

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT REGULAR MEETING

Monday, January 30, 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 – February 27, 2017

I. Call to Order

Chairman Nick A. Khouri called the meeting to order at 2:09 p.m.

II. Roll Call

Members Present – 9

Darrell Burks
Stacy Fox
Brenda Jones (non-voting)
Nick A. Khouri
Bill Martin
Alycia Meriweather
Al Pscholka
Tony Saunders
Iris Taylor

Members Absent – 1

Mike Duggan (non-voting)

Let the record show that 8 Commission members eligible to vote were present and participated in person. A quorum was present. One non-voting member was also present.

III. Approval of Proposed Minutes from the December 19, 2016 School District Meeting

Motion made to approve the draft minutes of the Commission's December 19, 2016 School District Meeting as presented. Motion moved and supported, the Commission approved the minutes of the December 19, 2016 meeting as presented.

IV. Executive Director's Report

Executive Director Romaneir Johnson reported that the FRC is currently working with the school district in preparing an RFP for a Feasibility Study to be conducted on Special Education. She stated that meetings will also be conducted with the School District in an effort of obtaining a long term strategic plan that supports the financial, academics, facilities and other operations within the school district.

Old Business – None

V. New Business

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

Deputy Superintendent/CFO Marios Demetriou presented his monthly financial report and addressed questions from the Commission. Highlights from his summary include:

- DPSCD recorded a surplus of revenues over expenditures of \$101M through November 2016. He stated that the surplus is due to higher revenue resulting from one-time transfers related to the new District's legislation and low expenditures in July and August.
- YTD revenues were higher than the previous year because of one-time transfers and higher than budget by \$6M.
- YTD expenses were lower than the prior year due to lower summer school participation and because there is no debt in DPSCD lower than budget due to vacancies.
- YTD net cash flow through November was \$68M due to one-time transfers and low summer expenditures.
- Net cash flow was lower than the revenue surplus due to timing differences between cash and accruals. He stated that it is expected that the time differences will be reverse.

b. Consideration of the Community District's January 2017 contract approval requests per MCL 141.1636(6) (FRC School District Resolution 2017-1)

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.

Mr. Demetriou gave an overview of the Community District's 1 purchase order and 1 contract approval requests and addressed questions from the Commission. All contracts have been reviewed with the FRC Advisory Subcommittee on Contracts and Procurement.

The Commission discussed the contract approval request for January 2017 and agreed to approve \$200,000 of the \$1.7million request pending follow-up information to be provided by DPSCD next month.

Motion made to approve the Community District's January 2017 amended contract approval requests (FRC School District Resolution 2017-1). Motion moved and supported. The Commission unanimously approved amended School District Resolution 2017-1.

Consideration of the Community District's January 2017 out-of-state travel reimbursement requests per MCL 141.1637(q) (FRC School District Resolution 2017-2)

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 six January 2017 requests for the Community District.

Motion made to approve the Community District's January 2017 out-of- state travel reimbursement requests (FRC School District Resolution 2017-2) as presented. Motion moved and supported. The Commission approved School District Resolution 2017-2 as presented.

VI. Public Comment

John Lauve
Dawn Wilson-Clarke
Michelle George
Deborah Hunter-Harvill

VII. Next Meeting Date

School District Regular Meeting: February 27, 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.

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 2:45 p.m.