AGENDA

SPECIAL MEETING OF THE VILLAGE COUNCIL - WATER AND SEWER SYSTEMSFUNDING

Tuesday, June 30, 2026

5:00 PM

Village Hall – 21 East Church Street, Lake Orion, MI 48362

(248) 693-8391 ext. 102

ADDRESSING THE VILLAGE COUNCIL: Each person wishing to address the Village Council shall be afforded an opportunity to do so. If you wish to comment, please stand or raise a hand to indicate that you wish to speak. When recognized, give your name and address and direct your comments to the Chair.

PURPOSE OF SPECIAL MEETING

The purpose of the special meeting of the Lake Orion Village Council is to consider funding options for water and sewer systems. The proposed FY 2026-27 water and sewer rates will be a subject of discussion and possible action.

Final Budget Amendments for Fiscal Year 2026-2027 will be discussed if any.

1. **Call to Order**
2. **Roll Call and Determination of Quorum**
3. **Call to the Public**
4. **Other Items**
   - A. Consideration of Funding Options for Water and Sewer Systems
   - B. Budget Amendments-Various Year End
5. **Call to the Public**
6. **Adjournment**

In the spirit of compliance with the Americans with Disabilities Act, individuals with a disability should feel free to contact the Village, at least three (3) business days in advance of the meeting, if requesting accommodations. The Village of Lake Orion will provide foreign language or hearing impaired *interpretation services for those individuals who contact the village to request such services at least seven (7) days prior to the meeting.*

En el espíritu de la observancia de la Ley de Estadounidenses con Discapacidades, las personas con discapacidad debe sentirse libre para ponerse en contacto con el pueblo, por lo menos tres (3) días hábiles de antelación a la fecha de la reunión, si se solicitan alojamiento. El municipio de Lake Orion proporcionará idioma extranjero o personas con problemas de audición servicios de interpretación para las personas que se ponen en contacto con el pueblo de solicitar dichos servicios con no menos de siete (7) días antes de la reunión.

Village of Lake Orion
EST 1859

COUNCIL ACTION SUMMARY SHEET

MEETING DATE: June 30, 2026

TOPIC Consideration of Funding Options for Water and Sewer Systems

BACKGROUND BRIEF:

Council is scheduled to consider funding options for the Village of Lake Orion water and sewer systems for FY 2026-27.

SUMMARY OF PREVIOUS COUNCIL ACTION:

06/18/2026 – Council held a work session to review the proposed FY 2026-27 water and sewer rates.

06/22/2026 – Council received a presentation from Public Works Director Sanchez on the calculations for the proposed FY 2026-27 water and sewer rates and held a public hearing on the proposed rates. A motion to approve the rates failed on a 3-4 vote.

FINANCIAL IMPACT:

To be determined

RECOMMENDED MOTION:

To be provided

Darwin McClary

From: George Dandalides
Sent: Thursday, June 25, 2026 9:46 AM
To: Darwin McClary
Cc: Sonja Stout; Teresa Rutt; Lynsey Blough
Subject: Thought Starters for Tuesday's Water/Sewer Rate Discussion
Attachments: 3-9-2026 CIP Funding Strategies - Goal 2-Objective 2-2 CASS.pdf

Darwin,

Please see the attached from March of this year. This is what I had put together for potential solutions to eliminating the increases in water/sewer rates as we complete phases 2 & 3 of the sewer pump stations. I believe most of these are still potentials.

I would appreciate it if you would 1) forward this email with the attachment to the rest of council, soliciting their ideas and thoughts to be considered as well on Tuesday, and 2) include this email and attachment in the meeting packet for Tuesday's meeting.

Thank you,

George

COUNCIL ACTION SUMMARY SHEET

MEETING DATE: **March 9, 2026**

TOPIC: **Goal 2, Management of the CIP, Objective 2.2 Investigate Alternative Funding Strategies – eliminate funding and operational redundancies and establish new revenue sources or cost reductions**

PREPARED BY: **George Dandalides**

BACKGROUND BRIEF: During the goal setting working sessions held January 26, 2026, and February 9, 2026, council established Goal 2, Management of the CIP, Objective 2.2 Investigate Alternative Funding Strategies – eliminate funding and operational redundancies and establish new revenue sources or cost reductions.

The village is currently facing substantial financial needs for infrastructure and the current CIP places significant burden on village residents through increased water/sewer rates, significant additional bond debt, and special assessments. Both Village Council and Village Administration have an obligation to look at all opportunities to lessen that burden on our residents, and this goal was established as a step to identify and execute some of those opportunities.

As a first step, council and administration should work together toward a target of completing Phases 2 and 3 of the sewer pump station project with no additional increases in water/sewer rates. I believe this can be accomplished with a combination of funding alternatives including:

- Fiscal year budget reductions utilizing funds to offset future bond debt
    - Charter revision to eliminate compensation to village council for meeting attendance.
    - Operate the cemeteries at cost neutral vs. operating at a loss - $70,000 cost in current year budget
    - Lifeguards at Green's Park - $35,470 in the current year budget
    - Redundant cost/expenditures between the village and the DDA – Office location, support staff, maintenance and repairs
    - Serious look at the cost of employee healthcare – are we competitive? $310,000 in the current year budget
    - Village contributions to staff retirement plans currently at 10-25% of base salary annually with no required employee contribution.
    - Inconsistencies in reimbursement for staff use of personal vehicles for village business – range for actual mileage reimbursement to $8,300 annual stipend in the current budget year.

- Revenue generation
    - Paid parking in the village
- Leveraging our investments
    - Leverage the interest earned in the Oakland County Investment Pool – interest earned in calendar year was $151,962 (4% return on $3.5 million principal)
    - We are currently carrying an average balance of $5 million in our village checking account, with roughly $500,000 debits and offsetting credits monthly. This account is earning 0.05%. Could we consider carrying a lower balance (perhaps $1.5 million) in this low yield account by moving $3.5 million to the Oakland County Investment Pool earning 4%. This could generate another $150,000 annually to offset future bond debt.
- A critical look at DDA funding
    - The village and the DDA will ultimately need to work together to insure the DDA District is "right- sized" to adequately meet the needs of both the village and the DDA. We need to ask the question "is our current situation sustainable"?

Working through the details will require some very difficult discussions, however, they are necessary to address the financial situation of the village. My proposal is to form a council subcommittee to include up to three council members, the village staff, and representation from the DDA to fully investigate alternative funding strategies, with recommendations from that subcommittee taken back to both council and the DDA board for approval and execution. ***Again, the goal is to develop a plan of alternative funding sources to complete Phases 2 and 3 of the sewer pump stations with no further increases in water/sewer rates***.

SUMMARY OF PREVIOUS COUNCIL ACTION: During the goal setting working sessions held January 26, 2026, and February 9, 2026, council established Goal 2, Management of the CIP, Objective 2.2 Investigate Alternative Funding Strategies – eliminate funding and operational redundancies and establish new revenue sources or cost reductions. No further action has been taken.

FINANCIAL IMPACT: The intention of this action is to identify and implement alternative funding opportunities for completion of Phases 2 and 3 of the sewer pump station project without additional water/sewer rate increases. This will potentially have significant impact on the village budget, the DDA budget, and the village CIP. Any recommendations made by the subcommittee would be brought before the council for discussion and approval.

RECOMMENDED MOTION: To form a subcommittee consisting of three council members, the Village Manager, the Clerk/Treasurer, other members of the village staff (at the Manager's recommendation), and a representative from the DDA (at the recommendation of the DDA Board) to investigate alternative funding sources for the completion of Phases 2 and 3 of the sewer pump station project. Areas to investigate to include (but not limited to) budget reductions, revenue generation, leveraging village investments, and DDA funding. The goal of the subcommittee is to identify recommendations sufficient to complete Phases 2 and 3 of the sewer pump station project without further increases in the village water/sewer rates. Target timing for the subcommittee to complete their work and report back to the full council at the April 27, 2026 regular council meeting.

RECOMMENDED MOTION: To appoint council members ____________, ___________, and ____________ to the Sewer Pump Station Phases 2 and 3 alternative funding source subcommittee.

SUGGESTIONS FOR WATER AND SEWER FUNDING

SUGGESTION	PROS	CONS
Charter revision to eliminate compensation to Village Council for meeting attendance	Will generate between $2,000 and $3,000 annually in cost savings; savings to General Fund could be used toward debt payment	Requires vote of electors; cost to draft proposal and place on ballot; cannot be accomplished this year; current pay hardly covers Council Members' cost to attend meetings; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Operate cemeteries at cost neutral vs. operating at a loss - $70,000 cost in current year budget	Potential cost savings or revenue enhancement to close cemetery funding gap; savings to General Fund could be used toward debt payment	No clear and stable solution on how to accomplish this other than levying cemetery millage or increasing cemetery fees; increased fees will not guarantee elimination of funding gap; cost savings will most likely fluctuate from year to year; funding gap is $27,000 rather than $70,000; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Lifeguards at Green's Park eliminated	Potential cost savings; savings to General Fund could be used toward debt payment	Will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Redundant costs/expenditures between Village & DDA eliminated (office location, support staff, maintenance & repairs)	Potential cost savings; savings to General Fund could be used toward debt payment	Cost savings unknown and unstable; Village hall is outside DDA district; staffing redundancies unknown; maintenance and repair savings unknown; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems

SUGGESTION	PROS	CONS
Analyze cost of employee health care	Potential cost savings; savings to General Fund could be used toward debt payment; estimated cost savings for 2026-27 could be up to $60,000 annually depending on hard cap or 80/20 option	Cost savings fluctuates annually, making it an unstable and unreliable funding source; potential negative impact on staffing morale and ability to attract and retain employees; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Village contributions to staff retirement plans currently at 10-25% of base salary annually with no required employee contribution	Potential cost savings; savings to General Fund could be used toward debt payment	Changes would require renegotiation of existing employment agreements if employees are willing; most employees are required to contribute 5% of base wages toward retirement plan; potential negative impact on staff morale and ability to attract and retain employees; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Reimbursement for staff use of personal vehicles for village business	Potential cost savings; savings to General Fund could be used toward debt payment; estimated savings of $8,600 for 2026-27	Changes would require renegotiation of existing employment agreements if employees are willing; potential negative impact on staff morale and ability to attract and retain employees; will need LTGO or UTGO blods that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Establish paid parking downtown	Potential revenue generation	Savings to General Fund uncertain, as General Fund currently has little or no expense for parking; uncertain as to whether parking revenue could be used for water and sewer systems and could potentially divert revenue from parking improvements and parking enforcement to unrelated uses; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option

SUGGESTION	PROS	CONS
Leveraging investments	Potential revenue enhancement; additional revenue from General Fund could be used toward debt payment	$5 million investment figure includes monies belonging to other funds of which interest income cannot be diverted to water and sewer systems; ROI fluctuates and is not a stable revenue source; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option
Critical look at DDA funding	Can use DDA's 75/25 funding for infrastructure projects within DDA district	Most likely cannot use DDA funds for projects outside the DDA district; DDA funding fluctuates based on TV and, more importantly, millage rates levied within the district, creating an unstable funding source; will require LTGO or UTGO bonds that count toward debt limit; revenue bonds are not an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Increase water and sewer rates annually as necessary	Provides sufficient and sustainable revenue on an annual basis to fully fund operations, improvements, and debt retirement; customers pay for what they use with the systems rather than based on the value of their property; revenue bonds that do not count toward village's debt limit are an option	Water and sewer rates are high and some customers struggle to pay; many customers are dissatisfied with the high rates

Village of Lake Orion Water system

CURRENT RATE CHARGES & NUMBER OF CUSTOMERS

Customers Are Invoice **QUARTERLY PER**

CURRENT CHARGES RATE CLASS 1

Village of Lake Orion Water system

TYPE OF UNITS INVOICED	100 CUFT	NOTES
COST PER 100 CUBIC FT.	$7.30	
INVOICES PER YEAR	4	

METER SIZE IN INCHES	CURRENT "BASE RATE" CHARGE $	NUMBER OF METERS / REU'S	INVOICES PER YEAR	ANNUAL INCOME
3/4	$97.66	1188	4	$464,080
1	$122.08	283	4	$138,191
1 1/2	$341.78	31	4	$42,381
2	$654.28	17	4	$44,491
3	$1,464.89	3	4	$17,579
4			4	$0
6			4	$0
8			4	$0
10			4	$0
12			4	$0
	TOTALS	1522		$706,722

METER EQUIVALENTS BY SIZE AND COST RATIO

100%

2026 YEAR 1	CURRENT CHARGES RATE CLASS 1 Village of Lake Orion Water system					
METER SIZE IN INCHES	NUMBER OF METERS / REU'S	INVOICE FREQUENCY	TOTAL CUSTOMERS ALL ENTITIES	SELECTED METER EQUIVALENT	CALCULATED METER EQUIVALENT USED	ANNUAL METER EQUIVALENTS
3/4	1188	4	1188	1.00	1.00	4,752
1	283	4	283	1.78	1.78	2,012
1 1/2	31	4	31	4.00	4.00	496
2	17	4	17	7.11	7.11	484
3	3	4	3	16.00	16.00	192
4	0	4	0	0.00	0.00	
6	0	4	0	0.00	0.00	
8	0	4	0	0.00	0.00	
10	0	4	0	0.00	0.00	
12	0	4	0	0.00	0.00	
TOTAL	1522		1522			
					RATE CALCULATION	7,936

A 3/4 inch meter or pipe has an area of .442 square inches.

If the 3/4 inch meter is considered the standard meter for a residential customer then it becomes 1 Meter Equivalent.
A 3/4 inch meter / pipe is equivalent to .442 inches. Larger meter / pipe diameters are converted to square inches and divided by .442 to determine the number of Meter Equivalent units.

For instance a 1 inch meter is .785 square inches.
When you divide .785 square inches by .442 square inches you get 1.78. Thus a 1 inch meter when compared to a 3/4 inch meter has an Meter Equivalent

Village of Lake Orion Water system

BALANCE PER BOOKS

CHECKING ACCOUNTS

Name of Account / Description		Balance
Cash savings - water/sewer fund	592-000-002-000	$1,654,675.00
assets cash	592-000-001-000	$17,323.00
	Total Balance	**$1,671,998**
	RESTRICTED	$0
	TOTAL CASH BALANCE	**$3,864,514**

APPLIED TO RESERVE ACCOUNTS	
EQUIPMENT REPLACEMENT # 1	$100,000
ASSET REPLACEMENT # 2	$0
ASSET REPLACEMENT # 3	$0
CAPITAL IMPROVEMENT	$30,000
LAGOON CLEANING	$0
TOTAL APPLIED TO RESERVE ACCOUNTS	**$130,000**
BALANCE REMAINING FOR ANNUAL EXPENSES	**$3,734,514**

BALANCES WERE OBTAINED ON DATE OF **Jun-26**

GENERAL RESERVE ACCOUNTS

INCLUDING RRI, INTEREST & REDEMPTION - ETC

Name of Account / Description		Balance
investment/lgip county inv	592-000-010-000	$2,118,522
cash savings- water sewer	592-000-002-001	$6,526
cash-payroll savings	592-000-011-000	$67,468
	Total Balance	**$2,192,516**

MICHIGAN RURAL WATER ASSOCIATION RATE EVALUATION PROGRAM

PRIOR YEAR ACTUALS EXPENSES (**COMPARISON PURPOSES ONLY**)

Village of Lake Orion Water system

2024/2024 ACTUAL	2025/2026 Amended	ACCT #	OPERATING EXPENSES	PROPOSED BUDGET FOR FISCAL YEAR 2026	YEAR 2 PROJECTED BUDGET 2027	YEAR 3 PROJECTED BUDGET 2028	YEAR 4 PROJECTED BUDGET 2029	YEAR 5 PROJECTED BUDGET 2030
			ANNUAL PERCENT INCREASE		3.00%	3.00%	3.00%	3.00%
$3,523	$7,000	592-260-805-000	Audit Fees	$3,605	$3,713	$3,825	$3,939	$4,057
$0	$2,000	592-260-852-000	Miss Dig	$2,060	$2,122	$2,185	$2,251	$2,319
$127,436	$133,808	592-260-959-000	Financial Administration	$68,911	$70,978	$73,108	$75,301	$77,560
$19,143	$66,266	592-556-701-000	Wages	$68,254	$70,302	$72,411	$74,583	$76,820
$297	$4,000	592-556-701-013	Overtime	$4,120	$4,244	$4,371	$4,502	$4,637
$5,709	$5,289	592-556-715-000	Social Security	$5,448	$5,611	$5,780	$5,953	$6,132
$11,677	$13,860	592-556-716-000	Health Insurance- Medical	$14,276	$14,704	$15,145	$15,600	$16,068
$1,021	$1,111	592-556-717-000	Life - Disability Insurance	$1,145	$1,179	$1,215	$1,251	$1,289
$1,589	$1,596	592-556-718-000	Dental Insurance	$1,644	$1,693	$1,744	$1,796	$1,850
$93,226	$92,281	592-556-719-000	Pension	$95,049	$97,900	$100,837	$103,863	$106,978
$273	$274	592-556-721-000	Vision Care	$282	$290	$299	$308	$317
$1,337	$2,600	592-556-722-000	Worker's Comp. Insurance	$2,678	$2,758	$2,841	$2,926	$3,014
$6,355	$4,181	592-556-726-000	Supplies	$4,000	$4,120	$4,244	$4,371	$4,502
$145	$1,500	592-556-741-000	Small Tools	$1,500	$1,545	$1,591	$1,639	$1,688
$561,040	$534,618	592-556-745-000	Water Purchase -Orion Township		$0	$0	$0	$0
$18,510	$16,000	592-556-801-000	Contract Services	$25,000	$25,750	$26,523	$27,318	$28,138
$7,976	$30,000	592-556-806-000	Engineering	$15,000	$15,450	$15,914	$16,391	$16,883
$99	$160	592-556-813-000	Legal Service	$165	$170	$175	$180	$186
$0	$3,000	592-556-931-000	Equip Repair & Maint - Misc.	$3,090	$3,183	$3,278	$3,377	$3,478
$6,653	$7,500	592-556-931-001	Equip Repair & Maint - Hydrant	$7,725	$7,957	$8,195	$8,441	$8,695
$4,575	$5,000	592-556-931-002	Equip Repair & Maint - Mains	$5,150	$5,305	$5,464	$5,628	$5,796
$915	$5,000	592-556-931-003	Equip Repair & Maint - Meters	$5,150	$5,305	$5,464	$5,628	$5,796
$32,921	$28,000	592-556-940-000	Equipment Rental	$28,840	$29,705	$30,596	$31,514	$32,460
$2,400	$2,800	592-556-956-000	Dues & Miscellaneous	$2,884	$2,971	$3,060	$3,151	$3,246
$1,194	$3,000	592-556-957-000	Education and Training	$3,090	$3,183	$3,278	$3,377	$3,478
$84,507	$40,000	592-556-975-000	Capital Improvement	$30,000	$30,900	$31,827	$32,782	$33,765
$280,000	$280,000	592-556-992-002	DRINKING WATER SRF BOND PRINCIPAL		$0	$0	$0	$0
$93,995	$88,496	592-556-995-000	DRINKING WATER SRF BOND INTEREST		$0	$0	$0	$0
		592-560-958-002	Water Depreciation		$0	$0	$0	$0
					$0	$0	$0	$0
$1,366,514	$1,379,340		TOTAL	$399,066	$411,038	$423,369	$436,070	$449,152

Village of Lake Orion Water system

EQUIPMENT REPLACEMENT SHORT LIVED ASSETS

2026

SHORT LIVED ASSETS SOMEWHERE BETWEEN 0-15 OR 20 YEARS

FIXED ASSET INVENTORY	THESE COLUMNS ARE OPTIONAL - HIDE THEM IF NOT USING					ASSET REPLACEMENT SCHEDULE							
EQUIPMENT LIST / MAINTENANCE ACTIVITY	DESCRIPTION / MAINTENANCE HISTORY	RATING GPM - ETC	MANUFACTURE MAKE / BRAND	MODEL #	LOCATION	ORIGINAL INSTALLATION YEAR OR LAST REHAB YEAR	ESTIMATED NORMAL INTENDED USEFUL LIFE	CURRENT AGE	NEXT ANTICIPATED REPLACEMENT YEAR	**REMAINING LIFE - YEARS BEFORE REPLACEMENT**	TOTAL REPLACEMENT COST	PERCENT OF ASSET LEFT	PERCENT CONSUMED
reliability study	updated every 5 yr.		NFE			2021	5	5	2026	**0**	$3,000	0%	100%
5/8-3/4" meters	1197 meters @ $120.00 each		neptune			2008	20	18	2028	**2**	$143,640	10%	90%
1" meters	213 meters @ $230.00 each		neptune			2008	20	18	2028	**2**	$48,990	10%	90%
1.5" meters	32 meters @ $575.00 each		neptune			2008	20	18	2028	**2**	$18,400	10%	90%
2" meters	15 meters @ $765.00		neptune			2008	20	18	2028	**2**	$11,475	10%	90%
3" meters	3 meters @ $2700.00		neptune			2008	20	18	2028	**2**	$8,100	10%	90%
r900 antenna	1460 total @ $96.00		neptune			2017	20	9	2037	**11**	$140,160	55%	45%
meter reading software upgrades	5000		neptune			2025	10	1	2035	**9**	$5,000	90%	10%
meter reading hardware	1 each @ $16,500.00		BSA			2013	20	13	2033	**7**	$16,500	35%	65%
											$395,265	26%	

EQUIPMENT REPLACEMENT SHORT LIVED ASSETS - RUNNING BALANCE SHEET

COST OF LIVING INCREASE	4.00%
CURRENT RESERVE BALANCE APPLIED TO THIS ACCOUNT - INCLUDES RRI BALANCE	$100,000
AVG. INTEREST RATE IN SAVINGS	0.10%
ANNUAL COLA ADJUSTMENT AS ADOPTED BY COUNCIL	0.00%
Annual Funding Applied to Budget / Rates	**$35,000**
USDA RURAL DEVELOPMENT "RRI" ANNUAL RESERVE - ALL LOANS	**$0**
USDA R.D. BOND RESERVE LOAN 1 BECOMES AVAILABLE FOR RRI IN YEAR OF	
USDA R.D. LOAN 1 ANNUAL BOND RESERVE(S)	
USDA R.D. BOND RESERVE LOAN 2 BECOMES AVAILABLE FOR RRI IN YEAR OF	
USDA R.D. LOAN 2 ANNUAL BOND RESERVE(S)	

YEAR	PURPOSE	ANNUAL REPLACEMENT EXPENDITURES WITH C.O.L.	FUNDING WITH COLA	RUNNING BALANCE
2026	**reliability study**	$3,000	**$35,000**	$132,135
2027		$0	$35,000	$167,267
2028		$249,053	$35,000	($46,619)
2029	meter change out	$0	$35,000	($11,666)
2030		$0	$35,000	$23,323
2031		$3,600	$35,000	$54,746
2032	reliability study	$0	$35,000	$89,801
2033		$21,120	$35,000	$103,771
2034	meter reading hardware	$0	$35,000	$138,874
2035		$6,800	$35,000	$167,213
2036		$4,200	$35,000	$198,180
2037		$201,830	$35,000	$31,548
2038		$0	$35,000	$66,580
2039		$0	$35,000	$101,646
2040		$0	$35,000	$136,748

EQUIPMENT REPLACEMENT SHORT LIVED ASSETS - RUNNING BALANCE SHEET

COST OF LIVING INCREASE	4.00%
CURRENT RESERVE BALANCE APPLIED TO THIS ACCOUNT - INCLUDES RRI BALANCE	$100,000
AVG. INTEREST RATE IN SAVINGS	0.10%

ANNUAL COLA ADJUSTMENT AS ADOPTED BY COUNCIL			0.00%	
2041		$4,800	$35,000	$167,085
2042		$0	$35,000	$202,252
2043		$0	$35,000	$237,454
2044		$0	$35,000	$272,692
2045		$8,800	$35,000	$299,164
2046		$5,400	$35,000	$329,063
				$208,000

Village of Lake Orion Water system

2026

DEBT SCHEDULE / AMORTIZATION SCHEDULE PRINCIPAL & INTEREST

	1	2	3	4	5	6	7	8	9	10
FISCAL YEAR STARTING	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2017 Water SRF	$360,391	$360,344	$360,207	$359,979	$364,662	$364,165	$363,577	$368,299	$362,131	$366,273
Water Main Replacements Phase 1&2										
DATE OF ISSUE: 2018										
DATE OF MATURITY: 2038										
PAID BY RATES: **YES**										
RESERVE REQUIREMENT: YES										
EXISTING + NEW	**$360,391**	**$360,344**	**$360,207**	**$359,979**	**$364,662**	**$364,165**	**$363,577**	**$368,299**	**$362,131**	**$366,273**

MICHIGAN RURAL WATER ASSOCIATION RATE EVALUATION PROGRAM

FINAL ANALYSIS RATE CALCULATION - CURRENT FISCAL YEAR	2026				RTS CHARGE			VOLUME CHARGE
Village of Lake Orion Water system	**ANNUAL BUDGET**	**PERCENT FIXED EXPENSES**	**ASSIGNED AS FIXED EXPENSES**	ANTICIPATED ANNUAL METER EQUIVALENTS	**COST PER METER EQUIVALENT**	**ASSIGNED AS VARIABLE EXPENSES**	ANTICIPATED EQUIVALENT UNITS	**$ COST PER 100 CUBIC FEET**
OPERATING EXPENSES	$399,066	35%	$139,673	7,936	**$17.60**	$259,393	108,117	**$2.399**
PURCHASED WATER	$566,695	35%	$198,343	7,936	**$24.99**	$368,352	108,117	**$3.407**
OPERATION & MAINTENANCE EXPENSES	$965,761		$338,016		**$42.59**	$627,745		**$5.806**
DEBT - PRINCIPAL & INTEREST ANNUAL PAYMENTS								
2017 Water SRF	$360,391	**100.00%**	$360,391	7,936	**$45.41**	$0	108,117	**$0.00**
ANNUAL DEBT PAYMENTS PRINCIPAL & INTEREST	$360,391		$360,391		**$45.41**	$0		**$0.00**
ANNUAL O & M + DEBT	$1,326,152		$698,407		**$88.00**	$627,745		**$5.81**
			53%			47%		
NON SALES INCOME	$0	35%	$0		$0.00	$0		$0.000
REVENUE COLLECTED THROUGH RATES	**$1,326,152**		**$698,407**			**$627,745**		
CALCULATED RATE O & M + DEBT	**METER EQUIVALENT**		**QUARTER**		**$88.00**			**$5.81**
			CURRENT RATE		$97.66			$7.30
RESERVES								
EQUIPMENT REPLACEMENT AVERAGE ANNUAL BUDGETED AMOUNT	$35,000	35%	$12,250	7,936	**$1.54**	$22,750	108,117	**$0.21**
EQUIPMENT REPLACEMENT & RESERVE REQUIREMENTS	$35,000		$12,250		**$1.54**	$22,750		**$0.21**
CAPITAL IMPROVEMENT AVERAGE ANNUAL BUDGETED AMOUNT	$50,000	35%	$17,500	7,936	**$2.21**	$32,500	108,117	**$0.30**
CAPITAL + EQUIPMENT & RRI RESERVES	$85,000		$29,750		**$3.75**	$55,250		**$0.51**
ADOPTED BUDGET	**$1,411,152**		**$728,157**	**7,936**		**$682,995**	**108,117**	
		35.00%	52%			48%		
REVENUE COLLECTED CALCULATED RATES	$1,411,152		$728,157			$682,995		
CALCULATED RATE PER METER EQUIVALENT				**PER QUARTER**	**$91.75**		**RATE PER 100 CUFT**	**$6.32**

ANNUAL METER EQUIVALENTS / REU'S COUNT	7,936	CURRENT RATES	$97.66	$7.30
ANTICIPATED ***EQUIVALENT*** GALLONS / UNITS	108,117	PERCENT INCREASE	-6.05%	-13.46%
INVOICES PER YEAR	4	INCREASE OF	($5.91)	($0.98)
TOTAL NUMBER OF CUSTOMERS / METERS	1,522	0		**$0.00**
ANTICIPATED UNITS INVOICED	10,811,668			
GALLONS USED	4,000			
AMOUNT OF BILL	$186.51			
PERCENT INCREASE	-10%	EVERY MILLION GALLONS GENERATES REVENUE OF		$6,317
NOTES				
PERCENT RESERVE	6.0%			

TYPICAL BILL COMPARISON USING NEW RATES

Village of Lake Orion Water system

	CURRENT RATES	NEW / CALCULATED RATES
RTS	$97.66	$91.75
COST PER UNIT	$7.30	$6.32

COST PER UNIT OF WATER **$6.32**

QUARTERLY

METER SIZE IN INCHES	CUBIC FT USED	VOLUME CHARGE	BASE RATE CHARGE	NEW BILL	OLD BILL	CHANGE IN BILL	PERCENT INCREASE
3/4	500	$31.59	$91.75	**$123.34**	$134.16	($10.82)	-8.1%
3/4	1,200	$75.81	$91.75	**$167.56**	$185.26	($17.70)	-9.6%
3/4	1,500	$94.76	$91.75	**$186.51**	$207.16	($20.65)	-10.0%
3/4	2,000	$126.34	$91.75	**$218.10**	$243.66	($25.56)	-10.5%
3/4	2,500	$157.93	$91.75	**$249.68**	$280.16	($30.48)	-10.9%

1	10,000	$631.72	$163.12	$794.84	$852.08	($57.24)	-6.7%
1 1/2	15,000	$947.58	$367.01	$1,314.59	$1,436.78	($122.19)	-8.5%
2	30,000	$1,895.16	$652.47	$2,547.63	$2,844.28	($296.65)	-10.4%
3	50,000	$3,158.60	$1,468.06	$4,626.66	$5,114.89	($488.23)	-9.5%
GALLONS INCLUDED MIN BILL				0	0		

TYPICAL BILL COMPARISON USING NEW RATES

Village of Lake Orion Water system

	CURRENT RATES	NEW / CALCULATED RATES
RTS	$97.66	$30.58
COST PER UNIT	$7.30	$6.32

COST PER UNIT OF WATER $6.32

MONTHLY

METER SIZE IN INCHES	CUBIC FT USED	VOLUME CHARGE	BASE RATE CHARGE	NEW BILL	OLD BILL	CHANGE IN BILL	PERCENT INCREASE
3/4	125	$7.90	$30.58	**$38.48**	$106.79	($68.30)	-64.0%
3/4	300	$18.95	$30.58	**$49.54**	$119.56	($70.02)	-58.6%
3/4	500	$31.59	$30.58	**$62.17**	$134.16	($71.99)	-53.7%
3/4	750	$47.38	$30.58	**$77.96**	$152.41	($74.45)	-48.8%
3/4	1,000	$63.17	$30.58	**$93.76**	$170.66	($76.90)	-45.1%
1	2,200	$138.98	$54.37	$193.35	$282.68	($89.33)	-31.6%
1 1/2	2,800	$176.88	$122.34	$299.22	$546.18	($246.97)	-45.2%
2	3,500	$221.10	$217.49	$438.59	$909.78	($471.19)	-51.8%
3	4,200	$265.32	$489.35	$754.68	$1,771.49	($1,016.82)	-57.4%
GALLONS INCLUDED MIN BILL				0	0		

Village of Lake Orion Sanitary Sewer system

CURRENT RATE CHARGES & NUMBER OF CUSTOMERS

Customers Are Invoice **QUARTERLY PER**

CURRENT CHARGES RATE CLASS 1				
Village of Lake Orion Sanitary Sewer system				
TYPE OF UNITS INVOICED	100 CUFT	NOTES		
COST PER 100 CUBIC FT.	$8.97			
INVOICES PER YEAR	4			
METER SIZE IN INCHES	CURRENT "BASE RATE" CHARGE $	NUMBER OF METERS / REU'S	INVOICES PER YEAR	ANNUAL INCOME
3/4	$164.70	1081.00	4	$712,163
1			4	$0
1 1/2			4	$0
2			4	$0
3			4	$0
4			4	$0
6			4	$0
8			4	$0
10			4	$0
12			4	$0
TOTALS		1081		$712,163

RATE CLASS 2					
Sewer Multi Commercial					
TYPE OF UNITS INVOICED	100 CUFT	Ratio Entity # 2 vs. 1			
COST PER WATER UNIT	$8.97	1.00			
INVOICES PER YEAR	4				
METER SIZE IN INCHES	CURRENT "BASE RATE" CHARGE $	Ratio Entity # 2 vs. 1	NUMBER OF METERS / REU'S	INVOICES PER YEAR	ANNUAL INCOME
3/4	$164.83	1.00	123	4	$81,098
1	$293.04		32	4	$37,509
1 1/2	$659.34		21	4	$55,384
2	$1,172.15		12	4	$56,263
3	$2,637.35		4	4	$42,198
4				4	$0
6				4	$0
8				4	$0
10				4	$0
12				4	$0
			192		$272,453

METER EQUIVALENTS BY SIZE AND COST RATIO

100%

2026 YEAR 1	CURRENT CHARGES RATE CLASS 1		RATE CLASS 2					
	Village of Lake Orion Sanitary Sewer system		Sewer Multi Commercial					
METER SIZE IN INCHES	NUMBER OF METERS / REU'S	INVOICE FREQUENCY	NUMBER OF METERS / REU'S	INVOICE FREQUENCY	TOTAL CUSTOMERS ALL ENTITIES	SELECTED METER EQUIVALENT	CALCULATED METER EQUIVALENT USED	ANNUAL METER EQUIVALENTS
3/4	1081	4	123	4	1204	1.00	1.00	4,816
1	0	4	32	4	32	1.78	1.78	228
1 1/2	0	4	21	4	21	4.00	4.00	336
2	0	4	12	4	12	7.11	7.11	342
3	0	4	4	4	4	16.00	16.00	256
4	0	4	0	4	0	0.00	0.00	
6	0	4	0	4	0	0.00	0.00	
8	0	4	0	4	0	0.00	0.00	
10	0	4	0	4	0	0.00	0.00	
12	0	4	0	4	0	0.00	0.00	
TOTAL	1081		192		1273			
							ANNUAL METER ***EQUIVALENTS*** USED FOR RATE CALCULATION	5,978

MICHIGAN RURAL WATER ASSOCIATION RATE EVALUATION PROGRAM

PRIOR YEAR ACTUALS EXPENSES (**COMPARISON PURPOSES ONLY**)		**Village of Lake Orion Sanitary Sewer system**	**PROPOSED BUDGET FOR FISCAL YEAR**	**YEAR 2** PROJECTED BUDGET	**YEAR 3** PROJECTED BUDGET	**YEAR 4** PROJECTED BUDGET	**YEAR 5** PROJECTED BUDGET
		ANNUAL PERCENT INCREASE		**3.00%**	**3.00%**	**3.00%**	**3.00%**
2025/2026'	**ACCT #**	**OPERATING EXPENSES**	**2026**	**2027**	**2028**	**2029**	**2030**
$7,000	592-260-805-000	Audit Fees	**$3,640**	$3,749	$3,862	$3,978	$4,097
$2,000	592-260-852-000	Miss Dig	**$1,040**	$1,071	$1,103	$1,136	$1,171
$133,808	592-260-959-000	Financial Administration	**$69,580**	$71,667	$73,817	$76,032	$78,313
$34	592-548-722-000	Worker's Comp. Insurance	**$35**	$36	$37	$38	$39
$840	592-548-726-000	Supplies	**$865**	$891	$918	$945	$974
$505,872	592-548-801-000	Contract Services		$0	$0	$0	$0
$577,778	592-548-831-000	Sewage Disposal Costs		$0	$0	$0	$0
$5,803	592-548-975-001	Capital Improvements - SAW	**$6,035**	$6,216	$6,403	$6,595	$6,792
$68,129	592-548-992-000	DRAIN BOND PRINCIPAL	**$78,531**	$80,887	$83,314	$85,813	$88,387
$20,527	592-548-995-000	Bond Interest	**$21,649**	$22,298	$22,967	$23,656	$24,366
$136,500	592-560-968-000	Sewer Depreciation	**$123,587**	$127,295	$131,113	$135,047	$139,098
$1,594,791		TOTAL	**$304,962**	**$314,111**	**$323,534**	**$333,240**	**$343,237**

Village of Lake Orion Sanitary Sewer system

PROPOSED NEW LOAN CALCULATION

No Tax revenue or special assessment revenue is applied to these payments

PROPOSED NEW DEBT - TOTAL FUNDED	$8,000,000
INTEREST RATE	4.00%
LENGTH OF LOAN **(YEARS)**	20
ANNUAL PAYMENT	**$588,654**
ANNUAL "METER *EQUIVALENTS*"	5,978
ESTIMATED COST PER METER EQUIVALENT PER BILLING PERIOD	**$98.46**
LOAN ORIGINATION YEAR	2026
WHAT YEAR IS LOAN PAID OFF	2046
IS DEBT LISTED SEPARATELY ON WATER BILL	

IF USDA RD LOAN - ESTIMATED RESERVE REQUIREMENTS	
ESTIMATE BOND RESERVE = 10% OF PAYMENT	0
ESTIMATE USDA RRI ANNUAL RESERVE = 10% OF PAYMENT	0
ESTIMATED USDA TOTAL RESERVE	$0
ESTIMATED COST FOR USDA RESERVE FUNDING PER METER EQUIVALENT PER BILLING PERIOD	
TOTAL ESTIMATED TOTAL COST PER METER EQUIVALENT FOR LOAN AND RESERVE FUNDING	$98.46

NOTE: ***USDA LOANS ONLY*** -
ONCE BOND RESERVE IS FULLY FUNDED IN YEAR 10 - ALL BOND RESERVE ANNUAL FUNDING WOULD SHIFT TO RRI FUNDING. THUS THE TOTAL ANNUAL FUNDING WOULD NOT CHANGE FOR THE LIFE OF THE LOAN. THE RRI ANNUAL FUNDING OF 10% IS JUST A STARTING POINT / GUESS OF WHAT IS TYPICAL. THIS WILL BE ADJUSTED BASED ON EACH INDIVIDUAL SYSTEM.

Village of Lake Orion Sanitary Sewer
2026
DEBT SCHEDULE / AMORTIZATION SCHEDULE PRINCIPAL & INTEREST

	1	2	3	4	5	6	7	8	9	10
FISCAL YEAR STARTING	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
NAME OF LOAN	$293,900	$293,827	$292,327	$290,577	$288,577	$286,327	$283,827	$286,077	$282,827	$279,327
PURPOSE OF LOAN										
DATE OF ISSUE: 2025										
DATE OF MATURITY: 2045										
PAID BY RATES: **YES**										
RESERVE REQUIREMENT: YES										
TOTAL CURRENT ANNUAL DEBT PAYMENTS	**$293,900**	**$293,827**	**$292,327**	**$290,577**	**$288,577**	**$286,327**	**$283,827**	**$286,077**	**$282,827**	**$279,327**
USDA RESERVE REQUIREMENTS	**$0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
TOTAL CURRENT ANNUAL DEBT PAYMENTS	**$293,900**	**$293,827**	**$292,327**	**$290,577**	**$288,577**	**$286,327**	**$283,827**	**$286,077**	**$282,827**	**$279,327**
ESTIMATED COST PER REU	$49.16	$41.69	$41.48	$41.23	$40.95	$40.63	$40.27	$40.59	$40.13	$39.64

***NEW* ANTICIPATED CAPITAL LOANS**	1 2026	2 2027	3 2028	4 2029	5 2030	6 2031	7 2032	8 2033	9 2034	10 2035
2026 phase 2&3	$588,654	$588,654	$588,654	$588,654	$588,654	$588,654	$588,654	$588,654	$588,654	$588,654
pump station improvements										
TOTAL AMOUNT FINANCED: $8,000,000										
COST PER REU: $98.46	$98.46	$83.53	$83.53	$83.53	$83.53					
DATE OF ISSUE: 2026										
DATE OF MATURITY: 2046										
PAID BY RATES: **yes**										
RESERVE REQUIREMENT										
RESERVE REQUIREMENT										
NEW ANTICIPATED CAPITAL LOANS	**$588,654**	**$588,654**	**$588,654**	**$588,654**	**$588,654**	**$588,654**	**$588,654**	**$588,654**	**$588,654**	**$588,654**
EXISTING + NEW	**$882,554**	**$882,481**	**$880,981**	**$879,231**	**$877,231**	**$874,981**	**$872,481**	**$874,731**	**$871,481**	**$867,981**

MICHIGAN RURAL WATER ASSOCIATION RATE EVALUATION PROGRAM

FINAL ANALYSIS RATE CALCULATION - CURRENT FISCAL YEAR	2026				RTS CHARGE			VOLUME CHARGE
Village of Lake Orion Sanitary Sewer system	ANNUAL BUDGET	PERCENT FIXED EXPENSES	ASSIGNED AS FIXED EXPENSES	ANTICIPATED ANNUAL METER EQUIVALENTS	COST PER METER EQUIVALENT	ASSIGNED AS VARIABLE EXPENSES	ANTICIPATED EQUIVALENT UNITS	$ COST PER 100 CUBIC FEET
OPERATING EXPENSES	$304,962	45%	$137,233	5,978	**$22.95**	$167,729	82,597	**$2.031**
WRC Operations and Maintenance	$500,100	45%	$225,045	5,978	**$37.64**	$275,055	82,597	**$3.330**
OPEN		45%	$0	5,978	**$0.00**	$0	82,597	**$0.000**
Sewer Treatment	$655,391	45%	$294,926	5,978	**$49.33**	$360,465	82,597	**$4.364**
OPERATION & MAINTENANCE EXPENSES	$1,460,453		$657,204		**$109.93**	$803,249		**$9.725**
DEBT - PRINCIPAL & INTEREST ANNUAL PAYMENTS								
NAME OF LOAN	$293,900	**100.00%**	$293,900	5,978	**$49.16**	$0	82,597	**$0.00**
NEW ANTICIPATED CAPITAL LOANS				5,978			82,597	
2026 phase 2&3	$588,654	100%	$588,654	5,978	**$98.46**	$0	82,597	**$0.00**
ANNUAL DEBT PAYMENTS PRINCIPAL & INTEREST	$882,554		$882,554		**$147.62**	$0		**$0.00**
ANNUAL O & M + DEBT	$2,343,007		$1,539,758		**$257.55**	$803,249		**$9.72**
			66%			34%		
NON SALES INCOME	**$40,000**	45%	**$18,000**		**$3.01**	**$22,000**		**$0.266**
REVENUE COLLECTED THROUGH RATES	**$2,303,007**		**$1,521,758**			**$781,249**		
CALCULATED RATE O & M + DEBT	**METER EQUIVALENT**		**QUARTER**		**$254.54**			**$9.46**
			CURRENT RATE		$164.70			$8.97
ADOPTED BUDGET	**$2,343,007**		**$1,539,758**	**5,978**		**$803,249**	**82,597**	
		45.00%	66%			34%		
REVENUE COLLECTED NEW CALCULATED RATES	$2,303,007		$1,521,758			$781,249		
REVENUE COLLECTED WITH CURRENT RATE CHARGES	**$1,867,108**							
CALCULATED RATE PER METER EQUIVALENT				**PER QUARTER**	**$254.54**	**RATE PER 100 CUFT**		**$9.46**

ANNUAL METER EQUIVALENTS / REU'S COUNT	5,978	CURRENT RATES	$164.70	$8.97
ANTICIPATED ***EQUIVALENT*** GALLONS / UNITS	82,597	PERCENT INCREASE	54.55%	5.45%
INVOICES PER YEAR	4	INCREASE OF	$89.84	$0.49
TOTAL NUMBER OF CUSTOMERS / METERS	1,273	Sewer Multi Commercial	**$254.75**	**$9.46**
ANTICIPATED UNITS INVOICED	8,259,709			
GALLONS USED	1,500			
AMOUNT OF BILL	$396.42			
PERCENT INCREASE	32%	EVERY MILLION GALLONS GENERATES REVENUE OF		$9,459
NOTES PERCENT RESERVE	0.0%			

TYPICAL BILL COMPARISON USING NEW RATES

Village of Lake Orion Sanitary Sewer system

	CURRENT RATES	NEW / CALCULATED RATES
RTS	$164.70	$254.54
COST PER UNIT	$8.97	$9.46

QUARTERLY

METER SIZE IN INCHES	CUBIC FT USED	NEW VOLUME CHARGE	NEW BASE RATE CHARGE	NEW BILL	OLD BILL	CHANGE IN BILL	PERCENT INCREASE
3/4	500	$47.29	$254.54	**$301.83**	$209.55	$92.28	44.0%
3/4	1,200	$113.50	$254.54	**$368.04**	$272.34	$95.70	35.1%
3/4	1,500	$141.88	$254.54	**$396.42**	$299.25	$97.17	32.5%
3/4	2,000	$189.17	$254.54	**$443.71**	$344.10	$99.61	28.9%
3/4	2,500	$236.46	$254.54	**$491.00**	$388.95	$102.05	26.2%

1	10,000	$945.86	$453.08	$1,398.94	$897.00	$501.94	56.0%
1 1/2	15,000	$1,418.78	$1,018.16	$2,436.94	$1,345.50	$1,091.44	81.1%
2	20,000	$1,891.71	$1,809.78	$3,701.49	$1,794.00	$1,907.49	106.3%
3	25,000	$2,364.64	$4,072.64	$6,437.28	$2,242.50	$4,194.78	187.1%
GALLONS INCLUDED MIN BILL				0	0		

TYPICAL BILL COMPARISON USING NEW RATES

Village of Lake Orion Sanitary Sewer system

	CURRENT RATES	NEW / CALCULATED RATES
RTS	$164.70	$84.85
COST PER UNIT	$8.97	$9.46

METER SIZE IN INCHES	CUBIC FT USED	NEW VOLUME CHARGE	MONTHLY NEW BASE RATE CHARGE	NEW BILL	OLD BILL	CHANGE IN BILL	PERCENT INCREASE
3/4	125	$11.82	$84.85	**$96.67**	$175.91	($79.24)	-45.0%
3/4	300	$28.38	$84.85	**$113.22**	$191.61	($78.39)	-40.9%
3/4	500	$47.29	$84.85	**$132.14**	$209.55	($77.41)	-36.9%
3/4	750	$70.94	$84.85	**$155.79**	$231.98	($76.19)	-32.8%
3/4	1,000	$94.59	$84.85	**$179.43**	$254.40	($74.97)	-29.5%
1	2,500	$236.46	$151.03	$387.49	$224.25	$163.24	72.8%
1 1/2	2,900	$274.30	$339.39	$613.68	$260.13	$353.55	135.9%
2	4,500	$425.63	$603.26	$1,028.89	$403.65	$625.24	154.9%
3	5,500	$520.22	$1,357.55	$1,877.77	$493.35	$1,384.42	280.6%
GALLONS INCLUDED MIN BILL				0	0		

VILLAGE OF LAKE ORION
COUNTY OF OAKLAND
STATE OF MICHIGAN

RESOLUTION NO. 2026 -___

A RESOLUTION ESTABLISHING SEWER AND WATER FEES AND CHARGES PURSUANT TO CHAPTERS 51 AND 53 OF THE VILLAGE OF LAKE ORION CODE OF ORDINANCES.

WHEREAS, Chapter 51 of the Village of Lake Orion Code of Ordinances permits the Village Council to establish certain sewer fees and charges by resolution of the Village Council at a regular meeting after a public hearing; and

WHEREAS, Chapter 53 of the Village of Lake Orion Code of Ordinances permits the Village Council to establish certain water fees and charges by resolution of the Village Council at a regular meeting after a public hearing; and

WHEREAS, The Village Manager has submitted recommendations on necessary adjustments to water and sewer fees and charges; and

WHEREAS, The Lake Orion Village Council held a public hearing on the proposed water and sewer fees and charges pursuant to Village code on June 22, 2026;

NOW, THEREFORE, BE IT RESOLVED that the Lake Orion Village Council does hereby establish the following sewer and water fees and charges pursuant to Chapters 51 and 53 of the Village of Lake Orion Code of Ordinances effective July 1, 2026, unless otherwise indicated:

SEWER FEES AND CHARGES

1. **Capital Connection Charges:**

   a. $1,000.00 per connection if paid in cash; $1,500.00 per connection if payment deferred (pursuant to Section 51.25(A))

   b. ~~$3,000.00~~ $3,093.00 for the first residential equivalent unit (REU); ~~$300.00~~ $309.00 for each additional unit or fraction thereof (pursuant to Section 51.25(B)) effective upon adoption of this resolution and to increase by three percent (3%) on each July 1 thereafter

2. **Lateral Benefit Fees:**

   a. $2,500.00 per connection if paid in cash; $3,750.00 per connection if payment deferred (pursuant to Section 51.26(A))

b. ~~$3,713.00~~ $3,828.00 per connection (pursuant to Section 51.26(B)), with said fee to increase by three percent (3%) on each July 1 thereafter

3. Sewage Disposal Charges:

a. Metered usage charges:

i. ~~$8.97~~ $9.46 per unit

b. Residential Unmetered usage charges (equal to base cost and cost for 33.42 units plus 10%):

i. ~~$537.00~~ $570.69per quarter

c. Quarterly base surcharge (per quarter) regardless of whether water is on or off:

i. Metered up to 1" - ~~$164.70~~ $254.54

ii. Metered 1" - ~~$292.80~~ $453.08

iii. Metered 1.5" - ~~$658.80~~ $1,018.16

iv. Metered 2" - ~~$1,171.21~~ $1,809.78

v. Metered 3" - ~~$2,635.22~~ $4,072.64

d. Industrial Waste Control (IWC) Charges – Set by Great Lakes Water Authority (schedule attached)

e. Pollutant Surcharges – Set by Great Lakes Water Authority (schedule attached)

4. Debt charges – Included in ready-to-serve charge

5. Permit and inspection fees – Set by Oakland County Water Resources Commissioner's Office

6. Service or Repairs to Private Property or Lines – Set by Oakland County Water Resources Commissioner's Office

<u>WATER FEES AND CHARGES</u>

1. Water Tap and Meter Fees:

a. ¾" tap - ~~$2,700.00~~ $2,784.00

b. 1" tap - ~~$3,000.00~~ $3,093.00

c. 1-1/2" tap - ~~$3,900.00~~ $4,021.00

d. 2" tap - ~~$5,100.00~~ $5,258.00

e. Greater than 2" tap - ~~$6,800.00~~ $7,010.00 tap fee. Customer is responsible for making the tap and to pay for the meter at cost plus 20% administrative fee

2. **Quarterly Ready to Serve Charges (per quarter) regardless of whether water is on or off:**

   a. Metered up to 1" - ~~$97.66~~ $91.75

   b. Metered 1" - ~~$122.08~~ $163.12

   c. Residential unmetered - ~~$122.08~~ $163.12

   d. Metered 1.5" - ~~$341.78~~ $367.01

   e. Metered 2" - ~~$654.28~~ $652.47

   f. Metered 3" - ~~$1,464,89~~ $1,468.06

3. **Water Usage Charges:** ~~$7.30~~ $6.32 per unit

4. **Water Turn-On and Turn-Off Charge** - $75.00

5. **Bulk Water Sales** - $6.00 per day base charge plus $8.50 per 1,000 gallons or fraction thereof

6. **Equipment Charges (e.g, frost plate, new MXU, new meter or parts)** – Actual Cost

7. **Overtime Labor Charge** – Actual cost for hourly labor rate, including fringe benefits

8. **Meter Repair Charge** – Actual labor and material costs

9. **Cross Connection Inspection Fee** - Actual contractor cost plus 10% administrative fee

10. **Service or Repairs to Private Property, Meters, or Lines** - Actual labor, material, and equipment cost plus ten percent (10%) administrative fee; contractual overtime labor charges apply outside of regular working hours

BE IT FURTHER RESOLVED that these rates shall automatically adjust annually by three percent (3%) unless Village Council establishes other rates by resolution at a regular meeting after a public hearing.

THIS RESOLUTION WAS DULY ADOPTED BY THE LAKE ORION VILLAGE COUNCIL AFTER PUBLIC HEARING ON JUNE 22, 2026.

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Sonja Stout, Village Clerk

Village of Lake Orion
EST 1859

COUNCIL ACTION SUMMARY SHEET

MEETING DATE: June 30, 2026

TOPIC Budget Amendments-Various Year End

BACKGROUND BRIEF: Administration is requesting council to approve various budget amendments for various funds as attached and recommended by Clerk/Treasurer Stout.

RECOMMENDED MOTION: To approve budget amendments BA-2026-101-880-04, BA-2026-101-721-03, as presented by administration.

VILLAGE OF LAKE ORION, MICHIGAN

BUDGET ADJUSTMENT WORKSHEET

FISCAL YEAR: 2025-2026
FUND: 101-General
DEPT: 880-Contract Services
REQUESTED BY: Stouts
DATE: 2026.06.30
AMENDMENT # BA-2026-101-880-04

ACCT #	ACCT NAME	ADOPTED	AMENDED	REVENUE CHANGE	EXPENDITURE CHANGE	NEW AMENDED BUDGET	REASON
101-880-811-000	Legal Services-Other	44,000	44,000		5,000	49,000	balance year end
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
NET CHANGE IN BUDGET:				0	5,000		

Approved by Village Manager: ____ Date: __________

Approved by Village Council: ____ Date: __________

VILLAGE OF LAKE ORION, MICHIGAN

BUDGET ADJUSTMENT WORKSHEET

FISCAL YEAR: 2025-2026
FUND: 101-General
DEPT: 721- Planning and Zoning
REQUESTED BY: Stouts
DATE: 2026.06.30
AMENDMENT # BA-2026-101-721-03

ACCT #	ACCT NAME	ADOPTED	AMENDED	REVENUE CHANGE	EXPENDITURE CHANGE	NEW AMENDED BUDGET	REASON
101-721-829-000	Planner Services	51,312	51,312		5,000	56,312	balance year end
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
NET CHANGE IN BUDGET:				0	5,000		

Approved by Village Manager: ____ Date: __________

Approved by Village Council: ____ Date: __________