



COUNCIL ACTION SUMMARY SHEET

MEETING DATE: June 8, 2026

TOPIC Michigan Municipal League (MML) Insurance renewal 2026-2027

BACKGROUND BRIEF: The Village Liability and Property Insurance will expire June 30, 2026. The renewal premium for the Liability and Property insurance renewal for the Village of Lake Orion effective July 1, 2026-2027 with the MML Liability & Property Pool is \$78,195, compared to the expiring premium of \$73,313. This is a premium increase of \$4,882.

There are a couple reasons for the change in premium:

- a) The property values increased by \$163,719 to a 4% inflation guard
- b) The total payroll increased by \$139,385
- c) There was a small rate increase for the MML Pool

The Board of Directors of the MML Liability & Property Pool voted to return another post renewal dividend in 2026 to renewing Members. The Village of Lake Orion's portion of the dividend return is about \$2,420. The Village of Lake Orion will receive the dividend the month after paying the renewal premium.

FINANCIAL IMPACT: The 2026–2027 premium cost is \$78,195. The current budget includes \$76,840 in Account No. 101-851-911-000, which was calculated using a projected 4% increase over the 2025–2026 premium. The actual premium reflects a 6.66% increase, resulting in a budget shortfall of \$1,355. A budget amendment in the amount of \$1,355 will be required to cover the additional expense.

RECOMMENDED MOTION:

#1 To approve the liability and property insurance renewal proposal of the Michigan Municipal League (MML) in the amount of \$78,195 and authorize the Village Manager to sign the contract subject to review by the Village Attorney.

#2 To authorize Clerk/Treasurer Stout to complete the budget amendment BA-2026-101-851-01 increasing GL 101-851-911-000 by \$1355 for fiscal year 2026-2027.