

City of Detroit

CITY COUNCIL



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City Clerk

Committee of the Whole Room • 1340 Coleman A. Young Municipal Center • (313) 224-3443 • Detroit, MI 48226

THIS MEETING WILL BE A VIRTUAL COMMITTEE MEETING

***To attend by phone only, call one of these numbers: +1 929 436 2866, +1 312 626 6799, +1 669 900 6833, +1 253 215 8782, +1 301 715 8592, +1 346 248 7799
Enter Meeting ID: 330332554***

*With advance notice of seven calendar days, the City of Detroit will provide interpreter services at public meetings, including American Sign Language, language translation and reasonable ADA accommodations. Please contact the **Civil Rights, Inclusion and Opportunity Department** at (313) 224-4950, through the TTY number 711, or email crio@detroitmi.gov to schedule these services.*

“A QUORUM OF THE DETROIT CITY COUNCIL MAY BE PRESENT”

BUDGET, FINANCE AND AUDIT STANDING COMMITTEE

**COUNCIL MEMBER JANEÉ AYERS, CHAIRPERSON
COUNCIL MEMBER ANDRÉ SPIVEY, VICE CHAIRPERSON
COUNCIL PRESIDENT PRO-TEM MARY SHEFFIELD, MEMBER
COUNCIL PRESIDENT BRENDA JONES, (EX-OFFICIO)**

**Ms. Cindy Golden
Asst. City Council Committee Clerk**

WEDNESDAY, JUNE 23, 2021

1:00 P.M.

- A. ROLL CALL**
- B. CHAIR REMARKS**
- C. APPROVAL OF MINUTES**
- D. PUBLIC COMMENT**

UNFINISHED BUSINESS

1. Status of **Office of the Chief Financial Officer** submitting report relative to the Monthly

Financial Report for the Eight Months ended February 28, 2021. **(The OCFO is pleased to brief the City Council on the City's finances and respectfully requests to do so at one of the upcoming regularly scheduled Budget, Finance and Audit (BFA) Standing Committee meetings. The OCFO will also meet with the Legislative Policy Division prior to the BFA Committee meeting to further invite discussion on the report.) (BROUGHT BACK AS DIRECTED ON 5-12-21)**

2. Status of **Legislative Policy Division** submitting report relative to 2020 Comprehensive Annual Financial Report (CAFR) for the City of Detroit. **(The Legislative Policy Division (LPD) in this memorandum provides the City Council a report on the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2020 (2020 CAFR). A copy of the 2020 CAFR has been presented to members of the Budget, Finance and Audit Committee for review.) (BROUGHT BACK AS DIRECTED ON 5-12-21)**

3. Status of **Legislative Policy Division** submitting report relative to Benchmark Comparison of the City of Detroit's 2020 Comprehensive Annual Financial Report (CAFR) With Other Cities. **(The Legislative Policy Division (LPD) compared the City's fiscal year 2020 Government Wide Statement on Net Position (i.e., balance sheet) and Statement of Activities for Governmental Activities (i.e., income statement) with other cities including: Lansing, Michigan; Memphis, Tennessee; Louisville, Kentucky; Grand Rapids, Michigan; Flint, Michigan; Baltimore, Maryland; Boston, Massachusetts; Portland, Oregon; Oklahoma City, Oklahoma; and Kansas City, Missouri. Most of the cities chosen were comparable in size to Detroit. Grand Rapids was chosen because it is Michigan's second largest city and in good financial condition. Lansing and Flint were chosen because they have similar challenges as Detroit. We also chose a mix of cities that were either in good or poor fiscal health for comparative purposes.) (BROUGHT BACK AS DIRECTED ON 5-12-21)**

NEW BUSINESS

OFFICE OF CONTRACTING AND PROCUREMENT

Submitting the following **Office of Contracting and Procurement Contracts**:

4. Submitting reso. autho. **Contract No. 6000575** - 100% City Funding – AMEND 5 – To Provide an Extension of Time and an Increase of Funds for Catalog Purchases of Miscellaneous Repair & Operating Supplies - Punch Out Process via MiDeal Agreement 171-180000000689. – Contractor: W.W. Grainger, Inc. – Location: 100 Grainger Parkway, Lake Forest, IL 60038 – Contract Period: July 1, 2021 through June 30, 2022 – Contract Increase Amount: \$: \$1,047,100.00 – Total Contract Amount: \$5,725,208.44. **CITYWIDE (Previous Contract Period: July 1, 2019 through June 30, 2021) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 6-23-21)**

5. Submitting reso. autho. **Contract No. 6002985** - 100% Employee Benefit Plan Funding – To Provide HR Benefits/Consultation Services. – Contractor: The Segal Company (Midwest) – Location: 101 North Wacker Drive Suite 500, Chicago, IL 60606 – Contract Period: Upon City Council Approval through June 30, 2022 – Total Contract Amount: \$325,000.00. **NON DEPARTMENTAL (REFERRED TO THE BUDGET, FINANCE**

AND AUDIT STANDING COMMITTEE ON 6-23-21)

6. Submitting reso. autho. **Contract No. 6003675** - 100% City Funding – To Provide a Corrective Audit Action Plan for the Office of the Controller. – Contractor: Plante Moran, PLLC – Location: 1098 Woodward Avenue, Detroit, MI 48226 – Contract Period: Upon City Council Approval through June 30, 2021 – Total Contract Amount: \$150,000.00. **OCFO (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 6-23-21)**

OFFICE OF THE AUDITOR GENERAL

7. Submitting reso. autho. Fiscal Year 2020-2021 Budget Amendments and Transfers to Remedy Anticipated Deficits. **(Under State of Michigan Public Act 2 of 1968 (the “Uniform Budgeting and Accounting Act”) and the 2012 Detroit City Charter, the City cannot incur expenditures in an appropriation account in excess of the amount appropriated by the Detroit City Council. The OCFO closely monitors expenditures throughout the year to manage and mitigate deficit risks. After reviewing projected year-end activity for the fiscal year ending June 30, 2021 (Fiscal Year 2020-2021), the OCFO – Office of Budget is recommending various appropriation changes to remedy anticipated appropriation deficits, as outlined in the attached resolution and schedules of changes.) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 6-23-21)**
8. Submitting reso. autho. American Rescue Plan Act Fiscal Recovery Funds Budget Amendment. **(On May 10, 2021, the United States Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds (the “Fiscal Recovery Funds”), established by the American Rescue Plan Act of 2021 (“ARPA”), to provide \$350 billion in emergency funding for eligible state, local, territorial, and Tribal governments to recover from the COVID-19 pandemic. Detroit has been awarded \$826 million, the fifth largest amount of any city in America, to address our budget shortfalls and invest in our community. We have already received the first half of \$413 million and will receive the second half in May 2022. We must fully spend the funds by December 31, 2024. Any unspent funds go back to the federal government.) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 6-23-21)**

MISCELLANEOUS

9. **Council President Brenda Jones** submitting memorandum relative to Detroit Resident Hiring Plan. **(REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 6-23-21)**
10. **Council President Brenda Jones** submitting memorandum relative to American Rescue Plan Proposal Resolution Amendments. **(REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 6-23-21)**
11. **Council President Pro-Tem Mary Sheffield** submitting memorandum relative to Reparations Ballot Initiative Inquiry. **(REFERRED TO THE BUDGET, FINANCE**

Budget, Finance and Audit Standing Committee
Wednesday, June 23, 2021

AND AUDIT STANDING COMMITTEE ON 6-23-21)