

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT REGULAR MEETING

Monday, July 30, 2018
Following the City Regular Meeting
(Begins no earlier than 1:05 p.m.)
Cadillac Place, Suite L-150
3062 West Grand Boulevard
Detroit, MI 48202

MINUTES

Approved: August 27, 2018

I. Call to Order

John Walsh informed the Commission that the State Treasurer Nick Khouri is unavailable to attend the meeting and has asked him to chair today's meeting. Mr. Walsh called the meeting to order at 1:08 p.m.

II. Roll Call

Members Present – 7

Darrell Burks (via teleconference)
Stacy Fox
Bill Martin (via teleconference)
David Nicholson (via teleconference)
Iris Taylor
Nicholai Vitti
John Walsh

Members Absent – 5

Mike Duggan (non-voting)
Brenda Jones (non-voting)
Nick Khouri
Ike Mckinnon

Let the record show that 7 Commission members eligible to vote were present. 4 participated in person, and 3 participated via teleconference. A quorum was present.

III. Approval of Proposed Minutes from the June 25, 2018 School District Meeting

Motion made to approve the draft minutes of the Commission's June 25, 2018 School District Meeting as presented. Motion moved and supported, the Commission approved the minutes of the June 25, 2018 meeting as presented.

IV. Executive Director's Report - None

Old Business – None

V. New Business

a. DPS Financial Report

Chief Financial Officer Jeremy Vidito presented the Financial Report for DPS and stated that based on actual results through May 2018, DPS recorded a slight surplus of revenues over expenditures of \$1.5M. Year-to-date local source revenues remain below what was anticipated in budget, due to the timing of property tax distributions from the City and County. In the month of May, DPS incurred an additional \$875K in debt service, and received additional local revenues of \$264K. He further stated that DPS's cash balance for the month of May is \$7.1 million and the projected year end cash balance is \$9.9 million. He addressed questions from the Commission.

b. Presentation of the Community District's Monthly Financial Report

Chief Financial Officer Jeremy Vidito presented the monthly financial report and highlighted that DPSCD recorded a deficit of revenues over expenditures of \$7.3 million in the month of May, 2018. He stated that the District's May YTD expenditure versus budget variance was \$3.6 million and May YTD surplus of revenues over expenditures was \$72.7 million. The District is behind plan by \$20.6 million on the May YTD in receipt of budgeted revenues, but this has been offset by the expenditure savings, in salary and benefits and purchased services due to vacancy savings and unspent contingency allocated in the budget.

Mr. Vidito also reported that DPSCD's cash balance for the month of May was \$52.0 million and the projected year end cash balance is estimated by the District to be \$148.0 million. (both cash balances exclude \$48.5 million allocated to Internal Service and a Fiduciary account). He addressed questions from the Commission.

c. Consideration of the Community District's July 2018 contract approval requests per MCL 141.1636 (6) (FRC School District Resolution 2018-10)

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 Financial Officer, Jeremy Vidito gave a brief overview of the Community District's 12 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 consider and approve the 12 Community District's July 2018 contract approval requests (FRC School District Resolution 2018-20). Motion moved and supported. The Commission approve School District Resolution 2018-20 as presented.

d. Capital Projects Update

Chief Financial Officer, Jeremy Vidito gave an update on the capital projects timeline to include the total cost of each project and the source of funds used to fund the improvements.

VI. Public Comment

Helen Moore
Gene Cunningham

VII. Next Meeting Date

School District Regular Meeting: August 27, 2018, following the City Meeting, beginning no earlier than 1:30 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 1:45 p.m.

Financial Review Commission
 Monthly Meeting
School District (DPS)
Resolution Roll Call Vote
 Monday, July 30, 2018

FRC 7/30/2018 Meeting	FRC DPSCD Resolution 2018 -20 Consideration of July 2018 Contracts Requests #1
	Roll Call
Mr. Burks	Yes
Ms. Fox	Yes
Mr. Khouri	Absent
Mr. Martin	Yes
Mr. McKinnon	Absent
Mr. Nicholson	Yes
Ms. Taylor	Yes
Mr. Vitti	Yes
Mr. Walsh	Yes

Signed by: *B. Greaves*
 Beverly C. Greaves, Secretary

Date: 07/30/2018