

# **DETROIT FINANCIAL REVIEW COMMISSION**

## **CITY REGULAR MEETING**

Monday, February 27, 2017 at 1:00 p.m.  
Cadillac Place, Suite L-150  
3062 West Grand Boulevard  
Detroit, MI 48202

### **MINUTES**

#### **Approved – March 27, 2017**

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

Chairman Nick A. Khouri called the meeting to order at 1:05 p.m.

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

##### Members Present – 6

Darrell Burks  
Mike Duggan  
Nick A. Khouri  
Bill Martin  
Al Pscholka  
Tony Saunders

##### Members Absent – 4

Dr. Iris Taylor (non-voting)  
Alycia Meriweather (non-voting)  
Stacy Fox  
Brenda Jones

Let the record show that 6 Commission members eligible to vote were present. A quorum was present.

#### **Approval of Proposed Minutes from the January 30, 2017 City Meeting**

Motion made to approve the draft minutes of the Commission's January 30, 2017 City Meeting as presented. Motion moved and supported, the Commission approved the minutes of the January 30, 2017 meeting as presented.

#### **III. Executive Director's Report – None**

#### **IV. Old Business - None**

#### **V. 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 office of the Chief Financial Officer (OCFO). He stated that the City held its February 2017 Consensus Revenue Estimating Conference on February 16, 2017 and the Major presented his recommended budget to the City Council on February 23, 2017. He also discussed reports included in his presentation on the December YTD actuals indicate that FY2017 is in line with the budget, YTD cash flow activity and the YTD Ad Valorem property tax collection rate, which is on par with the prior year. He addressed questions from the Commission.

**b. Presentation of the City's February 2017 Consensus Revenue Estimating Conference Report**

The City held its February revenue conference on February 16, 2017. Deputy CFO/Budget Director Tanya Stoudemire and CFO John Hill provided a brief overview of the City's revenue estimates. Ms. Stoudemire reported that most of the discussion at the conference centered on the five major revenues that represent 75% of the General Fund revenues per the Fiscal year 2016 results: Income tax, Property tax, Utility Users' tax, Wagering tax, and State Revenue sharing. Mr. Hill concluded the presentation stating that the City's revenue estimates are conservative.

**c. Budget and Discussion of Retirees' Protection Fund**

Mr. Hill presented the funding strategy the city will use for funding legacy pension obligations. The city plans to create a set-a-side trust called the Retirement Protection Fund that will accumulate funds during FY18 through FY23. The funds accumulated in this trust will be used in FY24 and forward to help ease the General funds requirements to make the annual required contribution payments in FY24 and beyond.

**d. Transmittal of City of Detroit debt service requirements per MCL 141.11636(11)**

Mr. Naglick stated that the Debt Service Requirements Report is a statutorily required report from the City. He reviewed the quarterly debt obligation and clarified how funds are escrowed by the bond trustees.

**e. Consideration of the City's January 2017 budget amendment per CL141.1637(c) (FRC City Resolution 2017-1)**

Deputy CFO/Budget Director Tanya Stoudemire gave a brief overview of the City's February budget amendment approval requests. She stated that there are 8 budget amendments, which is funded through federal and state grants and addressed questions from the Commission.

Motion made to approve the City's February 2017 budget amendment requests (FRC City Resolution 2017-3). Motion moved and supported. The Commission approved City Resolution 2017-3 as presented.

**f. Consideration of the City's January 2017 contract approval requests per MCL 141.1636(6) (FRC City Resolution 2017-4)**

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.

Chief Procurement Officer Boysie Jackson gave an overview of the City's 20 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 February 2017 contract approval requests (City Resolution 2017-4) as presented. Motion moved and supported. The Commission approved City Resolution 2017-4 as presented.

**VI. Public Comment**

John Lauve  
Michelle George  
William Davis  
Thelma Moore  
Germaine Worrell

**VII. Next Meeting Date**

City Regular Meeting: Monday, March 27, 2017 at 1:00 p.m. at Cadillac Place, 3062 West Grand Boulevard, Suite L-150, Detroit, MI 48202.

**VIII. 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 2:05 p.m.