



PLANO CITY COUNCIL
1520 K Avenue, Plano TX 75074

DATE: MARCH 23, 2026

TIME: 5:00 PM

Our Vision - Plano is a global economic leader bonded by a shared sense of community where residents experience unparalleled quality of life.

This City Council Meeting will be held in person in the Senator Florence Shapiro Council Chambers. A quorum of the City Council, including the presiding officer, will participate in person. The facility will be open to members of the public.

For those wanting to watch the meeting but not address the Council, the meeting will be live-streamed on Plano's website at www.planotv.org, [YouTube.com/cityofplanotexas](https://www.youtube.com/c/cityofplanotexas) and [Facebook.com/cityofplanotx](https://www.facebook.com/cityofplanotx).

To speak at the meeting, register at Plano.gov/SpeakerRegistration. Online registration opens at 5:00 p.m. on the Tuesday prior to the meeting and **closes at 4:00 p.m.** on the day of the meeting. **ONSITE REGISTRATION IS NOT AVAILABLE.**

Emails regarding agenda items and other comments on City business may be submitted to: councilcomments@plano.gov.

CALL TO ORDER

EXECUTIVE SESSION

- | | | | |
|-----|---|--------|---------|
| I. | Legal Advice | Mims | 15 min. |
| | a) Respond to questions and receive legal advice on agenda items | | |
| II. | Economic Development | Talley | 10 min. |
| | Discuss a financial offer or other incentive to a business prospect to locate, stay, or expand in Plano and consider any commercial and financial information from the business prospect. | | |

PRELIMINARY OPEN MEETING

- | | | | |
|------|--|----------------|---------|
| I. | Consideration and action resulting from Executive Session discussion | Council | 5 min. |
| II. | Five-Year Financial Forecast Presentation | Rhodes-Whitley | 15 min. |
| III. | Ordinance of Necessity Presentation | Yager | 15 min. |

IV. Departmental Overview - Public Works, Fleet, Environmental Waste Services & Compost	Owens	20 min.
V. Consent and Regular Agendas	Council	5 min.
VI. Council items for discussion/action on future agendas	Council	5 min.

In accordance with the provisions of the Open Meetings Act, during the Preliminary Open Meeting, agenda items will be discussed and votes may be taken where appropriate. The City Council may convene into Executive Session to discuss posted items in the session as allowed by law.

The City of Plano encourages participation from all citizens. The Plano Municipal Center has accessible restroom facilities, drinking fountains, and power assist entrance doors. The facility is easily accessed from public sidewalks and parking areas. Designated accessible parking is available on the north and south sides of the building. The Senator Florence Shapiro Council Chambers is accessible by elevator to the lower level. If you require additional assistance or reasonable accommodations under the Americans with Disabilities Act for this meeting or facility, including ASL interpreters, you should submit an ADA Reasonable Accommodation Request Form to the ADA Coordinator at least 48 hours in advance. If you need assistance completing the form, please call 972-941-7152. Complete or download the ADA Reasonable Accommodation Request Form at <https://www.plano.gov/395/Accessibility-Accommodations>.



CITY COUNCIL AGENDA MEMO

MEETING DATE: 3/23/2026

DEPARTMENT: City Secretary

DIRECTOR: Mark D. Israelson, City Manager

This City Council Meeting will be held in person in the Senator Florence Shapiro Council Chambers and via videoconference. A quorum of the City Council, including the presiding officer, will participate in person. The facility will be open to members of the public.

For those wanting to watch the meeting but not address the Council, the meeting will be live-streamed on Plano's website at www.planotv.org, [YouTube.com/cityofplanotexas](https://www.youtube.com/cityofplanotexas) and [Facebook.com/cityofplanotx](https://www.facebook.com/cityofplanotx).

AGENDA ITEM: To speak at the meeting, register at Plano.gov/SpeakerRegistration. Online registration opens at 5:00 p.m. on the Wednesday prior to the meeting and **closes at 3:00 p.m.** on the day of the meeting. **ONSITE REGISTRATION IS NOT AVAILABLE.**

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PRESENTER:

TIME SPAN:

ITEM SUMMARY

This City Council Meeting will be held in person in the Senator Florence Shapiro Council Chambers. A quorum of the City Council, including the presiding officer, will participate in person. The facility will be open to members of the public.

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CITY COUNCIL AGENDA MEMO

MEETING DATE: 3/23/2026

DEPARTMENT: City Secretary

DIRECTOR: Paige Mims, City Attorney

AGENDA ITEM: Legal Advice

PRESENTER: Mims

TIME SPAN: 15 min.

ITEM SUMMARY

Legal Advice

a) Respond to questions and receive legal advice on agenda items



CITY COUNCIL AGENDA MEMO

MEETING DATE: 3/23/2026

DEPARTMENT: City Secretary

DIRECTOR: Doug McDonald, Director of Economic Development

AGENDA ITEM: Economic Development

PRESENTER: Talley

TIME SPAN: 10 min.

ITEM SUMMARY

Economic Development

Discuss a financial offer or other incentive to a business prospect to locate, stay, or expand in Plano and consider any commercial and financial information from the business prospect.



CITY COUNCIL AGENDA MEMO

MEETING DATE: 3/23/2026

DEPARTMENT: City Secretary

DIRECTOR: Mark D. Israelson, City Manager

AGENDA ITEM: Consideration and action resulting from Executive Session

PRESENTER: Council

TIME SPAN: 5 min.

ITEM SUMMARY

Consideration and action resulting from Executive Session discussion



CITY COUNCIL AGENDA MEMO

MEETING DATE: 3/23/2026

DEPARTMENT: City Secretary

DIRECTOR: Karen Rhodes-Whitley, Director of Budget and Research

AGENDA ITEM: Five-Year Financial Forecast Presentation

PRESENTER: Rhodes-Whitley

TIME SPAN: 15 min.

ITEM SUMMARY

Five-Year Financial Forecast Presentation

ATTACHMENTS:

Description	Upload Date	Type
Presentation	3/17/2026	Informational



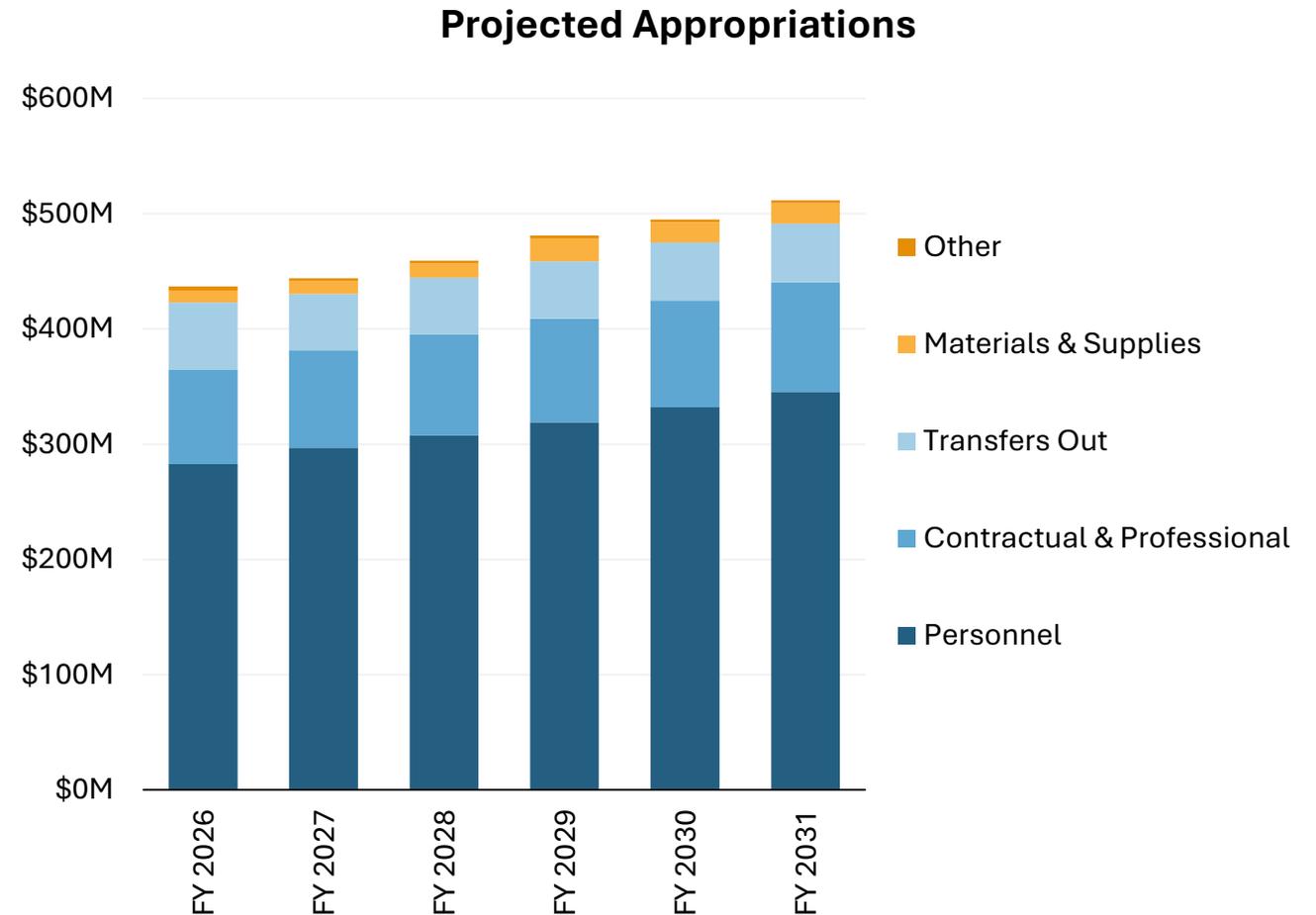
March 23rd, 2026

CITY OF PLANO CITY COUNCIL LONG-TERM FINANCIAL FORECAST UPDATE



GENERAL FUND EXPENDITURE

- Expenditures are projected to grow at an average of **3.2%** per year, based on current assumptions
- The model uses FY 2025-26 budget as a starting point
- Adds additional General Fund expenditures expected but not yet included in the budget (including Fire shift impacts)



SUMMARY OF ADDITIONAL EXPENDITURES EXPECTED

- In addition to increases in the FY 2025-26 budget baseline, new operating expenses of \$26.6 million per year are expected by FY 2030-31

Expected Costs	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Fire Shift Changes	\$ 3,224,563	\$ 6,974,377	\$ 10,549,771	\$ 15,708,894	\$ 20,661,100
Fire Station #14			7,023,635	4,573,457	4,573,457
Park, Trail & Land Acquisition	552,652	825,221	545,138	545,138	545,138
Bond Projects Support	128,751	257,502	257,502	257,502	257,502
Police HQ & Training Replacement		148,791	248,907	248,907	248,907
Fleet Building Replacement		144,475	191,100	191,100	191,100
Fire Station #8		165,000	43,468	52,956	52,956
Oak Point Park Maintenance Facility	40,345	40,345	40,345	40,345	40,345
Total New Annual Costs	\$ 3,946,311	\$ 8,555,711	\$ 18,899,866	\$ 21,618,299	\$ 26,570,505

EXPENDITURE ASSUMPTIONS

Inflation factors from
FY 2026-27 onward

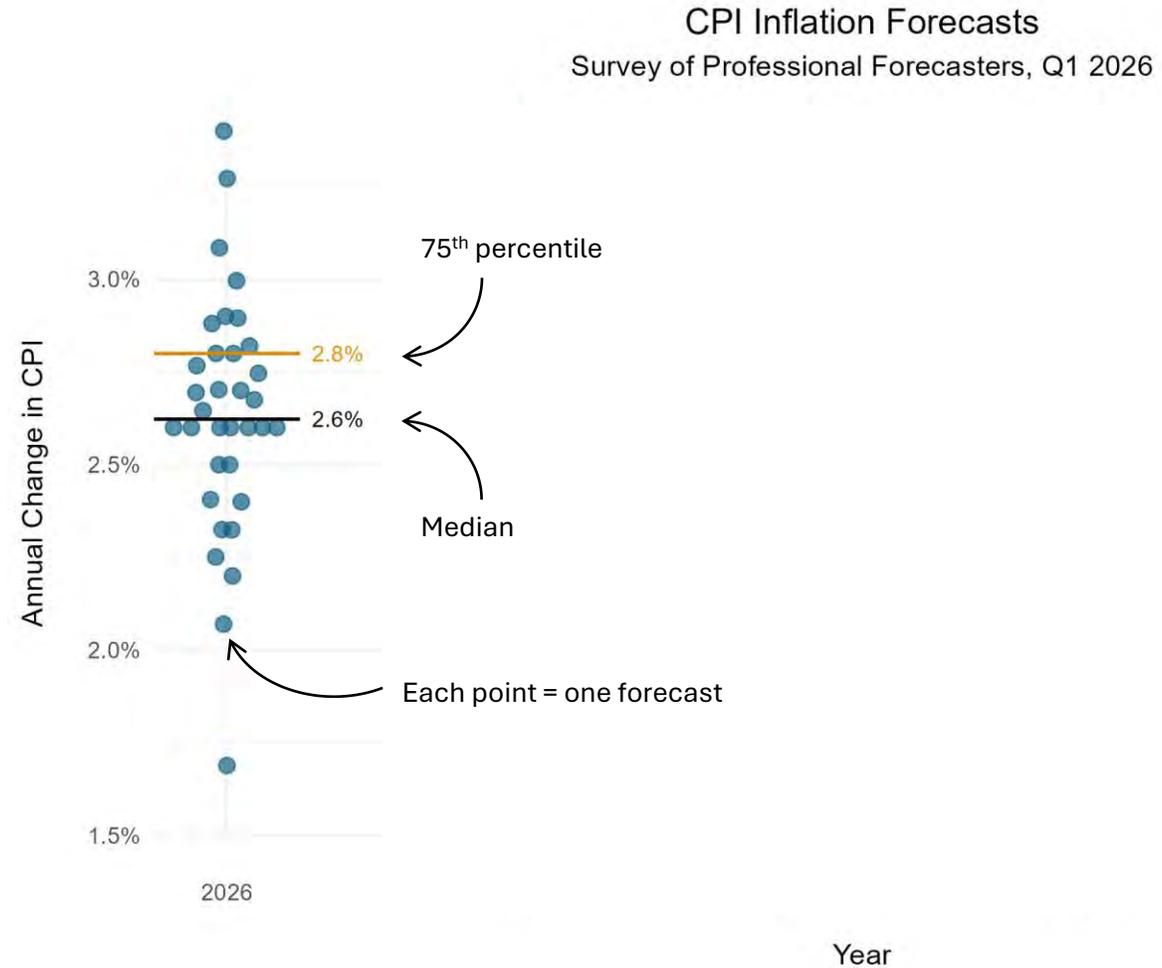
Inflation factors applied as part of 5-year projections:

- Salaries, excluding Fire Shift Personnel (3.0% per year)
- Health-related benefits (5.0%)
- Other benefits (3.0%)
- General inflation (2.4% – 2.6%)
- Water (4.3% – 8.0%)
- Fuel (0.7% – 1.7%)
- Electricity (1.2% – 3.0%)
- Gas (1.6% – 6.9%)
- Chemicals (1.4%)
- Other rates specific to individual budget lines

EXPENDITURE ASSUMPTIONS

General Inflation Assumptions

- General inflation informed by *Survey of Professional Forecasters*

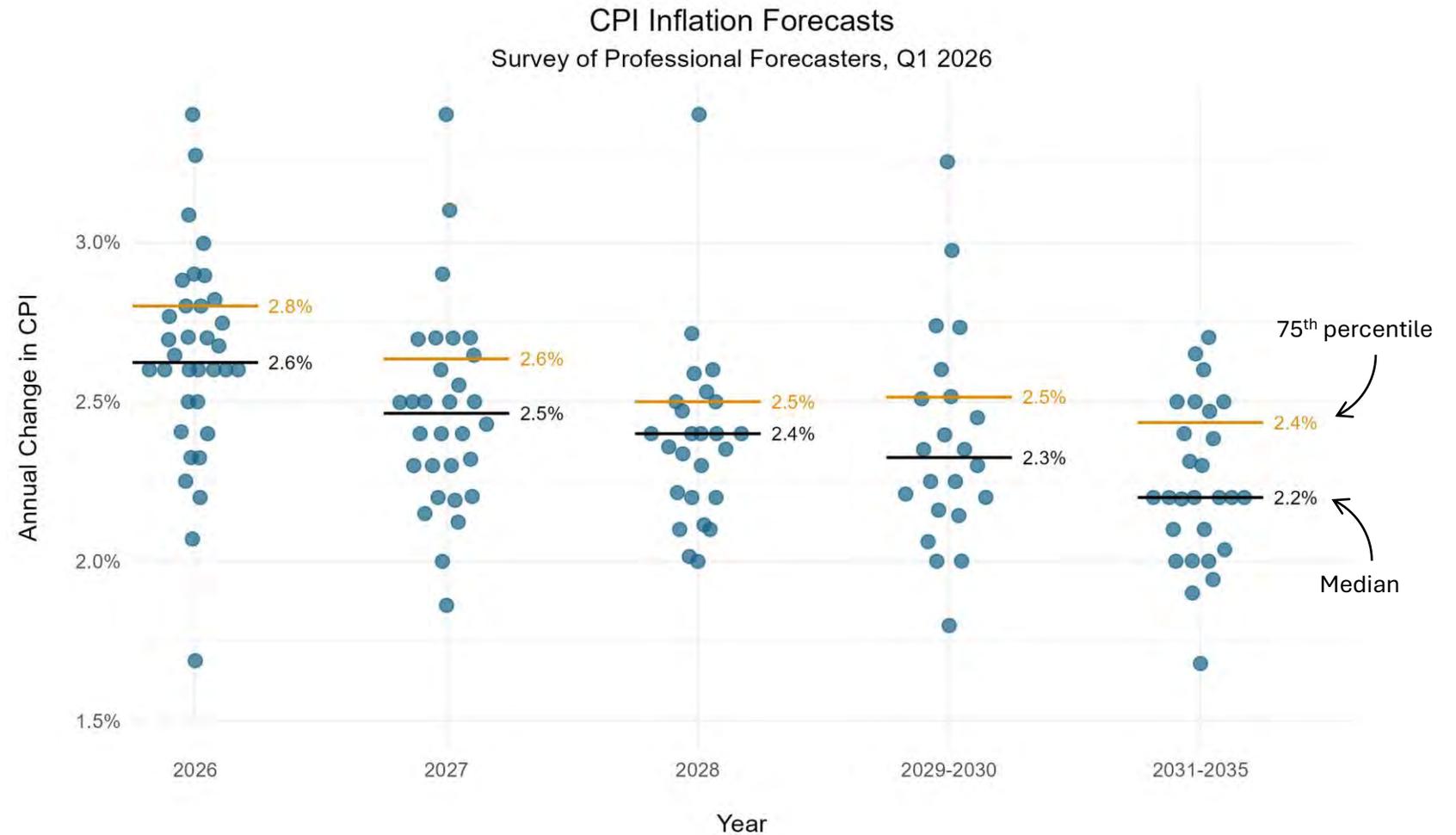


Source: Federal Reserve Bank of Philadelphia, 'Survey of Professional Forecasters', Q1 2026 (March 2026)
Implied forecasts for 2029-2030 estimated by NewGen Strategies & Solutions

EXPENDITURE ASSUMPTIONS

General Inflation Assumptions

- Propose using 75th percentile of forecasts as a conservative estimate

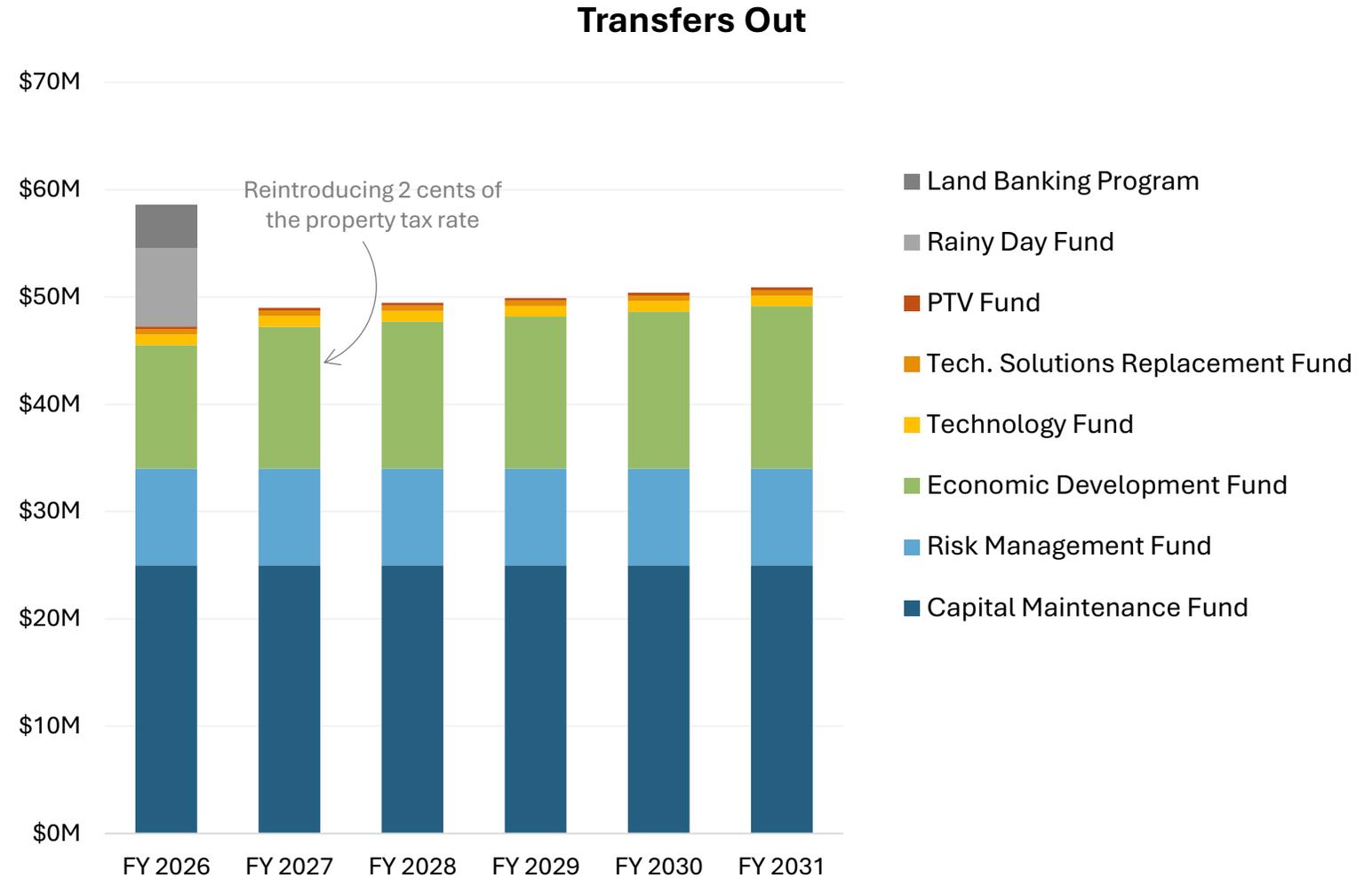


Source: Federal Reserve Bank of Philadelphia, 'Survey of Professional Forecasters', Q1 2026 (March 2026)
Implied forecasts for 2029-2030 estimated by NewGen Strategies & Solutions

EXPENDITURE ASSUMPTIONS

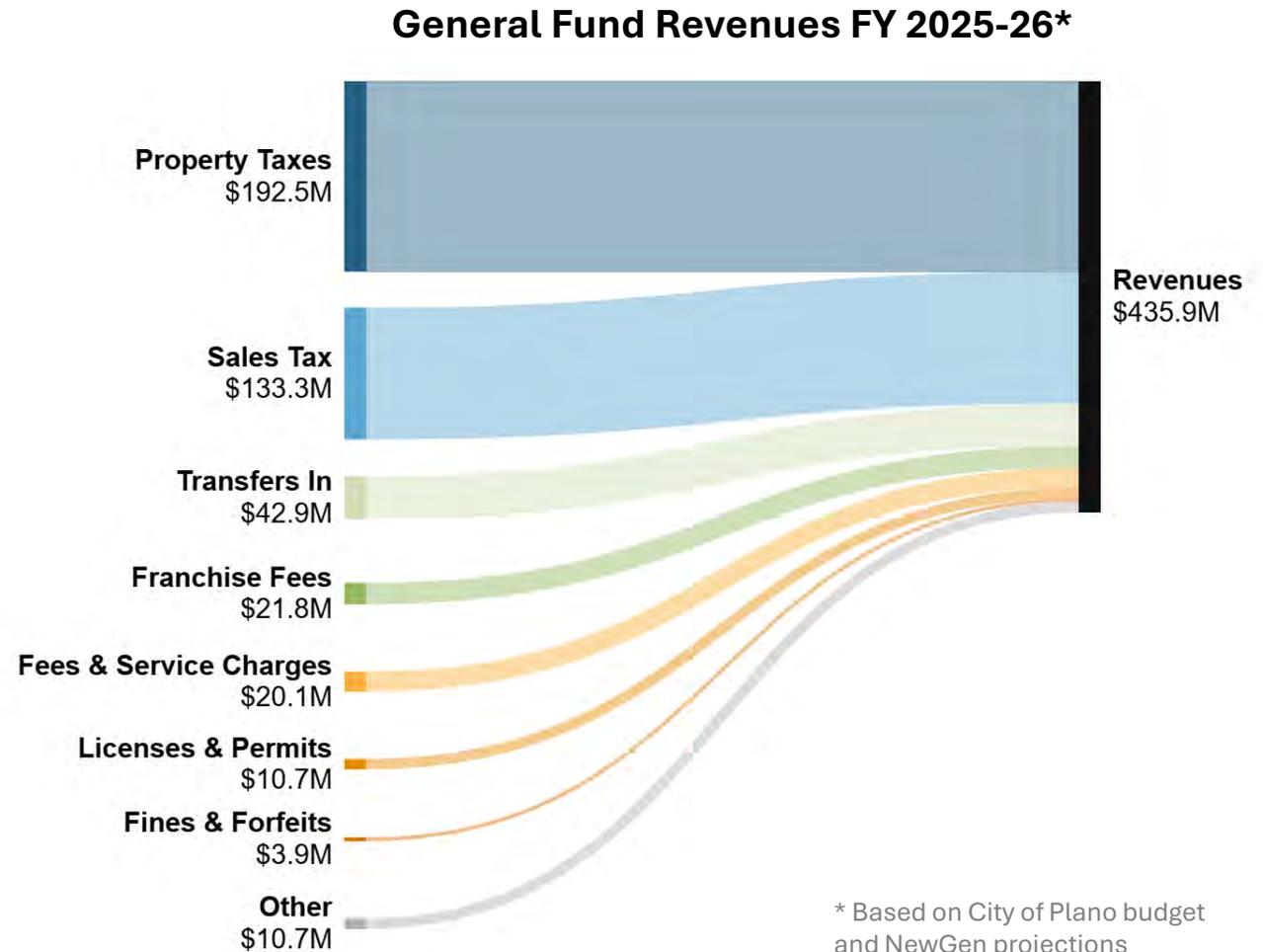
Transfers Out

- Total appropriations also include projected transfers out of the General Fund



GENERAL FUND REVENUES

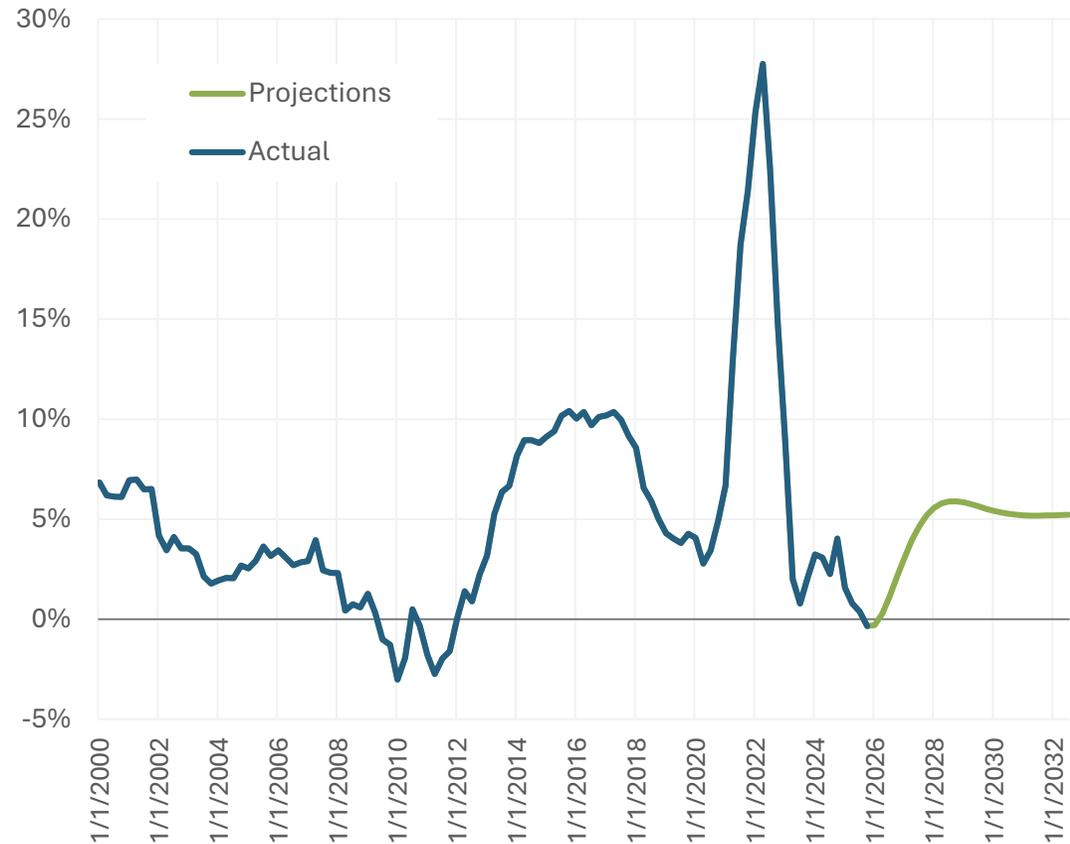
- Property tax and sales tax together comprise 75% of Plano’s budgeted revenue
- Projections depend heavily on property tax assumptions, including changes in the tax base and future rates



PROPERTY TAX ASSUMPTIONS – HOUSE PRICES

- House price growth turned slightly negative in Oct 2025, based on the Dallas-Plano-Irving house price index
- The financial model uses projected house price growth, and the assumption that it will return to its long-run average over time (around 5% per year)

Annual Change in House Price Index

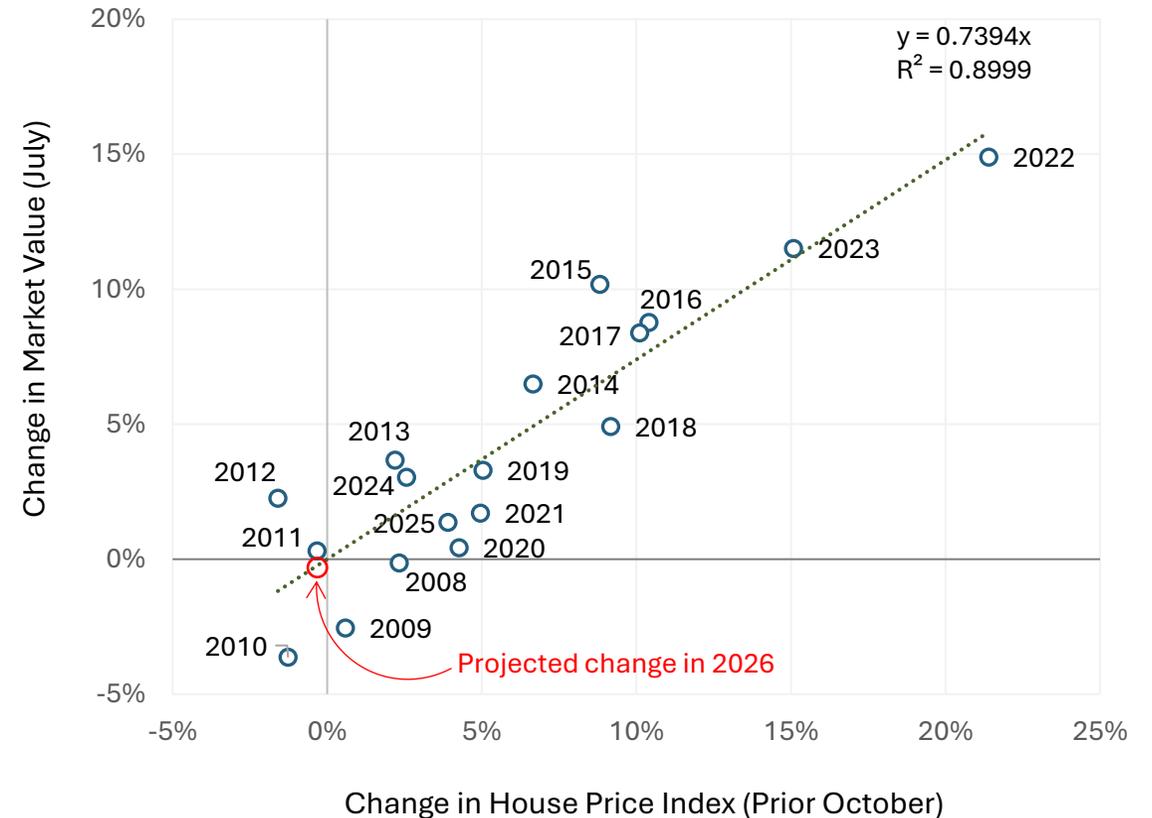


PROPERTY TAX ASSUMPTIONS – MARKET VALUE

- Historically, there is a high correlation between changes in the house price index and subsequent changes in Plano's existing market values
- Every 1% increase in house prices → ~0.75% increase in market value
- Based on this relationship, the projected change in market value in July 2026 would be close to zero

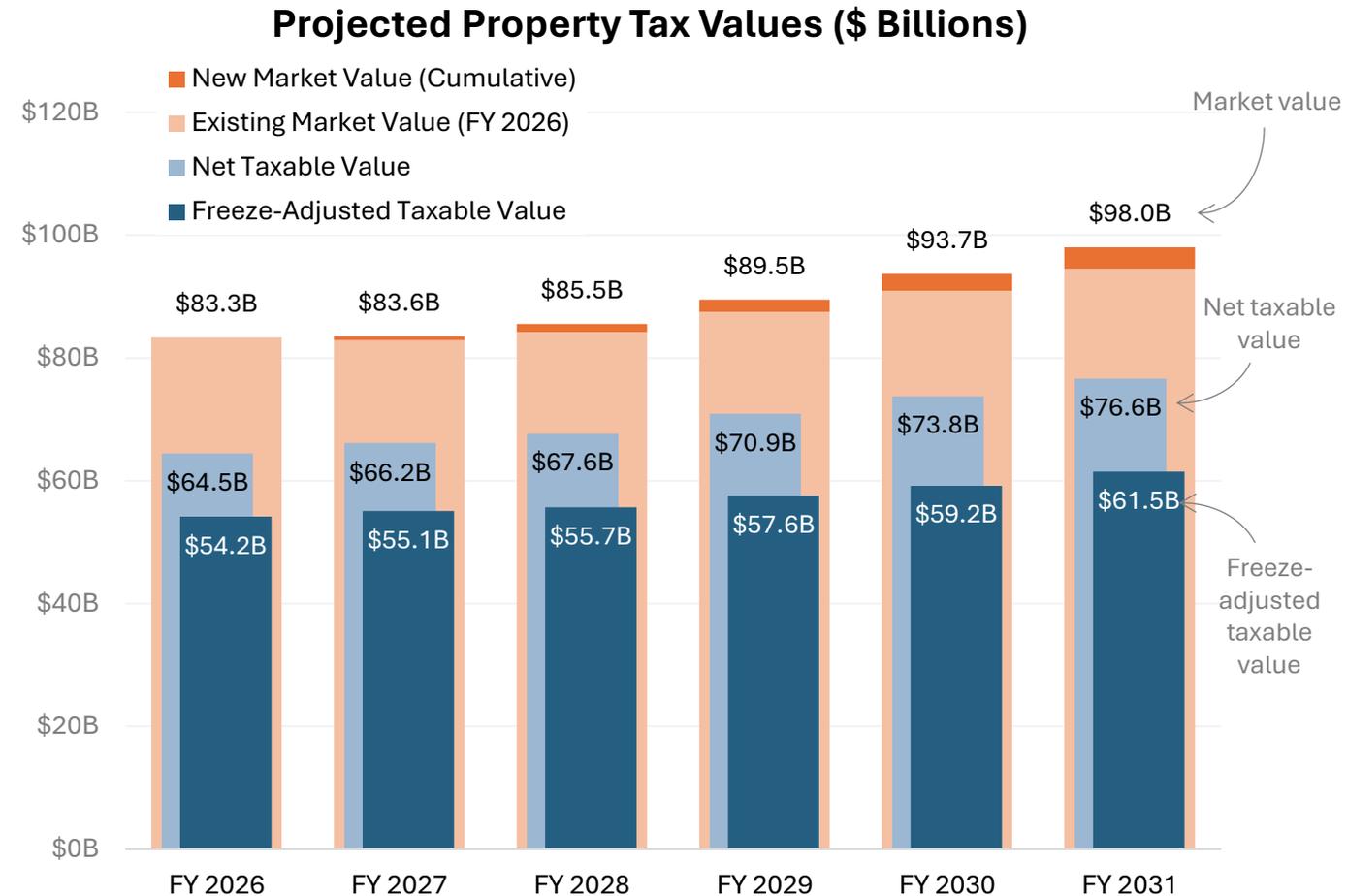
Change in Market Value vs House Price Index

Collin CAD Certified Totals for City of Plano



ANTICIPATED PROPERTY TAX VALUES BY YEAR

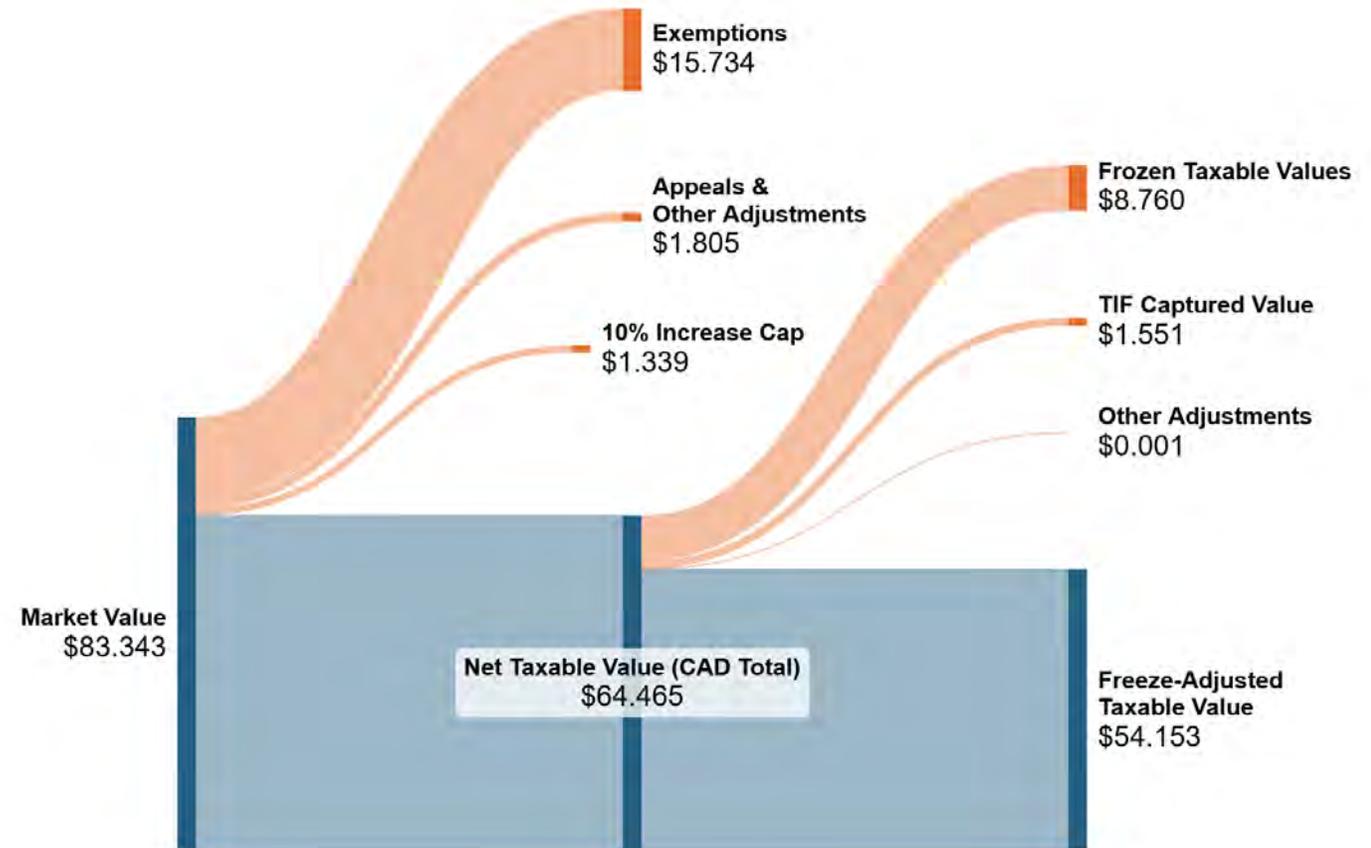
- Overall, total market value is projected to grow at an annual average rate of **3.3%** over the next five years
- Includes new market values expected at \$650M per year
- Net taxable values are currently around 77% of assessed market values
- Freeze-adjusted taxable values are currently 65% of market value



PROPERTY TAX ASSUMPTIONS – OTHER VARIABLES

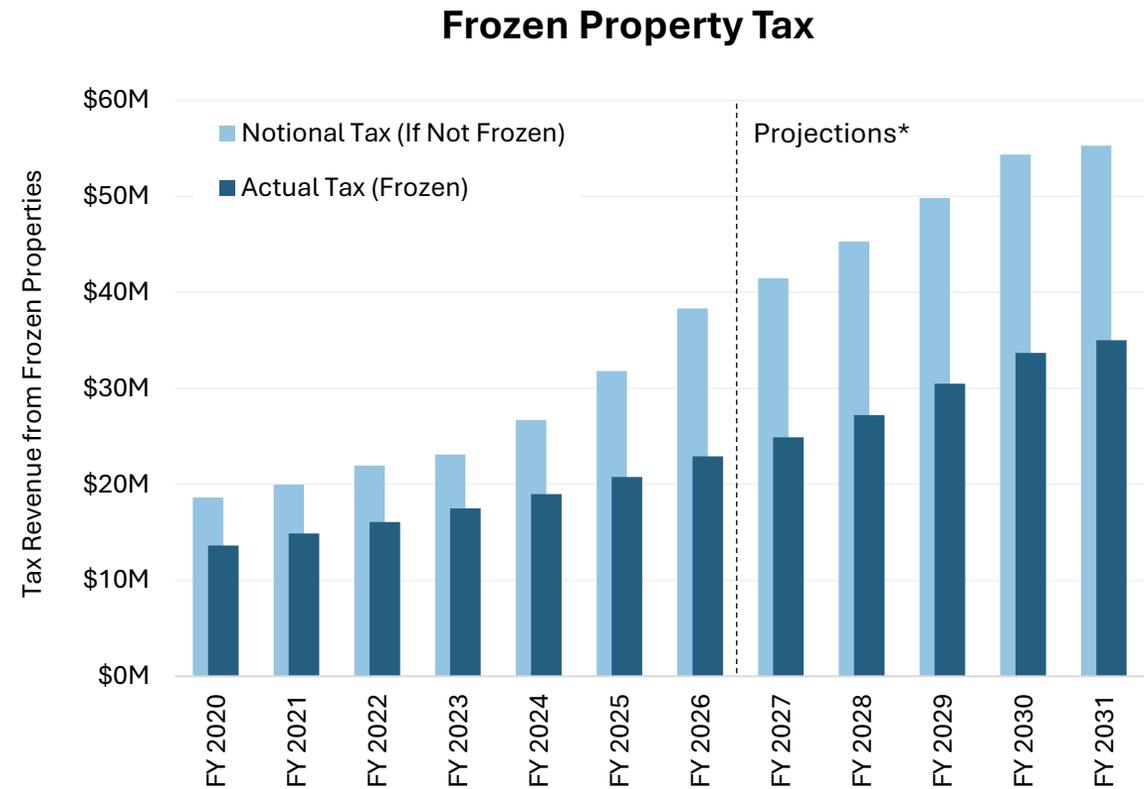
- Market values are subject to exemptions and other adjustments:
- **Exemptions** and **Appeals** are projected based on recent trends
- **10% Increase Cap** reductions are modeled based on projected house price increases
- **Frozen Taxable Values** are based on recent trends and expected demographic changes

Plano's Taxable Value July 2025 (\$ Billions)



PROPERTY TAX ASSUMPTIONS – PROPERTY TAX FREEZE

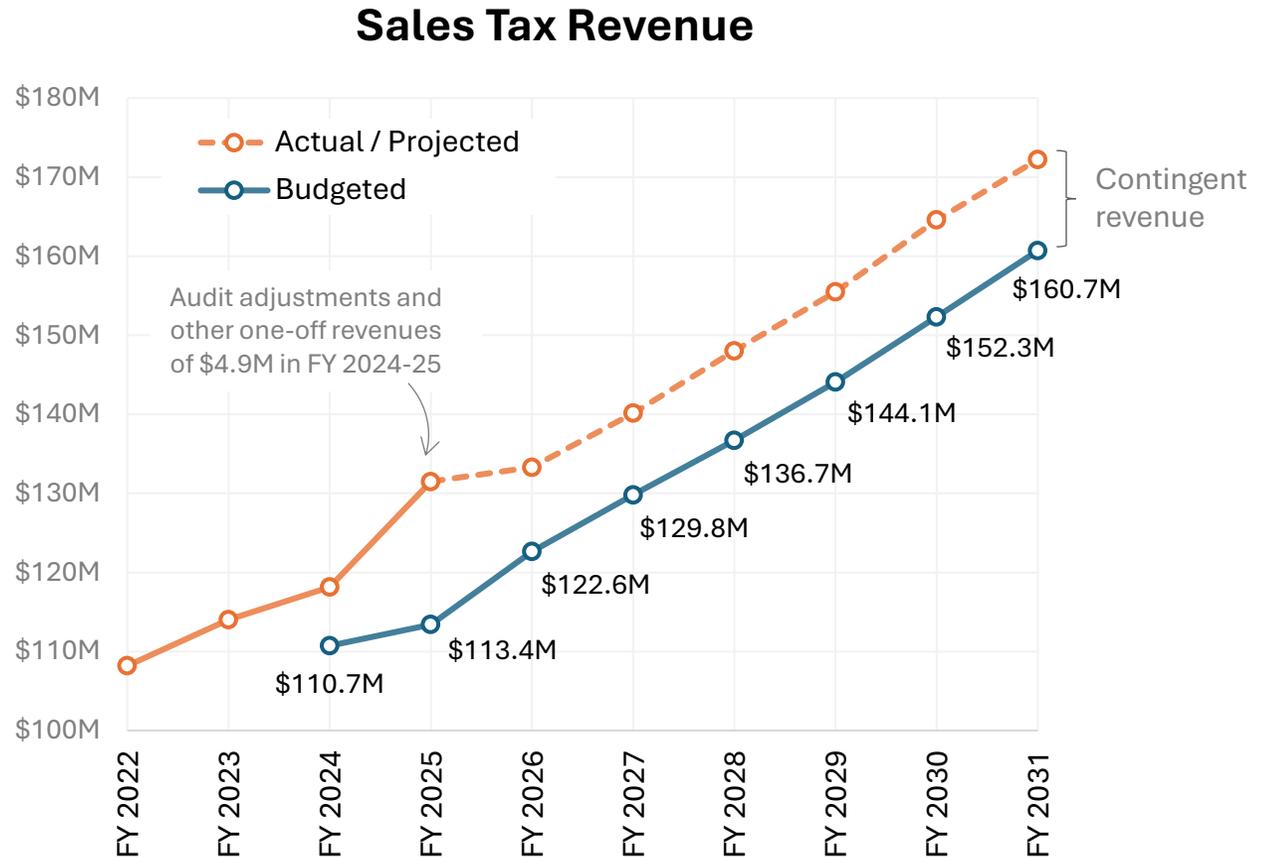
- Property tax freeze projections are based on recent trends in the share of taxable value affected by the freeze
- Growth in the share of frozen properties is assumed to peak in 2030 (based on demographic assumptions)



* Based on No New Revenue tax rate increases

SALES TAX ASSUMPTIONS

- For budgeting purposes, the model maintains the City’s policy of using average sales tax revenue from the past three years, plus 3% inflation
- Sales tax projections based on Lewis McLain’s methodology
- Reflects inflation, population growth, and real-terms growth in tax revenue per capita (at 1.8% per year)



REVENUE ASSUMPTIONS

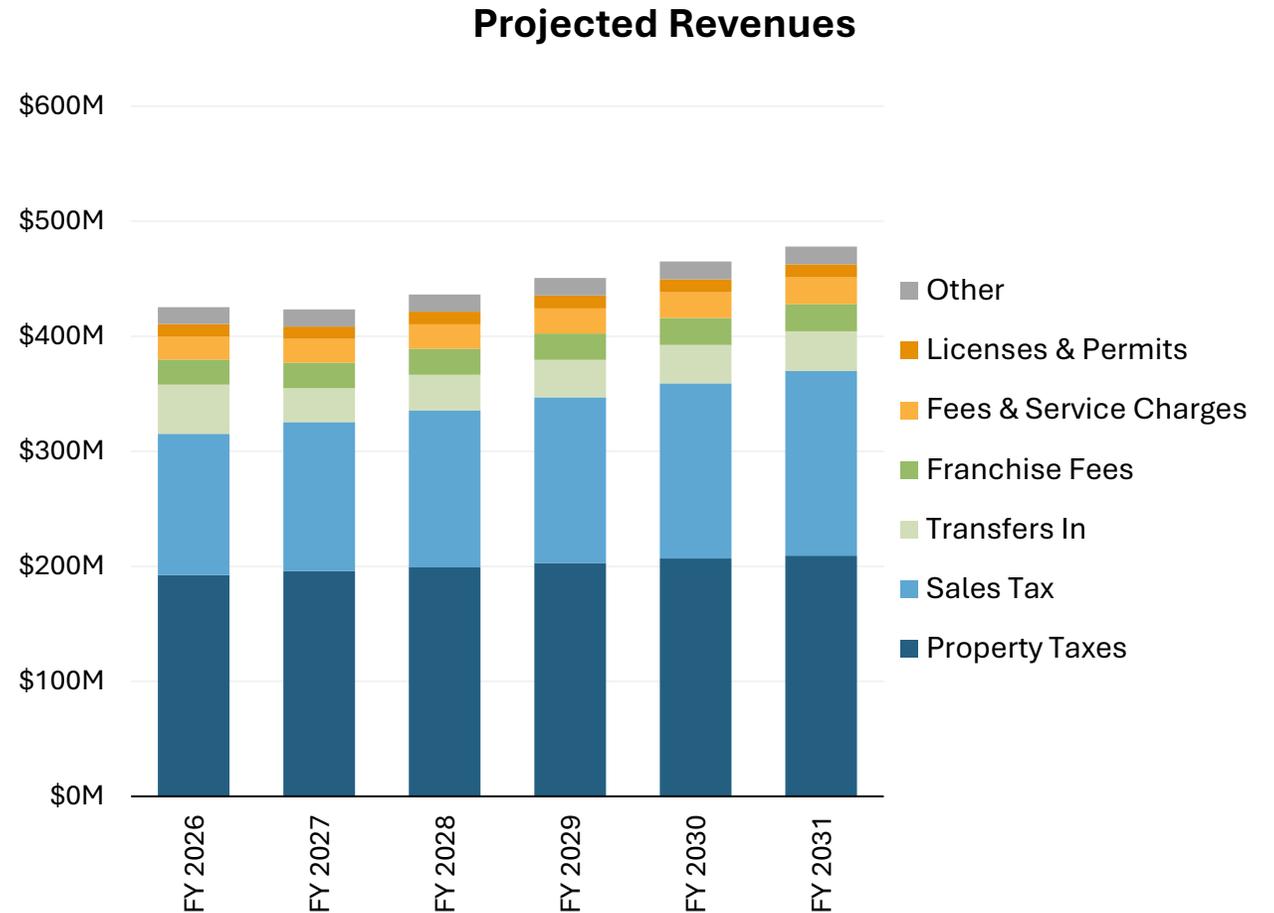
Inflation factors

Inflation factors applied as part of 5-year projections:

- Cable and telephone franchise fee revenue (-5.0% per year)
- Other franchise fees (general inflation)
- Building permits (no change)
- Other charges and user fees (general inflation)
- Water and wastewater transfers in (per 2025 Rate Study)
- Other transfers in (3.0% per year)
- This does not include fee revisions, which may occur as part of ongoing general revenue reviews

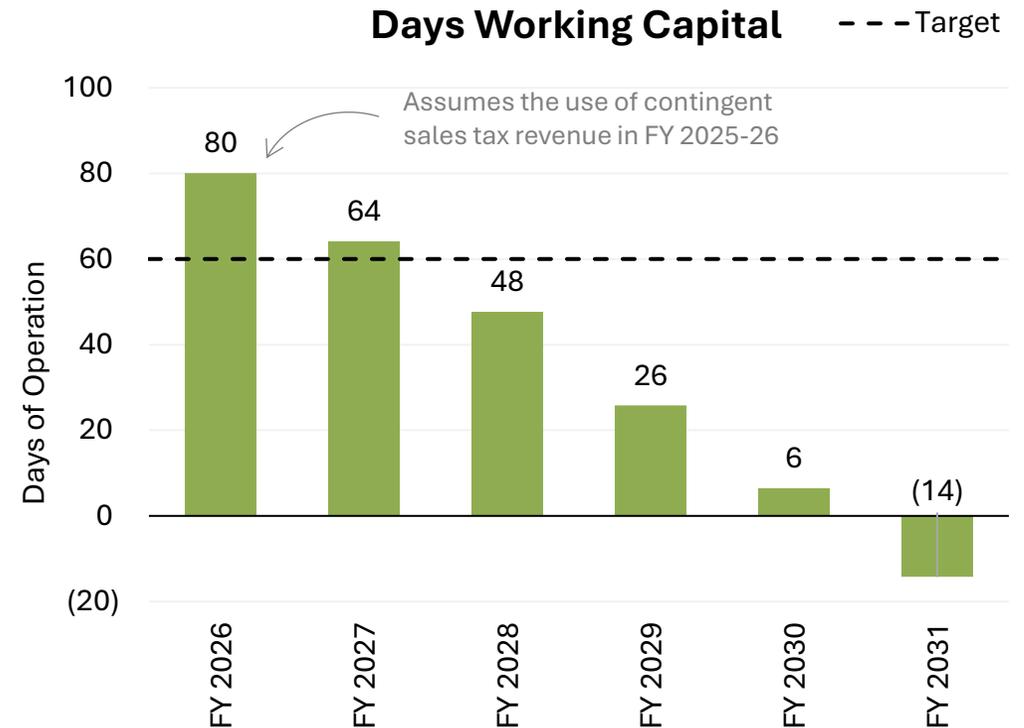
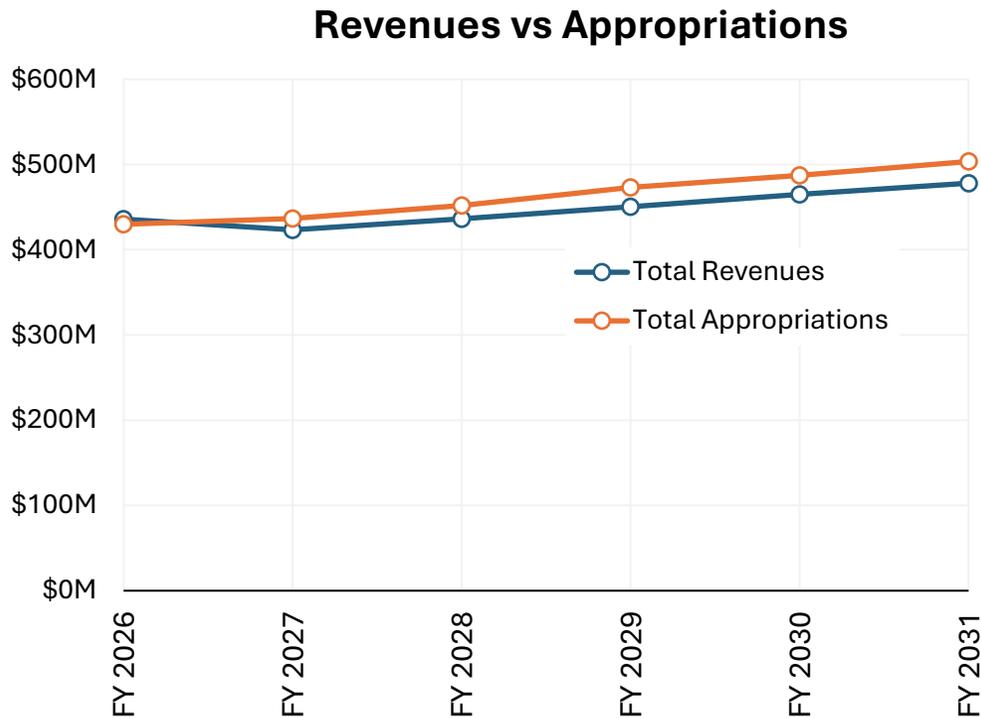
GENERAL FUND REVENUES – NO NEW REVENUE RATES

- Property tax revenues from existing properties could be held fixed (the No New Revenue rate, or NNR)
- Total revenues would increase at an average rate of **2.4%** per year
- Primarily reflects sales tax and new market value growth



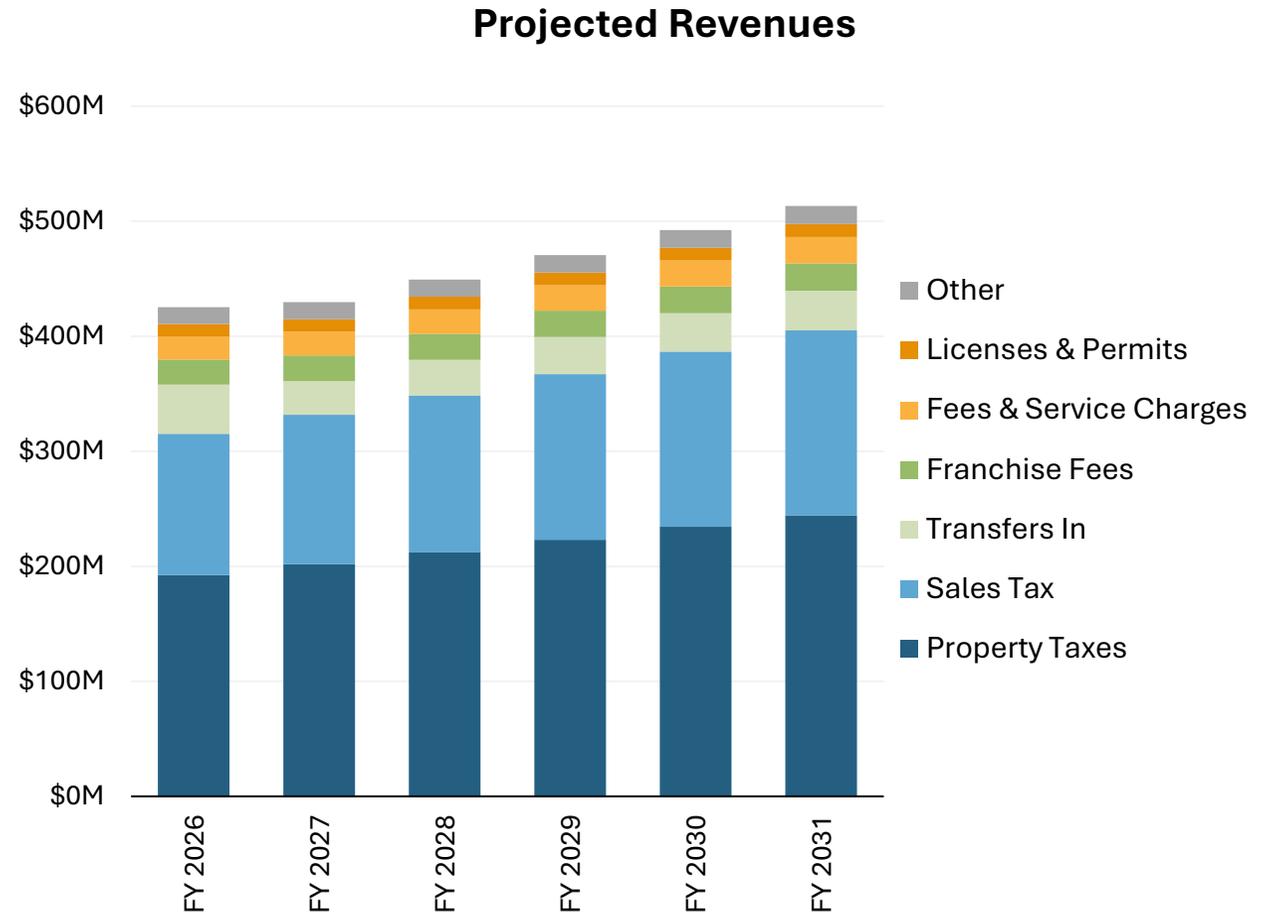
EXPENDITURE VS REVENUES (NO NEW REVENUE RATE)

- Total appropriations would exceed revenues from FY 2026-27
- Revenues with NNR property tax increases would deplete fund balances



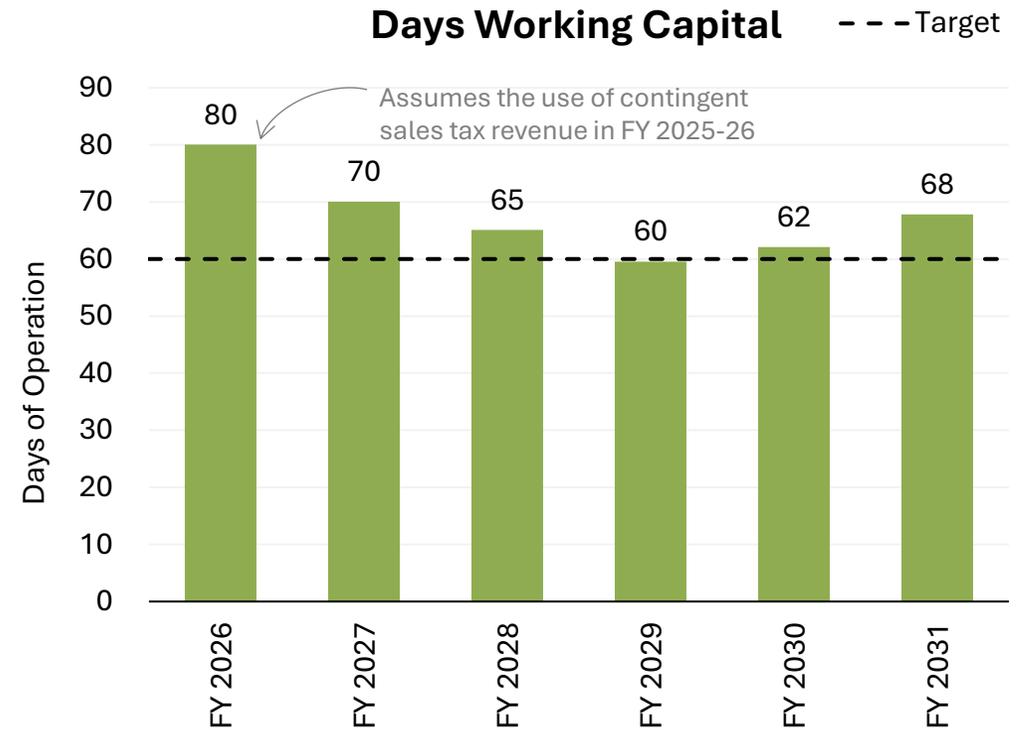
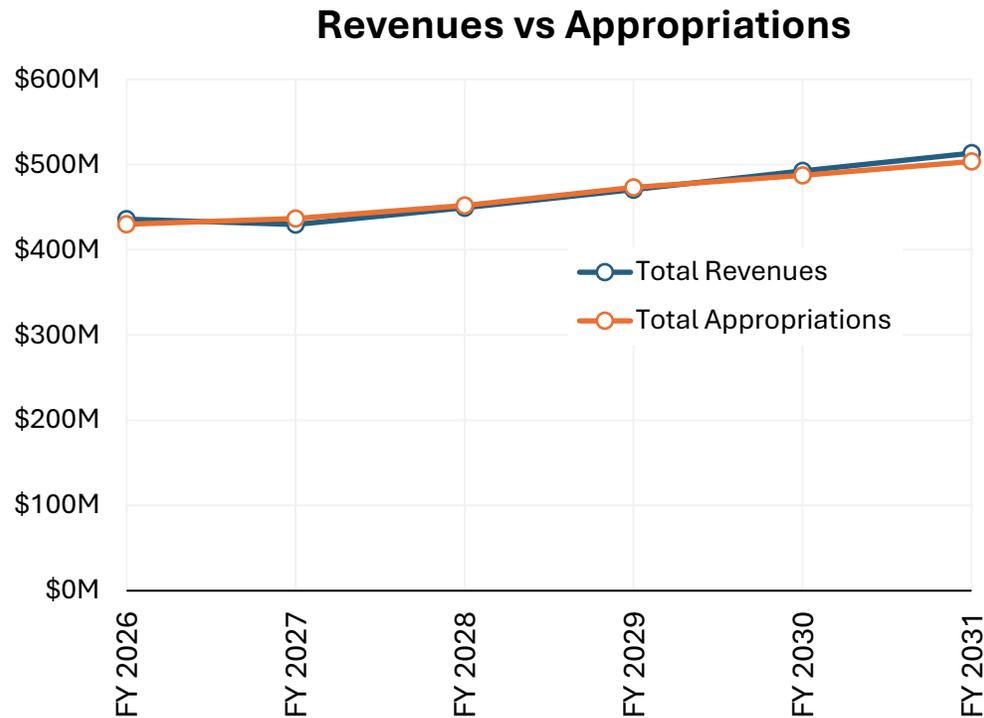
GENERAL FUND REVENUES – VOTER APPROVAL RATE

- Alternatively, property tax revenues from existing properties could be increased by 3.5% annually (Voter Approval Rate, or VAR)
- Total revenues would increase at an average rate of **3.8%** per year



EXPENDITURE VS REVENUES (VOTER APPROVAL RATE)

- Revenues with VAR increases would exceed forecasted expenses from FY 2029-30
- Fund balances would grow as a result



Outcomes

- Rates may be between NNR and VAR any given year; neither scenario is expected to be fully realized.
- Some amount above NNR is expected to be required to meet planned service levels and fund balance policies.
- Some amount under VAR could meet minimum balance requirements but would require the City to rely on contingent sales taxes to meet fund balance policies.

Caveats

- Actual rates adopted will likely differ.
- The financial model requires a large number of assumptions which are subject to uncertainty and change.
- Our modeling tool is still in development, with key City staff continuing to advise on improved functionality.
- Subject to future legislative decisions affecting city revenues or expenses



THANK YOU

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Partner
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CITY COUNCIL AGENDA MEMO

MEETING DATE: 3/23/2026

DEPARTMENT: City Secretary

DIRECTOR: B. Caleb Thornhill, P.E., Director of Engineering

AGENDA ITEM: Ordinance of Necessity Presentation

PRESENTER: Yager

TIME SPAN: 15 min.

ITEM SUMMARY

Ordinance of Necessity Presentation



CITY COUNCIL AGENDA MEMO

MEETING DATE: 3/23/2026

DEPARTMENT: City Secretary

DIRECTOR: Abby Owens, Director of Public Works

AGENDA ITEM: Departmental Overview - Public Works, Fleet, Environmental Waste Services & Compost

PRESENTER: Owens

TIME SPAN: 20 min.

ITEM SUMMARY

Departmental Overview - Public Works, Fleet, Environmental Waste Services & Compost



CITY COUNCIL AGENDA MEMO

MEETING DATE: 3/23/2026

DEPARTMENT: City Secretary

DIRECTOR: Lisa Henderson, City Secretary

PRESENTER: Council

TIME SPAN: 5 min.

ITEM SUMMARY

Consent and Regular Agendas



CITY COUNCIL AGENDA MEMO

MEETING DATE: 3/23/2026

DEPARTMENT: City Secretary

DIRECTOR: Mark D. Israelson, City Manager

PRESENTER: Council

TIME SPAN: 5 min.

ITEM SUMMARY

Council items for discussion/action on future agendas