 forecast, 6.0 percent above 2023
- Continued anticipated impacts of pandemic and economic recovery

Maintenance and Operations

- 5.8 percent increase over 2023 Budget
- Investments in technology will help to reduce long-term costs and gain efficiencies
- Demonstrates a commitment to customer service, roadway safety, security and employee training and development

Capital Program

- 13th year of the *Move Illinois* program with spending totaling \$1.4 billion for continued work on the Central Tri-State Tollway (I-294) and the new I-490 Tollway
- Systemwide improvements maintaining system integrity and technology upgrades



2022-2024 Toll Revenue

Sources of Revenues FY 2022 - FY 2024

(\$ Millions)	2022 Actual	2023 Budget	2023 Forecast	2024 Budget	Percent Change	
					2024 Budget/ 2023 Forecast	2024 Budget/ 2023 Budget
Toll Revenues and Net Evaded Tolls*	\$1,535	\$1,519	\$1,514	\$1,578	4.2%	3.9%
Investment Income, Concessions and Miscellaneous Revenues	57	30	85	63		
Revenues Total	\$1,592	\$1,549	\$1,599	\$1,642	2.7%	6.0%

Potential factors considered by Traffic Engineer 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)

*Expected Revenue projections from CDM Smith

2024 Revenue Allocations

MORE THAN 72 PERCENT OF REVENUES ALLOCATED TO SUPPORT THE CAPITAL PROGRAM

Allocation of Revenues

FY 2023 - FY 2024

(\$ millions)

(\$ millions)	FY 2023 Budget	FY 2023 Forecast	FY 2024 Budget
Maintenance and Operations	\$427	\$391	\$451
Debt Service Transfers	\$517	\$501	\$529
Deposits to Renewal and Replacement and Improvement	\$606	\$707	\$662
Allocations Total	\$1,549	\$1,599	\$1,642

Note: Numbers may not add to totals due to rounding

Presented by Cathy Williams on October 26, 2023



Focus on Customer Service

The Illinois Tollway serves 1.5 million daily drivers with an average of 2.6 million daily toll transactions

2024 Maintenance and Operations and Capital Budgets include:

- \$206.1 million to support customer service and enhancements systemwide for the Tollway's tolling operations and business systems



Focus on Roadway Maintenance and Safety

Roadway Maintenance and Traffic

- Increase staffing to improve service levels, provide a safe means of travel and a great driving experience for our customers

Security and Safety

- Centralized the management of OSHA and other safety and training requirements, security at all Tollway facilities and comprehensive law enforcement provided by Illinois State Police

2024 Maintenance and Operations and Capital Budgets include:

- \$102.1 million for Roadway Maintenance and Security and Safety management



Focus on Employees

The Illinois Tollway's budget supports Tollway employees

- Strategies to attract, train and retain skilled, qualified employees
- Enhanced wellness and work-life programs, services and activities that support employee growth and development
- Employee benefits including group insurance and training help improve safety and reduce costs



2024 Maintenance and Operations By Category

Category (\$ thousands)	2022 Actual Expenditures*	2023 Budget*	2024 Budget Request	\$ Change from 2023 Budget	% Change from 2023 Budget
Salary and Wages	\$88,305	\$100,889	\$106,573	\$5,685	5.6%
FICA and Retirement	54,981	60,725	64,001	3,277	5.4%
Credit Card Fees and Bank Charges	32,703	36,245	36,500	255	0.7%
All Other Contractual Services	104,292	114,545	120,760	6,215	5.4%
Group Insurance	28,956	31,680	34,016	2,336	7.4%
Other Post Employment Benefits	5,793	8,100	9,087	987	12.2%
Equipment/ Office Rental/ Maintenance	29,878	35,800	40,548	4,748	13.3%
All Other Insurance	8,942	12,454	13,234	780	6.3%
Operational Materials and Supplies	5,066	7,869	7,243	(626)	(8.0%)
Utilities	6,914	7,877	10,010	2,133	27.1%
Parts and Fuels	9,888	10,423	8,754	(1,669)	(16.0%)
Other Miscellaneous Expenses	522	1,031	1,281	250	24.2%
Employee Training	166	861	991	129	15.0%
Recovery of Expenses	(1,545)	(1,991)	(1,703)	288	(14.5%)
Total M and O Expenditures	\$374,861	\$426,508	\$451,296	\$24,788	5.8%

* Historical spending and budget for Illinois State Police Troop 15 is included in All Other Contractual Services category.



2024 Bond Issuance and Debt Service

7.2 billion outstanding bonds as of January 1, 2024

- After principal payments totaling \$155.0 million due January 1, 2024

\$500 million new bond issuance expected in 2024 Q2

\$528.7 million estimated transfers of revenues for 2024 debt service

- Principal: \$162.7 million
- Interest: \$366.0 million *(net \$13.6 million Build America Bonds federal subsidies)*

Estimated debt service coverage

- 2.36x in 2023
- 2.25x in 2024

Current Long Term Credit Ratings: Fitch AA –; Moody's Aa3; S&P AA –



2024 Capital Program Summary

Capital Program

(\$ millions)	2023 Budget	2023 Forecasted Expenditures	2024 Request	\$ Change from 2023 Forecast
Existing System Needs	\$945.9	\$835.4	\$878.0	\$42.6
Jane Addams Memorial Tollway (I-90)	4.9	2.3	6.1	3.7
Tri-State Tollway (I-94/ I-294/ I-80)	615.3	563.3	464.6	(98.7)
Veterans Memorial Tollway (I-355)	7.4	5.4	7.0	1.6
Reagan Memorial Tollway (I-88)	3.5	1.8	13.5	11.7
Systemwide Improvements	314.8	262.6	386.8	124.2
System Expansion	\$521.4	\$325.4	\$519.3	\$193.9
Tri-State (I-294)/I-57 Interchange	10.2	15.7	0.1	(15.6)
Elgin O'Hare Western Access	506.3	306.4	501.5	195.1
Other Emerging Projects	4.9	3.4	17.7	14.4
<i>Move Illinois</i> Program Total	\$1,467.3	\$1,160.9	\$1,397.4	\$236.5
Agreement Reimbursements and Other Adjustments	\$0.0	(\$5.6)	\$0.0	\$5.6
Capital Program Total	\$1,467.3	\$1,155.3	\$1,397.4	\$242.1



Capital Program

KEY 2024 CAPITAL PROGRAM HIGHLIGHTS

Central Tri-State Tollway (I-294) Project – \$464.6 million

- Northbound reconstruction continuing on the I-290/I-88 Interchange and southbound reconstruction planned on I-290
- Roadway reconstruction and widening continuing from I-55 to Cermak Road
- Mainline reconstruction and widening continuing between St. Charles Road and Wolf Road

Elgin O'Hare Western Access Project – \$501.5 million

- Construction continuing to replace at-grade crossing at the Union Pacific Railroad with a new bridge over Franklin Avenue, Canadian Pacific Railroad Bensenville Yard and Metra Rail, as well as construction of a new I-490 bridge crossing
- Construction ongoing at the I-490 Tollway interchanges connecting with I-294, I-90 and Illinois Route 390



Capital Program

KEY 2024 CAPITAL PROGRAM HIGHLIGHTS

Systemwide – \$386.8 million

- Bridge, pavement and maintenance facility improvements
- Investments in technology infrastructure, fleet and other systemwide needs

Veterans Memorial Tollway – \$7.0 million

- Begin repairs on the Des Plaines River Bridge

Jane Addams Memorial Tollway – \$6.1 million

- Completion of grading improvements

2024 Budget Summary

The Illinois Tollway's budget is focused on improving the customer experience, security and safety, employee development

The Tollway's budget is consistent with the long-term financial plan

- 13th year of *Move Illinois* Capital Program projected to be \$1.4 billion
- 83 percent or \$12.3 billion, will be spent on the *Move Illinois* Program by end of 2024 out of projected cost of \$14.8 billion for the program

2024 budgeted revenue is 2.7 percent above 2023 forecast and 6.0 percent above the 2023 Budget

- Operating costs – consistent with long term goals
- Debt service coverage projected at 2.25x in 2024





APPENDIX



2024 Transactions and Expected Revenue

Transactions FY 2019 - FY 2024									
(thousands)	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2023 Forecast	2024 Budget	Percent Change	
								2024 Budget/ 2023 Forecast	2024 Budget/ 2023 Budget
Passenger Car	900,809	686,065	806,799	827,659	839,169	862,935	886,585	2.7%	5.7%
Commercial Vehicle	122,413	120,584	129,797	129,476	130,732	127,625	127,709	0.1%	(2.3%)
Total Transactions	1,023,222	806,650	936,595	957,135	969,901	990,560	1,014,295	2.4%	4.6%

Expected Revenue* FY 2019 - FY 2024									
(thousands)	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2023 Forecast	2024 Budget	Percent Change	
								2024 Budget/ 2023 Forecast	2024 Budget/ 2023 Budget
Passenger Car	\$770,202	\$586,376	\$676,658	737,381	\$737,414	\$771,277	\$782,561	1.5%	6.1%
Commercial Vehicle	\$694,489	\$716,681	\$811,341	794,450	\$832,726	\$807,935	\$848,893	5.1%	1.9%
Total Expected Revs	\$1,464,691	\$1,303,057	\$1,487,999	1,531,831	\$1,570,140	\$1,579,212	\$1,631,454	3.3%	3.9%

*Before leakage and evasion recovery
Source: CDMSmith





THANK YOU

