



ILLINOIS TOLLWAY

TENTATIVE 2025 BUDGET

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Chief Financial Officer

October 17, 2024



2025 BUDGET SCHEDULE

OCTOBER

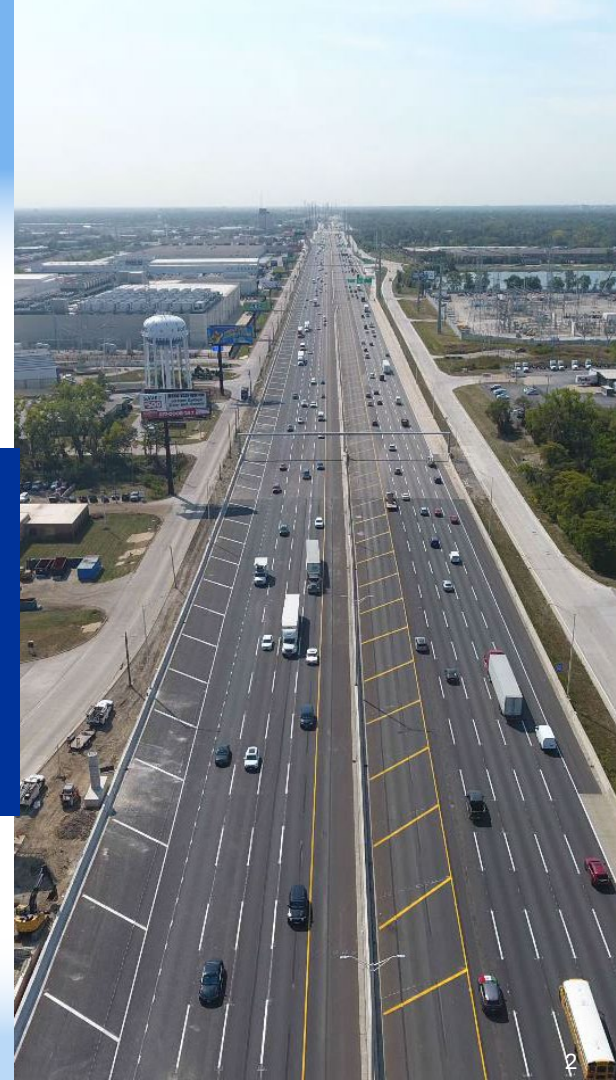
2025 Budget presented to Board

NOVEMBER

- Public review/comment on Tentative 2025 Budget
- Public comments provided to Board
- Incorporate changes from review process

DECEMBER

Board votes on Final 2025 Budget



2025 BUDGET PUBLIC HEARINGS

Two public hearings scheduled for
the Tentative 2025 Budget

MONDAY	THURSDAY
November 18 6 p.m. LIUNA Burr Ridge	November 21 1 p.m. Tollway Headquarters

Public comments may be shared during the public hearings, mailed or submitted online via the Illinois Tollway website illinoistollway.com through November 22

2025 BUDGET HIGHLIGHTS

REVENUE

- 4.2 percent above 2024 forecast
- 4.7 percent above the 2024 Budget

MAINTENANCE AND OPERATIONS

- 4.3 percent increase over the 2024 Budget
- Investments in new technology that will help to reduce long-term costs and gain efficiencies
- Demonstrates a commitment to customer service, roadway maintenance, safety, security, employee training and development

CAPITAL PROGRAM

- 14th year of the *Move Illinois* Program with spending totaling \$1.1 billion for continued work on the Central Tri-State and I-490 Tollway projects
- Systemwide improvements maintaining system integrity and technology upgrades

2023 - 2025 TOLL REVENUE

Sources of Revenues FY2023 - FY 2025 (\$ millions)						
	2023 Actual	2024 Budget	2024 Forecast	2025 Budget	Percent Change	
					2025 Budget/ 2024 Forecast	2025 Budget/ 2024 Budget
Toll Revenues and Net Evaded Tolls*	\$1,508	\$1,578	\$1,558	\$1,648	5.8%	4.4%
Investment Income, Concessions and Miscellaneous Revenues	93	63	93	71		
Revenues Total	\$1,601	\$1,642	\$1,651	\$1,720	4.2%	4.7%

Potential factors considered by Traffic Engineer revenue estimates

- Traffic trends
- Construction and related lane closures
- Socioeconomic trends
- CPI-based commercial toll rate increases
- Weather-related events
- Weekday/weekend/holiday travel
- Vehicle operating cost

**Expected Revenue projections from CDM Smith*

2025 REVENUE ALLOCATIONS

More than 72 percent of revenues allocated to support the Capital Program

Allocation of Revenues FY 2024 - FY 2025 (\$ millions)			
	FY 2024 Budget	FY 2024 Forecast	FY 2025 Budget
Maintenance and Operations	\$451	\$441	\$471
Debt Service Transfers	529	489	537
Deposits to Renewal and Replacement and Improvement	662	719	712
Allocations Total	\$1,642	\$1,650	\$1,720

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

THE 2025 BUDGET FOCUSES ON



**CUSTOMER
SERVICE**



**ROADWAY
MAINTENANCE**



**NEW
TECHNOLOGY**



EMPLOYEES

FOCUS ON CUSTOMER SERVICE AND ROADWAY MAINTENANCE



CUSTOMER SERVICE



- 1.6 million daily drivers
- Average of 2.6 million daily toll transactions
- Operating and capital budgets allocate \$204 million to enhance customer service, including I-PASS On Demand, and improve tolling operations and business systems
- Customer service accounts for 29.5 percent of operating budget



ROADWAY MAINTENANCE AND TRAFFIC



- Increase staffing to improve service levels, provide a safe means of travel and a great driving experience for our customers
- Operational budget allocates \$63 million for Roadway Maintenance and represents 13.4 percent of operating budget

FOCUS ON NEW TECHNOLOGY AND EMPLOYEES



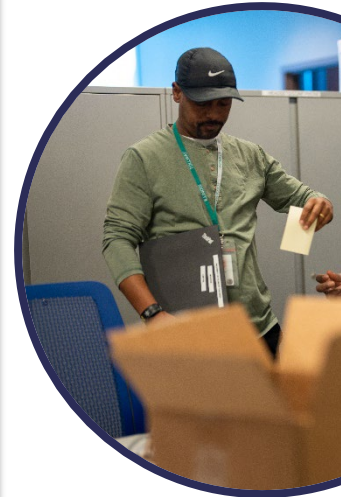
NEW TECHNOLOGY

- The Operating and Capital budgets allocate \$110 million to provide the Tollway with essential resources for system implementation and enhanced integration of business and enterprise resource planning processes
- Technology investments accounts for 9.6 percent of the operating budget



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 to improve safety, reduce costs and lead to healthier and more engaged workforce



2025 MAINTENANCE AND OPERATIONS BY CATEGORY

Maintenance and Operations by Category (\$ thousands)

	2023 Actual Expenditures	2024 Budget	2025 Budget Request	\$ Change from 2024 Budget	% Change from 2024 Budget
Salary and Wages	\$101,218	\$106,573	\$109,905	\$3,332	3.1%
FICA and Retirement	61,393	64,001	64,393	392	0.6%
Credit Card Fees and Bank Charges	35,866	36,500	41,200	4,700	12.9%
All Other Contractual Services	109,775	123,460	128,879	5,419	4.4%
Group Insurance	30,592	34,016	34,820	804	2.4%
Other Post Employment Benefits	9,417	9,087	10,000	913	10.0%
Equipment/Office Rental/ Maintenance	35,075	37,848	38,810	962	2.5%
All Other Insurance	9,294	13,234	14,500	1,266	9.6%
Operational Materials and Supplies	7,101	7,243	7,838	595	8.2%
Utilities	8,451	10,010	9,716	(294)	(2.9%)
Parts and Fuels	7,666	8,754	9,657	903	10.3%
Other Miscellaneous Expenses	785	1,281	1,645	364	28.5%
Employee Training	182	991	1,012	21	2.2%
Recovery of Expenses	(794)	(1,703)	(1,753)	(50)	2.9%
Total M and O Expenditures	\$416,020	\$451,296	\$470,622	\$19,326	4.3%

2025 BOND ISSUANCE AND DEBT SERVICE

\$6.8 Billion

Outstanding bonds on January 1, 2025

- After principal payments totaling \$162.715 million due January 1, 2025

\$500 Million

New bond issuance expected in 2025.

\$537.3 Million

Estimated transfers of revenues for 2025 debt service.

- Principal: \$180.2 million
- Interest: \$357.1 million (amount net \$13.6 million federal subsidies for Build America Bonds)

Debt Service Coverage

- **Estimating 2.38x in 2024**
- **Estimating 2.27x in 2025**

Current Long-term Credit Ratings: Fitch AA- | Moody's Aa3 | S&P AA-

2025 CAPITAL PROGRAM SUMMARY

(\$ millions)	2024 Budget	2024 Forecasted Expenditures	2025 Request	\$ Change from 2024 Forecast
Existing System Needs	\$878.0	\$693.7	\$681.3	(\$12.4)
Jane Addams Memorial Tollway (I-90)	6.1	3.8	2.1	(1.7)
Tri-State Tollway (I-94/ I-294/ I-80)	464.6	419.6	287.9	(131.7)
Veterans Memorial Tollway (I-355)	7.0	1.3	7.5	6.2
Reagan Memorial Tollway (I-88)	13.5	10.7	20.1	9.3
Systemwide Improvements	386.8	258.2	363.8	105.6
System Expansion	\$519.3	\$353.1	\$466.0	\$112.9
Tri-State (I-294)/I-57 Interchange	0.1	3.6	0.0	(3.6)
Elgin O'Hare Western Access	501.5	336.4	412.6	76.2
Other Emerging Projects	17.7	13.1	53.4	40.4
Move Illinois Program Total	\$1,397.4	\$1,046.8	\$1,147.3	\$100.5
Agreement Reimbursements and Other Adjustments	(\$5.9)	(\$10.1)	\$0.0	\$10.1
Capital Program Total	\$1,397.4	\$1,036.7	\$1,147.3	\$110.7

CAPITAL PROGRAM

Key 2025 Highlights

Central Tri-State Tollway (I-294) Project – \$287.9 million

- Roadway reconstruction and widening from Flagg Creek near I-55 to Cermak Road will continue
- Reconstruction is continuing on the I-290/I-88 Interchange
- Reconstruction and widening of roadway between St. Charles Road and North Avenue will continue

Elgin O’Hare Western Access Project – \$412.6 million

- Construction is continuing for the replacement of the Union Pacific Railroad Bridge over Franklin Avenue, Canadian Pacific Railroad Bensenville Yard and Metra Rail, as well as construction of a new I-490 bridge crossing
- Construction in 2025 will also include ongoing work for the I-490 Tollway system interchanges connecting to the Jane Addams Memorial Tollway (I-90) and the Illinois Route 390 Tollway, including work on the I-490/IL 390 Interchange ramp bridges

CAPITAL PROGRAM

Key 2025 Highlights

Systemwide – \$364 million

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

Veterans Memorial Tollway (I-355) – \$7.5 million

- Repairs and Rehabilitation on the Des Plaines River Valley Bridge

Reagan Memorial Tollway (I-88) Tollway – \$20.1 million

- Reconstruction of York Road Bridge, pavement repairs between Illinois Route 251 and Illinois Route 56, as well as bridge repairs over the Union Pacific Railroad

2025 BUDGET SUMMARY

The Illinois Tollway's budget is focused on improving the customer experience including roadway maintenance and safety, and improvements in technology

LONG-TERM FINANCIAL PLAN

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

- Fourteenth year of *Move Illinois* Program projected to be \$1.1 billion
- 86 percent, or \$12.9 billion, will be spent on *Move Illinois* Program by end of 2025 out of projected cost of \$15.2 billion for the program

LONG-TERM GOALS

2025 budgeted revenue is 4.2 percent above 2024 forecast and 4.7 percent above the 2024 Budget

- Operating costs – consistent with long-term goals
- Debt service coverage projected at 2.27x in 2025



THANK YOU





APPENDIX



2025 TRANSACTIONS AND EXPECTED REVENUE

Transactions FY 2019 - FY 2025 (thousands)

	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 2024 Budget	2024 Forecast	2025 2025 Budget	Percent Change	
									2025 Budget/ 2024 Forecast	2025 Budget/ 2024 Budget
Passenger Car	900,809	686,065	806,799	827,659	865,220	886,585	882,825	902,849	2.3%	1.8%
Commercial Vehicle	122,413	120,584	129,797	129,476	127,750	127,709	128,156	128,204	0.0%	0.4%
Total Transactions	1,023,222	806,650	936,595	957,135	992,970	1,014,295	1,010,982	1,031,052	2.0%	1.7%

Expected Revenue* FY 2019 - FY 2025

	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 2024 Budget	2023 Forecast	2025 2025 Budget	Percent Change	
									2024 Budget/ 2024 Forecast	2025 Budget/ 2024 Budget
Passenger Car	\$770,202	\$586,376	\$676,658	737,381	\$780,092	\$782,561	\$798,152	\$814,547	2.1%	4.1%
Commercial Vehicle	\$694,489	\$716,681	\$811,341	794,450	\$808,681	\$848,893	\$853,375	\$902,627	5.8%	6.3%
Total Expected Revs	\$1,464,691	\$1,303,057	\$1,487,999	\$1,531,831	\$1,588,774	\$1,631,454	\$1,651,527	\$1,717,173	4.0%	5.3%

*Before leakage and evasion recovery, Source: CDMSmith