



COUNCIL ACTION SUMMARY SHEET

MEETING DATE: April 27, 2026

TOPIC Revised Policy Assessing a Reasonable Fee for the Handling and Auditing of DDA Funds

BACKGROUND BRIEF:

Administration is requesting that Council adopt a resolution revising the policy for the assessment of the reasonable fee for the handling and auditing of the funds of the Lake Orion Downtown Development Authority. The revised policy clarifies those costs that are outside the scope of work and fee charged by the Village, clarifies the fiscal year dates for which the fee is charged, and establishes the FY 2026-27 fee.

The need for this revised policy was prompted by a complaint by the DDA Executive Director that the policy did not address the tax collection fee charge by Orion Township to the Village and, therefore, the DDA should not have to pay its pro rata share of the cost for tax collection. Administration concurred that the current policy did not specifically address this matter, and the Village covered the DDA's \$9,000 share of the Township's tax collection fee. The Village should not be required to bear this cost in future years.

SUMMARY OF PREVIOUS COUNCIL ACTION:

06/09/2025 – Council adopted the current resolution establishing the reasonable fee for the handling and auditing of DDA funds.

FINANCIAL IMPACT:

The fee to the DDA will increase from \$62,643 to \$69,841. The revised policy also clarifies that the DDA is responsible for its prorated share of the Orion Township tax collection fee, estimated at approximately \$9,000.

RECOMMENDED MOTION:

To adopt the revised Resolution Assessing a Reasonable Pro Rata Share of the Funds of the Lake Orion Downtown Development Authority for the Cost of Handling and Auditing the Funds of the DDA Against the Funds of the Authority Pursuant to MCL 125.4228(2).