

2021 Election FAQs



On **May 1**, McKinney ISD will be holding an important election that will impact our students, teachers, and community for many years to come. This election will provide funding for classrooms and facilities, and will lower the tax rate by at least 3 cents.

This election includes four ballot items, all focused on one priority: McKinney ISD students.

The ballot items include an Attendance Credit Election (ACE), a Voter-Approval Tax Rate Election (VATRE), a \$245 million school bond program and a \$30 million technology bond program.

Attendance Credit Election

Did You Know: McKinney ISD is at risk of losing approximately \$2.9 Billion of its tax base on May 1, 2021?

McKinney ISD will hold a special election, known as an Attendance Credit Election, on May 1 seeking voter approval for the district to continue to pay recapture by purchasing attendance credit from the State with local tax revenue.

The district has paid recapture by purchasing attendance credit from the Texas Education Agency (TEA) since 14-15.

The special election is required by the state due to changes by Texas House Bill 3 in the 2019 legislative session. This election is a one-time permanent election.

What is Recapture (AKA Robin Hood Payments)?

Texas law requires school districts that have a high property wealth per student to give a portion of local tax revenue back to the state. Those funds are then shared with school districts showing low property wealth per student. The law, which is commonly referred to as the "Robin Hood" has designated McKinney ISD as a Chapter 49 or property wealthy district based on our property values. Therefore, a portion of McKinney ISD property taxes are subject to recapture by the state.

Can McKinney ISD End Recapture?

No. Area districts such as Plano and Frisco ISD have been paying recapture for more than fifteen years, and Allen ISD has been paying recapture for the past 10 years. McKinney ISD has been paying recapture since 2014–2015.

For MISD to be able to stop paying recapture, the district would need to lower the M&O tax rate by approximately \$0.06. The revenue decline would be approximately \$9.6 million per year. McKinney ISD would have to eliminate teachers, support positions and programs throughout the district.

What Happens if the Election Fails?

If the Attendance Credit Election is not approved by McKinney ISD voters, the TEA will begin a "Detachment of Territory" procedure to remove \$2.9 Billion worth of property from McKinney ISD's property values.

Top 10 Taxpayers	Taxable Valuation
Encore Wire Limited	\$124,784,854
Oncor Electric Delivery Company	\$85,662,577
NREA Retreat DST	\$66,300,000
Fairways Wilson Creek Apartments LLC	\$62,661,410
West Eldorado TX Partners LLC	\$61,300,418
TMK Properties LP	\$60,078,277
Village at Fairview Ltd.	\$56,921,587
Orion McKinney LLC	\$55,450,000
Raytheon Co.	\$50,383,744
Columbia Medical Center of McKinney	\$47,960,999
Total	\$671,503,866

The above chart lists the Top 10 Taxpayers in McKinney ISD. This total represents nearly \$0.7 Billion in taxable value, meaning that the TEA would still need to detach an additional \$2.2 Billion. Please note that the actual list of detached properties would be determined by the TEA.

As a Taxpayer in McKinney ISD, What Does This Mean to Me if the Election Fails?

The main impact of McKinney ISD losing \$2.9 billion in property tax value to detachment of territory is MISD would need to raise the I&S tax rate by approximately 8 cents in order to continue to service the district’s current debt schedule. **This increase would**

equate to a \$283 yearly tax increase per average MISD single-family home (\$354,159).

What Happens if the Election is Approved?

McKinney ISD has paid its recapture payment since 2014–2015. A vote "for" the election allows McKinney ISD to continue using the same process. Other items to note if the election is approved by voters:

- It allows MISD to continue to provide the quality and the variety of programs that McKinney ISD students and parents have come to expect.
- The district will continue to make recapture payments using the most cost-effective method, Purchasing Attendance Credit. Of the school districts in Texas that are required to pay recapture, 100 percent use Purchase Attendance Credit as their method of payment

Several Texas school districts, including McKinney ISD, will be holding special attendance credit elections this year. Many larger property wealthy school districts such as Plano and Frisco ISD held elections when they were first designated as recapture districts.

Voter-Approval Tax Rate Election (VATRE)

What is a Voter-Approval Tax Rate Election?

A Voter-Approval Tax Rate Election impacts the district's Maintenance and Operations budget. This is the budget that school districts use for teacher and staff salaries, books, classroom supplies, utilities, educational resources, custodial, insurance and other items that help educate students each day.

Why is MISD calling for a Voter-Approval Tax Rate Election?

Recent legislation has capped property value growth for school districts at 2.5 percent, even though MISD's property values have grown at a much higher rate. As a result, even if tax values grow in McKinney, the funding the district receives from the state will go no higher. The VATRE allows the district to increase the tax rate on the M&O side in order to help pay for daily operating costs.

What is the impact of the Voter-Approval Tax Rate Election to the tax rate?

The M&O tax rate would be increased by approximately \$0.02. However, the I&S tax rate is going down by \$0.05. Therefore, homeowners will not see an increase in the overall tax rate. Taxes will be reduced by approximately 3 cents, saving approximately \$112.27 per average single-family home (\$354,159).

What is the impact if the Voter-Approval Tax Rate Election passes?

If approved, this ballot item would maximize the district's Maintenance & Operations (M&O) funding allowed under HB3, approximately \$3.1 million.

What is the impact if the Voter-Approval Tax Rate Election does not pass?

- 1) MISD may be required to increase class sizes.

- 2) MISD would be limited in its ability to continue to provide the quality and variety of programs that McKinney ISD students and parents have come to expect (CTE, Fine Arts, Athletics, Gifted & Talented etc.).

Bond Programs—School Bond and Technology Bond

What is a bond election?

In the same way homeowners borrow money in the form of a mortgage to finance the purchase of a home, a school district borrows money in the form of bonds to finance the design, construction, expansion and renovation of schools. Due to its conservative management of funds and commitment to paying off debt quickly, MISD is able to propose the 2021 school bond while at the same time recommending a \$.03 reduction of the overall tax rate, saving approximately \$112.27 per average single-family home (\$354,159).

Who decides what is included in a bond?

The Project Kids planning committee was comprised of over 80 parents, teachers, students, and community members. The group studied facilities assessments and other data and made their recommendations to the MISD Board of Trustees for consideration. The Board unanimously approved the recommendations at the January board meeting.

What will the \$245 million 2021 School Bond provide funds for?

The 2021 Bond Program will cover projects that impact every MISD campus. The following projects have been recommended by the Project Kids planning committee and approved by the MISD Board of Trustees. Due to its conservative management of funds and commitment to paying off debt quickly, MISD is able to propose the 2021 school bond while at the same time recommending a \$.03 reduction of the overall tax rate, saving approximately \$112.27 per average single-family home (\$354,159).

Projects	Estimated Cost	Campus
School Refresh & HVAC	\$127,000,000	McKinney Boyd, Scott Johnson, Evans, Webb, Slaughter, Finch, Burks, Bennett, Minshe, Wilmeth
Elementary #22	\$35,000,000	(Trinity Falls)
MBHS STEM, CTE, Fine Arts Expansion	\$8,000,000	McKinney Boyd
SJMS 1,500+ Fine Arts Expansion	\$23,000,000	Scott Johnson
Health, Safety & Security	\$4,000,000	All Campuses
Athletics & Fine Arts Refresh	\$22,000,000	All Campuses
Technology Refresh	\$12,000,000	All Campuses
Transportation	\$12,000,000	All Campuses
Elementary Playground Refresh	\$2,000,000	Elementary Campuses
School Building Bond Ballot	\$245,000,000	

What happens if the bond is rejected by voters?

Students and staff members would continue to use facilities and technology that were not designed for the current usage or enrollment.

How will the Bond items impact taxes?

Due to its conservative management of funds and commitment to paying off debt quickly, MISD is able to propose the 2021 school bond while at the same time recommending a \$.03 reduction of the overall tax rate. The combined tax impact on an average single family home valued at \$354,159, if all four elections are approved, will be a savings of approximately \$112.27.

School Bond Ballot FAQs

What is the school building bond ballot?

The school building ballot has two primary goals. The first is to update and renovate existing campuses. The second is to accommodate growth through campus expansions and a new school. Due to its conservative management of funds and commitment to paying off debt quickly, MISD is able to propose the 2021 school bond while at the same time recommending a \$.03 reduction of the overall tax rate, saving approximately \$112.27 per average single-family home (\$354,159).

How will the school bond impact taxes?

Due to its conservative management of funds and commitment to paying off debt quickly, MISD is able to propose the 2021 school bond while at the same time recommending a \$.03 reduction of the overall tax rate. The combined tax impact on an average single family home valued at \$354,159, if all four elections are approved, will be a savings of approximately \$112.27.

What is included in a “campus refresh” project?

A campus refresh project may include any of the following items. Each campus will be refreshed for each item, as needed.

- Fire Alarm System
- HVAC Equipment, Ductwork and Energy Management Control System
- Carpet and Base
- All Interior Finishes (Flooring, Base, Wall Finishes, and Ceilings)
- LED light fixtures (including Occupancy Sensors in Classrooms, Offices, Hallways)
- Interior Cabinets, Counter Tops, Cubbies, Storage Cabinets, Windowsills
- Parking Lot Lights and Exterior Wall Packs with LED Fixtures
- Liquid Marker Boards / Tack Boards
- Interior and Exterior Doors, Door Signs and Protective Corridor Guards
- Toilets, Toilet Partitions and Wash Stations in Restrooms
- Plumbing Fixtures including Water Fountains and Fillers
- Exterior Sidewalk, Landscape and Irrigation
- Restripe Parking Lots and Fire Lanes
- Exterior Brick and Reseal Brick and Expansion Joints
- Clean Flatwork and Parking Lots and Reseal Concrete Joints
- Security Vestibule
- Single Pane Windows and Window Coverings
- Laminate Wall Protection Panels

- Interior and Exterior Doors and Hardware
- Furniture
- Technology

What is included in the McKinney Boyd High School Expansion?

This bond measure includes renovations at McKinney Boyd High School that include expansions in Science, Technology, Engineering and Math (STEM); Career and Technical Education (CTE); and Fine Arts.

Why is MISD including a new elementary in the school bond program?

The northern section of the district is experiencing significant growth, causing overcrowding at MISD elementary schools. Building a new school in the area would relieve the overcrowding and put the district in a position to accommodate increased student enrollment in this area.

Are there any safety and security measures included in the school bond program?

Yes, safety and security is a top priority in the bond and will enable the district to add more security cameras, lock-down buttons and infrastructure at schools.

Will the school bond program include any provisions for transportation?

McKinney ISD will utilize bond dollars to purchase buses. This purchase will allow the district to improve efficiencies in the transportation service we provide to students and parents and create more flexibility in the M&O budget for teachers and resources.

What about Fine Arts & Athletics?

The bond includes fine arts and athletics equipment, uniforms, instruments and more to ensure that every student has an opportunity to participate in extra-curricular activities.

What is the Campus Technology Refresh?

The school bond includes improvements to technology infrastructure, so students and teachers have reliable access to the internet and district network. Technology infrastructure includes: Network Systems, Servers, Data Storage, Security Systems, Public Address Systems, Bell Systems, Clocks, and Audio/Visual Equipment.

Will the school bond include any funds to address elementary playground needs?

Yes, elementary playgrounds throughout the district will receive an update using bond dollars. The update will include additional fencing to improve the safety of the play areas.

Technology Bond Ballot FAQs

What is the Technology Bond Ballot?

The Technology Bond Ballot ensures that McKinney ISD will be able to continue our 1:World student laptop initiative and provide a computer for every child in the district. This ballot also provides funding for classroom, STEM and CTE computers.

How will the technology bond impact taxes?

Due to its conservative management of funds and commitment to paying off debt quickly, MISD is able to propose the 2021 school bond while at the same time recommending a \$.03 reduction of the overall tax rate, saving approximately \$112.27 per average single-family home (\$354,159).

What is the 1:World Instructional Technology Initiative?

In 2014, MISD began its 1:World instructional technology initiative that put a laptop in the hands of every MISD high school student beginning with that year's freshman class. Now fully implemented, the 2021 bond will provide funds to continue issuing a laptop to every student in the district in grades 3 and above and iPads for Pre-K – 2nd grade students.

Election Impact on the Tax Rate

How do these ballot items impact the total tax rate?

Due to its conservative management of funds and a commitment to paying off debt quickly, if all four ballot items are approved, McKinney ISD will still be able to lower the total tax rate. The simple reason is that the district is paying off more debt than it is taking on. That means McKinney ISD can continue to provide the programs and facilities parents have come to expect, and lower the tax rate for homeowners by at least 3 cents.

What is the impact on the average single family home?

The combined tax impact on an average single family home valued at \$354,159, if all four elections get approved, will be a savings of approximately \$112.27.

What is the impact on persons aged 65 years or older?

MISD property taxes are frozen and cannot be increased for qualifying senior citizens who have filed their homestead and Over 65 exemption application with the Collin County Appraisal District.

Why does the ballot language indicate that the tax rate will increase?

In 2019, the Texas Legislature passed legislation requiring the ballots for all school bond elections to include a sentence that states "THIS IS A PROPERTY TAX INCREASE." The sentence is required even if no actual tax rate increase will occur.

Should all four ballot items pass, MISD will lower the tax rate by at least 3 cents.

Where and when can I vote?

Early Voting: April 19 - 27

Election Day: May 1

Bennett Elementary
Slaughter Elementary
Cockrill Middle School
Dowell Middle School
Evans Middle School
Faubion Middle School
Scott Johnson Middle School
McKinney Boyd High School
McKinney North High School
McKinney High School