

# **DETROIT FINANCIAL REVIEW COMMISSION**

## **SCHOOL DISTRICT REGULAR MEETING**

Monday, May 22, 2017  
Following the City Regular Meeting  
(Begins no earlier than 2:00 p.m.)  
Cadillac Place, Suite L-150  
3062 West Grand Boulevard  
Detroit, MI 48202

### **MINUTES**

**Approved June 26, 2017**

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

Chairman Nick A. Khouri called the meeting to order at 2:05 p.m.

#### **II. Roll Call**

##### Members Present – 9

Darrell Burks  
Stacy Fox (via teleconference)  
Bill Martin  
Nick Khouri  
Alycia Meriweather  
David Nicholson  
Al Pscholka (via teleconference)  
Tony Saunders  
Iris Taylor

##### Members Absent – 2

Mike Duggan (non-voting)  
Brenda Jones (non-voting)

Let the record show that 9 Commission members eligible to vote were present 7 participated in person and 2 participated via teleconference. A quorum was present.

#### **III. Approval of Proposed Minutes from the April 17, 2017 School District Meeting**

Motion made to approve the draft minutes of the Commission's April 17, 2017 School District Meeting as presented. Motion moved and supported, the Commission approved the minutes of the April 17, 2017 meeting as presented.

- IV. Executive Director's Report** - Executive Director Romaneir Johnson reported that a decision was taken not to proceed with the feasibility study for DPSCD at this time, because there was not a sufficient pool of competitive bidders.

#### **V. Old Business – None**

#### **VI. New Business**

**a. Presentation of the Community District's Monthly Financial Report**

Deputy Superintendent/CFO Marios Demetriou presented his monthly financial report and highlighted that in March 2017, the district recorded a surplus of \$9M, which was primarily due to the sale of the radio station and lower than expected spend on salaries and benefits. He further stated that the district recorded a surplus of revenues over expenditures of \$92M through March 2017, the surplus is due to higher revenue resulting from one-time transfers related to the new District's legislation along with one-time asset sales and lower expenditures. March revenues totaling \$64M were in-line with budgeted revenues, and YTD revenues totaling \$498M were in line with budgeted revenues; March expenditures of \$55M were lower than budget by \$13M, due to lower than expected spend on salaries and benefits. The ending cash balance of the district at the close of March was \$72M due to one-time transfers in, asset sales, and timing differences in expected expenditures for the month that will be disbursed in March 2017. He addressed questions from the Commission.

**b. Transmittal of the Community District/DPS debt service requirements per MCL 141.1636(11)**

Deputy Superintendent/CFO Marios Demetriou stated that the Debt Service Requirements Report is a statutorily required report from the School District. He further stated that the Community District has no debt requirement to report at this time, however, DPS has \$199M of debt service payments that is scheduled for FY17; of this amount, DPS paid a total of \$108M with the balance of \$92M scheduled to be paid later this year.

**c. Consideration of the Community District's May 2017 contract approval requests per MCL 141.1636(6) (FRC School District Resolution 2017-9)**

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.

Floyd Allen gave a brief overview of the Community District's 1 contract approval request and addressed questions from the Commission. All contracts have been reviewed by the FRC Advisory Subcommittee on Contracts and Procurement.

A discussion ensued and the meeting was informed that Public Act of 2014 requires the Commission to approve contracts which exceeds \$750,000, and the contract before the Commission today exceeds the \$750,000 requirement. It was further stated that the Commission has no authority to recommend or participate in the selection process for DPSCD's superintendent position.

Motion made to consider and approve the Community District's May 2017 contract approval requests (FRC School District Resolution 2017-9). Motion moved and supported. The Commission approved School District Resolution 2017-9 as presented.

**d. Consideration of the Community District's May 2017 out-of-state travel reimbursement requests per MCL 141.1637(q) (FRC School District Resolution 2017-10)**

Public Act 181 of 2014 requires the Financial Review Commission to review and approve the Community District's out-of-state travel reimbursements to school board members, officials, and employees. Mr. Demetriou presented 6 requests for the month of May 2017 for the Community District.

Motion made to approve the Community District's May 2017 out-of- state travel reimbursement requests (FRC School District Resolution 2017-10) as presented. Motion moved and supported. The Commission approved School District Resolution 2017-10 as presented.

**VII. Public Comment**

Helen Moore  
John Lauve  
James Cole

**VIII. Next Meeting Date**

School District Regular Meeting: June 26, 2017, following the City Meeting, beginning no earlier than 2:00 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 approved the motion to adjourn.

There being no further business, the meeting adjourned at 2:40 p.m.

**Financial Review Commission**  
**Monthly Meeting**  
**School District**  
**Resolution Roll Call Vote**  
**Monday, May 22, 2017**

FRC 5/22/2017 Meeting	FRC SD Resolution 2017-9 (Consideration of SD May Contract requests)  Roll Call	FRC SD Resolution 2017-10 (Consideration of SD May 2017 out-of-state travel reimbursement)  Roll Call
Mr. Burks	Yes	Yes
Ms. Fox	Yes	Yes
Mr. Khouri	Yes	Yes
Mr. Martin	Yes	Yes
Ms. Meriweather	Abstain	Yes
Mr. Nicholson	Yes	Yes
Mr. Pscholka	Yes	Yes
Mr. Saunders	Yes	Yes
Ms. Taylor	Yes	Yes

Signed by: B. Greaves  
 Beverly C. Greaves, Secretary

Date: 05/22/2017