

## **JOINT MEETING**

**OCTOBER 29, 2012**

The City Council and the McKinney Independent School District Board of Trustees of the City of McKinney, Texas met in joint session at the Collin County Higher Education Center, 3452 Spur 399, McKinney, Texas 75069 on October 29, 2012 at 6:00 p.m.

Council Present: Don Day, Ray Ricchi, Travis Ussery, Roger Harris, Brian Loughmiller, David Brooks, Lynn Sperry, Bobby Amick, Wade Johnson, Amy Dankel, Maria McKinzie, Curtis Rippee

Absent: Geralyn Keever, Kathi Livezey

Council Present: Mayor Brian Loughmiller, Council members: David Brooks, Don Day, Ray Ricchi, and Roger Harris. Mayor Pro-Tem Ussery arrived at 6:15 p.m. Absent: Council member Geralyn Keever.

Board of Trustees Present: President Curtis Rippee, Maria McKinzie, Bobby Amick, Lynn Sperry, and Amy Dankel. Trustee Wade Johnson arrived at 6:15 p.m. Absent Kathi Livezey.

City Staff Present: City Manager Jason Gray; Deputy City Manager Rob Daake; Assistant Director of Development Services Rick Leisner; City Secretary Sandy Hart; Communications and Marketing - Anna Clark, Karl Suchman, and Joey Barr; McKinney Economic Development Corporation Jim Wehmeier and Abby Liu; Chief of Police Joe Williams; Police Sergeant Sherwood Holmes; Parks, Recreation, and Open Space Director Lemuel Randolph; and McKinney Community Development Executive Director Cindy Schneible.

McKinney Independent School District Staff Present: Superintendent Dr. J.D. Kennedy; Deputy Superintendent Mary Clark; Chief Financial Officer Edd Bigbee; Chief Operations Officer Nancy James; Chief Communications Officer Cody Cunningham; Executive Assistant Debra Pintar, Director of Safety, Security and Transportation Greg Hill; and Real Estate Consultant Thad Helsley.

There were 6 guests present.

Mayor Loughmiller called the City Council meeting to order 6:08 p.m. after determining a quorum present.

President Curtis Rippee call the Board of Trustees meeting to order at 6:09 p.m. after determining a quorum present.

**12-948** City Update. City Manager Jason Gray presented the City update that included the City of McKinney being named by Money Magazine as the 2nd best place to live. Accomplishments include: Courts at Gabe Nesbitt National Award from USTA, Collin County Regional Airport runway now open, and McKinney being named one of the best 100 Best Communities for Young People. Economic Development Accomplishments in 2012 include: Wistron headquarters announcement, Emerson headquarters at Gateway ground breaking, the Gateway Hotel and Conference Center moving forward, completion of the Baylor Medical Center, construction of the Traxxas headquarters in Craig Ranch, and the establishment of the Corporate Center at Craig Ranch Letter of Intent. Construction projects include: TxDOT U.S. 75 widening project: 8 main lanes, 3-lane frontage roads through McKinney (Complete 2015), Intersection Improvements - S.H. 5, Eldorado, and Virginia Parkway. FY 2013 Budget: balanced budget for FY 2012-13 adopted, increased fund balance, no tax increases despite relatively flat revenue, 20.5 FTE positions added 5 PD, library staff for longer John and Judy Gay Library hours, no added costs to employees despite increasing cost of medical benefits (raises this year), and FY 12 savings used for one-time purchases. Quality of life: Wilson Creek Hike and Bike Trail open, Wish 100 (new), plus annual events, Scare on the Square, Dickens of a Christmas, parks to open 2013: Bonnie Wenk Phase 1 includes dog park, Skate Park, and additional ballfields at Gabe Nesbitt.

**12-949** McKinney ISD Update. Superintendent Dr. J.D. Kennedy presented the following School District report: Texas Supreme Court decision said that the \$1.50 cap on the maintenance and operations tax rate was equivalent to a state-wide property tax which is unconstitutional. Maintenance and operation funding was compressed to 88.67% of 2005-06 tax rate in

2006-07 and to 66.67% of 2005-06 tax rate in 2007-08. This reduced the cap from \$1.50 to \$1.00. In 2006, the State set target revenues for each district in Texas based on their expenditures in 2005-06 which ranged from \$4,300 per Average Daily Attendance to about \$14,000 per Average Daily Attendance. McKinney was approximately \$7,200. Legislature increased this to approximately \$7,400 for 2009-10 (but mandated a large portion be applied to teacher raises). Legislature decreased Target Revenue to approximately \$7,000 for 2011-12 (cost MISD \$11.2 million) and decreased to approximately \$6,800 in 2012-13 (cost MISD \$4.5 million). Cumulatively it is a loss of \$15.7 million. For every \$1 of tax revenue increase there is almost \$1 reduction in state funding. Any increase in maintenance and operations tax collections in the district has gone directly to the state. If MISD adds \$1,000,000 in tax collections in 2012-13, they will lose \$928,407 in state funding which saves the State about \$1 billion each year. District Achievements: Completion Rate – All Students 98.9%, McKinney High School Rookie of the Year in National Robotics Competition, 10 National Merit Finalists, Karen Morman named Texas Teacher of the Year, Kathy Johnson named Texas School Nurse of the Year, and Eight Healthy Zone Schools - Burks Elementary, Caldwell Elementary, Finch Elementary, Malvern Elementary, McClure Elementary, Minshew Elementary Walker Elementary, and Wolford Elementary. Discussions included: promoting volunteerism in McKinney to encourage businesses and parents to get involved with mentoring as well as offering programs for educational opportunities. Future parks and possible joint City/MISD parks where usage could possibly be restricted usage during school hours.

**12-950** Joint Projects/Efforts Update. City Manager Gray stated that joint efforts between the City and MISD include: land issues as it extends to the former Joint Use Agreement, technology efforts, and a public/private partnership on a natural gas fueling station.

**12-951** Action Items Before Next Meeting. The City/MISD working together to improve graduation rates, lease agreements around parks, working together on selecting future school sites, inclusion of MISD in discussions when a property is foreclosed on for delinquent taxes for possible building trades student training, encourage businesses to support vocational training facility, and business leaders in the community to serve on an advisory committee for the current technology program. Meet again in April, 2013 for a possible Town Hall meeting.

Council unanimously approved the motion by Council member Brooks, seconded by Council member Harris, to adjourn. Mayor Loughmiller adjourned the City Council meeting at 7:25 p.m.

Board of Trustees unanimously approved the motion by Trustee Bobby Amick, seconded by Trustee Wade Johnson, to adjourn. President Rippee adjourned the Board of Trustee meeting at 7:25 p.m.

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BRIAN LOUGHMILLER  
Mayor

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CURTIS RIPPEE  
President

ATTEST:

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SANDY HART, TRMC, MMC  
City Secretary