



## COUNCIL ACTION SUMMARY SHEET

**MEETING DATE:** May 11, 2026

**TOPIC** Adoption of FY 2026-27 Budget and Millage Rates

### BACKGROUND BRIEF:

Village Council is scheduled to adopt the Village of Lake Orion FY 2026-27 Budget and millage rates after conducting a public hearing as required by the Michigan Uniform Budgeting and Account Act.

The Village Council held four work sessions in April to review and consider modifications to the draft budget. The changes made by the Council are reflected in the final proposed budget.

The proposed budget includes \$8,715,292 in total revenues for all funds except DDA-reflated funds and \$8,510,873 in expenditures. The Village's taxable value for the ensuing fiscal year will be \$211,191,000. After DDA capture, the Village's net taxable value is estimated at \$163,518,770. The Village is proposing to levy 9.7844 mils for Charter general operating purposes, 2.5689 mils for police operating, and 1.0094 mils under the voter-approved Headlee override millage also for police operations. The total millage rate will increase by 0.7313 mil from Fiscal Year 2025-26.

Alternatively, the Village Council may opt to levy special assessments for police services, capital equipment, and housing pursuant to Michigan Public Act 33 of 1951. If the Council opts levy the special assessments, the Village's general operating millage rate would be reduced by 3.0761 mils from 9.7844 mils to 6.7083 mils. The police operating and Headlee override millages would be reduced from 3.5783 mils to 0 mils, and special assessments would be levied on real property only for police services and capital needs in the total amount equivalent to 5,8068 mils. The net result is a reduction in taxes for property owners equal to 0.8476 mils. Council Member Comparoni requested that this option be placed back on the Council agenda for consideration.

Attached are proposed FY 2026-27 General Appropriations Act resolutions and budgets reflecting both options for consideration by the Village Council.

### SUMMARY OF PREVIOUS COUNCIL ACTION:

04/15/2026, 04/20/2026, 04/22/2026, 04/23/2026 – Council held budget work sessions to review and discuss the proposed FY 2026-27 budget and the DDA proposed budget; Council requested that a mo5o4 pool fund be created for Public Works equipment replacement with the Village Manager's recommendation on an initial contribution to the new fund.

**FINANCIAL IMPACT:**

Please refer to the attached General Appropriations Act resolution and proposed budget for detail.

**RECOMMENDED MOTION:**

To adopt the General Appropriations Act Resolution providing for the general appropriations of the Village for FY 2026-27; adopting the FY 2026-27 budget and operating tax levies pursuant to the Michigan Uniform Budgeting and Accounting Act and Village Charter; and authorizing certain transfers between budget activities.