



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 6/2/2020

DEPARTMENT: Resource Management

STAFF CONTACT: Dianna Wright

SUBJECT: Report from the Street Maintenance Sales Tax (SMST) Finance Oversight Committee on the 2019 activities.

ITEM DESCRIPTION:

Report from the Street Maintenance Sales Tax (SMST) Finance Oversight Committee on the 2019 activities.

SUMMARY:

On November 12, 2013, the citizens of Olathe approved a 10-year, 3/8 cent Street Maintenance Sales Tax, which the City began collecting on April 1, 2014. The purpose of the sales tax revenue is to finance the cost of repairing, rebuilding, rehabilitating, upgrading, and improving streets in the City of Olathe.

On February 18, 2014 the City Council enacted Resolution No. 14-1020 that adopted the charter creating the Street Maintenance Sales Tax Finance Oversight Committee. The Street Maintenance Sales Tax (SMST) Finance Oversight Committee is an advisory body tasked with the annual review of the 3/8 cent sales tax-related revenues and expenditures during its term.

The Committee's specific duties include annually reviewing the SMST income and expenditures to ensure the SMST revenues were expended consistently with the voter-approved street maintenance sales tax referendum. The committee is charged with providing an independent report (Exhibit A) to the City Council regarding the revenue and expenditures of the Street Maintenance Sales Tax.

FINANCIAL IMPACT: In 2019, \$11,302,111 was collected in SMST revenue which is dedicated for the street preservation program. Interest income for the year totaled \$158,775 for a grand total of \$11,460,886 in revenue. The SMST funded \$11,031,000 of the 2019 Street Preservation Program.

ACTION NEEDED:

Accept the report.

ATTACHMENT(S):

Attachment A: 2019 SMST Annual Report by the SMST Finance Oversight Committee
