

## Financial Review Commission Minutes

April 20, 2015 – 2:30 p.m.  
Cadillac Place  
Conference Room L-150  
3062 W. Grand Boulevard  
Detroit, MI 48202

### **APPROVED – MAY 18, 2015**

#### **I. Call to Order**

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

#### **II. Roll Call**

##### Members Present - 9

Nick Khouri  
Darrell Burks  
Mike Duggan  
Stacey Fox  
Lorron James  
Brenda Jones  
William Martin  
John Roberts

##### Members Absent - 0

Tony Saunders

Let the record show that 8 Commission members are present and one Commission member is absent. A quorum is present.

#### **III. Approval of Minutes**

Motion made to approve the draft minutes of March 23, 2015 meeting as presented.

Motion moved and supported, the Commission unanimously approved the minutes of March 23, 2015 as presented.

#### **IV. Administrative Reports**

Ron Rose introduced the consultants that performed the analysis of the City of Detroit's Four-Year Financial Plan for FY 2016 through FY 2019 (FYP), and the requirements that the FYP must comply with per the Home Rule City Act.

The analysis done by Phoenix Management Services, LLP (Phoenix) was to determine whether the FYP is in harmony with the City's Plan of Adjustment and that the FY 2016 portion of the FYP is consistent with the Emergency Manager's FY 2016 Budget as required by law. Ms. Kopacz with Phoenix gave an overview of that review that included her recommendation that the City's FYP complies with all requirements and recommends the Commission approve the FYP as currently presented with the understanding that activities emanating from the implementation of the Bankruptcy Plan of Adjustment will necessitate updates and that information may improve and result in changes to certain revenue and expenditure estimates.

The analysis done by UHY, LLP was to determine that the FYP complied with the Home Rule City Act requirements, reviewing the City's cash flow through March 27, 2015, and other analyses to determine if there were other factors in the operations of FY 2015 to date that would have an impact on the FY 2016 budget and subsequent years in the FYP. Mr. Peterson gave an overview of that review that included verification that the FYP complies with the requirements of the Home Rule City Act. The actual cash flow for the City's General Fund, barring any unforeseen circumstances, did not show any significant adverse trends that would impact the FY 2016 information presented in the FYP. The review for the City's new Enterprise Resource Planning (ERP) system implementation is ongoing.

John Hill stated that in the analysis they used cash flows as a proxy, but the budget-to-actual is trending favorable. The City is closely monitoring the reinvestment and restructuring initiatives. There are three components that will impact the FY 2016 financials: FY 2014 audit, FY 2015 audit, and opening balances of FY 2016.

Staff is preparing a public dashboard that will give visibility into each revenue initiative. The dashboard will be provided to the Commission when it is final.

V. **Approval of City of Detroit's Four-Year Financial Plan - Resolution 2015-7**

Motion made to approve the City of Detroit's Four-Year Financial Plan – Resolution 2015-7 as presented.

Motion moved and supported, the Commission unanimously approved Resolution 2015-7 as presented.

8 ayes, 0 nays

**VI. Consideration of Various 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. All contracts must be approved by the Mayor's Office and by Detroit City Council prior to consideration by the Financial Review Commission.

Boysie Jackson, Chief Procurement Officer gave an overview of the 29 contract approvals.

Motion made to approve the 29 Contract Approval Requests from the City of Detroit as presented.

Motion moved and supported, the Commission unanimously approved the 29 Contract Approval Requests from the City of Detroit as presented.  
8 ayes, 0 nays

**VII. Public Comment**

John Lauve, Detroit, MI  
Jim Casha, Detroit, MI

**VIII. Next Meeting Date**

Mr. Khouri notified the public that the next Financial Review Commission meeting is scheduled for Monday, May 18, 2015 - 2:30 p.m. at Cadillac Place, 3062 W. Grand Boulevard, Suite L-150, Detroit, MI 48202.

**IX. Adjournment**

Motion made to adjourn.

On a voice vote the Commission unanimously approved the motion to adjourn.  
8 ayes 0 nays

There being no further business, the meeting adjourned at 3:13 p.m.