

DETROIT FINANCIAL REVIEW COMMISSION

REGULAR MEETING

Monday, April 18, 2016 at 2:30 p.m.
Cadillac Place, Suite L-150
3062 West Grand Boulevard
Detroit, MI 48202

MINUTES

APPROVED – MAY 23, 2016

I. Call to Order

Chairman Nick A. Khouri called the meeting to order at 2:30 p.m.

II. Roll Call

Members Present – 9

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

Members Absent - 0

Let the record show that 9 Commission members were present and participated in person. A quorum was present.

III. Approval of Proposed Minutes from the April 13, 2016 Meeting

Motion made to approve the draft minutes of the April 13, 2016 FRC meeting as presented. Motion moved and supported, the Commission unanimously approved the minutes of the April 13, 2016 FRC meeting as presented.

IV. Executive Director's Report

Executive Director Ron Rose reported the following items to the Commission:

1. The City has requested the Commission hold a closed session at the end of today's meeting to discuss its strategy in certain potential negotiations with unions representing firefighters and/or emergency medical services.
2. The proposed resolution approving the City's four-year financial plan at today's meeting includes additional language reserving the Commission's right to make a later determination regarding the adequacy of pension funding included in the plan, as required by the Home Rule City Act, until after the City's pension funding study is completed.

3. The Commission staff has received a report from its consultant Martha Kopacz (Senior Managing Director, Phoenix Management Services), which outlines the ways the City has followed the plan of adjustment for the purposes of investing in the city. The report will be circulated to the Commission soon.

V. Old Business

- a. **Consideration of the City's FY 2017-FY 2020 Four-Year Financial Plan per MCL 141.1636(4) (FRC Resolution 2016-6)**

The Commission has reviewed the City's proposed financial plan and held a special meeting on April 13, 2016 to discuss the plan and ask the City questions. At today's meeting, the City's Chief Financial Officer John Hill responded to additional questions and follow-up requests from the Commission.

Motion made to approve the City's FY 2017-FY 2020 Four-Year Financial Plan (Resolution 2016-6) as presented. Motion moved and supported. The Commission approved Resolution 2016-6 as presented.

VI. New Business

- a. **Presentation of the City's Monthly Financial Report**

Mr. Hill presented his monthly financial report to the Commission and highlighted items regarding the Enterprise Resource Planning (ERP) system implementation, the Office of the CFO restructuring, FY16 budget projections, accounts payable, property tax collections, grants, and employee headcount. He addressed questions from the Commission.

- b. **Consideration of the City's April 2016 fiscal year 2016 budget amendment requests per MCL 141.1637(c) (FRC Resolution 2016-7)**

Deputy CFO/Budget Director Tanya Stoudemire presented the City's 17 budget amendment requests for FY16. The amendments represent additional grants the City has received or reallocations of spending across appropriations. Ms. Stoudemire addressed questions from the Commission.

Motion made to approve the City's April 2016 budget amendment requests (Resolution 2016-7) as presented. Motion moved and supported. The Commission approved Resolution 2016-7 as presented.

- c. **Consideration of the City's April 2016 contract approval requests per MCL 141.1636(6) (FRC Resolution 2016-8)**

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.

Deputy CFO/Chief Procurement Officer Boysie Jackson gave an overview of the City's 7 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 approve the City's 7 April 2016 contract approval requests (Resolution 2016-8) as presented. Motion moved and supported. The Commission approved Resolution 2016-8 as presented.

VII. Public Comment

None

VIII. Next Meeting Date

- a. Monday, May 23, 2016 at 2:30 p.m. at Cadillac Place, 3062 West Grand Boulevard, Suite L-150, Detroit, MI 48202

IX. Closed Session

Chairman Khouri 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 emergency medical services, 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 approved the motion to go into closed session.

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

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 3:51 p.m.