

DETROIT FINANCIAL REVIEW COMMISSION

REGULAR MEETING

Monday, November 23, 2015 at 2:30 p.m.
Cadillac Place, Suite L-150
3062 West Grand Boulevard
Detroit, MI 48202

MINUTES

APPROVED – DECEMBER 21, 2015

I. Call to Order

Chairman Nick A. Khouri called the meeting to order at 2:35 p.m.

II. Roll Call

Members Present - 7

Darrell Burks
Stacy Fox
Brenda Jones
Nick A. Khouri
Bill Martin
John Roberts
Tony Saunders

Members Absent - 2

Mike Duggan
Lorron James

Let the record show that 7 Commission members were present and participated in person. A quorum was present.

III. Approval of Proposed Open Session Minutes from October 26, 2015 Meeting

Motion made to approve the open session draft minutes of the October 26, 2015 FRC meeting as presented. Motion moved and supported, the Commission unanimously approved the open session minutes of the October 26, 2015 FRC meeting as presented.

IV. Approval of Proposed Closed Session Minutes from October 26, 2015 Meeting

Motion made to approve the closed session draft minutes of the October 26, 2015 FRC meeting as presented. Motion moved and supported, the Commission unanimously approved the closed session minutes of the October 26, 2015 FRC meeting as presented.

V. Executive Director's Report

Executive Director Ron Rose reported the FRC received a written complaint regarding the City's request for proposals (RFP) for supplier managed paratransit services. The FRC will examine the matter further. The City has not yet presented the contract in question to the FRC for approval.

VI. Old Business

None

VII. New Business

a. OCFO Financial Report for the 3 Months ended September 30, 2015

City CFO John Hill presented his financial report to the Commission and highlighted the following actions: the Office of the Chief Financial Officer (OCFO) went live with its new financial management system's budget module in October 2015; the OCFO has experienced overwhelming interest in its new positions as part of its restructuring; and first-quarter results for fiscal year 2016 were favorable to budget. Discussion ensued on the details of the report.

b. Enterprise Resource Planning System Implementation update

City CIO Beth Niblock and HR Director Denise Starr joined Mr. Hill to present an update on the City's Enterprise Resource Planning (ERP) system implementation. They reported that the go-live dates for the financial management system and human resources information system have been extended to March and April 2016, respectively. They noted the extension is supported by contract changes that will be presented later in the meeting. They also reported the Great Lakes Water Authority has now decided to use the City's new financial management system too, which may require additional changes to the City's project schedule and contracting.

c. Transmittal of City of Detroit debt service requirements per MCL 141.1636(11)

City Chief Deputy CFO John Naglick presented the City's debt service requirements report, noting the major changes reflect the final results of the City's exit financing remarketing and the early pay-off of capital leases.

d. Consideration of 36 City of Detroit contract approvals requested per MCL 141.1636(6)

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.

Mr. Rose provided a summary of the City's contract approval requests, noting how many were competitively bid and the rationale behind various contract extensions. City Chief Procurement Officer Boysie Jackson also summarized the City's requests and addressed questions from the Commission on them. 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 36 Contract Approval Requests from the City of Detroit as presented.

e. Consideration of Detroit Water and Sewerage Department's issuance of up to \$25 million in sewage disposal revenue bonds requested per MCL 141.1637(e) (FRC Resolution 2015-17)

DWSD Public Finance Manager Jon Wheatley presented the debt issuance request. Ann Fillingham, DWSD's bond counsel, joined him via teleconference. They addressed questions from the Commission, and discussion ensued on the details of the request.

Motion made to approve Resolution 2015-17 as presented. Motion moved and supported. The Commission voted 6 in favor and 1 opposed. The Commission approved Resolution 2015-17 as presented.

VIII. Public Comment

John Lauve

Felicia Duncan Brock

IX. Next Meeting Date

The next Financial Review Commission meeting is scheduled for Monday, December 21, 2015 at 2:30 p.m. at Cadillac Place, 3062 West Grand Boulevard, Suite L-150, Detroit, MI 48202.

X. 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 3:30 p.m.