

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT REGULAR MEETING

Monday, May 18, 2020
Following the City's Regular Meeting
(Begins no earlier than 1:05 p.m.)
Using Microsoft Teams

MINUTES

Approved: June 29, 2020

I. Call to Order

Madame Chair, Rachael Eubanks called the meeting to order at 1:10 p.m.

II. Roll Call

Members Present – 8

Rachael Eubanks
Stacy Fox
Chris Kolb
David Nicholson
Ron Rose
Iris Taylor
Nicholai Vitti
John Walsh

Members Absent – 2

Brenda Jones (non-voting)
Dave Massaron (non-voting)

Let the record show that Eight (8) Commission members eligible to vote were present. A quorum was present.

III. Approval of proposed Minutes from the FRC's April 8, 2020 School District Special Meeting

Motion made to approve the draft minutes of the Commission's April 8, 2020 School District special meeting as presented. Motion moved and supported; the Commission approved the minutes of the April 8, 2020 School District special meeting as presented.

IV. Approval of proposed Minutes from the FRC's April 27, 2020 School District Monthly Meeting

Motion made to approve the draft minutes of the Commission's April 27, 2020 School District Meeting as presented. Motion moved and supported; the Commission approved the minutes of the April 27, 2020 meeting as presented.

V. Old Business - None

VI. New Business

a. DPS Financial Report

Chief Financial Officer Jeremy Vidito presented the Financial Report for DPS. He noted that in March the District received \$921K in 13 mills receipts bringing the year-to-date total to \$67.4 million. The current 13 mill tax receipt reserves are \$51.3M. He

further stated that the District forecasts borrowing \$89.3 million from the Student Loan Revolving Fund to meet the required capital debt payments in May.

The District also received \$1.7 million in 18mills receipts bringing the year to date total to \$58.7M. The ending general fund cash balance for March is \$5.8 million, and the projected ending balance for June 30, 2020 is \$3.3 million. He addressed questions from the Commission.

b. Transmittal of the Community District/DPS debt service requirements per MCL 141.1636 (11)

Chief Financial Officer, Jeremy Vidito, stated that the Debt Service Requirements Report is a statutorily required report from the School District. He further stated that the Detroit Public Schools Community District (DPSCD) has no debt requirement to report at this time, however, he presented a report outlining all bonds, leases and other debt for the City of Detroit Public Schools (DPS) through the First Quarter of FY 21. He noted that it is estimated that DPS will borrow approximately \$100million from the Loan Revolving Fund in the Fourth Quarter to meet the remaining debt service requirements through the end of the FY 21.

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

Chief Financial Officer Jeremy Vidito presented the monthly financial report and stated that year to date revenues through March are running \$1.3M ahead of budget and local revenue decreased due to lower than expected enhancement millage payment, which is attributed to timing and the District expects to receive budgeted revenue in future periods. He further stated that year-to-date expenses are \$11.9M behind budget, which is driven by lower than expected purchase services.

Mr. Vidito reported that at the end of March 31, 2020 District's cash balance is \$56.9 million and the projected year-end cash balance for FY 2020 is \$68.8 million; the internal service fund cash balance is \$17.9 million and the projected year-end cash balance for FY 2020 is \$15.0 million; the rainy-day fund cash balance is \$36.3 million; the MILAF investment account cash balance is \$62.2 million, and the total available general fund cash is \$211.3million. The District's capital projects fund cash balance is \$12.7 million; the District's food service fund cash balance is \$22.1 million, and the legal reserve fund cash balance is \$1.2 million. He addressed questions from the Commission.

d. Consideration of the Community District's May 18, 2020 Contract approval requests per MCL 141.1636 (6) (FRC School District Resolution 2020-9)

Public Act 181 of 2014 requires the Financial Review Commission to review and approve contracts meeting any of the three 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 Eight (8) 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 May contract approval requests (FRC School District Resolution 2020-9). Motion moved and supported. The Commission approved School District Resolution 2020-9.

VII. Public Comment - None

VIII. Next Meeting Date

School District Regular Meeting: Monday, June 29, 2020, following the City Meeting, beginning no earlier than 1:05 p.m. (Venue: to be determine)

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 1:35 p.m.

FRC Committee Monthly Meeting
School District
Resolution Roll Call
Monday, May 18, 2020

FRC 5/18/2020 Meeting	School District Resolution 2020-9 (Approving the SD May Contract Request)
	Roll Call
Ms. Eubanks	Yes
Ms. Fox	Yes
Ms. Kolb	Yes
Mr. Nicholson	Yes
Mr. Rose	Yes
Ms. Taylor	Yes
Mr. Vitti	Yes
Mr. Walsh	Yes

Signed by: *B. Greaves*
 Beverly C. Greaves- Secretary

Date: 5/18/2020