CIRCULAR LETTER 2015-17

MAINTENANCE PROGRAMS – LACK OF A STATE BUDGET AND MOTOR FUEL TAX DISTRIBUTIONS

COUNTY ENGINEERS / SUPERINTENDENTS OF HIGHWAYS
MUNICIPAL ENGINEERS / DIRECTORS OF PUBLIC WORKS / MAYORS
METROPOLITAN PLANNING ORGANIZATIONS – DIRECTORS
CONSULTING ENGINEERS

The State of Illinois currently does not have an approved fiscal year 2016 budget in place. Without an approved budget, the Department does not have the appropriation for the distribution of the motor fuel tax (MFT) allotments to the local public agencies. It is unclear at this time when an approved fiscal year 2016 budget will be in place and when the MFT distributions will resume. However, the local public agencies desiring to perform a 2016 maintenance program should continue to submit their maintenance resolutions and estimates of maintenance cost for the upcoming maintenance period.

According to the Bureau of Local Roads and Streets Policy Manual, Chapter 14-2, local public agencies are required to submit a maintenance resolution and / or an estimate of maintenance cost for the maintenance activities they have planned for the upcoming maintenance period. The maintenance resolution, or estimate of maintenance cost for road districts, should not exceed the sum of the local public agency’s current unobligated balance plus the estimated MFT allotments for the maintenance period. These forms require Department approval prior to the local public agency incurring any expenses for the activities listed in the maintenance program.

The lack of a fiscal year 2016 state budget, and MFT distributions to the local public agencies, presents a dilemma to the local public agencies with regard to preparing their maintenance resolution. This also presents a dilemma to the department with regard to approving the maintenance resolution and estimate of maintenance cost.

In light of the current circumstances, for the upcoming maintenance period only, the Department will be able to conditionally approve the maintenance resolutions and estimates of maintenance cost for those agencies wishing to submit a maintenance program anticipating MFT distributions as part of their resolution. The conditional approval will be based on the local public agency’s current unobligated balance and their anticipated MFT allotments for the maintenance period based on an average MFT distribution from state fiscal year 2015.
These conditional approvals will be given with the understanding that actual maintenance work will be conducted giving priority to safety concerns. If the local public agency’s MFT fund does not have a cash balance available to support their maintenance program, then arrangements to finance the additional costs with local funding will need to be made. The local public agencies should be aware when preparing their maintenance resolutions and estimates of cost that MFT distributions may not resume for some time. Once distributions do resume, the department intends to release the available held funds as quickly as possible.

Questions concerning maintenance resolutions and estimates of cost should be directed to your IDOT District Local Roads and Streets office. Questions concerning this circular letter may be directed to the Local Policy and Technology Unit at (217) 782-5048 or DOT.LocalPolicy@illinois.gov.

Sincerely,

Salmon O. Danmole, P.E.
Acting Engineer of Local Roads and Streets

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