

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT REGULAR MEETING

Monday, December 18, 2017
Following the City Regular Meeting
(Begins no earlier than 1:30 p.m.)
Cadillac Place, Suite L-150
3062 West Grand Boulevard
Detroit, MI 48202

MINUTES

Approved: January 29, 2018

I. Call to Order

Chairman Nick Khouri called the meeting to order at 2:00 p.m.

II. Roll Call

Members Present – 9

Darrell Burks (via teleconference)

Stacy Fox

Bill Martin

Nick Khouri

Ike Mckinnon

David Nicholson

Al Pscholka

Iris Taylor

Nicholai Vitti

Members Absent – 2

Mike Duggan (non-voting)

Brenda Jones (non-voting)

Let the record show that 9 Commission members eligible to vote were present. 8 participated in person, and 1 participated via teleconference. A quorum was present.

III. Approval of Proposed Minutes from the November 20, 2017 School District Meeting

Motion made to approve the draft minutes of the Commission's November 20, 2017 School District Meeting as presented. Motion moved and supported, the Commission approved the minutes of the November 20, 2017 meeting as presented.

IV. Executive Director's Report – None

V. Old Business – None

VI. New Business

a. DPS Financial Report

Chief Financial Officer Jeremy Vidito presented the Financial Report for DPS and stated that based on actual results through October 2017, DPS recorded a surplus of revenues over expenditures of \$9.5M and for the month of October, DPS received \$3.2M in local tax revenue, dedicated to legacy debt service. He further stated that the variance in state sources is due to renaissance zone, property tax abatements, which are recorded on a straight line basis for budgetary purposes, but not yet received on a cash basis; the variance in debt service is related to a one time catch up for payment-in-kind interest related to MPSERS.

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

Chief Financial Officer Jeremy Vidito presented the monthly financial report and highlighted that DPSCD recorded a surplus of revenues over expenditures of \$5.8M in October 2017. He stated that DPSCD's October YTD surplus year-to-date expenditure versus budget variance was \$14.0M and October YTD surplus of revenues over expenditures of \$49.9M. He reported that that the \$14.0M favorable variance is a snap shot and expects that much of this is due to timing and will reverse before the end of the Fiscal year. Mr. Vidito also reported that DPSCD's net cash flow for October 2017 was \$8.7M putting the ending cash balance at \$73.1M. (\$121.5M including the internal service fund and fiduciary account). He addressed questions from the Commission.

c. Supplemental Reports

Chief Financial Officer Jeremy Vidito presented 2 supplemental reports which included the Year End Audit Update Summary and the Summary of DPSCD FY 17 Financial Statement Audit Findings.

d. Consideration of the Community District's December 2017 contract approval requests per MCL 141.1636 (6) (FRC School District Resolution 2017-28)

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.

Chief Financial Officer Jeremy Vidito, gave a brief overview of the Community District's 3 contract approval requests and addressed questions from the Commission. All contracts have been reviewed by the FRC Advisory Subcommittee on Contracts and Procurement.

Motion made to consider and approve the Community District's 3 December 2017 contract approval requests (FRC School District Resolution 2017-28). Motion moved and supported. The Commission approve School District Resolution 2017-28 as presented.

e. Consideration of the Community District's December 2017 out-of-state travel reimbursement requests per MCL 141.1637(q) (FRC School District Resolution 2017-29)

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. Vidito presented request for the Community District's December 2017 out-of-state travel.

Motion made to approve the Community District's December 2017 out-of- state travel reimbursement requests (FRC School District Resolution 2017-29) as presented. Motion moved and supported. The Commission unanimously approved School District Resolution 2017-29 as presented.

VII. Public Comment

Michelle George

VIII. Next Meeting Date

School District Regular Meeting: January 29, 2018, following the City Meeting, beginning no earlier than 1:30 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 2:15 p.m.

Financial Review Commission
 Monthly Meeting
School District
Resolution Roll Call Vote
 Monday, December 18, 2017

FRC 12/18/2017 Meeting	FRC SD Resolution 2017-28 (Consideration of December contracts approval requests) Roll Call	FRC SD Resolution 2017-29 (consideration of SD December out-of-state reimbursement approval requests) Roll Call
Mr. Burks	Yes	Yes
Ms. Fox	Yes	Yes
Mr. Khouri	Yes	Yes
Mr. Martin	Yes	Yes
Mr. McKinnon	Yes	Yes
Mr. Nicholson	Yes	Yes
Mr. Pscholka	Yes	Yes
Ms. Taylor	Yes	Yes
Mr. Vitti	Yes	Yes

Signed by: Beverly Greaves
 Beverly C. Greaves, Secretary

Date: 12/18/2017