

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: January 9, 2024

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: John D. Schaefer, Director of Public Works

Topic: MFT Supplemental Resolution – Purchase of Rock Salt

PURPOSE

Consider a resolution appropriating \$86,000 of Motor Fuel Tax funds for the purpose of maintaining streets and highways under the applicable provisions of the Illinois Highway Code.

PROCESS

The Illinois Motor Fuel Tax (MFT) Fund is derived from a tax on the privilege of operating motor vehicles upon public highways and of operating recreational watercraft upon the waters of this State, based on the consumption (purchase) of motor fuel. After revenues are deposited into the Motor Fuel Tax Fund, they are transferred into state construction funds, the *Motor Fuel Tax - Municipalities Fund*, the Motor Fuel Tax Fund - Town and Road Districts, and the Motor Fuel Tax Fund – Counties. The MFT amounts transferred to the state’s Local Government Fund are distributed to individual municipalities and can be used to construct and maintain roads, traffic controls, street lighting, storm sewers, sidewalks and other pedestrian paths, off-street parking facilities, the purchase of road salt and more. An amendment to the state constitution adopted by Illinois voters in November 2016 prohibits revenues from the Motor Fuel Tax to be used for purposes other than transportation related costs.

Homewood’s motor fuel allocations from the State are deposited in a separate Village fund called the Motor Fuel Tax Allotment Fund. Expenditures from the fund must be approved first by resolution. Attached for Village Board consideration is an IDOT Resolution for Maintenance of Streets and Highways by Municipality under the Illinois Highway Code appropriating the sum of \$86,000 of Motor Fuel Tax funds to cover the purchase/cost of rock salt.

FINANCIAL IMPACT

- **Funding Source:** Motor Fuel Tax Funds
- **Budgeted Amount:** \$100,000
- **Cost:** \$86,000

LEGAL REVIEW

Not Required

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RECOMMENDED BOARD ACTION

Pass a resolution appropriating \$86,000 of Motor Fuel Tax Funds for the purpose of maintaining streets and highways under the applicable provisions of the Illinois Highway Code.

ATTACHMENT(S)

Resolution