



## Record of Meeting | October 26, 2023

The Illinois State Toll Highway Authority (“Tollway”) held the regularly scheduled Finance & Audit Committee meeting on Thursday, October 26, 2023, in the Boardroom of Tollway headquarters in Downers Grove, Illinois. The meeting was held pursuant to the By-Laws of the Tollway upon call and notice of the meeting executed by Chairman Arnaldo Rivera and posted in accordance with the requirements of the Open Meetings Act, 5 ILCS 120/1, *et seq.*

*[Bolded entries indicate issues which may require follow-up to present or report to Directors.]*

### Call to Order / Roll Call

Committee Chair Perinar called the meeting to order at approximately 9:15 a.m. He asked the Board Secretary to call the roll, those Directors present and absent being as follows:

Committee Members Present:
Committee Chair Gary Perinar
Director James Connolly
Director Jacqueline Gomez
Director Karen McConnaughay

Other Directors in Attendance:
Director Melissa Neddermeyer
Director James Sweeney
Director Mark Wright
Chairman Arnaldo Rivera

Committee Members Not Present:
Director Scott Paddock

The Board Secretary declared a quorum present.

### Public Comment

Committee Chair Perinar opened the floor for public comment.

Adrian Mobley, Owner/President of Air & Wellness Safety Training, addressed the committee. Ms. Mobley offered comments regarding the Tollway’s Partnership for Growth program.

Steven Bahnsen of Chicago, Illinois, addressed the committee. Mr. Bahnsen offered comments regarding signage on the I-94 northbound exit to Illinois 176.

Committee Chair Perinar thanked the speakers for their comments.



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## Committee Chair's Items

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Committee Chair Perinar entertained a motion to approve **Committee Chair's Item 1**, the minutes of the regular Finance & Audit Committee meeting held on September 28, 2023, as presented. Director Gomez made a motion to approve the minutes, seconded by Director McConnaughay. The motion PASSED unanimously by voice vote.

Having no further items, Committee Chair Perinar called on Executive Director Cassandra Rouse.

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## Executive Director's Items

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Executive Director Rouse introduced Chief Financial Officer, Cathy Williams, to present the Tentative Budget for Fiscal Year 2024. [See attached presentation.](#)

Upon conclusion of the presentation and discussion, Committee Chair Perinar thanked Ms. Williams.

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## Items for Consideration

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### Finance

*Item 1: Approval of Fiscal Year 2024 Tentative Budget.*

Committee Chair Perinar entertained a motion to approve placement of **Finance Item 1** on the October Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Gomez made a motion to approve this item, seconded by Director McConnaughay. The motion PASSED unanimously by voice vote.

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## Adjournment

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There being no further Committee business, Committee Chair Perinar entertained a motion to adjourn. Director Gomez made a motion to adjourn, seconded by Director McConnaughay. The motion PASSED unanimously by voice vote.



The meeting was adjourned at approximately 9:35 a.m.

Minutes taken by: \_\_\_\_\_

Christi Regnery  
Board Secretary  
Illinois State Toll Highway Authority



# 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](http://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

- 13<sup>th</sup> 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		
<b>Revenues Total</b>	<b>\$1,592</b>	<b>\$1,549</b>	<b>\$1,599</b>	<b>\$1,642</b>	<b>2.7%</b>	<b>6.0%</b>

## 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
<b>Allocations Total</b>	<b>\$1,549</b>	<b>\$1,599</b>	<b>\$1,642</b>

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%)
<b>Total M and O Expenditures</b>	<b>\$374,861</b>	<b>\$426,508</b>	<b>\$451,296</b>	<b>\$24,788</b>	<b>5.8%</b>

\* 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
<b>Existing System Needs</b>	<b>\$945.9</b>	<b>\$835.4</b>	<b>\$878.0</b>	<b>\$42.6</b>
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
<b>System Expansion</b>	<b>\$521.4</b>	<b>\$325.4</b>	<b>\$519.3</b>	<b>\$193.9</b>
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	<b>\$1,467.3</b>	<b>\$1,160.9</b>	<b>\$1,397.4</b>	<b>\$236.5</b>
<b>Agreement Reimbursements and Other Adjustments</b>	<b>\$0.0</b>	<b>(\$5.6)</b>	<b>\$0.0</b>	<b>\$5.6</b>
<b>Capital Program Total</b>	<b>\$1,467.3</b>	<b>\$1,155.3</b>	<b>\$1,397.4</b>	<b>\$242.1</b>



# 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**

- 13<sup>th</sup> 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%)
<b>Total Transactions</b>	<b>1,023,222</b>	<b>806,650</b>	<b>936,595</b>	<b>957,135</b>	<b>969,901</b>	<b>990,560</b>	<b>1,014,295</b>	<b>2.4%</b>	<b>4.6%</b>

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%
<b>Total Expected Revs</b>	<b>\$1,464,691</b>	<b>\$1,303,057</b>	<b>\$1,487,999</b>	<b>1,531,831</b>	<b>\$1,570,140</b>	<b>\$1,579,212</b>	<b>\$1,631,454</b>	<b>3.3%</b>	<b>3.9%</b>

\*Before leakage and evasion recovery  
Source: CDMSmith





# THANK YOU

