

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT REGULAR MEETING

Monday, July 31, 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: August 28, 2017

I. Call to Order

Chairman Nick A. Khouri called the meeting to order at 2:27 p.m.

II. Roll Call

Members Present – 7

Darrell Burks (via teleconference)
Bill Martin (via teleconference)
Nick Khouri
David Nicholson
Al Pscholka (via teleconference)
Iris Taylor
Nicholai Vitti

Members Absent – 3

Stacy Fox
Brenda Jones (non-voting)
Mike Duggan (non-voting)

Let the record show that 7 Commission members eligible to vote were present 4 participated in person, and 3 participated via teleconference. A quorum was present.

III. Approval of Proposed Minutes from the June 26, 2017 School District Meeting

Motion made to approve the draft minutes of the Commission's June 26, 2017 School District Meeting as presented. Motion moved and supported, the Commission approved the minutes of the June 26, 2017 meeting as presented.

IV. Executive Director's Report – None

V. Old Business – None

VI. New Business

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

Finance Consultant Tony Saunders presented his monthly financial report and addressed questions from the Commission. Highlights from his summary include:

- The Community District recorded a Deficit of revenues over expenditures of \$10M in the May, 2017.
- The Community District recorded a surplus over expenditures of \$89M. The surplus is due to higher revenue resulting from one-time transfers related to the new District legislation along with one-time asset sales, and lower expenditures.
- May 2017 revenues totaling \$48M were \$1M or 1% lower than budgeted revenues and YTD revenues totaling \$598M were \$1M lower than budgeted revenues, both are primarily due to higher than expected revenues from local and federal sources, offset by less than expected revenues from state sources.
- May 2017 expenditures totaling \$58M were \$18M lower than budget and YTD expenditures totaling \$509M were \$18M lower than budget, both primarily due to lower than expected spend on salaries and benefits and purchased services.
- Net cash flow through June 2017 was \$62M.

b. Consideration of the Community District’s July 2017 contract approval requests per MCL 141.1636 (6) (FRC School District Resolution 2017-15)

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.

Tony Saunders gave a brief overview of the Community District’s 1 contract approval request 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 1 July 2017 contract approval requests (FRC School District Resolution 2017-15). Motion moved and supported. The Commission approved School District Resolution 2017-15 as presented.

c. Consideration of the Community District’s July 2017 out-of-state travel reimbursement requests per MCL 141.1637(q) (FRC School District Resolution 2017-16)

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. Tony Saunders presented 1 requests for the month of July 2017 for the Community District.

Motion made to approve the Community District’s July 2017 out-of- state travel reimbursement requests (FRC School District Resolution 2017-16) as presented. Motion moved and supported. The Commission approved School District Resolution 2017-16 as presented.

VII. Public Comment

Helen Moore
Michelle George
William Davis

VIII. Next Meeting Date

School District Regular Meeting: August 28, 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.


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 2:55 p.m.

Financial Review Commission
Monthly Meeting
School District
Resolution Roll Call Vote
Monday, July 31, 2017

FRC 7/31/2017 Meeting	FRC SD Resolution 2017-15 (Consideration of July 2017 contracts approval requests) Roll Call	FRC SD Resolution 2017-16 (Consideration of July 2017 out-of-state travel approval requests) Roll Call
Mr. Burks	Yes	Yes
Ms. Fox	Absent	Absent
Mr. Khouri	Yes	Yes
Mr. Martin	Yes	Yes
Mr. Nicholson	Yes	Yes
Mr. Pscholka	Yes	Yes
Ms. Taylor	Yes	Yes
Mr. Vitti	Yes	Yes

Signed by: 
 Beverly C. Greaves, Secretary

Date: 7/31/17