



## TOWN MANAGER'S OFFICE

**To: Mayor and Town Council**

**From: Bob Scott, Deputy Town Manager**  
**Chris Landrum, Finance Director**

**Through: Mario Canizares, Town Manager**

**Re: Calling Bond Election**

**Town Council Meeting – August 12, 2025**

**Strategic Visioning Priority: 1. Acceleration of Infrastructure**  
**4. Continue to Provide Excellent Municipal Services**

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**Agenda Item:**

Consider and act upon an ordinance calling a Bond Election to be held on November 4, 2025, and providing for the administration of the Election.

**Description of Agenda Item:**

On September 24, 2024, Town Council appointed ten Prosper residents and three Council Members to work with Town staff to identify capital improvement projects in line with the Town's Strategic Vision to place on the November 4<sup>th</sup> ballot. The \$210 million of debt approved in the 2020 bond election is expected to be issued by 2026 with a 2025 Bond Election allowing the Town to continue its capital project initiatives without delay.

At the July 22, 2025, Council Meeting, the Committee completed their task when Chairman Kevin Greene presented to the Council the Committee's recommendation for six individual referendum questions totaling \$183,800,000. It is now for the Council to determine the actual composition of the election. They can accept the recommendations verbatim or make modification to the individual questions or the amounts in the recommendation.

Since the committee's recommendation, staff has received the FY 2026 certified rolls for assessed valuation and recalculated capacity at \$190 million. In addition, Engineering is aware of the continued deterioration of the north bound access road of the Dallas North Tollway and with the additional capacity has requested \$8.5 million of authorization allowing the Town to repair the worse sections of the access road in close coordination with completion of the Tollway extension through Prosper. Finally, staff has been requested to research possible alternatives to funding the silo renovation with debt issuance and is prepared to do so if Question F is removed.

Once Council passes their preferred ordinance in addition to the English version that is attached, a Spanish version will also be provided to the Collin and Denton County election administrators as required by state law.

**Budget Impact:**

Per Council instructions, these recommendations have been developed as a “no tax rate increase election” meaning that only debt issuance that can be made within the current debt service tax rate will be made. However, as the Town's Assessed Valuation increases debt service capacity and amounts will also increase over time. In addition to these debt service impacts, bonds for additional facilities will also eventually impact the Town's Maintenance and Operations (M & O) budget. Staff will incorporate these impacts into its multi-year budget projection and include projections of both debt service and M & O for each proposed project for consideration by the committee.

It should be noted that state law requires each referendum question to state in all uppercase letters: “THIS IS A PROPERTY TAX INCREASE. Given that Prosper has adopted the Senior and Disabled tax freeze, individuals qualifying for these exemptions will not see a property tax increase due to this election. In addition, given that this is a “no property tax rate increase” election, all other property taxpayers will only see a property tax increase if their assessed valuation is increased by their appraisal district.

**Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality. Bond Counsel for the Town, Chris Settle with McCall Parkhurst & Horton has drafted the ordinance and individual referendum questions and will be present for questions.

**Attached Documents:**

1. Ordinance Option 1 - Bond Committee Recommendations - \$183,800,000.
2. Ordinance Option 2 - incorporating additional road repair funds - \$192,300,000.
3. Ordinance Option 3 - incorporating the additional road repair funds but funding the silo renovations by means other than debt issuance for a total of \$190,000,000.

**Staff Recommendation:**

Town staff recommend that the Town Council approve one of the three ordinances with or without modifications.

**Proposed Motion:**

I move ordinance Option \_\_, calling a Bond Election to be held on November 4, 2025, without modifications (or with the following modifications) for a total of \$ xxx, and providing for the administration of the Election.