

# **DETROIT FINANCIAL REVIEW COMMISSION**

## **SPECIAL MEETING**

Friday, June 24, 2016 at 10:30 a.m.

### **Please Note Meeting Room Change:**

Michigan Gaming Control Board  
Cadillac Place, Suite L-700 (Lobby Floor, Annex)  
3062 West Grand Boulevard  
Detroit, MI 48202

## **MINUTES**

**APPROVED – JULY 25, 2016**

### **I. Call to Order**

Chairman Nick A. Khouri called the meeting to order at 10:30 a.m.

### **II. Roll Call**

#### Members Present – 6

Darrell Burks  
Stacy Fox  
Lorrion James (teleconference)  
Nick A. Khouri  
John Roberts  
Tony Saunders

#### Members Absent – 3

Mike Duggan  
Brenda Jones  
Bill Martin

Let the record show that 6 Commission members were present; 5 participated in person, and 1 participated via teleconference. A quorum was present. Alycia Meriweather, who is the Interim Superintendent of the Detroit Public Schools Community District, also attended the meeting and will be joining the Commission as an ex officio member, pursuant to amendments to Public Act 181 of 2014.

### **III. Executive Director's Report - None**

### **IV. Old Business - None**

### **V. New Business**

- a. **Presentation on the Financial Review Commission's new oversight responsibilities for Detroit's school district**

Steven Liedel of Dykema presented the amendments to the Michigan Financial Review Commission Act (Public Act 181 of 2014) and the legislation creating the new Detroit Public Schools Community District, which is further detailed in his memo submitted to the Commission. He highlighted items regarding the creation of the new Community District, the transfer of the functions from the old Detroit school district to the Community District, the retention of debt by the old district, responsibilities of the Transition Manager, and the oversight responsibilities of the Financial Review Commission for the Community District.

He explained that amendments to Public Act 181 of 2014 expand the Commission's membership to now include the Superintendent of the new Community District and the Chairperson of the School Board of the new Community District. He noted the School Board Chairperson office will remain vacant until the new elected school board takes office in January 2017 and selects a chairperson.

He also explained that the old Detroit school district, which will continue as a limited entity to repay legacy debt, will not be subject to Financial Review Commission oversight until the departure of its emergency manager.

Mr. Liedel responded to questions from the Commission.

**b. Consideration of the amended Financial Review Commission Bylaws per MCL 141.1635(9) (FRC Resolution 2016-11)**

Executive Director Ron Rose presented amendments of the Commission's Bylaws to reflect the aforementioned legislative amendments, including the Commission's new oversight responsibilities for Detroit school district.

Motion made to approve the amended Bylaws (Resolution 2016-11) as presented. Motion moved and supported. The Commission approved Resolution 2016-11 as presented.

**c. Consideration of the amended Financial Review Commission Ethics Policy per MCL 141.1635(12) (FRC Resolution 2016-12)**

Executive Director Ron Rose presented amendments of the Commission's Ethics Policy to reflect the aforementioned legislative amendments, including the Commission's new oversight responsibilities for Detroit school district.

Motion made to approve the amended Ethics Policy (Resolution 2016-12) as presented. Motion moved and supported. The Commission approved Resolution 2016-12 as presented.

**d. Presentation of the Detroit Public Schools Community District's FY 2017 Budget submission**

Judge Steven Rhodes, Transition Manager of the Detroit Public Schools Community District, presented a summary of the Community District's FY 2017 Budget, which must be approved by the Financial Review Commission before the fiscal year begins on July 1, 2016. He discussed the Community District's major priorities and budgetary assumptions. He addressed questions and requests from the Commission.

**VI. Public Comment - None**

**VII. Next Meeting Date**

- a. City Regular Meeting: Monday, June 27, 2016 at 2:30 p.m. at Cadillac Place, 3062 West Grand Boulevard, Suite L-150, Detroit, MI 48202
- b. School District Regular Meeting: Monday, June 27, 2016 following the City Meeting, beginning no earlier than 3:30 p.m. at Cadillac Place, 3062 West Grand Boulevard, Suite L-150, Detroit, MI 48202

**VIII. Adjournment**

Motion made to adjourn. Motion moved and supported, the Commission approved the motion to adjourn.

There being no further business, the meeting adjourned at 11:56 a.m.