



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

**DETROIT FINANCIAL REVIEW COMMISSION**

**RESOLUTION 2024-03**

**EXTENDING WAIVER GRANTED PURSUANT TO SECTION 8  
OF THE MICHIGAN FINANCIAL REVIEW COMMISSION ACT**

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 June 26, 2023 in Resolution 2023-2 and is currently in a period of decreased oversight; and

WHEREAS, both the Act and the conditions of waiver approved by the Commission in Resolution 2018-13 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, Resolution 2018-13 also requires the City to provide the Commission certain information and reports during the period of decreased oversight; and

WHEREAS, the City has timely provided the Commission with the information and reports required by Resolution 2018-3; and

WHEREAS, at the Commission meeting on June 24, 2024, documentation that the City has satisfied the conditions enumerated in Section 8, attached as **Exhibit A** to this Resolution, was presented for consideration; and

WHEREAS, the Mayor and CFO have consulted with the Commission and support this resolution;

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

1. That the conditions set forth in Section 8(2) have been satisfied and therefore, the City's duties and obligations to the Commission under Sections 6 and 7 of the Act are waived through and including June 30, 2025, subject to the terms and conditions of the Act, including Section 8.

2. All other provisions and obligations of the City under Resolution 2018-13 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.

Date: June 24, 2024  
Detroit, Michigan

## DETROIT FINANCIAL REVIEW COMMISSION

Considerations for Extension of Waiver for City of Detroit (“City”)  
Michigan Financial Review Commission Act (Act 181 of 2014)

Review Period July 1, 2023 through June 30, 2024

Presented on June 24, 2024

Requirement	FRC Act Sec. No.	Compliance
Commission certifies the City has adopted and adhered to deficit-free budgets for 3 consecutive years that comply with generally accepted accounting principles and are in accordance with the uniform budgeting and accounting act, MCL 141.421	8(2)(a)	See FRC resolution 2024-2 for the FRC’s certification. FY23 marked the 9 <sup>th</sup> consecutive year of audited, balanced budgets and operating surpluses.
The State Treasurer and the City’s CFO certify that (a) all municipal securities or debt obligations sold by or for the benefit of the City in the general public market during the immediately preceding fiscal year and current fiscal year satisfied the capital and other financial requirements of the City, and (b) there is a substantial likelihood that municipal securities or debt obligations can be sold by the City in the general public market during the remainder of the current fiscal year.	8(2)(b)	See Treasurer’s attached certification and City’s attached certification.
The City’s financial plan projects a balanced budget for the current and succeeding 3 fiscal years using general accepted accounting principles and in accordance with the Uniform Budgeting and Accounting Act	8(2)(c)	The City submitted on April 30, 2024 the requisite four-year financial plan with balanced budgets.
The City has demonstrated to the FRC’s satisfaction the City has sufficient ability to borrower in the municipal securities market.	8(2)(d)	See City’s attached certification.
The City did not violate the Plan of Adjustment (“POA”) in the immediately preceding fiscal year and is not in violation in the current fiscal year.	8(2)(e)	See City’s attached certification.
The State Treasurer certifies that the City is in compliance with the Uniform Budgeting and Accounting Act.	8(2)(f)	See Treasurer’s attached certification.
The FRC certifies that the City is in substantial compliance with the Act.	8(2)(g)	See FRC Resolution 2024-2
The City has established a system of compensation for employees retirement plans in which the City contributes no	8(2)(h)	See City’s attached certification.

<p>more than 7% of an individuals' base pay, excluding payment for overtime services, 1-time lump sum payments and the costs of fringe benefits, to an employee's retirement account.</p>		
<p>The City has implemented a program in which all contracts awarded by the City are posted on the City's public website within 30 days of the contract award including the identity of the parties to the contract, the dollar amount of the contract and a brief description of the foods or services provided by the contract.</p>	<p>8(2)(i)</p>	<p>See City's attached certification.</p>