



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

RESOLUTION 2015-14

**CERTIFYING THE CITY OF DETROIT’S COMPLIANCE WITH THE
MICHIGAN FINANCIAL REVIEW COMMISSION ACT**

WHEREAS, Public Act 181 of 2014, the Michigan Financial Review Commission Act (the “Act”), allows for the creation of the Detroit Financial Review Commission (the “Commission”) within the Michigan Department of Treasury; and

WHEREAS, Section 6(1) of the Act empowers the Commission to provide oversight for the City of Detroit (the “City”) beginning on the Effective Date of the Plan of Adjustment; and

WHEREAS, Section 6(2) of the Act requires the Commission to ensure that the City is complying with the terms and conditions of the Act and of the plan for adjustment, if applicable; and

WHEREAS, Section 6(2) of the Act further requires the Commission, except as otherwise provided in Section 8 of the Act, to certify by October 1 each year that the City is in substantial compliance with the provisions of the Act; and

WHEREAS, at the Commission meeting on September 28, 2015, documentation of the City’s compliance with the Act from December 10, 2014 through September 22, 2015 was presented for consideration.

NOW THEREFORE, be it resolved by the Detroit Financial Review Commission as follows:

1. That the Commission hereby certifies that the City is in substantial compliance with the provisions of the Act for the period December 10, 2014 through September 22, 2015.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.

IN WITNESS WHEREOF, the members of the Commission, or their designees, have signed and adopted this Resolution.

DETROIT FINANCIAL REVIEW COMMISSION

By Darrell Burks
Darrell Burks, Detroit Financial Review Commission
Member

By _____
Michael Duggan, Detroit Financial Review
Commission Member

By Stacy Fox
Stacy Fox, Detroit Financial Review Commission
Member

By Lorron James
Lorron James, Detroit Financial Review Commission
Member

By Brenda Jones
Brenda Jones, Detroit Financial Review Commission
Member

By _____
Nick A. Khouri, State Treasurer and Detroit Financial
Review Commission Member

By William Martin
William Martin, Detroit Financial Review
Commission Member

By John S. Roberts
John S. Roberts, Detroit Financial Review
Commission Member

By Tony Saunders
Tony Saunders, Detroit Financial Review Commission
Member

Date: 09-28-2015
Detroit, Michigan

DETROIT 56620-1 1347403v2

DETROIT FINANCIAL REVIEW COMMISSION

Annual Certification of the City of Detroit's Compliance with the
Michigan Financial Review Commission Act (Act 181 of 2014)
Per MCL 141.1636(2)

For the Period December 10, 2014 – September 22, 2015

Presented on September 28, 2015

Requirement	Sec. No.	Compliance
Compliance with plan of adjustment	6(2)	The City is implementing programs consistent with the plan of adjustment.
Statutory compliance: City cannot exempt itself from publicly funded health insurance contributions act requirements, 2011 PA 152, MCL 15.568	6(3)(a)	See City's attached verification of compliance.
Statutory compliance: Retirement benefits, CFO appointment, and four-year financial plan home rule city act requirements, 1909 PA 279, MCL 117.4i, 117.4p, 117.4s, and 117.4t	6(3)(b)	See City's attached verification of compliance.
Statutory compliance: revised municipal finance act requirements, 2001 PA 34, MCL 141.2101 to 141.2821	6(3)(c)	See City's attached verification of compliance.
Statutory compliance: uniform budget and accounting act requirements, 1968 PA 2, MCL 141.421 to 141.440a	6(3)(d)	See City's attached verification of compliance.
FRC review and approval of four-year financial plan	6(4) and 7(b)	City submitted the FY 2016 – FY 2019 plan to the FRC on March 19, 2015. FRC approved on April 20, 2015.
FRC review and approval of all applicable contracts	6(6)	City has submitted 169 applicable contracts and contract amendments. FRC has approved all submitted contracts through August 2015.
City and CFO provide needed information and documents and attend FRC meetings when needed	6(7), 7(d), and 7(m)	City and CFO have been responsive to requests for information and documents and have attended meetings when requested.
FRC review and approval of collective bargaining agreements (other than those approved by emergency manager)	6(9)	There have been no amendments to existing collective bargaining agreements or new collective bargaining agreements.
City submits quarterly debt service certifications	6(11)	City provided on-time certifications in February and May. City Council was in recess in August, so the City was not able to submit an approved certification on time. The City submitted it promptly in September upon Council's return.

Consensus revenue estimates	7(a)	The City held consensus revenue estimating conferences in February 2015 and September 2015 as required. The City provided its revenue estimates to the FRC for review.
FRC review and approval of budget amendments	7(c)	City submitted three budget-neutral FY 2016 amendments, which the FRC approved on July, 27, 2015.
FRC review and approval of requests to issue debt	7(e)	City submitted two Detroit Water and Sewerage Department requests, which the FRC approved on February 12, 2015 and May 18, 2015.
FRC approval of Chief Financial Officer appointment	7(g)	The FRC approved the appointment of the Chief Financial Officer of the City on January 26, 2015.



CFO ADMINISTRATIVE ORDER
No. 2015-003

TO: Financial Review Commission (“FRC”)

SUBJECT: Certification of the City of Detroit’s Compliance with Public Act 181 of 2014 (“PA 181”), Section 6(3)

ISSUANCE DATE: September 24, 2015

1. AUTHORITY

1.1. PA 181, Section 6(3) states the commission shall ensure that, where applicable, a qualified city complies with the provisions of all of the following and may request verification of compliance. The provisions of PA 181, Section 6(3) include: (a) Section 8 of the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.568.; (b) Sections 4i, 4p, 4s, and 4t of the home rule city act, 1909 PA 279, MCL 117.4i, 117.4p, 117.4s, and 117.4t; (c) The revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821; (d) The uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.

2. PURPOSE

2.1. The FRC has requested the Chief Financial Officer (“CFO”) verify compliance with the provisions outlined in Section 1.1 of this Administrative Order.

3. OBJECTIVES

3.1. The City of Detroit is in compliance with Section 8 of the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.568.

3.2. The City of Detroit is in compliance with Sections 4i, 4p, and 4s of the home rule city act, 1909 PA 279, MCL 117.4i, 117.4p, and 117.4s.

3.3. The City of Detroit is in compliance with Section 4t of the home rule city act, 1909 PA 279, MCL 117.4t, notwithstanding Section 4t(1)(g). Section 4t(1)(g) requires the city to post on its website copies of both of the following: (1) within 30 days of the contract award, each contract entered into by the city during the fiscal year; (2) all contracts in which the city is a party that are in effect during each fiscal year. The City of Detroit is in the process of implementing this provision and plans to be in full compliance by December 31, 2015.

3.4. The City of Detroit is in compliance with the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

3.5. The City of Detroit is in compliance with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.



CITY OF DETROIT
OFFICE OF THE CHIEF FINANCIAL OFFICER

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In accordance with PA 181 and at the request of the FRC, I, John W. Hill, CFO of the City of Detroit, hereby certify that the City of Detroit is in compliance and/or substantial compliance with the provisions outlined in Section 1.1 of this Administrative Order.

CERTIFIED

September 24, 2015
Date

John W. Hill
John W. Hill, CFO