

City of Detroit



Downtown Development Authority

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**DOWNTOWN DEVELOPMENT AUTHORITY
FINANCE COMMITTEE MEETING
WEDNESDAY, MAY 23, 2018 – 2:30 P.M.**

COMMITTEE MEMBERS PRESENT:

David Blaszkiewicz
Sonya Delley
John Naglick, Chair
Steve Ogden

COMMITTEE MEMBERS ABSENT:

None

OTHERS PRESENT:

Gay Hilger (DEGC/DDA)
Malinda Jensen (DEGC/DDA)
Paul Kako (DEGC/DDA)
John Lauve (Public)
Glen Long (DEGC/DDA)
Rebecca Navin (DEGC/DDA)

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**MINUTES OF THE DOWNTOWN DEVELOPMENT AUTHORITY
FINANCE COMMITTEE MEETING
WEDNESDAY, MAY 23, 2018
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD STREET, SUITE 2200 – 2:30 P.M.**

GENERAL

Call to Order

Noting that a quorum was present, Chairman Naglick called the meeting of the Downtown Development Authority Finance Committee to order at 2:35 p.m.

Ms. Navin introduced Mr. Paul Kako, a new staff attorney with DEGC. Paul is a recent University of Michigan Law School graduate who was just sworn in yesterday. He is on a fellowship with DEGC for up to 12 months. The Finance Committee members welcomed Mr. Kako.

Approval of Minutes of October 30, 2017 Meeting

Mr. Naglick asked if there were any additions, deletions or changes to the minutes of the September 19, 2017 Finance Committee meeting.

Hearing none, the Committee took the following action:

On a motion by Mr. Ogden, seconded by Mr. Blaszkiewicz, the minutes of the October 30, 2017 Finance Committee meeting were unanimously approved.

PROJECTS

ADMINISTRATION

DDA Budget for FY 2018-19

Ms. Jensen reviewed the proposed DDA budget for the fiscal year beginning July 1, 2018 through June 30, 2019.

Mr. Long advised that the budget is similar to last year's budget. You will see a decrease in revenue side due to a decrease in fees for the Event Center. You will see an increase in the revenue side on the one mill because the actuals came in with a \$47,000 increase. Other than that, the revenue items are basically the same. Interest income has also increased.

On the expense side, the insurance exceeded what we expected this year, so we increased that by \$15,000 to match actual for this year. It went up because we are fighting multiple lawsuits. There are no major changes.

Mr. Blaszkiewicz questioned the \$190,000 and why it was listed as a revenue item instead of a net item. Mr. Long responded that he had followed the practice that was done before he started working at DEGC.

Mr. Blaszkiewicz asked where the fund balance is. Mr. Long stated that it is not listed on the budget, but as the operating fund stands today, the balance is \$4,038,427, which is a year's worth of reserves.

Mr. Naglick requested that at a future Finance Committee, Mr. Long present walk the Committee through a month-by-month cash flow of the development Long, as he has done in the past.

With there being no further questions, the Finance Committee took the following action:

On a motion by Mr. Blaszkiewicz, seconded by Mr. Ogden, the Finance Committee unanimously agreed to recommend to the full Board of Directors, authorization to submit the proposed budget to City Council.

OTHER MATTERS

PUBLIC COMMENT

Mr. Naglick called for public comment and stated that they would have two minutes.

Mr. John Lauve of Holly, Michigan stated the following:

"I haven't seen a document, the annual report, that is required. I don't know if it has been filed. I don't know if you've already seen it. In the past, the only way it seems to be published is when I request it. So, if you want me to turn in a FOIA request or do something in that regard, I'll do that, so I'd like to see that. In the past, it has the number of jobs created as N/A. I don't know what N/A means, because there is no [inaudible]..."

As far as the kids tickets goes, we'll talk about that shortly. Maybe they don't want to go."

Mr. Long informed that DDA is current with all of its annual reports. They can't be done until the fiscal year is done June 30, 2018. The 2017 Annual Report was published.

ADJOURNMENT

With there being no other business to be brought before the Committee, Mr. Naglick adjourned the meeting at 2:47 p.m.