



FY27 Proposed Budget Executive Summary



Hotel Motel Tax Fund

Hotel Occupancy Tax – How It Works

Criteria #1

Every expenditure must directly enhance and promote tourism and the convention and hotel industry.

Criteria #2

Every expenditure must clearly fit into one of nine statutorily provided categories for local hotel occupancy tax revenues.

Estimated FY27 Hotel/Motel Tax Collection

\$4,300,000

Estimate subject to change depending on hotel product opening dates

MCVB Revenues

Account	Description	Actual FY 23-24	Actual FY 24-25	Orig FY 25-26	Proposed FY 26-27
012-0000-361.10-00	General Govt Interest	4,868	2,197	3,000	3,000
012-0000-369.10-01	Other Income	62,563	46,286	44,260	44,260
012-0000-391.10-00	Transfer from Hotel/Motel Fund	1,282,000	1,452,000	1,702,000	1,702,000
TOTAL-Rev	MCVB Revenue Total	1,349,431	1,500,482	1,749,260	1,749,260

McKinney Convention & Visitors Bureau – Personnel

Account	Description	Actual FY 23-24	Actual FY 24-25	Orig FY 25-26	Proposed FY 26-27
012-1252-451.80-03	Full-Time	439,642	517,366	495,796	491,336
012-1252-451.80-05	Part-Time	35,158	30,187	43,589	42,521
012-1252-451.80-08	Payroll Allowances	9,900	9,850	10,200	10,200
012-1252-451.80-10	Overtime	984	4,669	5,500	5,500
012-1252-451.80-11	Longevity / Stability	1,426	2,443	3,398	3,758
012-1252-451.80-20	FICA	36,493	42,601	42,724	42,329
012-1252-451.80-21	TMRS	74,168	88,588	87,125	86,463
012-1252-451.80-22	Health Benefits Fee	88,296	88,296	88,296	88,296
012-1252-451.80-24	Wellness Program Fee	3,600	3,600	3,600	3,600
Subtotal	Personnel Subtotal	698,949	790,177	780,228	774,003

Supplies

Account	Description	Actual FY 23-24	Actual FY 24-25	Orig FY 25-26	Proposed FY 26-27
012-1252-453.81-01	Operational Supplies	5,454	5,001	8,000	8,000
012-1252-453.81-03	Food	4,336	5,278	5,000	5,000
012-1252-453.81-05	Sales Items – Merchandise	34,420	32,901	50,000	48,000
012-1252-453.81-06	Non-Capital Equipment	2,259	0	724	724
012-1252-453.81-30	Fuel	0	180	1,500	1,500
012-1252-453.81-40	Technology Equipment	1,479	6,956	1,150	1,150
Subtotal	Supplies Subtotal	47,948	50,316	66,374	64,374

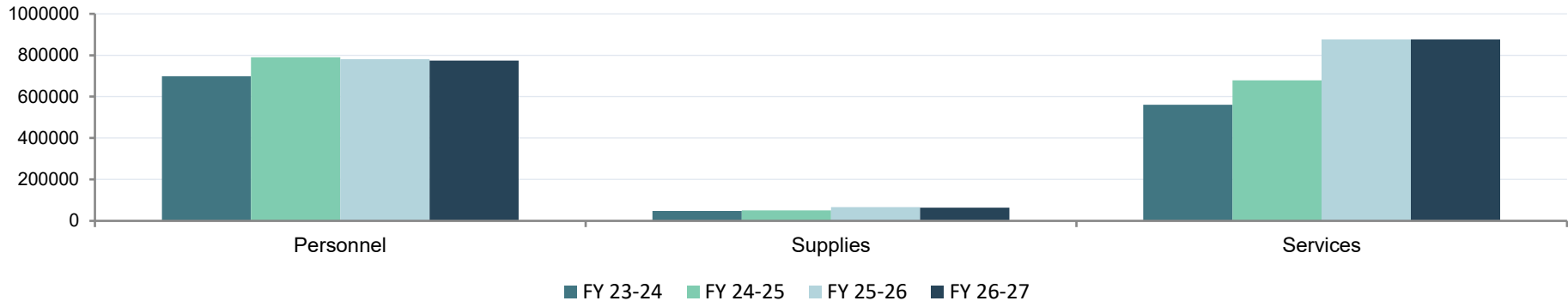
Services / Sundry

Account	Description	Actual FY 23-24	Actual FY 24-25	Orig FY 25-26	Proposed FY 26-27
012-1252-453.85-01	Utilities – Communications	8,078	8,078	8,078	8,078
012-1252-453.85-04	Office Rental	2,628	3,288	62,940	62,940
012-1252-453.85-06	Travel / Training / Mileage	65,725	61,117	54,280	89,280
012-1252-453.85-11	Dues / Subscriptions / Licenses	10,881	11,789	13,000	13,000
012-1252-453.85-13	Web Software Services	90,965	155,338	152,442	152,442
012-1252-453.85-16	Professional / Contracted Svc.	39,687	7,267	7,270	7,270
012-1252-453.85-20	Marketing / Promotional	258,449	347,923	396,888	511,888
012-1252-453.85-95	Technology Replacement Fee	11,486	9,194	9,194	9,194
Subtotal	Services/Sundry Subtotal	561,381	678,149	726,429	876,429

Fund Summary

Account	Description	Actual FY 23-24	Actual FY 24-25	Orig FY 25-26	Proposed FY 26-27
Subtotal	Personnel	698,949	790,177	780,228	774,003
Subtotal	Supplies	47,948	50,316	66,374	64,374
Subtotal	Maintenance	41	62	750	750
Subtotal	Services / Sundry	561,381	678,149	876,429	876,429
Subtotal	Capital	0	36,842	0	0
TOTAL-Exp	MCVB Fund Total Expenditures	1,308,320	1,555,547	1,723,781	1,715,556
	MCVB Fund Surplus / (Deficit)	41,112	(55,064)	25,479	33,704

Expenditure Trend by Category



Tourism Development Master Plan

\$70,000

One-Time Cost

Account:

012-1252-453.85-16
Professional / Contracted Services

Collaborators:

MEDC · MCDC
Parks & Rec · Main Street

Request Type:

One-Time Expenditure
No Recurring Cost

Professional services to develop a Tourism Development Master Plan that aligns McKinney's tourism assets, projects future visitation and hotel demand, and outlines how the destination will grow over the next 5–10 years.

Destination Growth Modeling

Illustrates how tourism assets function together and projects future visitation and economic impact.

Hotel Market Analysis

Identifies current and future demand, gaps in supply, and the number and type of rooms needed to support growth.

Organizational Considerations

Covers staffing needs, timing triggers tied to development milestones, and budget scenarios aligned with HOT revenue growth.

Council Goal Alignment

Goal 1.2 Continue to develop a retail development strategy to expand entertainment, dining, shopping, and tourism approach and digital technologies to leverage data and analytics in City operations

Goal 2.5 Implement Smart Cities