

DETROIT FINANCIAL REVIEW COMMISSION

REGULAR MEETING

Monday, February 22, 2016 at 2:30 p.m.
Cadillac Place, Suite L-150
3062 West Grand Boulevard
Detroit, MI 48202

MINUTES

APPROVED – MARCH 28, 2016

I. Call to Order

Chairman Nick A. Khouri called the meeting to order at 2:38 p.m.

II. Roll Call

Members Present - 8

Darrell Burks
Mike Duggan
Stacy Fox (via teleconference)
Lorron James
Brenda Jones (via teleconference)
Nick A. Khouri
Bill Martin
Tony Saunders

Members Absent - 1

John Roberts

Let the record show that 8 Commission members were present; 6 Commission members participated in person, and 2 Commission members participated via teleconference. A quorum was present.

III. Approval of Proposed Minutes from January 25, 2016 Meeting

Motion made to approve the draft minutes of the January 25, 2016 FRC meeting as presented. Motion moved and supported, the Commission unanimously approved the minutes of the January 25, 2016 FRC meeting as presented.

IV. Executive Director's Report

Executive Director Ron Rose reported that the City had issued its Request for Proposals (RFP) for a pension consultant. He also reported that the March 28, 2016 FRC meeting will include important presentations on the City's February Consensus Revenue Estimating Conference and its Four-Year Financial Plan submission. He also stated the FRC is planning to hold a special meeting on April 13, 2016 on the City's proposed financial plan.

V. Old Business

None

VI. New Business

a. **OCFO Financial Report for the 6 Months ended December 31, 2015**

City CFO John Hill presented his financial report to the Commission and highlighted the City's progress on implementing its new financial management system, the City's budget development process, the Office of the CFO restructuring and hiring activities, and the City's revised FY16 budget projections. He addressed questions from the Commission.

b. **Property Taxes and Citywide Property Reappraisal Project**

City Chief Assessor Gary Evanko and Deputy CFO/Assessor Alvin Horhn briefed the Commission on property taxes, historical assessed and taxable property values, and the citywide reappraisal project. They reported the reappraisal project is underway with residential properties scheduled to be completed in December 2016. The City will finish reappraising commercial and industrial properties a year later in December 2017.

c. **Transmittal of City of Detroit Debt Service Requirements per MCL 141.636(11)**

Chief Deputy CFO/Finance Director John Naglick presented the City's debt service requirements report, noting the only two moving pieces in the near term are related to escrowed bond proceeds held by the State and the potential sale of parking assets, both of which may be used toward defeasance of outstanding debt.

d. **Consideration of City of Detroit contract approvals requests per MCL 141.1636(6) (FRC Resolution 2016-2)**

Public Act 181 of 2014 requires the Financial Review Commission to review and approve contracts meeting any of the three following criteria: 1) the contract exceeds \$750,000; 2) the contract has a term exceeding 2 years; and 3) multiple contracts within a single entity that exceed \$750,000 in aggregate.

Chief Procurement Officer Boysie Jackson gave an overview of the City's 3 contract approval requests and addressed questions from the Commission. All contracts have been reviewed by the FRC Advisory Subcommittee on Contracts and Procurement.

Motion made to approve the City's 3 February 2016 contract approval requests (Resolution 2016-2) as presented. Motion moved and supported. The Commission unanimously approved Resolution 2016-2 as presented.

VII. Public Comment

John Lauve Felicia Duncan Brock

VIII. Next Meeting Date

The next Financial Review Commission meeting is scheduled for Monday, March 28, 2016 at 2:30 p.m. at Cadillac Place, 3062 West Grand Boulevard, Suite L-150, Detroit, MI 48202.

IX. Adjournment

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

There being no further business, the meeting adjourned at 3:30 p.m.