



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

RESOLUTION 2020- 1

**EXTENDING THE DEADLINE FOR TIMELY DELIVERY OF THE ADOPTED
FISCAL 2020-2021 BUDGET AND 4-YEAR FINANCIAL PLAN**

WHEREAS, Public Act 181 of 2014, as amended, the Michigan Financial Review Commission Act (the “Act”) created the Detroit Financial Review Commission (the “Commission”) to provide specified supervision of certain activities and actions of the City of Detroit (the “City”) beginning on December 10, 2014; and

WHEREAS, the Act charges the Commission with, among other things, (a) ensuring that the City is meeting certain statutory requirements, (b) reviewing and approving the City’s budgets and certain contracts, and (c) establishing processes to ensure effective prudent fiscal management; and

WHEREAS, the Commission granted a waiver to the City pursuant to Section 8 of the Act on April 30, 2018 in Resolution 2018-13 and extended such waiver through June 30, 2020 in Resolution 2019-2 (the “Waiver Resolutions”) and the City is currently in a period of decreased oversight; and

WHEREAS, both the Act and the conditions of waiver approved by the Commission in the Waiver Resolutions contemplate continued monitoring of the City’s financial status, even though the Commission is no longer providing day to day oversight of the City’s finances; and

WHEREAS, the Waiver Resolutions also require the City to provide the Commission certain information and reports to the Commission during the period of decreased oversight; and

WHEREAS, the City has now requested an extension of time, from April 30, 2020 to May 29, 2020, to provide the City's adopted Fiscal 2020-2021 Budget (the "Budget") and 4-Year Financial Plan to the Commission;

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

1. The City may submit its Budget and 4-Year Financial Plan on or before May 29, 2020 and such submission shall be deemed timely for purposes of Section 3(c)(ii) of Resolution 2018-13.

2. All other provisions and obligations of the City under the Waiver Resolutions remain in full force and effect.

3. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.

4. That 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: _____
Rachael Eubanks, State Treasurer and Detroit
Financial Review Commission Member

By: _____
Stacy Fox, Detroit Financial Review Commission
Member

By: _____
Brenda Jones, Detroit Financial Review Commission
Member

By: _____
Chris Kolb, Detroit Financial Review Commission
Member

By: _____
Dave Massaron, Detroit Financial Review
Commission Member

By: _____
David Nicholson, Detroit Financial Review
Commission Member

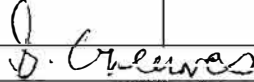
By: _____
Ron Rose, Detroit Financial Review Commission
Member

By: _____
John Walsh, Detroit Financial Review Commission
Member

Date: _____
Detroit, Michigan
4810-8156-9978 v3 [56620-1]

**FRC Committee Monthly Meeting
City of Detroit
Resolution Roll Call
Monday, April 27, 2020**

FRC 4/27/2020 Meeting (COD)	City of Detroit Resolution 2020-1 (Approving the City's request to extend the deadline for timely delivery of the adopted FY2020-2021 budget and 4-year financial plan -
Ms. Eubanks	Yes
Ms. Fox	Absent
Ms. Jones	Yes
Mr. Kolb	Yes
Mr. Massaron	Yes
Mr. Nicholson	Yes
Mr. Rose	Yes
Mr. Walsh	Yes

Signed by: 
Beverly C. Greaves- Secretary

Date: April 27, 2020

M E M O R A N D U M

To: Members of the Financial Review Commission for the City of Detroit
From: Steven G. Howell and Allison R. Bach, Dickinson Wright PLLC
Date: April 16, 2020
Re: Extension of Time to Submit Budget and 4-Year Plan

Does the FRC have the authority to push back the due-date for the submission of the City's adopted Budget and 4-Year-Financial Plan from April 30, 2020 to May 29, 2020?

On April 30, 2018, the FRC adopted Resolution 2018-13 which granted the City a waiver from the City's obligations under Section 6 and Section 7 of the Financial Review Commission Act. That waiver includes a waiver of the requirement that the City submit its adopted Budget and 4-Year Financial Plan to the FRC within 100 days prior to the commencement of the City's fiscal year. Resolution 2019-2 adopted on June 24, 2019, extended the waiver period through June 30, 2020 and clarified that all other provisions in Resolution 2018-13 remained in full force and effect.

Notwithstanding the broad reach of the waiver provisions in the Act, the FRC and City agreed that the City would provide certain types of information to the FRC to enable the FRC members to continue to discharge their duties under the Act. Based on those discussions, Resolution 2018-13 included certain time frames and deadlines for the City to provide ongoing information to the FRC, including submission of the 4-Year Financial Plan by April 30 of each year.

At this time, the waiver is still in effect. Therefore, the requirement to provide the adopted Budget and 4-Year Financial Plan by April 30 is not a statutory requirement, but rather is a result of Resolution 2018-13. Given that, the FRC has the authority to amend Resolution 2018-13 to permit the City to submit its adopted Budget and 4-Year Financial Plan on May 29 rather than April 30. In doing so, our recommendation is that this amendment apply only to the 4-Year Financial Plan due in 2020 and not for any year going forward.