

DETROIT FINANCIAL REVIEW COMMISSION

REGULAR MEETING

Monday, October 26, 2015 at 2:30 p.m.
Cadillac Place, Suite L-150
3062 West Grand Boulevard
Detroit, MI 48202

MINUTES

APPROVED – NOVEMBER 23, 2015

I. Call to Order

Nick A. Khouri designated William Martin as Chair for the meeting. Mr. Martin called the meeting to order at 2:36 p.m.

II. Roll Call

Members Present - 8

Darrell Burks
Mike Duggan
Stacy Fox (via teleconference)
Lorron James (via teleconference)
Brenda Jones
Bill Martin
John Roberts (via teleconference)
Tony Saunders

Members Absent - 1

Nick A. Khouri

Let the record show that 8 Commission members were present; 5 Commission members participated in person and 3 Commission members participated via teleconference. A quorum was present.

III. Approval of Proposed Open Session Minutes from September 28, 2015 Meeting

Motion made to approve the open session draft minutes of the September 28, 2015 FRC meeting as presented. Motion moved and supported, the Commission unanimously approved the open session minutes of the September 28, 2015 FRC meeting as presented.

IV. Approval of Proposed Closed Session Minutes from September 28, 2015 Meeting

Motion made to approve the closed session draft minutes of the September 28, 2015 FRC meeting as presented. Motion moved and supported, the Commission unanimously approved the closed session minutes of the September 28, 2015 FRC meeting as presented.

V. Executive Director's Report

Executive Director Ron Rose reported that the Michigan Public Purchasing Officers Association awarded Boysie Jackson, the City's Chief Procurement Officer, with its Procurement Officer of the Year award and the City's Procurement Department with its Procurement Department of the Year award.

Mr. Rose noted that John Hill, the City's CFO, has provided copies for the Commission and the public of his financial status report talking points to be discussed later in the agenda. He also noted there is a request for the Commission to enter Closed Session later in the meeting.

VI. Old Business

None

VII. New Business

a. Consideration of 2016 Regular Meetings Schedule (FRC Resolution 2015-15)

Motion made to approve Resolution 2015-15 as presented. Motion moved and supported, the Commission unanimously approved Resolution 2015-15 as presented.

b. Update on City Pension Plans

Mayor Duggan and John Hill provided an update on the City's pension plans, noting the City is examining the long-term assumptions included in its plan of adjustment. The City is starting a new analysis now on options to address future funding requirements beginning in FY 2024. Discussion ensued on the impact on the City's budget and the timing for the City to retain a firm to assist with the analysis.

c. Updates on City Finances and Enterprise Resource Planning System Implementation

Mr. Hill updated the Commission on the City's finances, including preliminary FY 2015 results, FY 2016 progress, and his Office's forthcoming monthly comprehensive financial report. Mr. Hill indicated the new monthly financial report will be available starting next month.

CIO Beth Niblock updated the Commission on the Enterprise Resource Planning System Implementation, including ongoing data validation and system integration testing. She noted the public budgeting module is live now for use in the City's budget process. Ms. Niblock also gave the Commission an overview of the City's integrated Computer Aided Dispatch and Records Management System procurement for Police, Fire, and Emergency Medical Services. The City undertook a six-month process to competitively bid the replacement of its public safety legacy systems.

d. Consideration of Collective Bargaining Agreement between the City of Detroit Department of Transportation and the Amalgamated Transit Union, AFL-CIO – Division 26 (FRC Resolution 2015-16)

DDOT Director Dan Dirks and Labor Relations Director Michael Hall presented the new collective bargaining agreement between the City and the bus drivers' union. The contract provides wage increases, an attendance bonus incentive, and a fare box revenue-sharing incentive. It also provides additional management flexibility. Discussion ensued on the contract's details.

Motion made to approve Resolution 2015-16 as presented. Motion moved and supported, the Commission unanimously approved Resolution 2015-16 as presented.

e. Consideration of 22 City of Detroit contract approval requests

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.

Lena Willis, the City's Deputy Director of Purchasing, and Gaylor Johnson, the Detroit Water and Sewerage Department Procurement Director, addressed questions from the Commission on the 22 contract approval requests. All contracts have been reviewed by the FRC Advisory Subcommittee on Contracts and Procurement.

Motion made to approve all Contract Approval Requests from the City of Detroit as presented. Motion moved and supported, the Commission unanimously approved the 22 Contract Approval Requests from the City of Detroit as presented.

VIII. Public Comment

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| John Lauve | John Tarven |
| Ike Okonkwo | Lonnie Dixon |
| Jon M. Packman | William Davis |
| Edward Singleton | |

IX. Next Meeting Date

Mr. Martin notified the public that the next Financial Review Commission meeting is scheduled for Monday, November 23, 2015 at 2:30 p.m. at Cadillac Place, 3062 West Grand Boulevard, Suite L-150, Detroit, MI 48202.

X. Closed Session

Mr. Martin notified the public that the Commission will now go into closed session, at the City's request, to discuss the City's strategy in certain potential negotiations with the unions representing firefighters and/or police, together with the financial impact that would follow such a negotiation. He noted that it is the last order of business except for the motion to adjourn, which will be done when the Commission returns to open session.

Motion made to go into closed session. Motion moved and supported, the Commission unanimously approved the motion to go into closed session.

Motion made to come out of closed session. Motion moved and supported, the commission unanimously approved the motion to come out of closed session. The Commission did not make any decisions in the closed session.

XI. Adjournment

Motion made to adjourn. Motion moved and supported, the Commission unanimously approved the motion to adjourn.

There being no further business, the meeting adjourned at 4:10 p.m.