Regular City Council Meeting
7:00 p.m., Monday, Nov. 16, 2026
City Council Chambers
23600 Liberty Street
Farmington, MI 48335

REGULAR MEETING AGENDA

1. **ROLL CALL**

2. **PLEDGE OF ALLEGIANCE**

3. **PUBLIC COMMENT**

4. **APPROVAL OF ITEMS ON CONSENT AGENDA**
   - A. City of Farmington Minutes
   - B. Farmington Monthly Payments Report
   - C. Farmington Public Safety Monthly Report
   - D. Quarterly Investment Report
   - E. Resolution naming 2027 Council Meeting Dates
   - F. Board and Commission Reappointments
   - G. Form 5572 Submittal - Pension and OPEB
   - H. Consideration to schedule program year 2027 Community Development Block Grant Application Public Hearing
   - I. Establish Vacri (CH), Italy as Farmington's Sister City

5. **APPROVAL OF REGULAR AGENDA**

6. **PRESENTATION/PUBLIC HEARINGS**
   - A. Annual Audit presented by Plante Moran
   - B. Principal Shopping District Public Hearing

7. **NEW BUSINESS**
   - A. Financial Report with Supplemental Information June 30, 2026 and End of Audit Letter
   - B. Consideration to approve resolution to move forward renewing the Principal Shopping District Special Assessment
   - C. Set public hearing date for review of the Principal Shopping District Special Assessment Roll
   - D. Second Reading and adoption of E-bike Ordinance
   - E. Consideration to approve BS&A's processor for card processing and stripe for ACH Services
   - F. CLEMIS Payment or 2026 and 2027
   - G. Resolution: No Parking on Whittaker
   - H. Membership in the Western Michigan Health Insurance Pool for 3 Years

8. **PUBLIC COMMENT**

9. **CITY COUNCIL COMMENTS**

10. ADJOURNMENT

The City will follow its normal procedures for accommodation of persons with disabilities. Those individuals needing accommodations for effective participation in this meeting should contact the City Clerk (248) 474-5500, ext. 2218 at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodations.

Special City Council Meeting
6:00 p.m., October 19, 2026
Farmington City Hall
23600 Liberty Street, Farmington, MI 48335

SPECIAL MEETING MINUTES

A special meeting of the Farmington City Council was held on October 19, 2026 at 23600 Liberty Street, Farmington, Michigan.

The meeting was called to order at 6:00 PM by Mayor LaRussa.

1. Roll Call

Attendee Name	Title	Status	Arrived
Johnna Balk	Mayor Pro-Tem	Present	
Joe LaRussa	Mayor	Present	
Kevin Parkins	Councilmember	Present	
Steve Schneemann	Councilmember	Present	
Maria Taylor	Councilmember	Present	

City Administration Present:

City Manager David Murphy
City Clerk Meaghan K. Bachman
DDA Director, Jessica Westendorf
City Attorney Beth Saarela

2. Approval of Agenda

Motion by Balk
Seconded by Taylor

Resolved, move to approve the special agenda of the October 19, 2026 Council meeting.

Motion carried unanimously 5-0

3. Public Comment

No members of the public spoke

4. Downtown Development Authority Board Member Resignation

Donovan Singleton submitted his resignation from the Downtown Development Authority Board on October 14, 2026, effective immediately. His term was scheduled to end February 28, 2030.

Motion by Parkins
Seconded by Taylor

Resolved, move to accept the resignation from Donovan Singleton from the Downtown Development Authority Board effective immediately.

Motion carried unanimously 5-0

5. Board and Commission Interviews: Downtown Development Authority

Council interviewed Alana Abdal, owner of Bodhi Yoga.

Council interviewed Joseph Lordon, owner of Lone Light Spirits.

Motion by Taylor
Seconded by Balk

Resolved, move to appoint Joseph Lordon with a term ending date of February 28, 2030 and Alana Abdal with a term ending date of February 28, 2028 to the Farmington Downtown Development Authority Board of Directors.

Motion carried unanimously 5-0

6. Mural Policy Discussion

City Manager Murphy presented the revised Farmington Mural Program. The revised proposal focused on murals following Council's earlier discussion of a broader public art policy.

Council agreed to three wording changes. In item 8B, the DPW Superintendent would replace the Public Services Department Director as the official responsible for approving placement in required front setbacks. The work plan provision would refer to "installing" the mural to cover methods other than painting. In item 8C, Council agreed to remove the reference to footings.

Council confirmed that both the Public Art Committee and the DDA Design Committee would recommend approval for mural proposals citywide. The City Attorney explained that the intellectual property provisions would allow the City to reproduce and share mural images and that the City could license those rights back to an artist through a separate agreement.

Motion by Taylor
Seconded by Balk

Resolved, move to adopt the City of Farmington Mural Program as presented with the minor amendments discussed.

Roll Call Vote:
Yeas: Balk, LaRussa, Parkins, Schneemann, and Taylor
Nays: None
Motion carried unanimously 5-0

7. Other Business

City Manager Murphy discussed the joint meeting with Farmington Public Schools and the City of Farmington Hills. It was decided the meeting will take place on January 19, 2027, and to include January 20, 2026 in the upcoming meeting schedule resolution for the regular Council meeting. The January 20th meeting could be canceled if there was no business to conduct.

Council discussed a revised staff report and proposed ordinance for the downtown Walk Your Wheels initiative. Council supported considering the ordinance for first reading at the regular meeting that evening.

8. Public Comment

No members of the public spoke.

9. Council Comment

Councilmember Taylor requested a future discussion of the Flock license plate reader program, including its value to Public Safety, access by outside agencies, privacy safeguards, public transparency, and options for continuing or ending the agreement.

Mayor Pro Tem Balk also asked who could access the data and what controls were in place. Council discussed confirming the contract renewal and giving Public Safety time to compile information for Council.

Mayor LaRussa distributed the legislative principles adopted at the Michigan Municipal League annual convention and noted the League's continued focus on local control and infrastructure.

10. Adjournment

Motion by Balk
Seconded by Taylor

Resolved, move to adjourn the meeting at 6:49 PM.

Motion carried unanimously 5-0

_____
Joe LaRussa, Mayor

_____
Meaghan K. Bachman, City Clerk

Regular City Council Meeting
7:00 p.m., October 19, 2026
Farmington City Hall
23600 Liberty Street, Farmington, MI 48335

REGULAR MEETING MINUTES

A regular meeting of the Farmington City Council was held on October 19, 2026 at 23600 Liberty Street, Farmington, Michigan.

The meeting was called to order at 7:00 PM by Mayor LaRussa.

1. Roll Call

Attendee Name	Title	Status	Arrived
Johnna Balk	Mayor Pro-Tem	Present	
Joe LaRussa	Mayor	Present	
Kevin Parkins	Councilmember	Present	
Steve Schneemann	Councilmember	Present	
Maria Taylor	Councilmember	Present	

City Administration Present:

City Manager David Murphy
City Clerk Meaghan K. Bachman
DDA Director, Jessica Westendorf
City Attorney Beth Saarela
Public Safety Director Bob Houhanisin
Finance Director/Treasurer Chris Weber

2. Pledge of Allegiance

Mayor LaRussa led the Pledge of Allegiance.

3. Public Comment

Mary Schimmel of 125 S. Houghton, Milford expressed concern about the City's Flock license plate reader contract, including privacy, access by outside agencies, and data retention and sharing.

Mike Sweeney, of the Emergency Preparedness Committee, encouraged residents to prepare for winter by servicing their vehicles and checking the supplies in their emergency kits.

Heather Davies, chair of the Pathways Committee, asked Council to consider the committee's letter supporting the Walk Your Wheels ordinance and its recommendations for safe riding around pedestrians.

4. Approval of Items on Consent Agenda

A. City of Farmington Minutes
B. Farmington Monthly Payments Reports
C. Farmington Public Safety Monthly Report
D. Department of Public Works Quarterly Report
E. Building Department First Quarterly Report

Motion by Balk
Seconded by Taylor

Resolved, move to approve the items on the consent agenda.

Motion carried unanimously 5-0.

5. Approval of Regular Agenda

Motion by Balk
Seconded by Taylor

Resolved, move to approve the regular meeting agenda with the removal of Item 6D, Whittaker Street parking, and the addition of "First Reading" to Item 6B, E-bike Ordinance.

Motion carried unanimously 5-0.

6. New Business

A. Special Assessment District Renewal – Principal Shopping District

DDA Executive Director Jessica Westendorf presented the proposed five-year renewal of the Principal Shopping District special assessment. The assessment supports downtown maintenance, contractual services, and promotion. The proposal included a 3.3% annual increase, an additional $10,000 in the first year for maintenance of new public spaces, and the inclusion of qualifying multifamily residential properties.

Council discussed the downtown maintenance schedule, the amount of the assessment relative to property values, and how assessment revenue and tax increment financing could support downtown needs while keeping costs manageable for property owners.

Motion by Balk
Seconded by Parkins

Resolved, move to approve Resolution No. 2 determining the necessity of the assessment and scheduling a public hearing for November 16, 2026, on the advisability of proceeding to establish the Principal Shopping District Special Assessment District.

Roll Call Vote:
Yeas: Balk, LaRussa, Parkins, Schneemann, and Taylor
Nays: None
Motion carried unanimously 5-0.

B. E-bike Ordinance – First Reading

Public Safety Director Bob Houhanisin presented the proposed Ordinance, which would restrict riding bicycles, electric bicycles, electric skateboards, and scooters on designated downtown sidewalks. Personal mobility devices such as wheelchairs would remain permitted.

Council discussed the difference between the proposed civil infraction and misdemeanor penalties, whether to include nonmotorized skateboards and scooters, and how existing rules apply to electric motorcycles (e-motos). Council also discussed pedestrian protections outside downtown, enforcement, public education, and the Pathways Committee's recommendations for responsible riding. Council supported proceeding with the first reading and discussing broader regulations separately.

Motion by LaRussa
Seconded by Balk

Resolved, move to approve the first reading to introduce an ordinance amending Chapter 31, Motor Vehicle and Uniform Traffic Codes, Article I, In General, and Article II, Motor Vehicle and Uniform Traffic Codes, Division 3, Additional Regulations, Sections 31-67 and 31-68, pertaining to bicycles.

Roll Call Vote:
Yeas: LaRussa, Parkins, Schneemann, Taylor, Balk
Nays: None
Motion carried unanimously 5-0

C. Lot Split for 32900 Grand River Avenue – Farmington Place Apartments

Finance Director/Treasurer Chris Weber presented the proposed division of the Farmington Place Apartments property into three parcels. The split would facilitate potential mixed-use redevelopment at Grand River Avenue and School Street. Council discussed the existing apartment parcel's density, parking reconfiguration, and how the proposed parcels relate to the redevelopment concept.

Motion by Balk
Seconded by Taylor

Resolved, Move to Approve Lot Split of 32900 Grand River Ave into three parcels, A, B, and C as surveyed by Michigan Surveying Inc., Job No. 26-0264.03, Dated October 6, 2026 subject to:

a) Approval by the ZBA for a Variance from the City of Farmington Zoning Ordinance Section 35-105, Central Business District – Residential Design Standards, (A) Area,

Bulk and Density Requirements, (2) Density, to Allow a Density of Seventy-One (71) Dwelling Units Per Acre
b) Planning Commission approval for reduced parking requirements as defined in Section 35-172, Off-Street Parking Space Requirements by Use, (I) Reduction or Modification of Required Spaces.

Roll Call Vote:
Yeas: Parkins, Schneemann, Taylor, Balk, LaRussa
Nays: None
Motion carried unanimously 5-0

7. Public Comment

Mary Schimmel urged Council to research the privacy and data-sharing implications of the Flock license plate reader system.

James Glover, 24005 Gill Road, asked about the timing of the Gill Road reconstruction and raised concerns about where children would be able to ride bicycles under the proposed ordinance.

Heather Davies asked Council to use clear language in the ordinance and consider the City of Monroe's riding standards, including yielding to pedestrians, signaling before passing, and reducing speed near pedestrians and in congested areas.

8. City Council Comments

Mayor Pro Tem Balk clarified that the discussion had focused primarily on e-motos and that Council was not targeting young children riding bicycles, strollers, or wagons.

Mayor LaRussa noted the downtown restrictions were a first step toward improving pedestrian safety on increasingly busy sidewalks. He also noted the City was gathering information about the timing and terms of the Flock agreement.

9. Adjournment

Motion by Balk
Seconded by Taylor

Resolved, move to adjourn the meeting at 7:57 PM.

Motion carried unanimously 5-0

_____
Joe LaRussa, Mayor

_____
Meaghan K. Bachman, City Clerk

CITY OF FARMINGTON - MONTHLY PAYMENTS REPORT

MONTH OF OCTOBER 2026

FUND #	FUND NAME		AMOUNT:
101	GENERAL FUND	$	669,973.15
202	MAJOR STREET FUND	$	5,981.67
203	LOCAL STREET FUND	$	8,254.06
401	CAPITAL IMPROVEMENT MILLAGE	$	25,891.93
592	WATER & SEWER FUND	$	360,170.47
595	FARMINGTON COMMUNITY THEATER FUND	$	40,282.41
640	DPW EQUIPMENT REVOLVING FUND	$	5,968.64
701	AGENCY FUND	$	2,841.00
703	CURRENT TAX COLLECTION FUND	$	30.04
736	PUBLIC EMPLOYEE HEALTH CARE	$	83,513.95
	TOTAL CITY PAYMENTS ISSUED:	$	1,202,907.32
136	47TH DISTRICT COURT FUND	$	156,483.91
243	BROWNFIELD REDEVELOP AUTHORITY	$	64,392.50
248	DOWNTOWN DEVELOPMENT AUTHORITY FUND	$	173,411.67
	TOTAL OTHER ENTITIES PAYMENTS ISSUED:	$	394,288.08

TOTAL PAYMENTS ISSUED $ 1,597,195.40

A detailed Monthly Payments Report is on file in the Treasurer's Office.

CITY OF FARMINGTON - ACH PAYMENTS REPORT

MONTH OCTOBER 2026

TRANSFER

FROM:	TRANSFER TO:	DESCRIPTION:	AMOUNT:
Agency Tax	Farmington Public Schools	Tax Payment #9	20,772.42
Agency Tax	Oakland County	Tax Payment #9	42,549.30
Agency Tax	Farmington Comm. Library	Tax Payment #9	2,680.35
General Fund	Chase (Payroll Acct)	Direct Deposit Payroll	271,490.58
General Fund	Federal Gov't	W/H & FICA Payroll	95,733.58
General Fund	MERS	Retirement Plans	166,306.70
General Fund	Total Administrative Services Corp.	Flexible Spending Accounts	2,561.44
	TOTAL CITY ACH TRANSFERS:		602,094.37
Court Fund	Chase (Payroll Acct)	Direct Deposit Payroll	107,587.62
Court Fund	Federal Gov't	W/H & FICA Payroll	36,989.92
Court Fund	Total Administrative Services Corp.	Flexible Spending Accounts	1,959.98
Court Fund	MissionSquare	Retirement Plans	12,080.51
Court Fund	Western Michigan Health Insurance Plan	Medical Insurance	19,351.57
	TOTAL OTHER ENTITIES ACH TRANSFERS:		177,969.60

October 2026 Public Safety Incidents

Breaking and Entering:
On 10/05/2026 at approximately 9:35 AM, officers were dispatched to a Credit Union in the 31000 Block of Grand River Ave on a Panic Alarm. Upon arrival, officers met with an employee who advised that, upon arriving at work, they noticed the front doors had been pried open. Upon review of surveillance video, 2 suspects are seen entering the business at approximately 5:33 AM. The suspects are seen rummaging around the buisness. The suspects are inside for approximately 1 minute and leave without taking anything. Staff advised that an off-site security officer received the alarm notification; however, upon reviewing the CCTV footage, they did not see anyone inside and advised the alarm company not to contact law enforcement. The case is actively being investigated. There are no suspects at this time.

CARBON MONOXIDE EMERGENCY:
On 10/18/2026, officers were dispatched to the 23000 block of Liberty St for an activated carbon monoxide alarm. Upon arrival, officers evacuated the residents and utilized a gas monitor. Elevated levels were detected throughout the home. Officers were able to narrow down the source to a faulty boiler or water heater. Both units were shut down and the home was ventilated. A subsequent check with the gas monitor showed no hazard in the home. The resident was advised to contact a repair company to address the problem. None of the occupants suffered any negative effects from carbon monoxide, and treatment was refused.

DISTURBING THE PEACE:
On 10/18/2026, officers were dispatched to the 36000 block of Smithfield St. for a report of a loud party. Officers had already responded to the residence and warned the partygoers about the noise several hours prior. Officers could hear loud music coming from a stereo in the backyard near a bonfire. A responsible party was instructed to turn the music down, and he did so. He was issued a misdemeanor citation for disturbing the peace.

CARRYING CONCEALED WEAPON VIOLATION:
On 10/20/2026 at approximately 9:25 PM a Sergeant stopped a vehicle in the area of Grand River and Mayfield for a traffic violation. Upon contacting the driver (40 YO B/M) it was discovered he had several outstanding traffic warrants out of various other jurisdictions. The driver was taken into custody without incident. Officers conducted an inventory search of the vehicle prior to impound and located a loaded handgun inside the vehicle accessible to the driver. The case has been forwarded to the Oakland County Prosecutor's Office for review.

RETAIL FRAUD 1ST DEGREE:
On 10/23/2026 at approximately 3:50 PM an officer was dispatched to an Optometrist office located in the 31000 block of Ten Mile Rd. Upon speaking with an employee, it is alleged that an unknown B/M, approximately 6'3", 240 lbs., came into the business and was browsing designer frames. The male took 9

pairs totaling $4500.00 and replaced them with less expensive pairs in the store. There is no suspect info currently. The suspect was said to have been wearing a gray blazer and blue jeans and appeared to have what looked like a police badge on his belt. The case is being handled by the FDPS Detective Bureau.

RETAIL FRAUD 1ST DEGREE:
On 10/23/2026 at approximately 3:50 PM an officer was dispatched to an Optometrist office located in the 31000 block of Ten Mile Rd. Upon speaking with an employee, it is alleged that an unknown B/M, approximately 6'3", 240 lbs., came into the business and was browsing designer frames. The male took 9 pairs totaling $4,500.00 and replaced them with less expensive pairs in the store. There is no suspect info currently. The suspect was said to have been wearing a gray blazer and blue jeans and appeared to have what looked like a police badge on his belt. The case is being handled by the FDPS Detective Bureau.

CALL TYPE & QUANTITY

TOTAL CALLS	TRAFFIC STOPS	MEDICALS	FIRE CALLS	CRASHES
686	327	90	11	20

OWI	OUID	DWLS	WARRANT	FELONY
3	0	4	24	7

INVESTMENT REPORT

CITY OF FARMINGTON

QUARTER ENDED SEPTEMBER, 2026

Submitted by:
Christopher M. Weber, Director of Finance and Administration

CITY OF FARMINGTON
QUARTER ENDING
SEPTEMBER 2026

	BALANCE 7/31/26	BALANCE 8/31/26	BALANCE 9/30/26	RATE OF RETURN 7/31/26	8/31/26	9/30/26	MATURITY	RATING	RATING AGENCY
Pooled Mutual Funds:									
Comerica	$ 5,296,304	$ 5,311,710	$ 5,326,707	3.43%	3.43%	3.44%	Daily	Not rated	N/A
Oakland County Investment Pool	$ 1,062,243	$ 1,065,915	$ 1,069,467	4.11%	4.11%	4.09%	Daily	Not rated	N/A
Michigan Class	7,009,107	7,031,793	7,054,227	3.75%	3.81%	3.88%	Daily	AAAm	S&P
Total Pooled Funds:	**13,367,654**	**13,409,419**	**13,450,402**						
Certificates of Deposit:	-	-	-						
Total Certificates of Deposit:	**-**	**-**	**-**						
JPMorgan Chase									
100% US Treasury Funds	$ 4,396,917	$ 12,822,309	$ 8,247,057	3.16%	3.19%	3.26%			
Uninvested	$ (252,506)	$ 2,314,466	$ 391,429	1.31%	1.30%	1.31%			
	$ 4,144,411	**$ 15,136,775**	**$ 8,638,486**						
Less: Authorities/Entities**	**(3,592,213)**	**(13,340,596)**	**(2,675,870)**						
TOTAL:	**$ 13,919,852**	**$ 15,205,597**	**$ 19,413,018**						

** Investment Balances do not include the investments of the 47th District Court, the Farmington Brownfield Redevelopment Authority, the Corridor Improvement Authority, the Farmington Downtown Development Authority, the Friends of the Governor Warner Mansion, the Self Insurance Funds on deposit with MMRMA, or the Public Employee Health Care Funds invested with Morgan Stanley Smith Barney.

Farmington City Council Staff Report	**Council Meeting Date:** November 16, 2026	**Reference Number 4E**

Submitted by: Meaghan Bachman, City Clerk

Description Consideration to Adopt Resolution Approving 2027 City Council Meeting Dates

Requested Action Move to adopt resolution to establish 2027 City Council meeting dates

Background

The Open Meetings Act requires that the regularly scheduled meetings of a public body be posted within ten days after the first meeting of that public body in each calendar or fiscal year. The Farmington City Charter, Section 6.1, states that the Council shall provide, by resolution, with the time and place of its regular meetings.

Attached is a proposed City Council meeting schedule for 2027. This schedule continues the tradition of meeting on the first and third Monday of each month, with an additional Special Session at 6:00 p.m. on the third Monday of every month.

Meeting Date Adjustments:

- **July & August Meetings** - The first Monday meetings in July and August are eliminated due to historically slow business and vacation conflicts.

- **Election Preparation** - The Monday meeting prior to the November 2 election is eliminated to allow sufficient time for election preparation.

- **Holiday Adjustments** - Two meetings are moved to Tuesday due to holidays:
  - February 16 - Presidents' Day
  - September 7 - Labor Day

- **Miscellaneous Adjustment** - The Tuesday, January 19 meeting (moved from Monday due to MLK Day) will be Wednesday, January 20 this year because of an already-scheduled Joint Farmington Hills/School Board Meeting on January 19.

Thank you for your consideration.

Materials:
Resolution

CITY OF FARMINGTON

WHEREAS, The Open Meetings Act, MCL 15.261 et. seq. requires "for regular meetings of a public body, there shall be posted within 10 days after the first meeting of the public body in each calendar or fiscal year, a public notice stating the dates, times, and places of its regular meetings."

WHEREAS, Section 6.1 of the City Charter states that Council provides by resolution for the time and place of its regular meetings.

NOW, THEREFORE, IT IS HEREBY RESOLVED, that the following are dates and times of regular and special City Council meetings for the year 2027 in Council Chambers of Farmington City Hall, 23600 Liberty Street, Farmington, Michigan.

MEETING DATES

Monday, January 4, 2027	7:00 p.m.	Regular Meeting
Wednesday, January 20, 2027	6:00 p.m.	Special Study Session
	7:00 p.m.	Regular Meeting
Monday, February 1, 2027	7:00 p.m.	Regular Meeting
Tuesday, February 16, 2027	6:00 p.m.	Special Study Session
	7:00 p.m.	Regular Meeting
Monday, March 1, 2027	7:00 p.m.	Regular Meeting
Monday, March 15, 2027	6:00 p.m.	Special Study Session
	7:00 p.m.	Regular Meeting
Monday, April 5, 2027	7:00 p.m.	Regular Meeting
Monday, April 19, 2027	6:00 p.m.	Special Study Session
	7:00 p.m.	Regular Meeting
Monday, April 26, 2027	6:00 p.m.	Budget Review Meeting
Monday, May 3, 2027	7:00 p.m.	Regular Meeting
Monday, May 17, 2027	6:00 p.m.	Special Study Session
	7:00 p.m.	Regular Meeting
Monday, June 7, 2027	7:00 p.m.	Regular Meeting
Monday, June 21, 2027	6:00 p.m.	Special Study Session
	7:00 p.m.	Regular Meeting

Monday, July 19, 2027	6:00 p.m. 7:00 p.m.	Special Study Session Regular Meeting
Monday, August 16, 2027	6:00 p.m. 7:00 p.m.	Special Study Session Regular Meeting
Tuesday, September 7, 2027	7:00 p.m.	Regular Meeting
Monday, September 20, 2027	6:00 p.m. 7:00 p.m.	Special Study Session Regular Meeting
Monday, October 4, 2027	7:00 p.m.	Regular Meeting
Monday, October 18, 2027	6:00 p.m. 7:00 p.m.	Special Study Session Regular Meeting
Monday, November 15, 2027	7:00 p.m.	Regular Meeting/ Reorganization
Monday, December 6, 2027	7:00 p.m.	Regular Meeting
Monday, December 20, 2027	6:00 p.m. 7:00 p.m.	Special Study Session Regular Meeting

……

I, Meaghan K. Bachman, duly authorized City Clerk for the City of Farmington, do hereby certify that the foregoing is a true and correct copy of a motion adopted by the Farmington City Council at a regular meeting held on Monday, November 16, 2026 in the City of Farmington, Oakland County, Michigan.

_____

Meaghan K. Bachman, City Clerk

Farmington City Council Staff Report	**Council Meeting Date:** Nov. 16, 2026	**Item Number 4F**

Submitted by: Melissa Andrade, Assistant to the City Manager

Agenda Topic: Board and Commission Reappointments: Planning Commission, Pathways Committee, Arts Commission and Board of Review.

Motion: NA-Consent Agenda:

Reappoint DeWayne Gray and Ken Cruthcher to serve another 3-year term on the Planning Commission with their next term ending June 30, 2029.

Reappoint Jamie Palmisano, Kevin Daniels and Timothy Prince to server another 2-year term on the Pathways Committee with their next term ending Dec. 31, 2028.

Reappoint Claire Perko for another 3-year term on the Farmington/Farmington Hills Arts Commission, as well as Bree Schwarts as an alternate for the same term.

Reappoint Timothy Prince to another 3-year term on the Board of Review through Dec. 31, 2029.

Planning Commission Reappoints: DeWayne Gray and Ken Cruthcher indicated they'd like to serve another 3-year term on the Planning Commission. Their terms ended on June 30, 2026; their next term will end June 30, 2029. They are both active participants.

Pathways Committee Reappointments: The terms of Jamie Palmisano, Kevin Daniels and Timothy Prince end on Dec. 31, 2026, all three committee members indicated they'd like to be reappointed, their next term will be through Dec. 31, 2028.

Farmington/Farmington Hills Arts Commission: Claire Perko's term on the Art Commission ended on June 30, she'd like to be reappointed to another 3-year term, making her next term expire on June 30, 2029; same for alternate Bree Schwarts.

Board of Review: Reappoint Tim Prince to another 3-year term on the Board of Review serving until December 31, 2029.

All of these board members indicated they wanted to continue serving and their chairs/administrators are in full support.

Materials: None

Farmington City Council Staff Report	Council Meeting Date: November 16, 2026	Item Number 4G

Submitted by: Christopher M. Weber, Assistant City Manager

Agenda Topic: Form 5572 Submittal - Pension and OPEB

Proposed Motion: Accept and File Form 5572

Background:

Two of the most significant liabilities of the City include pension and retiree health care (OPEB). The State requires information related to these liabilities to be compiled annually on form 5572, reported to Council, and submitted to the State. Attached is that form.

Materials:

Form 5572 - Pension and OPEB

Michigan Department of Treasury
Form 5572 (7-20)

The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) & Public Act 530 of 2016 Pension Report

Enter Local Government Name	City of Farmington
Enter Six-Digit Municode	632050
Unit Type	City
Fiscal Year End Month	June
Fiscal Year (four-digit year only, e.g. 2019)	2026
Contact Name (Chief Administrative Officer)	Christopher M. Weber
Title if not CAO	Assistant City Manager
CAO (or designee) Email Address	cweber@farmgov.com
Contact Telephone Number	248-474-5500 x 5147

Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting.

Questions: For questions, please email LocalRetirementReporting@michigan.gov. Return this original Excel file. Do not submit a scanned image or PDF.

Pension System Name (not division) 1	Farmington Employees Retirement System
Pension System Name (not division) 2	
Pension System Name (not division) 3	
Pension System Name (not division) 4	
Pension System Name (not division) 5	

If your pension system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	YES	YES	YES	YES	YES
2	Provide the name of your retirement pension system	Calculated from above	Farmington Employees Retirement System				
3	**Financial Information**						
4	Enter retirement pension system's assets (system fiduciary net position ending)	Most Recent Audit Report	26,675,967				
5	Enter retirement pension system's liabilities (total pension liability ending)	Most Recent Audit Report	36,564,194				
6	Funded ratio	Calculated	73.0%				
7	Actuarially Determined Contribution (ADC)	Most Recent Audit Report	1,668,051				
8	Governmental Fund Revenues	Most Recent Audit Report	16,670,394				
9	All systems combined ADC/Governmental fund revenues	Calculated	10.0%				
10	**Membership**						
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	44				
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report	15				
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	65				
14	**Investment Performance**						
15	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	15.45%				
16	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	7.26%				
17	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	8.28%				
18	**Actuarial Assumptions**						
19	Actuarial assumed rate of investment return	Actuarial Funding Valuation used in Most Recent Audit Report	6.79%				
20	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	Level Percent				
21	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	15				
22	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	No				
23	**Uniform Assumptions**						
24	Enter retirement pension system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	25,415,610				
25	Enter retirement pension system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	37,523,199				
26	Funded ratio using uniform assumptions	Calculated	67.7%				
27	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	1,641,084				
28	All systems combined ADC/Governmental fund revenues	Calculated	9.8%				
29	**Pension Trigger Summary**						
30	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	**Primary government triggers:** Less than 60% funded AND greater than 10% ADC/Governmental fund revenues. **Non-Primary government triggers:** Less than 60% funded	NO	NO	NO	NO	NO

Requirements (For your information, the following are requirements of P.A. 202 of 2017)
Local governments must post the current year report on their website or in a public place.
The local government must electronically submit the form to its governing body.
Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years.
Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years.

By emailing this report to the Michigan Department of Treasury, the local government acknowledges that this report is complete and accurate in all known respects.

Michigan Department of Treasury
Form 5572 (7-20)

The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) Health Care (OPEB) Report

Enter Local Government Name	City of Farmington
Enter Six-Digit Municode	632050
Unit Type	City
Fiscal Year End Month	June
Fiscal Year (four-digit year only, e.g. 2019)	2026
Contact Name (Chief Administrative Officer)	Christopher M. Weber
Title if not CAO	Assistant City Manager
CAO (or designee) Email Address	cweber@farmgov.com
Contact Telephone Number	248-474-5500 x 5147

Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting.

Questions: For questions, please email LocalRetirementReporting@michigan.gov. Return this original Excel file. Do not submit a scanned image or PDF.

OPEB System Name (not division) 1	Farmington Retiree Healthcare System
OPEB System Name (not division) 2	
OPEB System Name (not division) 3	
OPEB System Name (not division) 4	
OPEB System Name (not division) 5	

If your OPEB system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	YES	YES	YES	YES	YES
2	Provide the name of your retirement health care system	Calculated from above	Farmington Retiree Healthcare System				
3	**Financial Information**						
4	Enter retirement health care system's assets (system fiduciary net position ending)	Most Recent Audit Report	11,119,285				
5	Enter retirement health care system's liabilities (total OPEB liability)	Most Recent Audit Report	10,823,765				
6	Funded ratio	Calculated	102.7%				
7	Actuarially determined contribution (ADC)	Most Recent Audit Report	130,906				
7a	Do the financial statements include an ADC calculated in compliance with Numbered Letter 2018-3?	Most Recent Audit Report	YES				
8	Governmental Fund Revenues	Most Recent Audit Report	16,670,394				
9	All systems combined ADC/Governmental fund revenues	Calculated	0.8%				
10	**Membership**						
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	11				
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report	3				
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	43				
14	Provide the amount of premiums paid on behalf of the retirants	Most Recent Audit Report or Accounting Records	484,900				
15	**Investment Performance**						
16	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	14.14%				
17	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	8.57%				
18	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	7.13%				
19	**Actuarial Assumptions**						
20	Assumed Rate of Investment Return	Actuarial Funding Valuation used in Most Recent Audit Report	7.00%				
21	Enter discount rate	Actuarial Funding Valuation used in Most Recent Audit Report	7.00%				
22	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	Level Dollar				
23	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	14				
24	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	Yes				
25	Health care inflation assumption for the next year	Actuarial Funding Valuation used in Most Recent Audit Report	7.25%				
26	Health care inflation assumption - Long-Term Trend Rate	Actuarial Funding Valuation used in Most Recent Audit Report	3.50%				
27	**Uniform Assumptions**						
28	Enter retirement health care system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	9,760,295				
29	Enter retirement health care system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	10,814,676				
30	Funded ratio using uniform assumptions	Calculated	90.3%				
31	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	218,379				
32	All systems combined ADC/Governmental fund revenues	Calculated	1.3%				
33	**Summary Report**						
34	Did the local government pay the retiree insurance premiums for the year?	Accounting Records	YES				
35	Did the local government pay the normal cost for employees hired after June 30, 2018?	Accounting Records	YES				
36	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	**Primary government triggers**: Less than 40% funded AND greater than 12% ARC/Governmental fund revenues. **Non-Primary government** triggers: Less than 40% funded	NO	NO	NO	NO	NO

Requirements (For your information, the following are requirements of P.A. 202 of 2017)
Local governments must post the current year report on their website or in a public place
The local government must electronically submit the form to its governing body.
Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years
Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years.

By emailing this report to the Michigan Department of Treasury, the local government acknowledges that this report is complete and accurate in all known respects.

Farmington City Council Staff Report	**Council Meeting Date:** November 16, 2026	**Reference Number 4H**

Submitted by: David Murphy, City Manager

Description Consideration to Schedule Program Year 2027 Community Development Block Grant Application Public Hearing

Requested Action Move to schedule a public hearing on December 21, 2026, for public comment on the proposed Program Year 2027 Community Development Block Grant application.

Background

The City's Community Development Block Grant (CDBG) funding for 2027 is projected by Oakland County to be $24,932. As part of the application process, the city must hold a public hearing. Our completed application, accompanied by a resolution of Council approval, must be submitted to Oakland County by January 29, 2027.

As Council knows, CDBG funding eligibility is restricted to projects or programs that meet specific objectives determined by the federal Department of Housing and Urban Development (HUD). Of these objectives, Farmington is limited to CDBG funding for projects where "the primary beneficiaries are low- or moderate-income people."

Council may recall from previous years' CDBG applications that senior programs/projects receive special eligibility consideration. The administration's preliminary recommendation, outlined below, proposes a CDBG program that is not administratively burdensome, and continues current city funding level for the senior center and senior services.

CDBG funds are federal funds administered by the Department of Housing and Urban Development.

The administration's preliminary recommendation is that Council considers establishing the following development objectives: (1) senior center ($21,192) and (2) public services, senior services ($3,740).

Materials Attached

CDBG Public Notice PY2027

Agenda Review			
Department Head	**Finance/Treasurer**	**City Attorney**	**City Manager**

CITY OF FARMINGTON
NOTICE OF PUBLIC HEARING
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

NOTICE IS HEREBY GIVEN that the City of Farmington will hold a public hearing on the use of Community Development Block Grant Funds. The Hearing will be held on Monday, December 21, 2026 at 7:00 p.m. EDT in the Council Chambers, Farmington City Hall, 23600 Liberty Street, Farmington, Michigan 48335 to hear public comments on the CDBG Program Year 2027 application in the approximate amount of $24,932 to fund eligible projects. All interested citizens are requested to attend the Hearing. Comments will also be received in writing or in person at the City Clerk's Office, Farmington City Hall, until 4:30 p.m. on Monday, November 16, 2026. Arrangements to reasonably accommodate special needs, including handicap accessibility or interpreter, will be made upon receiving 72-hour notice. Contact David Murphy, City Manager, Farmington City Hall at 248-474-5500, x 5122 or by e-mail at DMurphy@farmgov.com for special services.

Meaghan Bachman, City Clerk

Published:

Farmington Staff Report	**City Council Date: November 16, 2026**	**Reference Number 4l**
Submitted by: David Murphy, City Manager		
Description Official agreement making Vacri (CH), Italy the sister City of Farmington.		
Proposed Motion: Move to approve the agreement between Vacri (CH), Italy and the City of Farmington making them Sister Cities.		
Background		
Materials: Agreement		

Sister City Agreement
between the Municipality of Vacri (CH) and the City of Farmington MI (USA)

The Municipality of Vacri of the Italian Republic and the City of Farmington of the United States of America hereinafter referred to as "the Parties", **given** that the Parties share the values of brotherhood, mutual respect and collaboration; **considering** that the Parties intend to enhance their ties and common roots, given that the city of Farmington hosts numerous Italian-American families originating from Vacri; **considering** that the Parties intend to generate concrete exchanges related to economic development, historical preservation of their respective territories, tourism and education; within the scope of their respective competences, agree on the following:

Article 1
(Objectives and Purposes)

With this Sister City Agreement, the Parties intend to consolidate the memory and history that unites them, through the enhancement of cultural, artistic, and natural heritage. They intend to involve their respective citizens in activities supporting mutual knowledge in the cultural, social, economic, tourist, educational, artisanal, and sporting fields.

Article 2
(Regulatory Invariance Clause)

This Sister City Agreement shall be implemented in compliance with Italian and US legislation, as well as applicable international law and, for the Italian Party, the obligations deriving from Italy's membership in the European Union.

Article 3
(Collaboration Activities)

In order to achieve the objectives referred to in Article 1, the Parties intend to promote, within their areas of competence, the following activities of purely international relevance:

a) share information on the protection, maintenance, and restoration of respective historic buildings and monuments to preserve local history and traditions in their respective territories;

b) share respective historical sites through the exchange of information on the cultural heritage of the respective communities;

c) initiate connections between the respective citizenships through periodic visits and maintaining connections on social media and other communication channels;

d) create educational opportunities, primarily involving young people, through initiatives for

language learning (of the Italian and English languages), including connections between libraries and schools of the two communities;

e) share ideas to attract visitors and tourists to their respective territories through the organization of cultural trips;

f) connect entrepreneurs and small business owners to promote local products, crafts, and the specialties of each community, including through cultural celebrations and the organization of events dedicated to American and Italian traditions, such as musical and theatrical performances, food festivals, and sporting events.

Article 4
(Financial Neutrality Clause)

All activities foreseen or resulting from the implementation of this Sister City Agreement will find financial coverage within the budgets of the Parties and, in any case, without determining new or greater burdens on public finance.

Article 5
(Information)

The Parties shall inform the competent territorially responsible Embassies of their respective Countries regarding the progress of the initiatives programmed in implementation of this Sister City Agreement.

Article 6
(Amendments and Additions)

Any amendments or additions to this Sister City Agreement may be defined in writing with the prior consent of the Parties and, for the Italian Party, in compliance with procedures analogous to those foreseen for the authorization of this Sister City Agreement.

Article 7
(Interpretative Divergences)

Any divergence in the interpretation or implementation of this Sister City Agreement shall be resolved amicably through direct consultations between the Parties.

Article 8
(Effectiveness and Duration)

This Sister City Agreement becomes effective upon signature and will have a duration of five (5) years. It shall be automatically renewed for a further period of five (5) years, unless a different express intention of the Parties is notified at least three (3) months before the expected renewal date.

Each Party may terminate the effectiveness of this Sister City Agreement at any time by written communication to the other Party, to be notified at least three (3) months before the expected renewal date.

Signed in ..... on ..... in two (2) original copies, each in the Italian and English languages, all texts being equally authentic.

Municipality of Vacri (CH)
The Mayor
Piergiuseppe Mammarella

City of Farmington (MI)
The Major
Joe Larussa

Gemellaggio
tra il Comune di Vacri (CH) e la Città di Farmington MI (USA)

Il Comune di Vacri della Repubblica Italiana e la Città di Farmington degli Stati Uniti d'America di seguito denominate "le Parti", **premesso** che le Parti condividono i valori di fratellanza, di reciproco rispetto e collaborazione; **considerato** che le Parti intendono valorizzare i loro legami e le radici comuni, dato che la città di Farmington ospita numerose famiglie italo-americane originarie di Vacri; **considerato** che le Parti intendono generare scambi concreti legati allo sviluppo economico, alla conservazione storica dei rispettivi territori, al turismo ed all'istruzione; nell'ambito delle proprie competenze, convengono quanto segue:

Articolo 1
(Obiettivi e Finalità)

Con il presente Gemellaggio le Parti intenderanno consolidare la memoria e la storia che le unisce, attraverso la valorizzazione del patrimonio culturale, artistico e naturale. Intenderanno coinvolgere le rispettive cittadinanze in attività a sostegno della reciproca conoscenza, in ambito culturale, sociale, economico, turistico, della formazione, dell'artigianato e dello sport.

Articolo 2
(Clausola di invarianza normativa)

Il presente Gemellaggio sarà attuato nel rispetto delle legislazioni italiana e statunitense, nonché del diritto internazionale applicabile e, per la Parte italiana, degli obblighi derivanti dall'appartenenza dell'Italia all'Unione Europea.

Articolo 3
(Attività di collaborazione)

Al fine di realizzare gli obiettivi di cui all'Articolo 1, le Parti intendono promuovere, nei settori di competenza, le seguenti attività di mero rilievo internazionale:

a) condividere informazioni sulla protezione, manutenzione e restauro dei rispettivi edifici e monumenti storici per preservare la storia e le tradizioni locali nei rispettivi territori;
b) condividere i rispettivi siti storici mediante interscambio di informazioni sul Patrimonio culturale delle rispettive comunità;

c) avviare connessioni tra le rispettive cittadinanze mediante lo svolgimento di visite periodiche e mantenimento di collegamenti sui social media ed altri canali di comunicazione;

d) realizzare opportunità educative, che coinvolgano soprattutto i giovani, attraverso iniziative per l'apprendimento linguistico (della lingua italiana e della lingua inglese) anche mediante connessioni tra biblioteche e scuole delle due comunità;

e) condividere idee per attirare visitatori e turisti nei rispettivi territori mediante organizzazione di viaggi culturali;

f) mettere in contatto imprenditori e piccoli proprietari di aziende per promuovere prodotti locali, artigianato e le specialità di ciascuna comunità anche tramite celebrazioni culturali ed organizzazione di eventi dedicati alle tradizioni americane e italiane, quali spettacoli musicali e teatrali, festival gastronomici ed eventi sportivi.

Articolo 4
(Clausola di neutralità finanziaria)

Tutte le attività previste o scaturenti dall'attuazione del presente Gemellaggio troveranno copertura nei bilanci delle Parti e, comunque, senza determinare nuovi o maggiori oneri a carico della finanza pubblica.

Articolo 5
(Informativa)

Le Parti informeranno le Ambasciate competenti per territorio dei rispettivi Paesi sullo stato di avanzamento delle iniziative programmate in attuazione del presente Gemellaggio.

Articolo 6
(Modifiche e Integrazioni)

Eventuali modifiche o integrazioni al presente Gemellaggio potranno essere definite per iscritto previo consenso delle Parti e, per la Parte italiana, nel rispetto di procedure analoghe a quelle previste per l'autorizzazione del presente Gemellaggio.

Articolo 7
(Divergenze interpretative)

Qualsiasi divergenza nell'interpretazione o nell'attuazione del presente Gemellaggio sarà risolta in via amichevole, mediante consultazioni dirette tra le Parti.

Articolo 8
(Efficacia e Durata)

Il presente Gemellaggio acquista efficacia all'atto della firma e avrà una durata di cinque (5) anni. Esso sarà automaticamente rinnovato per un ulteriore periodo di cinque (5) anni, salvo diversa espressa volontà delle Parti da notificarsi almeno tre (3) mesi prima della data prevista per il rinnovo.

Ciascuna Parte potrà porre termine in qualsiasi momento all'efficacia del presente Gemellaggio tramite comunicazione scritta all'altra Parte da notificarsi almeno tre (3) mesi prima della data prevista di rinnovo.

Firmato a _____ il _____ in due (2) originali, ciascuno nelle lingue italiana e inglese, tutti i testi facenti ugualmente fede.

COMUNE DI VACRI
Il Sindaco
Piergiuseppe Mammarella

COMUNE DI FARMINGTON (MI)
Il Sindaco
Joe Larussa



Farmington City Council **Staff Report**	**Council Meeting Date:** November 13, 2026	**Item Number** **7A**

Submitted by: Chris Weber, Director of Finance and Administration

Agenda Topic: Financial Report with Supplemental Information June 30, 2026 and End of Audit Letter

Proposed Motion: Accept and file the June 30, 2026 Financial Report and End of Audit Letter

Background:

Earlier in the meeting, Plante & Moran will have presented their audit findings for the Fiscal Year ended June 30, 2026. Attached are the Financial Report and End of Audit Letter.

The Financial Report is available on the City's website and hard copies have been provided to City Council.

Materials:
Financial Report with Supplemental Information June 30, 2026; use this link:
https://www.farmgov.com/media/oaohanu3/2026-financial-report.pdf

End of Audit Letter

plante moran

Plante & Moran, PLLC
1098 Woodward Avenue
Detroit, MI 48226-1906
Tel: 313.496.7200
Fax: 313.496.7201
plantemoran.com

October 29, 2026

To the Honorable Mayor, the Members of the City
Council, and Management
City of Farmington, Michigan

We have audited the financial statements of the City of Farmington, Michigan (the "City") as of and for the year ended June 30, 2026 and have issued our report thereon dated October 29, 2026. Professional standards require that we provide you with the following information related to our audit, which is divided into the following sections:

Section I - Required Communications with Those Charged with Governance

Section II - Legislative and Informational Items

Section I communicates significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process.

Section II contains updated legislative and informational items that we believe will be of interest to you.

We would like to take this opportunity to thank the staff for the cooperation and courtesy extended to us during our audit. Their assistance and professionalism are invaluable.

This report is intended solely for the use of the honorable mayor, the City Council, and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

We welcome any questions you may have regarding the following communications, and we would be willing to discuss these or any other questions that you might have at your convenience.

Very truly yours,

Plante & Moran, PLLC

Timothy St. Andrew
Partner

Joshua Yde
Principal

PRAXITY
Empowering Business Globally

Section I - Required Communications with Those Charged with Governance

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated April 30, 2026, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

As part of our audit, we considered the internal control of the City. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on September 8, 2026.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the City are described in Note 1 to the financial statements. As described in Note 1, the City changed accounting policies to adopt the provisions of GASB Statement No. 103, *Financial Reporting Model Improvements*, which resulted in changes to certain financial statement presentation and disclosure requirements. The City also adopted GASB Statement No. 104, *Disclosure of Certain Capital Assets*, which did not have any impact.

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus.

There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements include the liabilities, deferred outflows and inflows, and expenses associated with pension benefits and other postemployment benefits (OPEB).

Management's estimates of the net pension liability and net OPEB asset (and related pension/OPEB amounts) are highly sensitive to the various assumptions used by the actuary within the actuarial valuation. Those assumptions include the long-term rate of return, the discount rate, mortality assumptions, health care cost trend rates, and various other assumptions. While the actuary uses these assumptions to calculate the total pension liability and total OPEB liability, as management is ultimately responsible for the accuracy of its financial statements, it is management's responsibility to assess whether the assumptions made are supportable and appropriate based on the facts of its individual plan. Generally accepted accounting principles require that such assumptions be the best estimate as of the measurement date.

We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in performing and completing our audit.

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report.

We are pleased to report that no such disagreements arose during the course of our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

We did not detect any misstatements as a result of audit procedures.

Significant Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the City, and business plans and strategies that may affect the risks of material misstatement, with management each year prior to our retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition of our retention.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 29, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Section II - Legislative and Informational Items

Cybersecurity and Information Technology Controls

Cyberattacks are on the rise across the globe, and the cost of these attacks is ever increasing. Because of these attacks, municipalities stand to lose their reputation, the ability to operate efficiently, and proprietary information or assets. Communities potentially can also be subject to financial and legal liabilities. Managing this issue is especially challenging because even a municipality with a highly mature cybersecurity risk management program still has a residual risk that a material cybersecurity breach could occur and not be detected in a timely manner. We understand that the technology department continues to monitor and evaluate this risk, which are critical best practices. Additionally, periodic assessment of the system in order to verify that the control environment is working as intended is a key part of measuring associated business risk. We encourage administration and those charged with governance to work with the technology team on this very important topic. If we can be of assistance in the process, we would be happy to do so.

Artificial Intelligence (AI)

Artificial intelligence continues to be an emerging area of focus across all industries, including governmental organizations, and its use is expected to increase as software applications, analytics tools, and enterprise platforms evolve. While AI may create opportunities for increased efficiency, enhanced data analysis, improved service delivery, and automation of routine functions, it also introduces new risks related to data privacy, cybersecurity, accuracy, transparency, bias, records retention, and oversight - risks that are amplified when AI tools rely on sensitive information or operate without adequate policy and a trusted data foundation. Because AI is only as reliable as the data beneath it, strong data governance - clear ownership, data quality, classification of sensitive information, documented policies, and ongoing monitoring - is a key foundation for responsible adoption. We understand that the City continues to monitor and evaluate emerging technology risks, which are critical best practices, and we encourage administration and those charged with governance to periodically assess policies, procedures, system access, vendor arrangements, data management practices, and internal controls related to AI in coordination with the technology team. If we can be of assistance with AI readiness, governance, policy development, or AI risk assessment, we would be happy to help.

Transportation Funding

In October 2025, the State passed a new Transportation Funding Package that is effective beginning in the State's fiscal year 2026 and will continue through fiscal year 2030 and beyond. The package includes the following four items that have an impact on local units:

- Amendment to the Motor Fuel Tax Act to increase the motor fuel tax rate from 31 cents per gallon to at least 51 cents per gallon beginning on January 1, 2026
- Amendment to Act 51 to create the Neighborhood Roads Fund (NRF) and the Infrastructure Projects Authority Fund and prescribe the distribution of money from each fund
- Creation of a new act to impose excise taxes on certain sales or transfers of marijuana tax revenue and deposit the revenue into the newly created NRF
- Amendment to the Income Tax Act to, among other things, repeal the $600 million in income tax revenue currently redirected to the Michigan Transportation Fund (MTF) and generate additional revenue from the corporate income tax to the NRF

MTF distribution payments will continue monthly and will be separate from NRF distribution payments. Subsequent guidance issued by the Michigan Department of Treasury (the "Treasury") and the Michigan Department of Transportation indicates that NRF revenue is dependent on collections of corporate income tax and wholesale marijuana tax revenue and is subject to certain statutory distribution requirements before funds are available for NRF distributions. The Treasury has indicated that, before corporate income tax revenue can be deposited into the NRF, $1.2 billion must first be deposited into the State's General Fund and $50 million into the Michigan Housing and Community Development Fund. As a result, NRF distributions attributable to corporate income tax revenue may be delayed to the second half of 2026 or later.

Based on guidance and revenue projections currently available from the State, the City/County experienced a reduction in MTF distributions resulting from the repeal of the $600 million income tax earmark to the MTF. While the NRF is expected to provide additional transportation funding, the amount and timing of NRF distributions remain dependent on actual revenue collections and statutory distribution requirements. Accordingly, the timing and magnitude of future NRF receipts remain subject to change.

Further details of this Transportation Funding Package are available at https://www.michigan.gov/mdot/business/local-government/act-51/michigan-transportation-fund.

Revenue Sharing

The fiscal year 2027 budget includes approximately $1.68 billion for revenue sharing. Further details of the breakdown of this amount are available at https://www.michigan.gov/budget/budget-documents/final-signed-budget-bills. Constitutional revenue sharing is projected to decrease from 2026 by an estimated 2.3 percent.

The fiscal year 2027 City, Village, and Township Revenue Sharing (CVTRS) program maintained the 2026 formula and funding, which includes the following CVTRS-Standard and 3-Factor formula payments, as well as added Public Safety Revenue Sharing:

- CVTRS-Standard payment based on fiscal year 2026 CVTRS total eligible payment amount
- 3-Factor formula payments:
    - Taxable value payment - Based on taxable values and populations for local units
    - Weighted population payment - Based on unit type population weight factors and populations for local units
    - Yield equalization payment - Based on an amount that is sufficient to provide the guaranteed tax base for a local tax effort, not to exceed a factor of 0.02

The CVTRS-Standard payments are paid in one-sixth increments, paid on the last business day of October, December, February, April, June, and August.

The 3-Factor formula payments are paid on the last business day in February in an amount of half of the estimated 2027 payment, and the remaining payment is paid on the last business day in June.

Other New Legislation

Upcoming Accounting Standards Requiring Preparation

We actively monitor new Governmental Accounting Standards Board (GASB) standards and due process documents and provide periodic updates to help you understand how the latest financial reporting developments will impact the City. In addition to the summaries below and to stay up to date, Plante & Moran, PLLC issues a biannual GASB accounting standard update. The most recent update and a link to previous fall and spring updates are available here.

GASB Statement No. 105 - Subsequent Events

GASB Statement No. 105, *Subsequent Events*, is effective for the City's fiscal year ending June 30, 2027. This statement defines the subsequent events time frame as concluding on the date the financial statements are available to be issued, which is the date the financial statements are complete in accordance with generally accepted accounting principles (GAAP) and when approvals necessary for issuance have been obtained.

To define the end point of subsequent events, the City will need to proactively evaluate and clearly define which approvals constitute those necessary for issuance, as there is diversity in government procedures with respect to issuing financial statements. In many cases, a governing board or council may be required to take formal action described as approval. However, that action may actually be acceptance of financial statements already approved and finalized by management, rather than an approval process that allows for changes prior to issuance. In other cases, a governing board or committee may have been charged with the responsibility to review and finalize the financial statements before those financial statements can be issued.

The City should begin the process now to fully understand the requirements of their specific approval processes, document the nature of the approvals, and determine which approvals constitute those necessary for issuance. The financial statements are not considered available to be issued, and the auditor's report cannot be dated, until all approvals considered necessary for issuance are obtained; as such, the City may need to consider whether any policy and/or procedures changes are needed to avoid unintended delays in issuance and audit report dating.

Significant GASB Proposal Worth Watching

The Revenue and Expense Recognition project aims to develop a comprehensive accounting and financial reporting model for transactions that result in revenue and expenses. The GASB has issued a preliminary views document that proposes a new categorization framework that replaces the exchange/nonexchange transaction notion with a four-step categorization process for classifying a transaction. In addition to this new framework, the proposal also addresses recognition and measurement of revenue and expense transactions. The exposure draft for this project is expected in two phases - one in late 2027 and another in 2028.

Plante & Moran, PLLC has spent significant time digesting this new proposed standard and recently testified to the GASB about our feedback. We strongly encourage the City to monitor developments with this standard, as the potential impact is quite broad.

Farmington City Council **Staff Report**	**Council Meeting Date:** **November 16, 2026**	**Item Number** 7B

Submitted by: Jess Westendorf, DDA Executive Director

Agenda Topic: Public hearing and consideration to adopt Resolution No. 3 for Principal Shopping District Special Assessment

Proposed Motion:

Approve Resolution No. 3 to move forward with renewing the Principal Shopping District Special Assessment.

Background:

At the October 19, 2026 meeting, the City Council accepted a report from the City Manager and DDA Executive Director related to the renewal of the Principal Shopping District (PSD) Special Assessment, which is scheduled to expire June 30, 2027. In accepting the report, the City Council scheduled a Public Hearing for Monday, November 16, 2026 at 7:00 pm on the advisability of proceeding to renew the special assessment for the Principal Shopping District. Notice of the Public Hearing was published in the Oakland Press on October 27, 2026, and notices were sent by first class mail to all property owners in the proposed assessment district.

At the conclusion of the Public Hearing, City Council may determine to move forward with the special assessment, or in the alternative, may modify the scope as Council deems necessary in the best interests of the City. We recommend that City Council adopt Resolution No. 3 declaring its intent to proceed with the renewal of the special assessment. In this resolution, City Council adopts the Principal Shopping District Special Assessment renewal recommendation and directs the City Assessor to prepare a special assessment roll for the district.

If Resolution No. 3 is adopted, the Assessor's special assessment roll will be presented at the next.

MATERIALS:
PSD Special Assessment Renewal Recommendation
Resolution No. 3 for the PSD Special Assessment Renewal

STATE OF MICHIGAN

COUNTY OF OAKLAND

CITY OF FARMINGTON

[**Principal Shopping District**]

RESOLUTION APPROVING PROJECT

(Resolution No. 3)

Minutes of a _____ Meeting of the City Council of the City of Farmington, County of Oakland, Michigan, held in the City Hall in said City on _____, 2026, at 7:00 o'clock P.M. Prevailing Eastern Time.

PRESENT: Councilmembers _____

_____

ABSENT: Councilmembers _____

_____

The following preamble and Resolution were offered by Councilmember _____ _____ and supported by Councilmember _____.

R E C I T A T I O N S:

The City is considering the levy of a special assessment under the authority of Act 120 of 1961, being MCL 125.981, et seq., within the City's Principal Shopping District (PSD).

On August 17, 2026, the City Council adopted a resolution (Resolution No. 1) directing the City Manager, in conjunction with the Executive Director of the Downtown Development Authority, to prepare or cause to be prepared a report including marketing and development plans, specifications, and cost estimates for a PSD Project.

A report including such plans, specifications, and cost estimates were duly submitted to the City Council for the Project, and on October 19, 2026, the City Council adopted a resolution (Resolution No. 2) declaring the necessity of the PSD Project and that it tentatively intends to proceed and setting a public hearing to consider the establishment of a special assessment district to finance and defray the cost of the project, which is designed and intended to especially benefit the properties in the proposed special assessment district through development and marketing improvements and activities.

Following the public hearing, conducted on November 16, 2026, the City Council has determined to proceed with the Project.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. The City Council finds that the Project is necessary and that it shall proceed with the Project and establish a special assessment district to defray the entire (100%) cost of the Project. The purpose of the Project is to carry out administrative, marketing, promotional, and maintenance activities as described in the development plan(s).

2. The cost of the plan/activities of the Project is $1,292,628.72 and is hereby approved.

3. The District shall consist of the properties on the list attached to this Resolution as the special assessment district, against which 100% of the cost of the Project is to be assessed and which shall be identified as Special Assessment District No. 2026-93 (the "**District**").

4. The duration of the District's existence shall be five (5) years, from July 1, 2027 to June 30, 2032 shall be paid in installments specified in the City Council's Resolution confirming the special assessment roll and due on July 1 beginning in 2027 as follows:

2027 $ 242,016.77

2028 $250,003.32

2029 $258,253.43

2030 $266,775.80

2031 $275,579.40

The assessment shall be spread each year on the basis of the Taxable Value of non-residential real property that was certified by the March Board of Review of the prior year.

5. The City Assessor shall prepare a special assessment roll that includes all lots and parcels of land within the District with the names of the respective record owners of each property, if known, and shall also include the total amount to be assessed against each property. The amount to be assessed against each property shall be based upon the proportionate amount of special benefit to be received by each property from the Project. The amount spread in each case shall be based upon the detailed estimate of costs as approved by the City Council.

6. When the Assessor completes the assessment roll, he shall file it with the City Clerk for presentation to the City Council, along with his certification that the roll has been made pursuant to law and this Resolution of the City Council and that, in making the assessment roll, the Assessor has in his best judgment conformed in all respects to the law and the directions contained in this Resolution. Upon receipt, the City Clerk shall forthwith present the roll and the Assessor's certification to the City Council.

AYES:

NAYS:

ABSTENTIONS:

ABSENT:

CERTIFICATION

It is hereby certified that the foregoing Resolution is a true and accurate copy of the Resolution adopted by the City Council of the City of Farmington at a meeting duly called and held on the _____ day of _____, 2026.

CITY OF FARMINGTON

By:_____
MEAGHAN BACHMAN, CLERK

Farmington Downtown Development Authority
Principal Shopping District
Special Assessment Renewal Recommendation
2027 - 2032

HISTORY

The elimination of most school district property taxes because of Proposal A in 1994 diminished the effectiveness of tax increment financing as an economic development tool. The effects of Proposal A reduced the amount of revenues formerly received by the Farmington DDA.

Consequently, the Farmington City Council, under the authority of Public Act 120 of 1961, established a Principal Shopping District (PSD) Special Assessment for the purpose of funding **marketing and maintenance** functions of the Farmington Downtown Development Authority. While the PSD enabling legislation allows for a broader diversity of eligible expenditures, the DDA has preferred a more narrow scope of services to improve specificity and transparency of where funds are spent.

The last 5-year special assessment cycle was:

2022-2026 Special Assessment

Fiscal Year	Special Assessment
2022 / 1st year	$200,140
2023 / 2nd year	$206,144
2024 / 3rd year	$212,329
2025 / 4th year	$218,698
2026 / 5th year	$225,259

The 2022 version of the Special Assessment of the Principal Shopping District expires at the end of the current fiscal year on June 30, 2027. The PSD represents approximately twenty (20%) of the DDA's annual operating budget.

This expiration provided an opportunity to examine the activities that are funded by the Special Assessment, to investigate alternate scenarios for projects and funding and to develop a renewal recommendation.

A study group convened to complete those tasks. The group was comprised of representatives as follows:

- DDA Board Members/Business Development Committee: Todd Craft, James McLaughlan, Don Singleton, Joe Lordon
- DDA Executive Director Jess Westendorf

- Assistant City Manager & Director of Finance and Administration Chris Weber
- City Assessor Kim Feigley

PROCESS

The PSD study group met on May 5 and September 4, 2026. The following information was collected and presented:

- Discussion about the Downtown Development Authority and its funding sources, including Tax Increment Financing, Principal Shopping District, and 2-mill levy
- Discussion about the Principal Shopping District enabling legislation, a PSD Special Assessment and its uses
- Review of current special assessment methodology
- Review of top contributors to current special assessment
- Review and discussion of alternate special assessment methodologies
- Review of past and current functions and programs
- Discussion of recommendation

KEY FINDINGS

Key findings are described below:

- The Downtown Development Authority is an agency tasked with accomplishing projects and programs with a goal of revitalizing Downtown Farmington. The DDA participates in the Oakland County Main Street Program, a preservation-based revitalization strategy.
- The DDA is funded through various mechanisms, including tax increment financing, a special assessment and special event income.
- A community may create a Principal Shopping District if it is a city and the area under consideration is primarily commercial and contains a minimum of ten retail businesses. The Principal Shopping District must have a board if its activities are on-going as opposed to non-recurring. In the case of Farmington, the DDA and the PSD boundaries are the same and the Board Members are the same.
- A Special Assessment *may* be utilized to fund improvements, including, but not limited to, streets and walkways, public buildings, marketing and promotional campaigns, maintenance and security.
- The Special Assessment may be levied on non-tax-exempt real property, commercial property, and residential property with more than 4 units owned by the same entity.
- The current special assessment does not include residential property, but the future assessment will include residential properties with more than 4 units owned by the same entity as those properties also benefit from programming and maintenance funded by the special assessment. This affects one property today but creates a structure that can accommodate future multifamily development.
- Many formulas exist for determining the Special Assessment, including price per square foot and price per foot of frontage. In Farmington, the formula is based on valuation of a property in relation to the valuation of the district as a whole and represented as a percentage.
- Apply a 3.3% annual increase to address rising utility costs, contractor labor and other maintenance expenses.

- Expanded maintenance responsibilities: Add $10,000 to the Year 1 assessment to support maintenance of new and improved public spaces, including the Farmington Road Streetscape, Dinan Park, Masons Corner and Art Park Promenade.

PRELIMINARY RECOMMENDATION

The study group entertained a series of questions as it considered the renewal of the PSD Special Assessment. The questions were:

- Should the study group recommend renewal of the PSD Special Assessment?
- How should the Special Assessment be structured?
- At what funding level should the Special Assessment be set and at what duration?
- What other changes are recommended by the study group?

The study group concurred that:

- The special assessment should be renewed in a five-year increment;
- Its basis should be on valuation as a percentage of the whole;
- The amount of the special assessment should be that of the current special assessment, increased by 3.3% annually over the renewal period, with an additional increase in the first year to support increased maintenance costs.
- Business impact: With the expanded assessment base, the increase to existing business properties is expected to be just over 3.3% in Year 1, followed by 3.3% in each subsequent year.

FINAL RECOMMENDATION

The PSD study group hereby recommends a renewal of the Special Assessment as follows:

- Renewal Period: 5 years; July 1, 2027 through June 30, 2032
- Basis: Valuation as a percentage of the whole
- Annual Increase: 3.3%

Proposed Five-Year Assessment

Year	Fiscal Year	Total Assessment
Year 1	2027-28	$242,016.77*
Year 2	2028-29	$250,003.32
Year 3	2029-30	$258,253.43
Year 4	2030-31	$266,775.80
Year 5	2031-32	$275,579.40

**Year 1 consists of a $232,016.77 base plus $10,000 for maintenance of newly added public spaces.*

PROJECTS TO BE FUNDED

The DDA Board of Directors formulates and executes an annual work plan that is presented to the City Council as part of its annual budget. It is expected that the funds generated by any special assessment shall be allocated toward maintenance and marketing-related activities, as has been past practice. Such programs are: general maintenance, seasonal decorations, public space maintenance, marketing and advertisement, business assistance, retail promotions, public relations, volunteer recruitment and retention and public utilities.

Farmington City Council **Staff Report**	**Council Meeting Date:** **November 16, 2026**	**Item Number** 7C

Submitted by: Jess Westendorf, DDA Executive Director

Agenda Topic: Setting of Public Hearing for Review of the Principal Shopping District Special Assessment Roll.

Proposed Motion:

Approve Resolution No. 4 to move forward the Principal Shopping District renewal process and schedule a public hearing for Monday, December 7, 2026, for review of the Special Assessment Roll.

Background:

Enclosed is Resolution No. 4, which schedules a public hearing regarding the assessment roll. The public hearing will be scheduled for Monday, December 7, 2026. At the conclusion of the public hearing, City Council will be asked to consider adopting the final resolution and assessment roll for the Principal Shopping District.

MATERIALS:
Principal Shopping District Special Assessment Roll

STATE OF MICHIGAN

COUNTY OF OAKLAND

CITY OF FARMINGTON

[**Principal Shopping District**]

RESOLUTION SETTING PUBLIC HEARING FOR REVIEW OF SPECIAL ASSESSMENT ROLL

(Resolution No. 4)

Minutes of a Regular Meeting of the City Council of the City of Farmington, County of Oakland, Michigan, held at City Hall, 23600 Liberty Street, Farmington, Michigan on _____, 2026, at 7:00 p.m.

PRESENT: Councilmembers _____

_____

ABSENT: Councilmembers _____

_____

The following preamble and Resolution were offered by Councilmember _____ _____ and supported by Councilmember _____.

R E C I T A T I O N S:

The City has considered the levy of a special assessment under the authority of Act 120 of 1961, being MCL 125.981, et seq., within the City's Principal Shopping District (PSD).

The PSD Project for which the special assessment is contemplated (the "Project") is intended to carry out administrative, marketing, promotional, and maintenance activities as described in the various marketing and development plans and specifications prepared by the City and/or the Downtown Development Authority (DDA) on behalf of the City.

The Project is designed and intended to especially benefit the properties identified in the special assessment district attached to this Resolution, which shall be designated as Special Assessment District No. 2026-93 (the "**District**").

After an initial consideration, the City Council adopted its Resolution No. 2 declaring its tentative intent to proceed with the Project, and subsequently the Council adopted Resolution No. 3, directing the City Assessor to prepare the special assessment roll.

Plans and specifications for the Project, the cost of the Project in the amount of $1,292,628.72 (spread over five (5) years), and the special assessment district have been approved by Resolutions of the City Council, following public hearing.

In accordance with the direction of the City Council, the Assessor has prepared a special assessment roll allocating the total cost of the Project to the properties within the District according to law, and the Assessor has filed such roll with the City Clerk;

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The City Council accepts the special assessment roll prepared by the Assessor and directs it be filed with the City Clerk for public examination.

2. A public hearing is hereby set for December 7, 2026, to be held at 7:00 p.m. in the City Hall of the City of Farmington, 23600 Liberty Street, Farmington, MI 48335, at which time and hearing objections may be submitted by any interested person with respect to the special assessment roll. The City Council will review the roll and hear and consider any objections presented.

3. At the conclusion of the hearing, if the roll is approved by City Council, it may confirm the Special Assessment District and roll.

4. Notice of such hearing shall be given by publishing the notice twice before the hearing in a newspaper having general circulation in the City, and by sending by first-class United States Mail, postage fully prepaid, a copy of the notice addressed to the record owner or party in interest in whose name the land in the Special Assessment District is to be assessed on the City's last preceding tax assessment roll for Ad Valorem tax purposes which was reviewed by the City Board of Review, supplemented by any subsequent changes in the names or addresses of the owners or parties listed on such roll.

5. The first publication and the mailing shall be at least 10 days prior to the date of the hearing. The notice of hearing shall include a statement that appearance and protest at the hearing in the special assessment proceedings is required in order to appeal the amount of the special assessment to the State Tax Tribunal and the notice shall further include notice that an owner or party in interest or his or her agent may appear in person at the hearing to protest the special assessment or appear by filing his or her appearance or protest by letter.

AYES:
NAYS:
ABSTENTIONS:
ABSENT:

CERTIFICATION

It is hereby certified that the foregoing Resolution is a true and accurate copy of the Resolution adopted by the City Council of the City of Farmington at a meeting duly called and held on the ___ day of_____, 2026.

CITY OF FARMINGTON

BY:_____

MEAGHAN BACHMAN, CLERK

2027
SPECIAL ASSESSMENT ROLL

CITY OF FARMINGTON
PRINCIPAL SHOPPING DISTRICT
SPECIAL ASSESSMENT

SAD NO.: 2026-93

Yr. 1 of 5

Statement of Intent:

This Special Assessment District and Roll have been established under the authority of Public Act 120 of 1961 (MCL 125.981, et seq.) to collect **$ 1,292,628.72** over a five (5) year period, beginning with the July 1, 2027 tax roll, for the purpose of funding the administrative, marketing, promotional and maintenance activities as described in the Principal Shopping District (PSD) Development Plan.

The Special Assessment District includes all non-residential and non-residential portions of all non-exempt real property located within the Downtown Development Authority District. The total amount to be collected in each of the five (5) years of the plan will be spread based upon the percentage that each individual non-residential real property assessment is of the total non-residential real property assessment for the Special Assessment District. The prior year Downtown Development Authority Assessment Roll, as certified by the March Board of Review and as amended by Assessor's Corrections, decisions of the July and December Board of Review, and orders of the Michigan Tax Tribunal and State Tax Commission, will be used in determining the allocation of the installment payments as approved by the Farmington City Council for each year of the five (5) year plan.

SPECIAL ASSESSMENT ROLL COLLECTION SUMMARY

	Proposed	Actual
2027 / 1st Year	242,016.77	242,016.77
2028 / 2nd Year	250,003.32	250,003.32
2029/ 3rd Year	258,253.43	258,253.43
2030 / 4th Year	266,775.80	266,775.80
2031/ 5th Year	**275,579.40**	**275,579.40**
Total:	**$1,292,628.72**	**$1,292,628.72**

Total Authorized for Special Assessment:

1,292,628.72

Total Proposed Current Year Collection (July/December, 2027):

242,016.77

BASED UPON ANNUALLY APPROVED INSTALLMENTS (2027-2031)
OVERALL REDUCTION IN COLLECTIONS: N/A

2027
SPECIAL ASSESSMENT ROLL
TO FUND THE
CITY OF FARMINGTON
PRINCIPAL SHOPPING DISTRICT PLAN

Parcel Number	Property Address	Property Owner	2026 Taxable Value (Prior Year)	Percent of Non-Res. Use (1)	Qualified Taxable Value (TV) for SAD	Individual Qualified TV as a % of Total Qualified TV	Special Assessment based on the Calculated % of Total Qualified TV	Allocation of Special Assessment		
								2027 Summer Tax Roll	2027 Winter Tax Roll	
20-23-27-151-017	23720 FARMINGTON RD	HEENEY SUNDQUIST FUNERAL HOME INC	386,570	100%	386,600	1.47%	$ 3,569.44	$ 1,784.72	$ 1,784.72	
20-23-27-151-021	33316 THOMAS ST	CITY OF FARMINGTON	0	**Exempt**	0	0.00%	$ -	$ -	$ -	
20-23-27-151-022	33300 THOMAS ST	ALLORE HOLDINGS II LLC	366,940	100%	366,900	1.40%	$ 3,387.56	$ 1,693.78	$ 1,693.78	
20-23-27-152-011	33112 GRAND RIVER AVE	FIRST UNITED METHODIST	0	**Exempt**	0	0.00%	$ -	$ -	$ -	
20-23-27-152-018		FIRST UNITED METHDST OF FARMINGTON	0	**Exempt**	0	0.00%	$ -	$ -	$ -	
20-23-27-152-020		ROBERTSON HILLSIDE TOWNES, LLC - COMMON AREA	0	**Exempt**	0	0.00%	$ -			
20-23-27-152-021		ROBERTSON HILLSIDE TOWNES, LLC - COMMON AREA	0	**Exempt**	0	0.00%	$ -			
20-23-27-153-001	33342 GRAND RIVER AVE	JANICE L. KONJAREVICH LIVING TRUST	122,370	100%	122,400	0.47%	$ 1,130.11	$ 565.06	$ 565.05	
20-23-27-153-002	33337 THOMAS ST	CITY OF FARMINGTON	0	**Exempt**	0	0.00%	$ -	$ -	$ -	
20-23-27-153-003	33338 GRAND RIVER AVE	COWLEY INVESTMENTS, LLC	485,360	100%	485,400	1.85%	$ 4,481.66	$ 2,240.83	$ 2,240.83	
20-23-27-153-004	33336 GRAND RIVER AVE	GRAND FARMINGTON, LLC	87,640	100%	87,600	0.33%	$ 808.80	$ 404.40	$ 404.40	
20-23-27-153-005	33332 GRAND RIVER AVE	CITY OF FARMINGTON	0	**Exempt**	0	0.00%	$ -	$ -	$ -	
20-23-27-153-007	33318 GRAND RIVER AVE	LAR PROPERTIES, LLC	264,310	61%	161,200	0.61%	$ 1,488.35	$ 744.18	$ 744.17	
20-23-27-153-008	33316 GRAND RIVER AVE	AZAR BROTHERS, LLC	361,660	100%	361,700	1.38%	$ 3,339.54	$ 1,669.77	$ 1,669.77	
20-23-27-153-009	33314 GRAND RIVER AVE	FETZER PROPERTIES LLC	144,740	100%	144,700	0.55%	$ 1,336.00	$ 668.00	$ 668.00	
20-23-27-153-010	33312 GRAND RIVER AVE	CHANG COMPANY LIMITED LLC	214,980	100%	215,000	0.82%	$ 1,985.08	$ 992.54	$ 992.54	
20-23-27-153-011	33306 GRAND RIVER AVE	LSGO LLC	126,460	100%	126,500	0.48%	$ 1,167.96	$ 583.98	$ 583.98	
20-23-27-153-012	33304 GRAND RIVER AVE	MMK GROUP LLC	93,490	100%	93,500	0.36%	$ 863.28	$ 431.64	$ 431.64	
20-23-27-153-015	33250 GRAND RIVER AVE	AZAR MANAGEMENT LLC	94,540	100%	94,500	0.36%	$ 872.51	$ 436.26	$ 436.25	
20-23-27-153-021	33224 GRAND RIVER AVE	THIBAULT ENTERPRISES INC	458,320	100%	458,300	1.75%	$ 4,231.44	$ 2,115.72	$ 2,115.72	
20-23-27-153-022	33311 THOMAS ST	CITY OF FARMINGTON	0	**Exempt**	0	0.00%	$ -	$ -	$ -	
20-23-27-153-023	33216 GRAND RIVER AVE	AGHOBJIAN, MANOEIL & MARIE	95,290	100%	95,300	0.36%	$ 879.90	$ 439.95	$ 439.95	
20-23-27-153-024	33212 GRAND RIVER AVE	JAM HOLDINGS, LLC	115,230	100%	115,200	0.44%	$ 1,063.63	$ 531.82	$ 531.81	
20-23-27-153-025		FARMINGTON DOWNTOWN DEVELOPMENT	0	**Exempt**	0	0.00%	$ -	$ -	$ -	
20-23-27-153-026	33200 GRAND RIVER AVE	LOS TRES AMIGOS-FARMINGTON, LLC	181,920	100%	181,900	0.69%	$ 1,679.47	$ 839.74	$ 839.73	
20-23-27-154-004	33107 THOMAS ST	CITY OF FARMINGTON	0	0%	0	0.00%	$ -	$ -	$ -	47910
20-23-27-154-005	33103 THOMAS ST	BUDD, DALE V	100,220	0%	0	0.00%	$ -	$ -	$ -	
20-23-27-154-006	33023 THOMAS ST	TDG MANAGEMENT1, LLC	94,410	76%	71,800	0.27%	$ 662.92	$ 331.46	$ 331.46	
20-23-27-154-007	33110 GRAND RIVER AVE	JOHNSON INVESTMENT CO	163,060	100%	163,100	0.62%	$ 1,505.89	$ 752.95	$ 752.94	
20-23-27-154-008	33104 GRAND RIVER AVE	CITY OF FARMINGTON	0	0%	0	0.00%	$ -	$ -	$ -	44110

2027
SPECIAL ASSESSMENT ROLL
TO FUND THE
CITY OF FARMINGTON
PRINCIPAL SHOPPING DISTRICT PLAN

Parcel Number	Property Address	Property Owner	2026 Taxable Value (Prior Year)	Percent of Non-Res. Use (1)	Qualified Taxable Value (TV) for SAD	Individual Qualified TV as a % of Total Qualified TV	Special Assessment based on the Calculated % of Total Qualified TV	Allocation of Special Assessment	
								2027 Summer Tax Roll	2027 Winter Tax Roll
20-23-27-154-009	33100 GRAND RIVER AVE	GINGER BRIDGET'S, LLC	100,850	100%	100,900	0.38%	$ 931.60	$ 465.80	$ 465.80
20-23-27-154-010	33018 GRAND RIVER AVE	GRACE PROPERTIES OF FARMINGTON	103,990	100%	104,000	0.40%	$ 960.22	$ 480.11	$ 480.11
20-23-27-154-011	33014 GRAND RIVER AVE	C-4 LEASING LLC	184,610	100%	184,600	0.70%	$ 1,704.40	$ 852.20	$ 852.20
20-23-27-154-012	33004 GRAND RIVER AVE	HEPPARD COMMERCIAL LLC	289,340	100%	289,300	1.10%	$ 2,671.08	$ 1,335.54	$ 1,335.54
20-23-27-154-014	33106 GRAND RIVER AVE	STATE OF MICHIGAN	0	**Exempt**	0	0.00%	$ -	$ -	$ -
20-23-27-154-015	33112 GRAND RIVER AVE	FIRST UNITED METHODIST	0	**Exempt**	0	0.00%	$ -	$ -	$ -
20-23-27-155-001	33335 GRAND RIVER AVE	DAMKCAT REAL ESTATE HOLDINGS, LLC	365,830	100%	365,800	1.40%	$ 3,377.40	$ 1,688.70	$ 1,688.70
20-23-27-155-002	33329 GRAND RIVER AVE	DAMKCAT REAL ESTATE HOLDINGS, LLC	386,420	100%	386,400	1.47%	$ 3,567.60	$ 1,783.80	$ 1,783.80
20-23-27-155-003	33317 GRAND RIVER AVE	DAMKCAT REAL ESTATE, LLC	121,770	100%	121,800	0.46%	$ 1,124.57	$ 562.29	$ 562.28
20-23-27-155-004	33335 GRAND RIVER AVE	DAMKCAT REAL ESTATE HOLDINGS, LLC	66,580	100%	66,600	0.25%	$ 614.91	$ 307.46	$ 307.45
20-23-27-155-008	33245 GRAND RIVER AVE	HINDS, MICHELE H	101,650	100%	101,700	0.39%	$ 938.99	$ 469.50	$ 469.49
20-23-27-155-011	33205 GRAND RIVER AVE	CHEMICAL BANK	397,070	100%	397,100	1.51%	$ 3,666.39	$ 1,833.20	$ 1,833.19
20-23-27-155-020	23382 FARMINGTON RD	T & I INVESTMENT LLC	1,630	100%	1,600	0.01%	$ 14.77	$ 7.39	$ 7.38
20-23-27-155-024	23366 FARMINGTON RD	RHINOJOE LLC	286,020	100%	286,000	1.09%	$ 2,640.61	$ 1,320.31	$ 1,320.30
20-23-27-155-025	23360 FARMINGTON RD	T & I INVESTMENT LLC	170,100	100%	170,100	0.65%	$ 1,570.52	$ 785.26	$ 785.26
20-23-27-155-026	23340 FARMINGTON RD	FARMINGTON CENTER MICHIGAN, LLC	458,380	100%	458,400	1.75%	$ 4,232.37	$ 2,116.19	$ 2,116.18
20-23-27-155-040	33171 GRAND RIVER AVE	FARMINGTON CENTER MICHIGAN, LLC	514,190	100%	514,200	1.96%	$ 4,747.56	$ 2,373.78	$ 2,373.78
20-23-27-155-044	23534 FARMINGTON RD	23534 FARMINGTON RD LLC	206,220	100%	206,200	0.79%	$ 1,903.83	$ 951.92	$ 951.91
20-23-27-155-045	33305 GRAND RIVER AVE	DAMKCAT REAL ESTATE HOLDINGS, LLC	310,860	100%	310,900	1.19%	$ 2,870.51	$ 1,435.26	$ 1,435.25
20-23-27-155-046	33211 GRAND RIVER AVE	DOWNTOWN OFFICES	505,510	100%	505,500	1.93%	$ 4,667.24	$ 2,333.62	$ 2,333.62
20-23-27-155-047	33111 GRAND RIVER AVE	CITY OF FARMINGTON	0	**Exempt**	0	0.00%	$ -	$ -	$ -
20-23-27-155-048	23292 FARMINGTON RD	FARMINGTON CENTER MICHIGAN, LLC	483,810	100%	483,800	1.85%	$ 4,466.88	$ 2,233.44	$ 2,233.44
20-23-27-155-049	23300 FARMINGTON RD	FARMINGTON CENTER MICHIGAN, LLC	3,607,010	100%	3,607,000	13.76%	$ 33,303.11	$ 16,651.56	$ 16,651.55
20-23-27-156-003	32905 GRAND RIVER AVE	XIE ZHENG, LLC	207,270	100%	207,300	0.79%	$ 1,913.98	$ 956.99	$ 956.99
20-23-27-156-004	32821 GRAND RIVER AVE	XIE ZHENG, LLC	579,280	50%	289,600	1.10%	$ 2,673.85	$ 1,336.93	$ 1,336.92
20-23-27-156-005	33001 GRAND RIVER AVE	LEITRIM-GROVES, LLC	2,478,110	100%	2,478,100	9.45%	$ 22,880.08	$ 11,440.04	$ 11,440.04
20-23-27-157-001	33008 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-002	33010 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-003	33012 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-004	33014 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		

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20-23-27-157-005	33016 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-006	33018 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-007	33020 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-008	33022 TOWNHILL RD	DARANY, GEORGE	193,320	**Exempt**	0	0.00%	$ -		
20-23-27-157-009	33024 TOWNHILL RD	GRIFFITH, KERRY A	185,820	**Exempt**	0	0.00%	$ -		
20-23-27-157-010	33080 TOWNHILL RD	GOSCICKI, TERESA MARIE	171,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-011	33090 TOWNHILL RD	DELEON, FLORENCE	185,820	**Exempt**	0	0.00%	$ -		
20-23-27-157-012	33100 TOWNHILL RD	TRIVEDI, EVAN R	185,820	**Exempt**	0	0.00%	$ -		
20-23-27-157-013	33102 TOWNHILL RD	VARGA, PETER	185,820	**Exempt**	0	0.00%	$ -		
20-23-27-157-014	33104 TOWNHILL RD	FRON, ANDREA L	193,320	**Exempt**	0	0.00%	$ -		
20-23-27-157-015	33106 TOWNHILL RD	PATNAIK, RAYEN	193,320	**Exempt**	0	0.00%	$ -		
20-23-27-157-016	33108 TOWNHILL RD	KRIST, CAMILLE ANNE	193,320	**Exempt**	0	0.00%	$ -		
20-23-27-157-017	33110 TOWNHILL RD	NICTON, INC	185,820	**Exempt**	0	0.00%	$ -		
20-23-27-157-018	33112 TOWNHILL RD	NAKKA, SAI DIVYA	185,820	**Exempt**	0	0.00%	$ -		
20-23-27-157-019	33114 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	171,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-020	23602 PARKVIEW LN	PALAIAN, MARIA DIANE	195,820	**Exempt**	0	0.00%	$ -		
20-23-27-157-021	23604 PARKVIEW LN	EVANGELISTA, MICHELLE A	188,320	**Exempt**	0	0.00%	$ -		
20-23-27-157-022	23606 PARKVIEW LN	SHEA, SAMANTHA	171,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-023	23608 PARKVIEW LN	KHAN, MUHAMMAD ALI	171,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-024	23610 PARKVIEW LN	KRING, VERONICA S	171,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-025	23612 PARKVIEW LN	KALMAN, ROBERT	171,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-026	23614 PARKVIEW LN	VICTORIA, GRACE	171,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-027	23616 PARKVIEW LN	TANGIRALA, SUMANA R	171,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-028	23618 PARKVIEW LN	PRABHAKAR, SHAKTHI MOHAN	171,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-029	23617 TRAILVIEW LN	CLARK, LAURA J	111,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-030	23615 TRAILVIEW LN	FOLEY, ANNE	111,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-031	23613 TRAILVIEW LN	ROBERTSON HILLSIDE TOWNES, LLC	111,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-032	23611 TRAILVIEW LN	ROBERTSON HILLSIDE TOWNES, LLC	111,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-033	23609 TRAILVIEW LN	ROBERTSON HILLSIDE TOWNES, LLC	111,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-034	23607 TRAILVIEW LN	ROBERTSON HILLSIDE TOWNES, LLC	111,240	**Exempt**	0	0.00%	$ -		

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20-23-27-157-035	23605 TRAILVIEW LN	ROBERTSON HILLSIDE TOWNES, LLC	111,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-036	23603 TRAILVIEW LN	ROBERTSON HILLSIDE TOWNES, LLC	111,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-037	23601 TRAILVIEW LN	MICHETTI, CHRISTOPHER	111,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-038	33023 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-039	33021 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-040	33019 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-041	33017 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-042	33015 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-043	33013 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-044	33011 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-045	33009 TOWNHILL RD	ROBERTSON HILLSIDE TOWNES, LLC	28,240	**Exempt**	0	0.00%	$ -		
20-23-27-157-046	33008 ROUGESIDE TRL	ROBERTSON HILLSIDE TOWNES, LLC	43,740	**Exempt**	0	0.00%	$ -		
20-23-27-157-047	33010 ROUGESIDE TRL	ROBERTSON HILLSIDE TOWNES, LLC	43,740	**Exempt**	0	0.00%	$ -		
20-23-27-157-048	33012 ROUGESIDE TRL	ROBERTSON HILLSIDE TOWNES, LLC	43,740	**Exempt**	0	0.00%	$ -		
20-23-27-157-049	33014 ROUGESIDE TRL	ROBERTSON HILLSIDE TOWNES, LLC	43,740	**Exempt**	0	0.00%	$ -		
20-23-27-157-050	33016 ROUGESIDE TRL	ROBERTSON HILLSIDE TOWNES, LLC	43,740	**Exempt**	0	0.00%	$ -		
20-23-27-157-051	33018 ROUGESIDE TRL	ROBERTSON HILLSIDE TOWNES, LLC	43,740	**Exempt**	0	0.00%	$ -		
20-23-27-157-052	33020 ROUGESIDE TRL	ROBERTSON HILLSIDE TOWNES, LLC	43,740	**Exempt**	0	0.00%	$ -		
20-23-27-157-053	33022 ROUGESIDE TRL	ROBERTSON HILLSIDE TOWNES, LLC	43,740	**Exempt**	0	0.00%	$ -		
20-23-27-177-005	32830 GRAND RIVER AVE	CITY OF FARMINGTON	0	**Exempt**	0	0.00%	$ -	$ -	$ -
20-23-27-177-010	32716 GRAND RIVER AVE	BUYERS, PAUL A	72,760	100%	72,800	0.28%	$ 672.16	$ 336.08	$ 336.08
20-23-27-177-094	32720 GRAND RIVER AVE	FARMINGTON VILLAGE COMPLEX	1,693,240	100%	1,693,200	6.46%	$ 15,633.17	$ 7,816.59	$ 7,816.58
20-23-27-301-001	23290 FARMINGTON RD	JP HERZOG LLC	83,570	100%	83,600	0.32%	$ 771.87	$ 385.94	$ 385.93
20-23-27-301-003	23220 FARMINGTON RD	CASA MARIN, LLC	344,210	100%	344,200	1.31%	$ 3,177.97	$ 1,588.99	$ 1,588.98
20-23-27-301-004	33317 ORCHARD ST	DELEO, CATHY	115,020	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-005	33313 ORCHARD ST	FARMINGTON CENTER MICHIGAN, LLC	23,400	100%	23,400	0.09%	$ 216.05	$ 108.03	$ 108.02
20-23-27-301-006	33309 ORCHARD ST	CITY OF FARMINGTON	0	**Exempt**	0	0.00%	$ -	$ -	$ -
20-23-27-301-007	33305 ORCHARD ST	FARMINGTON CENTER MICHIGAN, LLC	23,400	100%	23,400	0.09%	$ 216.05	$ 108.03	$ 108.02
20-23-27-301-008	33213 ORCHARD ST	FARMINGTON DWNTWN DEV AUTHORITY	0	**Exempt**	0	0.00%	$ -	$ -	$ -
20-23-27-301-017	32809 GRAND RIVER AVE	ROSSER, VALNEDRA	87,850	100%	87,900	0.34%	$ 811.57	$ 405.79	$ 405.78

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20-23-27-301-019	32729 GRAND RIVER AVE	MECOLLI, EVIS	138,600	100%	138,600	0.53%	$ 1,279.68	$ 639.84	$ 639.84
20-23-27-301-020	32725 GRAND RIVER AVE	SMART, ROBERT R	109,180	100%	109,200	0.42%	$ 1,008.23	$ 504.12	$ 504.11
20-23-27-301-021	32721 GRAND RIVER AVE	BUYERS, RUSSELL A	109,650	100%	109,700	0.42%	$ 1,012.85	$ 506.43	$ 506.42
20-23-27-301-022	32715 GRAND RIVER AVE	CAPGROW HOLDINGS JV	751,780	100%	751,800	2.87%	$ 6,941.30	$ 3,470.65	$ 3,470.65
20-23-27-301-045	33201 ORCHARD ST	CITY OF FARMINGTON	0	**Exempt**	0	0.00%	$ -	$ -	$ -
20-23-27-301-047	33200 SLOCUM DR	SUNNY DAY CARE INC	366,330	100%	366,300	1.40%	$ 3,382.02	$ 1,691.01	$ 1,691.01
20-23-27-301-048	23280 FARMINGTON RD	LOWEN REAL ESTATE LLC	172,160	100%	172,200	0.66%	$ 1,589.91	$ 794.96	$ 794.95
20-23-27-301-050	33240 SLOCUM DR	VANDENBERG, KEVIN J	71,520	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-051	33242 SLOCUM DR	BOYCE, ADAM FRANCIS	160,400	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-052	33246 SLOCUM DR	BENNETT, DAVID W	104,780	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-053	33244 SLOCUM DR	MATHIES, CARTYEA	172,450	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-054	33248 SLOCUM DR	MCCLELLAN, ERICA V	71,070	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-055	33250 SLOCUM DR	JACQUELINE M. MACIOCE REV LVNG TRST	100,820	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-056	33254 SLOCUM DR	HOFFMAN, BARBARA	99,640	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-057	33252 SLOCUM DR	KALP, KEVIN J	91,480	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-058	33256 SLOCUM DR	SHAMEY, TERA	70,560	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-059	33258 SLOCUM DR	EQUITY TRUST COMPANY CUSTODIAN	144,350	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-060	33262 SLOCUM DR	NIXON, COURTNEY A	90,770	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-061	33260 SLOCUM DR	STARK, CAITLIN	115,170	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-062	33264 SLOCUM DR	MCARTHUR, SANDRA E	77,430	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-063	33266 SLOCUM DR	SEKRESKI, BLAGOJA	103,240	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-064	33270 SLOCUM DR	VARVERAKIS, JOHN M	70,560	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-065	33268 SLOCUM DR	PETRACH, RACHEL L	159,400	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-082		FARMINGTON DEVELOPMENT GROUP LLC	0	0%	0	0.00%	$ -	$ -	$ -
20-23-27-301-083	33210 SLOCUM DR	ORCHARDS FARMINGTON, LLC	1,052,870	100%	1,052,900	4.02%	$ 9,721.33	$ 4,860.67	$ 4,860.66
20-23-27-306-001	33107 ORCHARD ST	BROYLES, ADAM T	66,540	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-002	33109 ORCHARD ST	MARMUS, MATHIEU	62,770	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-003	33111 ORCHARD ST	MJB1040 LLC	79,620	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-004	33105 ORCHARD ST	33105 ORCHARD STREET, LLC	42,500	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-005	33103 ORCHARD ST	TOSIC, DRAGAN	62,770	0%	0	0.00%	$ -	$ -	$ -

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20-23-27-306-006	33101 ORCHARD ST	ROITMAN, SARA	102,300	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-007	33119 ORCHARD ST	TASH, LORRAINE M	64,140	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-008	33121 ORCHARD ST	KINNEY, SUSAN MICHELLE	74,020	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-009	33123 ORCHARD ST	LINDERER, CHRISTA	43,050	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-010	33117 ORCHARD ST	HAMMOUD, NERMEAN	78,330	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-011	33115 ORCHARD ST	TOSIC, BEHIA & SRDAN	73,960	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-012	33113 ORCHARD ST	SUHRE, JEFFREY	55,260	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-013	33131 ORCHARD ST	GANDHI, KAUSHIKKUMAR S	42,500	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-014	33133 ORCHARD ST	URBAN, MATTHEW S	60,880	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-015	33135 ORCHARD ST	TODD R. HUBBARD & LUJIN ZHANG	84,660	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-016	33129 ORCHARD ST	WICKMAN, DAVID F	42,500	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-017	33127 ORCHARD ST	CAMERON, MARY KAY	62,520	0%	0	0.00%	$ -	$ -	$ -
20-23-27-306-018	33125 ORCHARD ST	DEWULF, ERIC	84,830	0%	0	0.00%	$ -	$ -	$ -
20-23-27-326-016	32704 GRAND RIVER AVE	32704 GRAND RIVER, LLC	324,230	100%	324,200	1.24%	$ 2,993.31	$ 1,496.66	$ 1,496.65
20-23-28-230-006	33608 GRAND RIVER AVE	S3 INVESTMENTS, LLC	158,480	100%	158,500	0.60%	$ 1,463.42	$ 731.71	$ 731.71
20-23-28-231-011	33604 GRAND RIVER AVE	33604 GRAND RIVER, LLC	293,680	100%	293,700	1.12%	$ 2,711.71	$ 1,355.86	$ 1,355.85
20-23-28-276-005	33603 GRAND RIVER AVE	TUROWSKI FARMINGTON DEVELOPMENT LLC	467,350	100%	467,400	1.78%	$ 4,315.46	$ 2,157.73	$ 2,157.73
20-23-28-276-011	23629 LIBERTY ST	MAKE A CHANGE WELLNESS, LLC	310,980	100%	311,000	1.19%	$ 2,871.44	$ 1,435.72	$ 1,435.72
20-23-28-276-014	23611 LIBERTY ST	RED HAVEN REALTY, LLC	0	**Exempt**	0	0.00%	$ -	$ -	$ -
20-23-28-276-021	23617 LIBERTY ST	CHIROPRACTIC FEDERAL	237,650	100%	237,700	0.91%	$ 2,194.66	$ 1,097.33	$ 1,097.33
20-23-28-277-001	33430 GRAND RIVER AVE	CITY OF FARMINGTON	0	**Exempt**	0	0.00%	$ -	$ -	$ -
20-23-28-277-002	23715 FARMINGTON RD	FARMINGTON MASONIC	140,230	100%	140,200	0.53%	$ 1,294.45	$ 647.23	$ 647.22
20-23-28-278-002	33431 GRAND RIVER AVE	33431 GRAND RIVER, LLC	453,500	100%	453,500	1.73%	$ 4,187.13	$ 2,093.57	$ 2,093.56
20-23-28-278-004	33425 GRAND RIVER AVE	BELLA NORA HOLDINGS, LLC	207,970	100%	208,000	0.79%	$ 1,920.45	$ 960.23	$ 960.22
20-23-28-278-005	33409 GRAND RIVER AVE	BELLA NORA HOLDINGS,LLC	280,500	100%	280,500	1.07%	$ 2,589.83	$ 1,294.92	$ 1,294.91
20-23-28-278-006	33401 GRAND RIVER AVE	TYJORMAC, L.L.C.	368,740	62%	228,600	0.87%	$ 2,110.64	$ 1,055.32	$ 1,055.32
20-23-28-278-012	23629 FARMINGTON RD	MIHAJLOVSKI, DRAGO	121,280	100%	121,300	0.46%	$ 1,119.95	$ 559.98	$ 559.97
20-23-28-278-013	23623 FARMINGTON RD	JEERA PROPERTIES, LLC	183,820	100%	183,800	0.70%	$ 1,697.01	$ 848.51	$ 848.50
20-23-28-278-014	23621 FARMINGTON RD	JORGENCA, LLC	228,170	100%	228,200	0.87%	$ 2,106.95	$ 1,053.48	$ 1,053.47
20-23-28-278-015	23607 FARMINGTON RD	SACKLLAH, FRED	101,740	100%	101,700	0.39%	$ 938.99	$ 469.50	$ 469.49

2027

SPECIAL ASSESSMENT ROLL

TO FUND THE

CITY OF FARMINGTON

PRINCIPAL SHOPPING DISTRICT PLAN

Parcel Number	Property Address	Property Owner	2026 Taxable Value (Prior Year)	Percent of Non-Res. Use (1)	Qualified Taxable Value (TV) for SAD	Individual Qualified TV as a % of Total Qualified TV	Special Assessment based on the Calculated % of Total Qualified TV	Allocation of Special Assessment			
								2027 Summer Tax Roll	2027 Winter Tax Roll		
20-23-28-278-016	23603 FARMINGTON RD	CAST HOLDINGS, LLC	162,430	100%	162,400	0.62%	$ 1,499.42	$ 749.71	$ 749.71		
20-23-28-278-018	23550 LIBERTY ST	THE FARMINGTON COMMUNITY	0	**Exempt**	0	0.00%	$ -	$ -	$ -		
20-23-28-278-019	23600 LIBERTY ST	CITY OF FARMINGTON	0	**Exempt**	0	0.00%	$ -	$ -	$ -		
20-23-28-278-020	33440 STATE ST	CITY OF FARMINGTON	0	**Exempt**	0	0.00%	$ -	$ -	$ -		
20-23-28-280-003	33509 STATE ST	CITY OF FARMINGTON	0	**Exempt**	0	0.00%	$ -	$ -	$ -		
20-23-28-280-004	33505 STATE ST STE 101	DIDOKAS LLC	243,250	100%	243,300	0.93%	$ 2,246.37	$ 1,123.19	$ 1,123.18		
20-23-28-280-012	23391 FARMINGTON RD	CVS PHARMACY INC #8048-02	666,980	100%	667,000	2.54%	$ 6,158.35	$ 3,079.18	$ 3,079.17		
20-23-28-280-013	23333 FARMINGTON RD	INITECH DEV OF FARMINGTON, LLC	242,780	100%	242,800	0.93%	$ 2,241.75	$ 1,120.88	$ 1,120.87		
20-23-28-280-014	23309 FARMINGTON RD	JPMORGAN CHASE & CO (FARMINGTON MI)	653,960	100%	654,000	2.50%	$ 6,038.32	$ 3,019.16	$ 3,019.16		
20-23-28-428-012	23285 FARMINGTON RD	J.M.W. ENTERPRISES, L.L.C.	106,870	100%	106,900	0.41%	$ 986.97	$ 493.49	$ 493.48		
			35,457,590		**26,212,400**	**100%**	**242,016.75**	**121,008.58**	**121,008.17**	242,016.75	

NOTES: (1) "Percent of Non-Residential Use" for DDA properties which have a residential component was determined by dividing the TCV of the section/area of the subject building used for residential purposes by the TCV of the total property. The residential percentage was then subtracted from 100% to yield the non-residential shown in this Special Assessment Roll.

Farmington Staff Report	**City Council Date: November 16, 2026**	**Reference Number 7D**

Submitted by: Bob Houhanisin, Director of Public Safety

Description Consideration of Adoption of Ordinance C-____2026 to Amend Chapter 31 "Traffic and Motor Vehicles", Sections 31-67 and 31-68 – Bicycles and Electric Bicycles.

Proposed Motion:

Motion to adopt Ordinance C-_____- 2026 to amend Chapter 31 "Traffic and Motor Vehicles" section 31Article I "In General, and Article II "Motor Vehicle and Uniform Traffic Codes ", Division 3, "Additional Regulations" sections 31-67 and 31-68 pertaining to bicycles. **SECOND READING**

Background

The Michigan Vehicle Code authorizes municipalities to adopt an ordinance regulating electric bicycles

Several municipalities, including the City of Farmington, have experienced potentially dangerous situations with individuals riding electric bicycles.

On June 15, 2026 during a Study Session, Council had a preliminary discussion about the possibility of regulating electric bicycles.

On August 17, 2026 during a Council meeting, Council discussed potential options for regulating electric bicycles.

On September 21, 2026 Council discussed options for regulating electric bicycles and determined that it would like to prohibit them, as well as other wheeled devices, on sidewalks in the downtown area for pedestrian safety.

On October 19, 2026, Council had the first reading of the proposed ordinance with no changes proposed.

Materials: Ordinance for Second Reading

STATE OF MICHIGAN

COUNTY OF OAKLAND

CITY OF FARMINGTON

ORDINANCE NO. C-____-2026

AN ORDINANCE TO AMEND THE CODE OF THE CITY OF FARMINGTON CHAPTER 31, "MOTOR VEHICLE AND UNIFORM TRAFFIC CODES,", ARTICLE I "IN GENERAL", AND ARTICLE II "MOTOR VEHICLE AND UNIFORM TRAFFIC CODES", DIVISION 3, "ADDITIONAL REGULATIONS" SECTIONS 31-67 AND 31-68 PERTAINING TO BICYCLES

THE CITY OF FARMINGTON ORDAINS:

Section 1 of Ordinance. Ordinance Amendment.

The Farmington City Code, Chapter 31, "Traffic and Motor Vehicles", Article I "In General, shall be amended add a new section 31-1 Definitions to read as follows:

Article I-IN GENERAL

Sec. 31-1 Definitions:

Bicycle means a device propelled by human power upon which a person may ride, having either 2 or 3 wheels in tandem or tricycle arrangement, all of which are over 14 inches in diameter.

Downtown area means the SW¼ of the NW¼ and the NW¼ of the SW¼ of Section 27 and the SE¼ of the NE¼ and the NE¼ of the SE¼ of Section 28, T1N, R9E, City of Farmington, Oakland County, Michigan. The subject area being specifically described in the map, which is attachment 1 to this Ordinance and is on file in the Clerk's Office:

Electric bicycle means a device upon which an individual may ride that satisfies all of the following:

(a) The device is equipped with all of the following:

(i) A seat or saddle for use by the rider.

(ii) Fully operable pedals for human propulsion.

(iii) An electric motor of not greater than 750 watts.

(b) The device falls within class 1, 2 or 3 as defined in the Michigan Vehicle Code.

Electric bicycle does not include electric motorcycles, electric mopeds or e-motos.

E-moto means a high-powered electric moped, motorcycle, dirt bike, or similar device that has a motor greater than 750 watts and travels at a maximum speed of 30 or more mph.

Electric personal assistive mobility device means a self-balancing non-tandem 2-wheeled device, designed to transport only 1 person at a time having an electric propulsion system with average power or 750 watts or 1 horsepower and a maximum speed on a paved surface of not more than 15 miles per hour.

Electric skateboard and *electric scooter* mean a wheeled device that has a floorboard designed to be stood upon when riding that is no more than 60 inches long and 18 inches wide, is designed to transport only 1 person at a time, has an electronic propulsion system with power of no more than 2,500 watts, and has a maximum speed on a paved level surface of no more than 25 miles per hour. An electric skateboard or electric scooter may have handlebars and, in addition to having an electrical propulsion system with power of no more than 2,500 watts, may be designed to also be powered by human propulsion.

Traffic Control Device means signs, signals, markings, and devices consistent with the Michigan Vehicle Code, placed or erected by the City or other public body having jurisdiction, for the purpose of regulating, warning, or guiding traffic. This includes, but is not limited to, sandwich board signs, painted markings on sidewalks, fixed signage placed throughout the downtown area, and other traffic control devices authorized by law.

Section 2 of Ordinance. Ordinance Amendment.

The Farmington City Code, Chapter 31, "Traffic and Motor Vehicles", Article II "Motor Vehicles and Uniform Traffic Codes", Division 3 "Additional Regulations" , shall be amended to remove the current wording in Section 31-67 "Bicycle License Required" to replace it with the wording below and to remove the current wording in Section 31-68 "Bicycle Dealers" to read as follows:

Article II- MOTOR VEHICLE AND UNIFORM TRAFFIC CODES, DIVISION 3 ADDTIOINAL REGULATIONS

Sec. 31-67 : Areas Prohibited from riding Bicycles and Electric Bicycles and Electric Skateboards/scooters. Walk your wheels in the Downtown.

(a) No person shall ride a bicycle or electric skateboard/scooter on the sidewalk in the downtown area as indicated by a traffic control device.
(b) No person shall ride an electric bicycle upon a sidewalk in the downtown area indicated by a traffic control device.
(c) The city manager is hereby authorized to erect signs and traffic control devices in the downtown area prohibiting the riding of bicycles, electric bicycles, and electric skateboards/scooters thereon. These prohibitions are intended to ensure pedestrian safety.
(d) Nothing in this article shall prohibit a person from using an electric personal mobility device for a disability on a sidewalk.
(e) A person who violates sections 31-67(a) shall be responsible for a municipal civil infraction. A person who violates section 31-67(b) shall be responsible for a misdemeanor.

(f) Consistent with the Michigan Vehicle Code, motorcycles, mopeds and e-motos are not permitted to ride on sidewalks.

Sec. 31-68 Reserved

Section 3 of Ordinance. Severability.

If any section, clause, or provision of this ordinance shall be declared by the courts to be invalid, the validity of the ordinance as a whole, or in part, shall not be affected other than the part invalidated.

Section 4 of Ordinance. Repealer

All other ordinances or parts of ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 5 of Ordinance. Effective Date.

This amendatory ordinance shall be effective 10 days after adoption by the City Council and after publication as provided by the Charter of the City of Farmington.

Ayes:
Nays:
Abstentions:
Absent:

STATE OF MICHIGAN)
)ss.
COUNTY OF OAKLAND)

I, the undersigned, the qualified and acting City Clerk of the City of Farmington, Oakland County, Michigan, do certify that the foregoing is a true and complete copy of the ordinance adopted by the City Council of the City of Farmington at a meeting held of the ____ day of _____, 2026, the original of which is on file in my office.

_____
Meaghan Bachman, City Clerk
City of Farmington

Farmington City Council Staff Report	**Council Meeting Date:** November 16, 2026	**Item Number 7E**

Submitted by: Christopher M. Weber, Assistant City Manager

Agenda Topic: Consideration to Approve BS&A's Processor for Card Processing and Stripe for ACH Services

Proposed Motion: Move to approve BS&A's Processor for Card Processing and Stripe for ACH Services

Background:
The City currently uses a company called Point and Pay to process most credit card and ACH payments for property taxes, utility bills, and building permits. Point and Pay was selected based on their strong integration with our BS&A accounting software and their favorable fee structure. BS&A is now entering the credit card business and is partnering with Stripe to handle ACH services. Administration is recommending to switch credit card and ACH processing services from Point and Pay to BS&A and Stripe.

Advantages of switching service providers is included with this report.

Materials:
BSA Payments Addendum
BSA Payments Advantages

Integrated Payments Addendum

Last Updated: April 21, 2026

This Addendum ("**Addendum**") supplements the Customer Agreement last entered into by and between BS&A Software, LLC ("**BS&A**"), as amended, and the business set forth on the Customer Order ("**Customer**"). This Addendum, together with the Customer Agreement (which includes the Customer Order Form and Customer Terms and Conditions) are collectively referred to as the "**Agreement**". BS&A and Customer may be referred to individually as a "**Party**" or collectively as "**Parties**."

Payment processing services accessible through an integration with BS&A's platform are provided by Processors. This Addendum will apply if Customer sets up an account with a Processor ("**Account**"), to receive payment processing services from Processor ("**Payment Processing Services**") through such integration.

Capitalized terms used but not defined in this Addendum have the meanings given in **Exhibit 1** (Definitions). If not defined in this Addendum or **Exhibit 1**, capitalized terms will have the meanings given to them in the Agreement or in the applicable Processor Agreements.

1. Payment Processing Services. Customer may elect to integrate one or more of the Payment Methods that BS&A offers for integration with the BS&A platform by agreeing to the terms of the applicable schedule to this Addendum for such Payment Method ("**Payment Method Schedule**"). Payment Processing Services that are accessible through an integration with the BS&A platform are provided by the respective Processor. BS&A may suspend, modify, or terminate its relationship with any Processor in its sole discretion, at any time and without notice, and without affecting the Parties' relationship under this Addendum. Customer will fully cooperate with any BS&A platform access or other changes required to facilitate a conversion to a new Processor. Customer acknowledges that Processor, not BS&A, has the ultimate decision whether to approve Customer for the Payment Processing Services. If Processor does not approve Customer for Payment Processing Services, BS&A may terminate the Agreement upon written notice to Customer.

1.1 Processor Agreements. Customer's use of the Payment Processing Services is subject to the applicable Processor Agreement(s) as reflected in the Payment Method Schedule for such Payment Processing Services. Customer may not use any Payment Processing Services until Customer agrees to the applicable Processor Agreement(s). By agreeing to this Addendum, Customer expressly: (a) accepts and agrees to be bound by the Processor Agreement(s), and (b) authorizes BS&A to capture Customer's electronic or digital acceptance of the Processor Agreement(s) and provide proof of such acceptance to Processor as may be requested by Processor. Customer understands that: (i) the Processor Agreements are solely between Customer and the respective Processor(s); (ii) the Payment Processing Services are provided solely by the respective Processor; (iii) Customer is solely responsible for its own relationship with Processor; and (iii) BS&A is not a party to the Processor Agreements, has no control over the Payment Processing Services or the Processor Agreements, and will have no liability under the Processor Agreements or in any way relating to the Payment Processing Services. Customer is responsible for checking for applicable updates to the Processor Agreements from time to time, and any use by Customer of the Payment Processing Services following a change to the Processor Agreements shall constitute acceptance of such change.

1.2 Customer Information and Onboarding. Customer will follow the onboarding procedures and policies provided by BS&A and Processor (as may be amended from time to time), and Customer will provide all requested information. All information provided by Customer to BS&A must be truthful and accurate. If any information disclosed to BS&A or Processor becomes untrue or not accurate, Customer must immediately notify BS&A and Processor of such change, as applicable. As part of the onboarding procedures BS&A may, in some cases, require information from an individual's credit profile. By submitting a Customer Order, Customer represents and warrants to BS&A that it has obtained written instruction and authorization from each Beneficial Owner (or other required individual) for BS&A to obtain information from such individuals' credit profile (including consumer reports) from a credit reporting agency for the purpose of identification verification and fraud and credit risk evaluation when applicable. "**Beneficial Owner**" means

any person who: (a) directly or indirectly owns or controls at least 25% or more of Customer's ownership interests; or (b) exercises substantial control over Customer.

1.3 Transaction Processing and Settlement. Transactions are processed by Processor, not BS&A. Processor (or its partner banks) will settle Transaction proceeds to Customer's designated bank account in accordance with the applicable Processor Agreement(s). Customer acknowledges and agrees that its processed transactions may, in Processor's discretion, be deposited into to a pooled account held for the benefit of Customer and other customers of BS&A held at any financial institution so that such funds may be combined and aggregated with other funds that are ultimately settled to Customer by such financial institution. Customer understands and agrees that BS&A does not process, receive, or hold Customer funds at any time and that BS&A is not a bank, money transmitter, or other money services business (as such terms are defined by the Bank Secrecy Act or any state law). To the extent BS&A is deemed to hold or receive funds (constructively or otherwise) of any customer of Customer at any point in time, Customer hereby irrevocably appoints BS&A as its non-fiduciary agent for the limited purpose of collecting, receiving, holding, and settling funds from Customer's customer ("**Payor**") on Customer's behalf. In such event, such funds shall be deemed received by Customer upon receipt by BS&A and shall satisfy the Payor's obligation to Customer in connection with the Transaction for the goods or services sold by Customer. If BS&A fails to remit such funds to Customer, Customer's sole recourse for such event is solely against BS&A and not against the Payor or the Payor's financial source.

1.4 Data Usage and Sharing. Customer agrees that BS&A and Processor may use Transaction data that has been de-identified and/or aggregated for the business purposes of providing insights, optimizing payment performance, and improving BS&A's and Processor's products and services, including fraud prevention and risk assessments. Customer authorizes BS&A to: (a) access and receive data relating to Customer's Account, including transaction and usage data and other data about the Account; (b) share data regarding the Account, related activity and other Customer data with Processor in connection with the Payment Processing Services; (c) issue instructions to Processor regarding Transactions and funds processed by Processor; and (d) to perform all other necessary activities, including access, usage and applying the appropriate settings with respect to the data of Customer processed through Processor's systems. Customer agrees to complete and submit any additional authorization forms or other such documentation as requested by BS&A or Processor from time to time. The Parties acknowledge that Customer, not BS&A or Processor, is responsible for providing the necessary disclosures to, and obtaining the required consents from, Payors or other data subjects regarding the processing of personal information by BS&A and Processor. Additionally, Customer is responsible for fulfilling any other obligations associated with required disclosures or consents when interacting directly with consumer Payors or data subject and must comply with the data privacy and security terms in the Customer Agreement.

2. Payment Terms

2.1 Fees. The fees for the Payment Processing Services will be as set forth in **Exhibit 2** (Fees) of this Addendum and will be automatically debited by BS&A via ACH from the depository account designated by Customer that is on file with BS&A ("**Customer Account**"). Customer hereby authorizes BS&A, Processor, their financial institutions and any of their assignees to collect amounts owed under this Addendum (including, but not limited to, the fees for the Payment Processing Services set forth on **Exhibit 2** (Fees) and any liabilities arising under this Addendum) by debiting funds from the Customer Account ("**ACH Debit Authorization**"). All payments are non-refundable. If Customer fails to make any payment when due (or any ACH Debit of the Customer Account is returned or rejected for any reason), late charges will accrue as permitted pursuant to Section 7.1 (Fees) of the Customer Agreement. All fees are exclusive of any applicable taxes, unless otherwise provided. Customer agrees that all ACH transactions authorized pursuant to this authorization comply with all Applicable Laws and with the Network Rules (including the Nacha Operating Rules). Notwithstanding anything to the contrary in the Agreement, fees for the Payment Processing Services can be amended upon thirty (30) days' notice to Customer.

2.2 Discrepancies. If Customer believes that there is an error in any statement provided by BS&A or Processor or any information reported by BS&A or Processor regarding a Transaction, or any error made in the amount of a payment or settlement, Customer must notify BS&A within thirty (30) days of the date

Client first had access to the statement or payment containing the error or discrepancy or it will be deemed to have waived such claim.

2.3 Tax Reporting. BS&A or Processor, as determined between them, may send documents to Customer and the Internal Revenue Service ("**IRS**") or other tax authority for Transactions processed using the Payment Processing Services. BS&A may have tax reporting responsibilities in connection with the Payment Processing Services such as an IRS report on Form 1099-K (which reports Customer's gross transaction amounts each calendar year to the IRS), or state or other taxing authority requirements. Customer acknowledges that BS&A or Processor (as determined in their sole discretion) will report the total amount of transactions received by Customer in connection with the Payment Processing Services each calendar year as required by the taxing authorities. Customer will cooperate with BS&A and Processor in providing accurate and complete tax reporting information, including any other information that may be required by the taxing authorities to fulfil tax reporting described herein. Customer represents and warrants that all information that it submits for tax reporting purposes is complete and accurate to the best of its knowledge, and that BS&A and Processor may rely on all such information submitted by Customer. Customer agrees that neither Processor nor BS&A will be liable for any penalty or other damages stemming from any 1099-K form that is issued incorrectly if it comports with the information provided by Customer, and neither Processor nor BS&A will have any obligation to verify the legal name or tax ID number for reporting purposes. Customer understands and agrees that BS&A and Processor may submit tax reporting information exactly as provided by Customer. Notwithstanding the foregoing, BS&A or Processor may in their sole discretion investigate or validate any tax reporting information or other information submitted by Customer.

2.4 Electronic Delivery of Tax Documents. In connection with the tax reporting activities described above, Customer may elect to receive electronic delivery of the referenced tax-related documents from BS&A or Processor, including through BS&A's platform or another online portal whereby Customer can access and download the applicable statements. If Customer elects to receive tax documents electronically, it will provide such consent by clicking an "I Accept" or similar button or checking a box captioned with acceptance and consent language ("**Tax E-Delivery Consent**"). The Tax E-Delivery Consent will remain in effect until withdrawn by Customer. The Tax E-Delivery Consent may be printed or downloaded. If Customer does not specifically consent to the electronic delivery of tax-related documents, Customer will receive paper copies of all required tax-related documents, including Form 1099-K. BS&A or Processor will notify Customer once the applicable tax forms become available via the email address BS&A has on file for Customer.

3. Compliance

3.1 Laws and Rules. Customer agrees to comply at all times with all Applicable Laws and Network Rules. Additional data protection standards and policies which Customer must comply with are set forth in the Processor Agreements. Furthermore, Customer acknowledges and agrees that it is fully responsible for all acts and omissions of its employees, contractors, and agents and will ensure their compliance with all Applicable Laws and Network Rules as well as Customer's other obligations under this Addendum and the Processor Agreements.

3.2 Customer's Business. Customer understands that all Transactions are between Customer and Payor and, except as provided in Section 1.3 for instances where BS&A is deemed to hold or receive funds of a Payor, any issues relating to a Transaction are solely between Customer and the Payor. Customer is solely responsible for all liabilities associated with Customer's payment processing activity and use of the Payment Processing Services, including without limitation with respect to Chargebacks, refunds, identity theft, fraud and any assessments or fees imposed by Processor, a sponsor bank, the card networks or any third party. Customer is responsible for determining what, if any, taxes apply to the goods and services Customer provides to its Payors and the payments Customer makes or receives, and it is Customer's responsibility to collect, report and remit the correct tax to the appropriate tax authority. Customer will comply with any and all applicable tax laws, including those in connection with Transactions.

3.3 Prohibited Activities. Customer will not use Account(s) or Payment Processing Services for any activity that is illegal, fraudulent, prohibited by Processor, or that is otherwise in breach of Applicable Law, Network Rules or the Agreement, including this Addendum, or the Processor Agreements. Customer may

not use the Payment Processing Services in breach of the Processor Agreement or for any activity that Applicable Law or the Processor Agreements prohibit.

3.4 Fraud Monitoring. BS&A and Processor may monitor Transactions for the purpose of determining fraudulent activity and whether Customer is in good standing. Such monitoring if conducted, will be for the benefit of BS&A and/or Processor only. BS&A does not have any obligation to monitor Transactions on Customer's behalf. Based on BS&A's methods, which are subject to change without notice, BS&A may decide to suspend Customer's access to the Payment Processing Services, or in other ways limit Customer's privileges to the extent BS&A deems necessary or useful to prevent fraud or losses. Without limiting the foregoing, BS&A may, in its sole discretion, or at the direction of Processor, delay sending instructions on Customer's behalf if BS&A reasonably believes that Customer's instructions may involve fraud or misconduct, or violate Applicable Law this Addendum, or other applicable BS&A or Processor policies, as determined by BS&A or Processor in their sole and absolute discretion.

3.5 Cardholder Fee Programs. If Customer elects to impose a fee on Payors with respect to Transactions (including a surcharge for credit cards, a convenience fee, service fee or other similar type of fee) or implement a discount based on the type of payment method used for a Transaction (including cash, check, or ACH) (collectively, "**Payor Fee Program**"), Customer must first seek approval from BS&A. Customer is solely responsible for its compliance with all applicable Network Rules and all present and future federal and state laws and regulations relating to any such Payor Fee Program and any required consumer disclosures related thereto. Although BS&A may, in its discretion, assist Customer with disclosures and practices relating to such Payor Fee Programs, BS&A's provision or approval of any materials or practices shall not be deemed a confirmation that such materials or practices comply with the Network Rules or Applicable Law and shall not in any way relieve Customer from its responsibility to ensure that all program materials and practices comply with the Network Rules and Applicable Law. Customer must provide BS&A with at least at thirty (30) days prior written notice before implementing (or announcing publicly that it intends to implement) any Payor Fee Program that would be considered a surcharge program under the Network Rules.

3.6 Suspension of Payment Processing Services. BS&A may at any time suspend or terminate the provision of the Payment Processing Services in whole or in relation to any Transaction: (a) if there is any breach of the Agreement, or (b) if required to do so by a third party; or (c) upon the occurrence of any event that may give rise, in BS&A's discretion, to a significant increase in its risk profile.

4. Customer Losses

4.1 Chargebacks and Other Losses. Customer is solely responsible for Chargebacks, Fines, assessments, costs, penalties, fees, currency conversion differences and other losses otherwise owed or incurred by Customer pursuant to or in connection with this Addendum and the Processor Agreements, as applicable (collectively, "**Customer Losses**"). Customer Losses include any liabilities of BS&A owed to Processor attributable to Customer's use of the Payment Processing Services. If BS&A determines in its sole discretion that Customer is incurring excessive Client Losses, BS&A may establish controls or conditions governing Customer's use of the Payment Processing Services, including without limitation, by (a) establishing new fees, (b) instructing Processor to require a reserve, (c) instruct Processor to delay payouts, and/or (d) terminating this Addendum and access to the Payment Processing Services. Notwithstanding anything to the contrary herein, for any Transaction that results in a Chargeback, BS&A may direct the withholding of the Chargeback amount and any associated fees. Customer authorizes BS&A to withhold, deduct or debit the amount of any Customer Losses, from Customer's Account or offset from any amounts otherwise due to Customer. Further, if BS&A reasonably believes that a Chargeback is likely with respect to any Transaction, BS&A may instruct Processor to withhold the amount of the potential Chargeback from payments otherwise due to Customer until such time that: (i) a Chargeback is assessed, in which case BS&A will retain the funds; (ii) the period of time under Applicable Law or Network Rules by which the Payor may dispute the Transaction has expired; or (iii) BS&A determines that a Chargeback on the Transaction will not occur, in which case BS&A will instruct the release of the withheld funds to Customer. If BS&A is unable to recover funds related to a Chargeback for which Customer is liable, BS&A may set off or debit Customer's Account for the full amount of the applicable Chargeback, or, if BS&A is unable to do so, Customer shall pay BS&A the amount of such Chargeback and any associated fees, fines

or penalties immediately upon demand. Customer will pay all costs and expenses, including without limitation attorneys' fees, other legal expenses, and handling fees incurred by or on behalf of BS&A in connection with the collection of all Chargebacks. This section will survive termination of this Addendum. Additional Chargeback terms and requirements are set forth in the Processor Agreements.

4.2 Investigations. BS&A is not obligated to intervene in any dispute arising between Customer and Payors. Notwithstanding anything to the contrary herein, if BS&A or Processor needs to conduct an investigation or resolve any pending dispute related to Customer Losses, Customer will assist BS&A when requested, at Customer's expense, to investigate such Customer Losses. Customer will timely submit all applicable information, documentation, or evidence related to Chargebacks to BS&A or Processor, within the timeframe instructed by BS&A, necessary for BS&A to meet card network timelines for submitting evidence and responding to a Chargeback. Customer authorizes BS&A to share information about a Chargeback with the Payor, the Payor's financial institution and Customer's financial institution in order to investigate or mediate a Chargeback. BS&A will request necessary information from Customer to contest the Chargeback. If a Chargeback dispute is not resolved in Customer's favor by the card network or issuing bank or Customer chooses not to contest the Chargeback, BS&A may recover the Chargeback amount and any associated fees. Customer acknowledges that its failure to assist BS&A or Processor in a timely manner when investigating a Transaction, including providing necessary documentation within the time period specified in BS&A's or Processor's request, may result in an irreversible Chargeback. BS&A or Processor may charge a fee as set forth in the applicable price schedule for mediating or investigating Chargeback disputes, in addition to any other Chargeback fees set forth in this Addendum, the Processor Agreements or the Agreement, if applicable. BS&A and Processor reserve the right to change such fees at any time. If BS&A reasonably suspects that the Customer's access to the BS&A platform or Payment Processing Services has been used for an unauthorized, illegal, or criminal purpose, Customer gives BS&A express authorization to (but understands that BS&A is not obligated to) share information about Customer and any Transactions with law enforcement. Customer will pay all costs and expenses, including without limitation attorneys' fees, other legal expenses, and handling fees incurred by or on behalf of BS&A in connection with the collection of Customer Losses. Customer understands and agrees that additional terms related to Customer Losses may be set forth in the Processor Agreements. This Section will survive termination of this Addendum.

5. Liability

5.1 Indemnification. In addition to the indemnification obligations under the Processor Agreements and the Agreement, Customer will indemnify, defend and hold harmless BS&A and its officers, directors, employees, affiliates, agents and representatives (collectively with BS&A, the "**BS&A Parties**") from and against any and all losses, damages, costs (including legal fees), Fines, claims, assessments, Chargebacks, fees, and other amounts incurred (by Processor or BS&A Parties) that are caused by, arise out of or are in any way related to: (a) Customer's breach of any of its obligations, representations, warranties or covenants in this Addendum; (b) the Processor Agreements (including Customer's breach of its obligations in the Processor Agreements) or Customer's use of the Payment Processing Services, including all activity on Customer's Account(s); (c) Customer's violation or non-compliance with any Applicable Law or Network Rules (including non-compliance of PCI-DSS); (d) all Customer Losses; (e) Customer's implementation of a Payor Fee Program; and (f) Customer's fraud, gross negligence or willful misconduct.

5.2 Limitation of Liability. TO THE FULLEST EXTENT PERMITTED BY LAW, IN NO EVENT SHALL BS&A PARTIES BE LIABLE TO CUSTOMER OR ANY OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL OR EXEMPLARY DAMAGES, WHETHER BASED ON WARRANTY, CONTRACT, TORT (INCLUDING NEGLIGENCE), OR ANY OTHER LEGAL THEORY, AND WHETHER OR NOT BS&A IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, IN NO EVENT WILL BS&A'S TOTAL CUMULATIVE LIABILITY ARISING OUT OF OR RELATED TO THIS ADDENDUM EXCEED IN THE AGGREGATE THE TOTAL FEES CUSTOMER PAID TO BS&A UNDER THIS ADDENDUM IN THE SIX (6) MONTHS IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE LIABILITY. THE EXISTENCE OF MULTIPLE CLAIMS WILL NOT ENLARGE THIS LIMIT. FOR THE AVOIDANCE OF DOUBT, CUSTOMER AGREES AND ACKNOWLEDGES THAT ANY ASSESSMENT, FINE, PENALTY, FEE, OR OTHERWISE

IMPOSED BY PROCESSOR, A BANK, A CARD NETWORK OR A GOVERNEMNT AGENCY OR REGULATOR WILL BE DEEMED TO BE A DIRECT DAMAGE AND NOT INDIRECT, CONSEQUENTIAL, OR INCIDENTIAL.

5.3 Warranty Disclaimer. CUSTOMER AGREES THAT CUSTOMER'S USE OF THE PAYMENT PROCESSING SERVICES WILL BE AT CUSTOMER'S SOLE RISK. TO THE FULLEST EXTENT PERMITTED BY LAW, BS&A PARTIES DISCLAIM ALL WARRANTIES, EXPRESS OR IMPLIED, IN CONNECTION WITH THE PAYMENT PROCESSING SERVICES AND CUSTOMER'S USE THEREOF. CUSTOMER MAKES NO WARRANTIES OR REPRESENTATIONS REGARDING THE ACCURACY OR COMPLETENESS OF THE PAYMENT PROCESSING SERVICES. BS&A DOES NOT WARRANT, ENDORSE, GUARANTEE, OR ASSUME RESPONSIBILITY FOR ANY PRODUCT OR SERVICE ADVERTISED OR OFFERED BY A THIRD PARTY IN CONNECTION WITH THE PAYMENT PROCESSING SERVICES, AND BS&A WILL NOT BE A PARTY TO OR IN ANY WAY BE RESPONSIBLE FOR MONITORING ANY TRANSACTION BETWEEN CUSTOMER AND THIRD-PARTY PROVIDERS (INCLUDING PROCESSOR) OF PRODUCTS OR SERVICES, INCLUDING THE PAYMENT PROCESSING SERVICES.

5.4 Force Majeure. BS&A is not responsible for any delay or failure in performing its obligations under this Addendum, in whole or in part, for any cause or circumstance outside its reasonable control, including, without limitation: fires, floods, storms, earthquakes, civil disturbances, disruption of telecommunications, pandemics, transportation, utilities, services or supplies, governmental action, computer viruses, corruption of data, failures of Processor or other third party provider, DDoS or other computer attacks, incompatible or defective equipment, software, or services, or otherwise.

6. Term and Termination

6.1 Term. This Addendum will be effective on the date that BS&A approves Customer for the Payment Processing Services and will continue for one (1) year unless earlier terminated in accordance with this section. This Addendum will automatically renew for consecutive one (1)-year renewal terms unless either party gives the other party written notice of non-renewal no less than sixty (60) days before the end of the then-current term.

6.2 Termination. This Addendum will automatically terminate upon termination of the Agreement.

6.3 Termination by BS&A. In addition to the termination rights set forth under the Agreement, BS&A will have the right to terminate this Addendum immediately, with or without notice, if: (a) Customer breaches any provision of this Addendum or any Processor Agreements; (b) the Processor Agreements, the Customer's Account or BS&A's agreements with Processor terminate for any reason; (c) Customer or its employees and agents use the Payment Processing Services in a manner inconsistent with the intended purpose; (d) Customer or its employees and agents violate any Applicable Laws or Network Rules; or (e) BS&A is required to terminate this Addendum by Processor, government agency, payment network, or other regulator. BS&A will not be liable to Customer or other third party for termination of the Payment Processing Services for any reason.

6.4 Effect of Termination. The termination of this Addendum will not affect any of BS&A's rights or Customer's obligations arising under this Addendum. After termination of this Addendum and/or Customer's Account, Customer shall continue to be liable for all Chargebacks, refunds, Fines, fees, card network liabilities, credits, adjustments and unresolved disputes resulting from or relating to Transactions processed pursuant to this Addendum. The termination of Customer's access to Payment Processing Services will be effective immediately. Customer authorizes BS&A to notify Processor of any termination of this Addendum; however, Customer is responsible to manually close its Account separately in accordance with Processor's procedures.

7. General

7.1 Precedence. Any inconsistency, conflict, or ambiguity between this Addendum and the Agreement will be resolved by giving precedence and effect to this Addendum, but only to the extent of the inconsistency, conflict, or ambiguity. Other than as expressly amended by this Addendum, all other provisions of the Agreement will remain in full force and effect.

7.2 Amendments. Except as set forth below in this section, this Addendum may only be amended with the written consent of both parties. BS&A reserves the right to amend this Addendum, including applicable fees and rates, at any time. BS&A will use reasonable efforts to give Customer thirty (30) days' prior notice of any material amendment. If Customer does not agree to the amendment it may terminate this Addendum without penalty within thirty (30) days of receiving notice of the amendment. Failure to terminate this Addendum prior to the effective date of the amendment, or any continued use of the Payment Processing Services following the effective date of the amendment, will constitute Customer's acceptance of and agreement to the amendment. Notwithstanding the foregoing, the termination right set forth herein will not apply to any amendment which, in BS&A's sole and absolute discretion, is required to comply with applicable laws or Network Rules, or to pass through increases in third party costs and fees, including but not limited to fees and assessments charged by Processor, payment networks, or BS&A's vendors and service providers.

7.3 Dispute Resolution. The dispute resolution provisions of the Agreement, including the choice of law and venue will apply to any and all disputes or claims arising under this Addendum.

7.4 Counterparts. This Addendum may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. An electronic signature shall be accepted as an original for all purposes.

7.5 Electronic Signatures. This Addendum may be executed and delivered by electronic means (including click-to-accept) and the parties agree that such electronic execution and delivery will have the same force and effect as delivery of an original document with original signatures, and that each party may use such electronic signatures as evidence of the execution and delivery of this Addendum to the same extent that an original signature could be used.

7.6 Notices. Unless otherwise indicated, all notices required to be made of Customer to BS&A under this Addendum must be delivered in accordance with Section 15.3 (Notices) of the Customer Agreement

7.7 **Survival**. All portions of this Addendum that would reasonably be believed to survive termination shall survive and remain in full force upon termination, including but not limited to the Limitation of Liabilities, Representation and Warranties, Licensing, Indemnification, and Dispute Resolution sections.

AGREED AND ACCEPTED

BS&A Software, LLC		**City of Farmington, Oakland County, MI**	
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____
_____		_____	
Signature		Signature	

Exhibit 1

Definitions

For purposes of the Addendum, capitalized terms are defined as follows:

1. "**ACH**" means the Automated Clearing House.

2. "**Account**" means an account that Customer sets up with Processor.

3. "**Applicable Law**" means any applicable law, rule, regulation or order.

4. "**Chargeback**" means a Transaction that is successfully charged back at the request of a cardholder or the issuer pursuant to relevant Network Rules, resulting in a cancellation of a Transaction for which Customer has been paid or was due to be paid and an obligation to refund the relevant amount of the transaction to cardholder.

5. "**Fine**" means any fine, assessment, uplifted service fee or other additional payment imposed by the Payment Networks, regulatory or governmental authorities, and/or the financial institution that processes a Transaction.

6. "**Network Rules**" means the rules and regulations of all applicable payment networks, including industry standards such as the Payment Card Industry Data Security Standards ("**PCI-DSS**").

7. **"Payment Method"** means the type of payment to be accepted by Customer from a Payor.

8. "**Processor**" means the applicable payment processor that BS&A designates or modifies from time to time, in its sole discretion. BS&A's Processors as of the "Last Updated" date of this Addendum are identified in the applicable Payment Method Schedule.

9. "**Processor Agreement**" means the Processor's applicable agreement(s) as identified in the applicable Payment Method Schedule, and any other terms and conditions of Processor as each may be updated or modified by Processor from time to time.

10. "**Transaction**" means any transaction involving Customer's goods or services that is processed through the Payment Processing Services pursuant to this Addendum.

Exhibit 2

Tax E-Delivery Consent

Please read this information carefully and print or download a copy for your files.

Consent to Electronic Delivery of Tax-Related Documents

By executing the Addendum or otherwise accepting this Tax E-Delivery Consent ("**Consent**"), you acknowledge that you have read and understand the terms of this Consent, and you affirmatively elect and consent to receive tax-related documents in connection with the Payment Processing Services ("**Tax Documents**"), including but not limited to IRS Form 1099-K, via electronic delivery.

This Tax E-Delivery Consent ("**Consent**") is effective until withdrawn in the manner described below. You understand you will **NOT** receive hard (paper) copies of Tax Documents unless and until such withdrawal.

This is your copy of the Consent. Please print, download, and save a copy of this Consent for your records.

Electronic Delivery

You agree that BS&A may deliver Tax Documents to you in any of the following ways:

(a) via email at the email address BS&A has on file for you; and/or

(b) via an online interface which allows you to view and download the Tax Documents. For example, such interface may be provided through your account or profile on the BS&A services, if applicable. If Tax Documents are provided via the BS&A services or other online interface, BS&A (or its processor or service provider, as applicable) will notify you via email once each Tax Document becomes available.

Additional or Substitute Paper Copies

In addition to obtaining electronic copies, you may also request paper copies of your Tax Documents by contacting BS&A at the contact information provided below. Note that requesting a paper copy of Tax Documents will be considered a one-time request and will not be considered a withdrawal of this Consent. You must formally withdraw this Consent in the manner described below to begin regularly receiving paper copies of Tax Documents on a going-forward basis.

For information that is required by law to be sent to you, including Form 1099-K and other Tax Documents, as applicable, if BS&A receives notice that an email is undeliverable due to an incorrect or inoperable email address, or if BS&A is otherwise unable to deliver your Tax Documents via electronic means, BS&A will attempt to send such information via U.S. Postal Service to the mailing address BS&A has on file for you.

Notification of Change of Tax Information or Email

You must notify BS&A promptly if your email address used to receive Tax Documents, notifications, or other account information changes. You must also notify BS&A promptly of any relevant change in your information as it appears on your Form W-9, including your name, address, or taxpayer identification number. BS&A must have such information exactly as it appears on your Form W-9 in order to properly fill out and issue your Form 1099-K.

By agreeing to this Consent, you agree to notify BS&A promptly of any such change, by contacting BS&A by mail or email at the contact information provided below.

Withdrawal or Termination this Consent

You may withdraw this Consent at any time by providing written notice of withdrawal to BS&A by mail or email at the contact information provided below. In each case, you must state that you are withdrawing consent to paperless delivery of tax-related documents, and you must provide your name and taxpayer identification number exactly as they appear on your IRS Form W-9.

You understand that withdrawal of this Consent is prospective only; withdrawal ensures that future Tax Documents will be delivered to you on paper, but does not apply to any Tax Document that has already been furnished to you electronically. BS&A may take up to 10 business days after receipt of your withdrawal to process your request.

In addition, BS&A reserves the right to terminate this Consent and stop electronic delivery of Tax Documents at any time by giving notice to you. If BS&A does so, BS&A will send future Tax Documents as paper copies, via mail.

System Requirements

To access Tax Documents electronically, you need a computer system or mobile device that, at minimum, has the following features and capabilities:

- internet access;
- browser software (at least 128-bit encryption, JavaScript enabled);
- application that can read and display PDF files;
- sufficient hardware necessary to support the above features, including sufficient storage to download and retails files to keep a copy for your records; and
- printer (if you want to print a hard copy).

By agreeing to this Consent you certify that your computer system or mobile device meets these hardware and software requirements.

Contact BS&A

You may contact BS&A by mail or email to update your Form W-9 information or to withdraw this Consent at:

BS&A Software, LLC
14965 Abbey Ln. Bath, MI 48808-7709
support@bsasoftware.com

Exhibit 3

Payment Processing Services & Fees

Service	Fee
Payment Processing Implementation	$0
Monthly Account Fee	$0
Gateway	$0
PCI DSS	$0
Tokenization	$0
Real-Time ACH Validation	$0
Real-Time Transaction Fraud & Risk Monitoring	$0
Text – to – Pay	$0
IVR	$0

Credit Card – Visa, Mastercard, Discover, American Express – Pass-Through to Payor		
Online, Text, IVR, Counter	Percentage	Per Transaction
Utility Billing	2.95%	$0.50
Tax	2.80%	$0.50
Misc.	2.95%	$0.50

ACH – Pass-Through to Payor	
Transaction Amount	Fee per Transaction
$0 - $1,000	$3.00
$1,001 - $5,000	$6.00
$5,000 +	$12.00

ACH – Absorbed by Municipality – Utility Billing & Tax	
Transaction Amount	Fee per Transaction
$0 - $1,000+	$0.65

Item	Price	Quantity	Total
Stripe S710 Terminal and Dock	$365.00		
Stripe S710 Terminal	$300.00		
Stripe S710 Dock	$65.00		
Stripe S710 Hub	$50.00		
Stripe S710 Case	$35.00		

Payment Type	Accept Payments Using this Method
Online with BS&A Online	x
Text-to-Pay	x
IVR Phone Payments	x
Counter with Cash Receipting	x

Type	Pass Through to Payor	Absorbed by Municipality	Mixed
Credit Card Fees - Online	x		
Credit Card Fees - IVR	x		
Credit Card Fees - Counter	x		
ACH Fees - Online			x
ACH Fees - IVR			x
ACH Fees - Counter			x

Payment Method Schedule to the Integrated Payments Addendum

Card Processing and ACH Services

Last Updated: April 21, 2026

By using Card Processing and/or ACH Services, Customer agrees to the terms of this Payment Method Schedule for Card Processing and ACH Services, which supplement the terms of the Integrated Payments Addendum last entered into between BS&A and Customer. Capitalized terms used but not defined in this Payment Method Schedule have the meanings given in the Addendum. In the event of a conflict between the terms of this Payment Method Schedule and the terms of the Addendum, the conflicting term in this Payment Method Schedule will prevail, but only to the extent of the conflict.

1. Processor and Processor Agreements. As of the "Last Updated" date of the Addendum, BS&A's Processor for Card Processing and ACH Services is Stripe, Inc. ("**Stripe**"), and Customer's use of Card and/or ACH Processing Services is subject to Customer entering into the following Processing Agreement(s) with Stripe: the Stripe Connected Account Agreement, the Stripe Services Agreement, the Stripe Privacy Policy, and other terms and conditions of Stripe, as each may be updated or modified by Stripe from time to time (collectively, the "**Stripe Agreements**"). Customer may not use Card Processing or ACH Services unless Customer enters into the Stripe Agreements with Stripe.

2. Card Processing Services Terms. The following apply to Customer's use of Card Processing and ACH Services:

(a) For Card Processing and ACH Services, the "Account" is Customer's Stripe Connected Account (as such term is defined in the Stripe Agreements). Customer will not use the Stripe Connected Account for any activity prohibited by Stripe, including but not limited to those activities listed in the section of Stripe Services Agreement titled "Services Restrictions" or those activities listed in the Stripe Restricted Businesses List. Customer shall not use the Card Processing or ACH Services to conduct a Restricted Business or transact with a Restricted Business. Customer may not use the Card Processing or ACH Services in breach of the Connected Account Agreement or for any activity that Applicable Law or the Stripe Agreements prohibit.

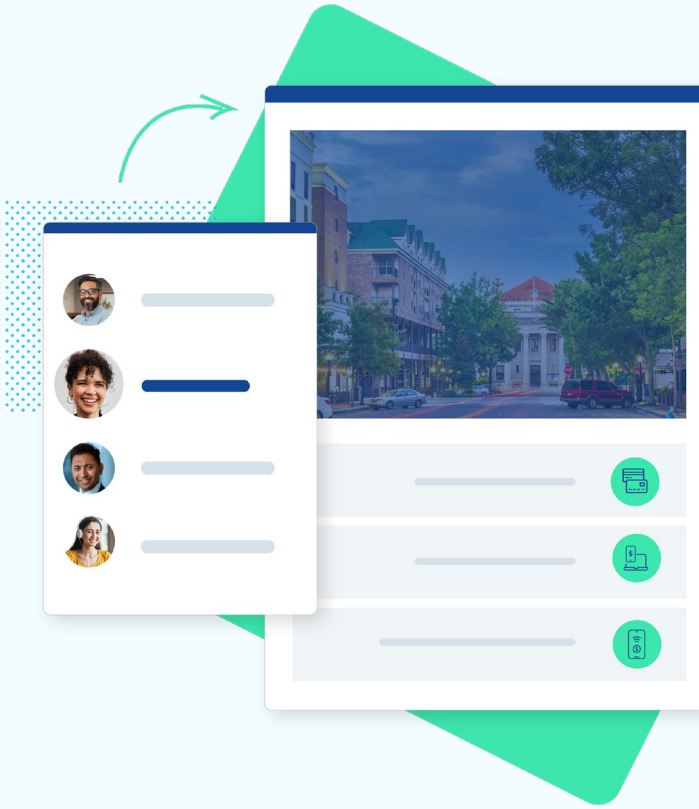
(b) In connection with Section 2.1 of the Addendum, for the avoidance of doubt, any fees or payment terms that may be posted on Stripe's website for Stripe's direct customers are not applicable.

(c) For purposes of Section 5.1, Customer Losses include all "Merchant Losses" as that term is defined in the Stripe Agreements.

AGREED AND ACCEPTED

BS&A Software, LLC		**City of Farmington, Oakland County, MI**	
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____
_____		_____	
Signature		Signature	

BS&A SOFTWARE



BS&A Payments

Streamlined payments for municipalities and their residents

For municipalities that invoice residents for taxes, utilities, and other civic fees, BS&A Payments offers a more efficient way to accept payments electronically, online, and over the counter. Native to BS&A's core software and online resident-facing platform, BS&A Payments improves workflows and reconciliation processes for staff and expands value for residents.

Designed Specifically for How Municipalities Operate.

Real-time Payment Processing

Real-time transaction processing and posting for taxes, utilities, and other civic fees. Seamless ERP integration eliminates manual data entry and file imports, minimizing manual processes and potential for error.

Automated Reconciliation

Streamlined bank reconciliation creates time savings, allowing municipal staff to focus on higher value initiatives.

Centralized Transaction Data

All electronic payments data is accessible directly from BS&A's core platform, providing transaction level detail in a unified interface.

Modernize Your Payments Acceptance

Position your municipality as tech-enabled and forward-thinking by offering residents the most modern payment methods, both in person and online.

All-Inclusive Pricing

All-inclusive, flat-rate pricing eliminates hidden or unexpected fees and simplifies the budget forecasting process. No need to worry about fees for setup, monthly minimums, statements, recurring payments, PCI compliance, chargebacks, or batches.

Focusing on the Resident Experience.

Turning what was once a chore into a seamless journey, BS&A Payments was built with residents in mind.



Single Login for BS&A Online
A single user account streamlines access to electronic payments and other citizen engagement tools, all under one roof.

Ease of Use
The user-friendly, mobile responsive, and accessible interface ensures all residents can make payments easily from anywhere.

Autopay Capability
Allows residents to configure ongoing automatic payments, ensuring they never miss a due date, and reducing late payments to the municipality.

Security and Compliance.
Processing in a PCI Level 1 compliant environment ensures the security of resident, municipality, and payment transaction data.

Automatic Card Updates
Embedded Card Account Updater capabilities maintain up-to-date credit and debit card information when resident cards expire or are replaced, reducing payment disruption.

Comprehensive Payment Options
BS&A Payments accepts:

- Credit/Debit Card
- Apple pay
- Google Pay
- ACH

Extensive Payment Channels
Ability to pay invoices:

- Desktop & Mobile
- Text
- IVR
- Counter

See BS&A Payments in Action

See for yourself how BS&A Payments streamlines payments for municipalities and their residents.

Watch a demo

Ready to take the next step? (855) 272-7638 | paymentsinfo@bsasoftware.com

BS&A SOFTWARE

Farmington City Council **Staff Report**	**Council Meeting** **Date: November 16, 2026**	**Item Number** 7F

Submitted by: Bob Houhanisin – Director

Agenda Topic:
Request to Approve the payment to the Clemis Authority for 2027

Proposed Motion: Approve the request to pay the CLEMIS Authority $28,377.00 for services for the calendar year 2027.

For many years, the Public Safety Department has utilized CLEMIS for several services including police reports, fire reports, EMS reports, Livescan-Mugshot (prisoner booking system) Mobile Data Computers, LEADS On-Line, and Computer Aided Dispatch. Recently, CLEMIS formed an Authority and changed how they send invoices. Before forming the Authority, the department was billed quarterly, however the Authority now sends one bill which coincides with the calendar year.

Attachment: CLEMIS Invoice

CLEMIS Authority

1650 Research Dr.
Suite 250
Troy, MI 48083

Invoice

Invoice	INV-10153
Date	Nov 2, 2026
Terms	Net 60
Due date	Jan 4, 2027
Amount due	$28,377.00

Bill to

Farmington DPS
phouhanisin@farmgov.com
248-699-5138

Items	Quantity	Price	Amount
Dataworks Criminal Livescan-Mugshot 10+Palm (Existing) [FY27]	1	$6,900.00	$6,900.00
Fire Membership - In County Main [FY27]	1	$5,324.00	$5,324.00
LEADS Online Subscription (10-24 FTEs) [FY27]	1	$2,600.00	$2,600.00
CLEMIS Membership Tier 1 16+ FTEs [FY27]	1	$5,380.00	$5,380.00
Dataworks Livescan as a Service, Transition Price Protection Adjustment (Years 2-5)	1	$130.00	$130.00
MDC Wireless with Card [FY27]	1	$8,043.00	$8,043.00

Subtotal	$28,377.00
Total	$28,377.00
Paid	$0.00

Amount due $28,377.00

Use this link to pay online: https://app02.us.bill.com/p/00802VCFDTILVJW4txpo

Notes
As a reminder, our invoicing process has changed. Invoicing now occurs annually, ahead of services rendered, via CLEMIS Authority—not quarterly, in arrears, by Oakland County. Please visit www.clemisauthority.org/invoicing for

Farmington City Council Agenda Item	Council Meeting Date: November 16, 2026	Item Number 7G

Submitted by:
Bob Houhanisin, Public Safety Director

Agenda Topic
Resolution to Amend Chapter 6 of the City of Farmington Traffic Code to prohibit parking on Whittaker Street.

Proposed Motion
Motion to Approve Resolution amending Chapter 6 of Farmington City Traffic Control Order to add a new Section 6.2 to prohibit parking on both sides of Whittaker Street from Grand River, south to the alley on the south side of Worldwide Plaza (34701 -34805 Grand River Ave) .

Background
Delivery trucks are required to make deliveries to the World Wide Plaza on Grand River via the alley to the rear of the building. If vehicles park on Whittaker between Grand River and this alley, the trucks cannot make the turn into the drive. Therefore, parking on Whittaker should be prohibited. This amendment was also recommended by the Parking Committee

Materials Attached

Current Chapter 6 of the Traffic Control Order
Resolution

Agenda Review			
Department Head	Finance/Treasurer	City Attorney	City Manager

STATE OF MICHIGAN
COUNTY OF OAKLAND
CITY OF FARMINGTON

RESOLUTION OF THE FARMINGTON CITY COUNCIL TO AMEND TRAFFIC CONTROL ORDERS

RESOLUTION NO. ____

The Farmington City Council resolves that the Traffic Control Order issued by the Director of Public Safety of the City of Farmington, dated February 1972, is hereby amended as follows: as provided for in Section 28-1153 of the Uniform Traffic Code, as adopted in Section 31-51 of the City Code of the City of Farmington, and Section 31-60 of the City Code of the City of Farmington.

Chapter 6 – Regulations Prohibiting Stopping, Standing or Parking

ADD:

Section 6.2 –Whittaker Street

(a) both sides of Whittaker Street from Grand River, south to the alley on the south side of Worldwide Plaza (34701- 34805 Grand River Ave.)

AYES:
NAYS:
ABSENT:
ABSTENTIONS:

RESOLUTION DECLARED ADOPTED _____, 2026.

_____
Meaghan Bachman, City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Farmington at a regular meeting held this _____ day of _____, 2026.

_____
Meaghan Bachman, City Clerk
City of Farmington

Farmington City Council Staff Report	**Council Meeting Date:** November 16, 2026	**Item Number 7H**

Submitted by: David Murphy, City Manager

Agenda Topic: Membership in the Western Michigan Health Insurance Pool for 3 Years

Proposed Motion: Move to approve resolution authorizing membership in the Western Michigan Health Insurance Pool for 3 Years.

Background:

The City provides medical coverage to 43 employees, 5 retirees under 65, and 32 retirees 65 and older. Over the last several years, premiums have risen significantly. While the City's exposure to these increases is limited by the State mandated hard caps, our employees have been impacted, as they have to pay amounts over the hard cap.

In an effort to control costs, the City has reviewed options with its benefit advisor, Gallagher. The strongest option identified is to join a health insurance pool. A health insurance pool is a group of employers whose medical costs and health risks are combined to calculate insurance premiums and share financial responsibility. The City has some experience with health insurance pools, having successfully pooled health insurance with Farmington Hills for several years.

The pool selected by Administration is "The Pool", technically known as the Western Michigan Health Insurance Pool (WMHIP). This is a pool of 278 municipalities and schools that covers over 27,000 individuals. (See attached presentation).

In order to join The Pool, Council would approve the attached resolution committing the City to participate in pool for 3 years and appoint a Trustee to serve on the Board and represent the City. The Resolution, Bylaws, and Trust Agreement have all been reviewed by the City Attorney.

Materials:
Resolution Authorizing Membership in WMHIP
Presentation of The Pool
WMHIP Bylaws
WMHIP Trust Agreement
WMHIP Financial Statements 6/30/26

COUNCIL OF _____ OF

_____
(the "Public Entity")

RESOLUTION AUTHORIZING PUBLIC ENTITY MEMBERSHIP IN THE WEST MICHIGAN HEALTH INSURANCE POOL ("WMHIP") FOR A MINIMUM THREE-YEAR PERIOD

PREMISES

A. The Western Michigan Health Insurance Pool ("WMHIP") is a Public Employer Pooled Plan ("PEPP") that provides pooled self-funded health insurance coverage, as authorized by the Public Employees Health Benefit Act, Act 106 of 2007.

B. WMHIP has received from the Michigan Department of Insurance and Financial Services ("DIFS") a certificate of registration authorizing establishment of the PEPP.

C. The Council has had opportunity to consider the obligations of the Public Entity to WMHIP and PEPP plans, and services available to the Public Entity by WMHIP, and has carefully reviewed the WMHIP Amended Trust Agreement and Bylaws.

D. The Council desires to authorize membership of the Public Entity in the WMHIP for a minimum period of three years.

NOW, THEREFORE, the Council of the Public Entity hereby resolves:

1. The Council approves the WMHIP Amended Trust Agreement and bylaws, and accepts WMHIP provision of Public Entity self-funded, pooled health insurance coverage under the PEPP plan.

2. The City Manager, or Director of Finance and Administration of the Public Entity or, with their approval, the person appointed by the Council as WMHIP Trustee or Alternate Trustee, is hereby authorized to

execute all documents necessary for the Public Entity to become a Member in the WMHIP PEPP plan.

3. The Council hereby confirms its appointment of the following persons as Trustee and Alternate Trustee to serve as Trustee when the initial Trustee is not available or in attendance to carry out the Trustee's duties:

Christopher M. Weber

[Insert Trustee's Name]

Meaghan Bachman

[Insert Alternate Trustee's Name]

As required by law, neither the Trustee nor the Alternate Trustee is an owner, officer, or employee of any third-party administrator or any other third party providing services to WMHIP. The Trustee and Alternate Trustee shall serve until replaced by action of the Council. Once appointments are made known to the WMHIP, the persons appointed shall remain in office until the WMHIP receives evidence of appointment of other persons. Evidence of proper appointment of the Trustee and Alternate Trustee shall be a certified copy of the resolution passed by the Council, indicating the names of the designated Trustee and/or Alternate Trustee. Failure of the Public Entity to designate a Trustee, or the failure of that Trustee/Alternate Trustee to participate on the Board of Trustees, shall not affect the responsibilities or duties of the Public Entity under the Amended Trust Agreement.

4. The Public Entity shall continue participation in the WMHIP for a minimum of three full years under its PEPP plan.

5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution be and the same are hereby rescinded.

CERTIFICATE

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of _____ of the_____ Public Entity, _____County(ies), State of Michigan, at a _____ meeting held on _____, 20___, and that this meeting was conducted and public notice of this meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of this meeting were kept and will be or have been made available as required by this Act.

I further certify that the following Members were present at this meeting:

_____ and that the following Members were absent _____.

I further certify that the foregoing resolution was moved by Member _____ and seconded by Member _____.

I further certify that the following Members voted for adoption of the foregoing resolution: _____ and that the following Members voted against adoption of this resolution: _____.

_____
Secretary

20 years of supporting members

City of Farmington & The Pool

2026-27 Pool Overview and Rates

September 2026



THE POOL
Transforming Your Wellbeing Together

Getting to know The Pool

THE POOL
Michigan Health Insurance

The Pool

About Us

The Pool was created in 2005 when eight West Michigan school districts wanted to offer better, quality benefits at a lower cost to employees and their families.

Making Waves

The Pool offers the most affordable, best-in-class coverage through Blue Cross Blue Shield of Michigan or Priority Health that supports our members' total wellbeing.

Being a member of The Pool allows you to take advantage of life-changing programs ranging from muscle, back, and joint pain relief to fully reversing diabetes, all for free.

Member-Focused



The Pool was created for members and has always been run by members – ensuring an enhanced experience for all.

Value



We offer plans at the most competitive rates in the industry by investing in innovations that enhance member wellbeing.

Trust



Transparency, partnership and feedback are essential to everything we do in The Pool. Members can trust The Pool is working on their behalf everyday.

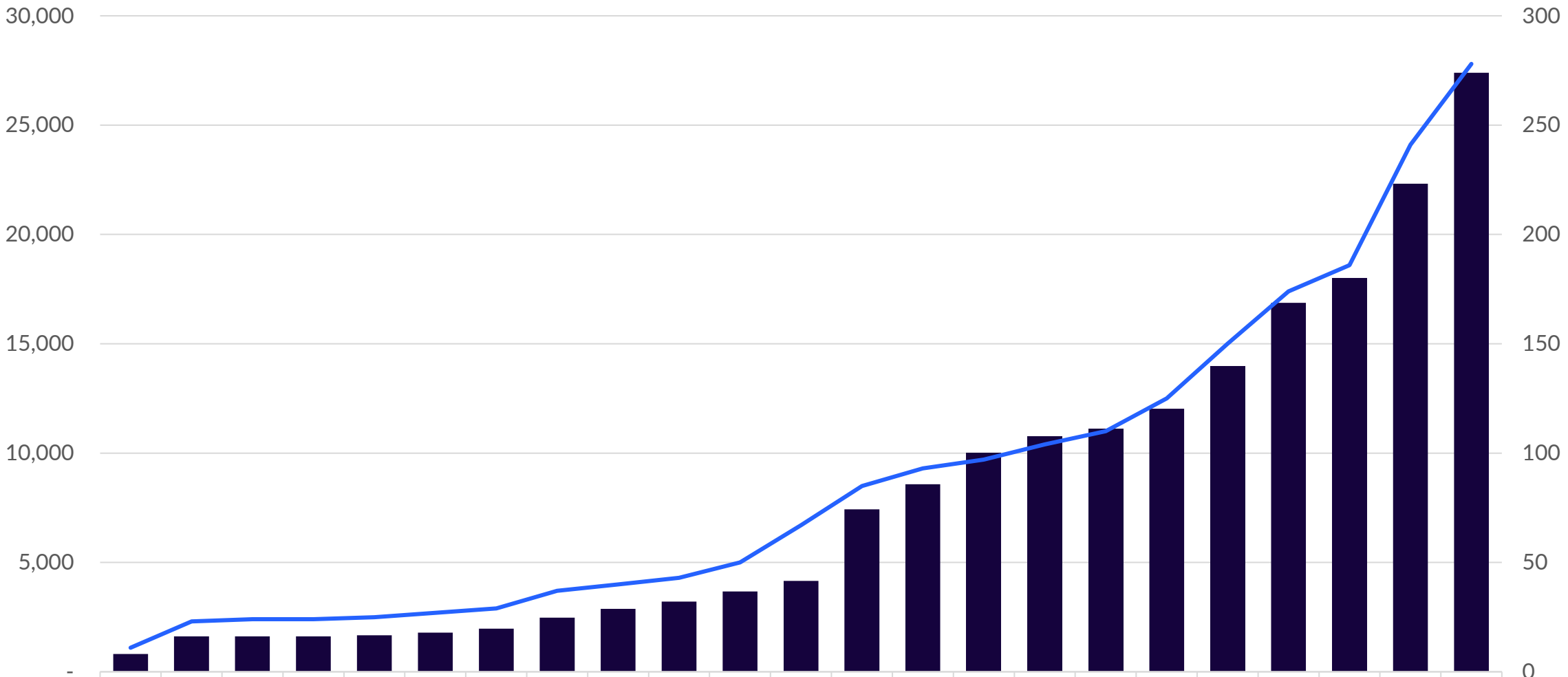
Member-Focused, Value & Trust are pillars that have withstood the test of time and drive decision making today.

THE POOL
Michigan Health Insurance

In good company

THE POOL
Michigan Health Insurance

20 Years of Sustained Growth



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Jan-24	Jul-24	25-Jan	26-Jan
Covered Employees	810	1,620	1,620	1,620	1,665	1,790	1,970	2,475	2,875	3,210	3,670	4,160	7,425	8,579	10,007	10,781	11,124	12,028	13,991	16,870	18,015	22,316	27,400
Member Entities	11	23	24	24	25	27	29	37	40	43	50	67	85	93	97	104	110	125	150	174	186	241	278

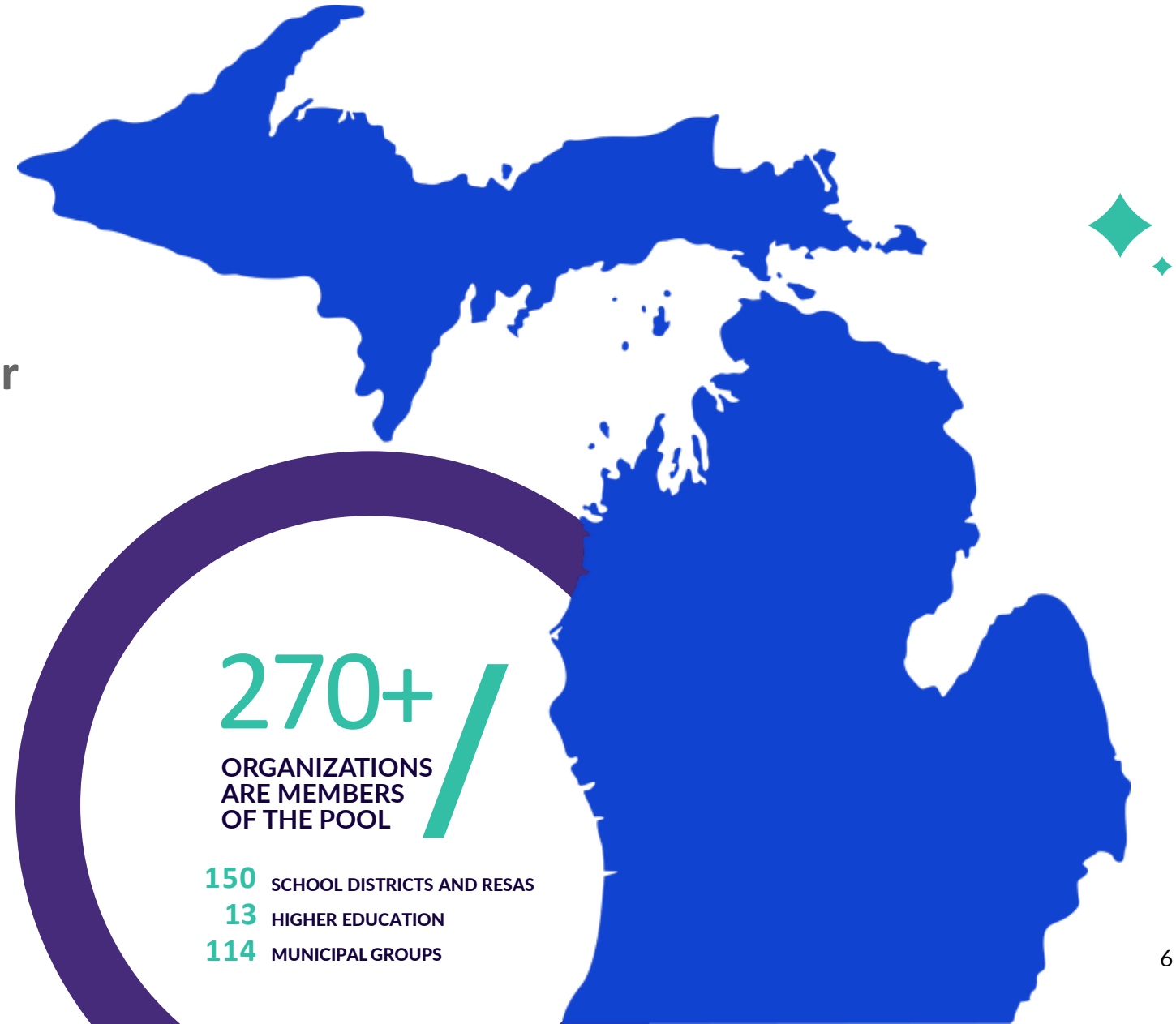
**January 2026 covered employees is an est.*

Who's in The Pool

as of January 2026

The Pool is made up of over two-hundred member entities across Michigan, proud to be a part of our mission.

Curious who these members are?
Find the full list of membership on the next few slides.



THE POOL
Michigan Health Insurance

Membership list

1/1/2026

Midwest

Ottawa County
Allendale Public Schools
City of Ferrysburg
City of Holland
City of Hudsonville
City of Zeeland
Coopersville Public Schools
Grand Haven Area Public Schools
Harbor Transit Authority
Herrick District Library
Holland BPoW
Holland Public Schools
Hudsonville Public Schools
Jenison Public Schools
Loutit District Library
Macatawa Area Express Transit Authority
Ottawa County
Ottawa ISD
Park Township
Spring Lake Public Schools
Spring Lake Library
Village of Spring Lake
West Ottawa Public Schools

Kent County
Byron Center Public Schools
Caledonia Public Schools
Cascade Township
Cedar Springs Public Schools
City of Cedar Springs
City of Lowell
Comstock Park Public Schools
East Grand Rapids Public Schools
Forest Hills Public Schools
Gaines Charter Township
Godfrey Lee Public Schools
Godwin Heights Public Schools
Grand Rapids Community College
Grand Rapids Public Schools
Grandville Public Schools
Kelloggsville Public Schools
Kent City Community Schools
Kenowa Hills Public Schools
Kent ISD
Kentwood Public Schools
Lowell Schools
Network 180
Northview Public Schools
Rockford Public Schools
Sparta Area Schools
Tri County Area Schools
Wyoming Public Schools

Southwest

Allegan County
Allegan County
Allegan Area AESA
City of Allegan
City of Otsego
Fennville Public Schools
Hopkins Public Schools
Otsego Public Schools
Plainwell Community Schools
Wayland Union Public Schools

Barry County
Barry County
Barry ISD
Delton Kellogg Schools
Lakewood Public Schools
Maple Valley Schools
Southwestern Michigan College
Thornapple Kellogg Schools

Berrien County
City of Bridgman
City of St. Joseph
Coloma Public Schools
Lakeshore Public Schools
Niles Community Schools

Branch County
BHSJ Public Health
Branch County
Branch ISD
Bronson Community Schools
City of Bronson
City of Coldwater
Village of Union City

Calhoun County
Athens Area Schools
Battle Creek Public Schools
Calhoun County
Calhoun ISD
City of Marshall
Harper Creek Community Schools
Kellogg Community College
Marshall Area Fire Fighter Ambulance Authority
Marshall District Library
Pennfield Public Schools
Summit Pointe Behavioral Health

Cass County
Heritage Southwest ISD

Hillsdale County
City of Hillsdale
City of Jonesville
County of Hillsdale

Kalamazoo County
Climax-Scotts Community Schools
Comstock Public Schools
Kalamazoo County RESA
Kalamazoo Valley Community College
Parchment School District
Schoolcraft Community Schools
Texas Township
Vicksburg Public Schools
Village of Vicksburg

St. Joseph County
Burr Oak Community Schools
Centreville Public Schools
Colon Community Schools
Glenn Oaks Community College
Mendon Community Schools
Nottawa Community School
St. Joseph County ISD
St. Joseph Public Schools
Three Rivers Community Schools
White Pigeon Community Schools

Van Buren County
South Haven Public Schools
Village of Lawton
Village of Paw Paw

Central

Clinton County
Clinton County RESA
Ovid Elsie Schools
Pewamo Westphalia Community Schools
St. Johns Public Schools

Eaton County
City of Grand Ledge
Eaton County RESA
Grand Ledge Public Schools

Ingham County
City of East Lansing
City of Williamston
Holt Public Schools
Ingham ISD
Lansing Community College
Mason Public Schools
Okemos Public Schools
Waverly Community Schools

Ionia County
Belding Area Schools
Ionia ISD
Ionia Public Schools
Portland Public Schools
Saranac Community Schools

Isabella County
Beal City Public Schools
Montabella Community Schools
Village of Lake Isabella

Jackson County
Jackson Public Schools
LifeWays Community Mental Health

Saginaw County
Chesaning Union Schools
Saginaw ISD

Eastern

Genesee County
City of Davison
Mott Community College

Lenawee County
Lenawee County Road Commission

Livingston County
Livingston ESA

Macomb County
Lake Shore Public Schools
Romeo Community Schools

Monroe County
Ida Public Schools

Oakland County
Berkley Schools
City of Farmington Hills
Ferndale Public Schools
Holly Academy
Huron Valley School District
Oak Park School District
Oakland Community College
Oxford Community Schools

Shiawassee County
Shiawassee RESA

St. Clair County
Region 10
St. Clair County Community MH

Washtenaw County
Washtenaw Community College

Wayne County
Garden City Public Schools
Henry Ford College
Lincoln Park Public Schools
Redford Union School District
Riverview Community School District
Trenton Public Schools
Woodhaven Brownstown School District

Northern

Alpena County
Alpena Montmorency Alcona ESD

Antrim County
Antrim County
Antrim County Road Commission
Mancelona Public Schools

Emmet County
County of Emmet
Emmet County Road Commission
NEMCOG

Iosco County
Iosco RESA
Oscoda Area Schools
Wellvance

Lake County
Baldwin Community Schools
Lake County

Leelanau County
Leland Public Schools

Luce County
Luce County Road Commission

Mason County
City of Ludington
Ludington Area Schools
Mason County Eastern
Mason County Road Commission
West Michigan CMH
West Shore Community College
West Shore ESD

Mecosta County
Big Rapids Public Schools
Chippewa Hills Public Schools
City of Big Rapids
Mecosta County
Mecosta County Road Commission
Mecosta Osceola ISD

Midland County
Coleman Community Schools

Montcalm County
Central Montcalm Public Schools
City of Stanton
Greenville Public Schools
Montcalm Care Network
Montcalm ISD
Village of Lakeview

Muskegon County
Charter Township of Muskegon
Fruitport Community Schools
Mona Shores Public Schools
Montague Area Public Schools
Muskegon Area ISD
Muskegon Charter Township
Muskegon County Road Commission
Muskegon Public Schools
North Muskegon Public Schools
Oakridge Public Schools
Orchard View Schools
Ravenna Public Schools
Reeths-Puffer Schools
Whitehall District Schools

Newaygo County
City of Fremont
City of Newaygo
Fremont Public Schools
Grant Public Schools
Newaygo County
Newaygo County Mental Health
Newaygo County RESA

Oceana County
Hart Public Schools
Pentwater Public Schools
Shelby Public Schools
Village of Shelby
Walkerville Public Schools

Osceola County
Reed City Area Public Schools

Upper Peninsula

Baraga County
Baraga County
Baraga County Memorial Hospital
Baraga County Road Commission
Village of L'Anse

Chippewa County
Lake Superior State University

Cheboygan County
Cheboygan County

Delta County
Delta Solid Waste Management Authority

Dickinson County
Breitung Township
City of Norway
Dickinson County Road Commission

Gogebic County
Charter Township of Ironwood
Gogebic County
Gogebic County Road Commission
Gogebic Medical Care Facility

Houghton County
Adams Township School District
Chassell Township Schools
Copper Country ISD
Houghton County
Houghton County Medical Care Facility
Hancock Public Schools
City of Houghton
Lake Linden-Hubbell Schools
Western UP Health Department

Iron County
City of Iron River

Keweenaw County
Keweenaw County
Keweenaw County Road Commission

Mackinac County
City of St. Ignace

Marquette County
Charter Township of Marquette
City of Ishpeming
County of Marquette
Ishpeming Area Wastewater Treatment Facility
Marquette Board of Light and Power
Marquette County Medical Care Facility
Marquette County Road Commission
Negaunee Township
Northcare Network

Menominee County
Northpointe Behavioral Health System

Ontonagon County
Ontonagon County Road Commission

Coverage you can count on

We’ve got you covered

The Pool utilizes the Blue Cross Blue Shield of Michigan and Priority Health as our members’ health plan carriers.

With hundreds of customized plans to choose from, we strive to meet the unique needs of each of our member organizations.

Blue Cross Blue Shield of Michigan

Priority Health



Simplifying Navigation

Member-focused

Pool Member
Needing support with complex conditions, care needs, or health system navigation

Dedicated Care Nurses
Connect through inbound member calls or outbound outreach when a need is identified

Guide and Support
Nurse care managers educate and connect the member with resources based on their unique needs

One Number, Endless Resources
Stella's Nurses simplify The Pool's and broader healthcare ecosystem by navigating members to the resource they need, when they need it

Supporting Members' Health

Member-focused

The Pool offers FREE programs to help members get the most value out of their benefits and find support where needed

Quantify
High-cost infusion treatment alternatives

virta
Diabetes prevention, support, and reversal

FEDlogic
Federal & State benefits access

MAYO CLINIC
Complex care support

Teladoc HEALTH
Diabetes management

Hinge Health™
Virtual back, joint, & muscle pain relief

2nd.MD
On-demand expert medical opinions

MAVEN
Maternity & postpartum support

Bexa
Breast cancer screenings

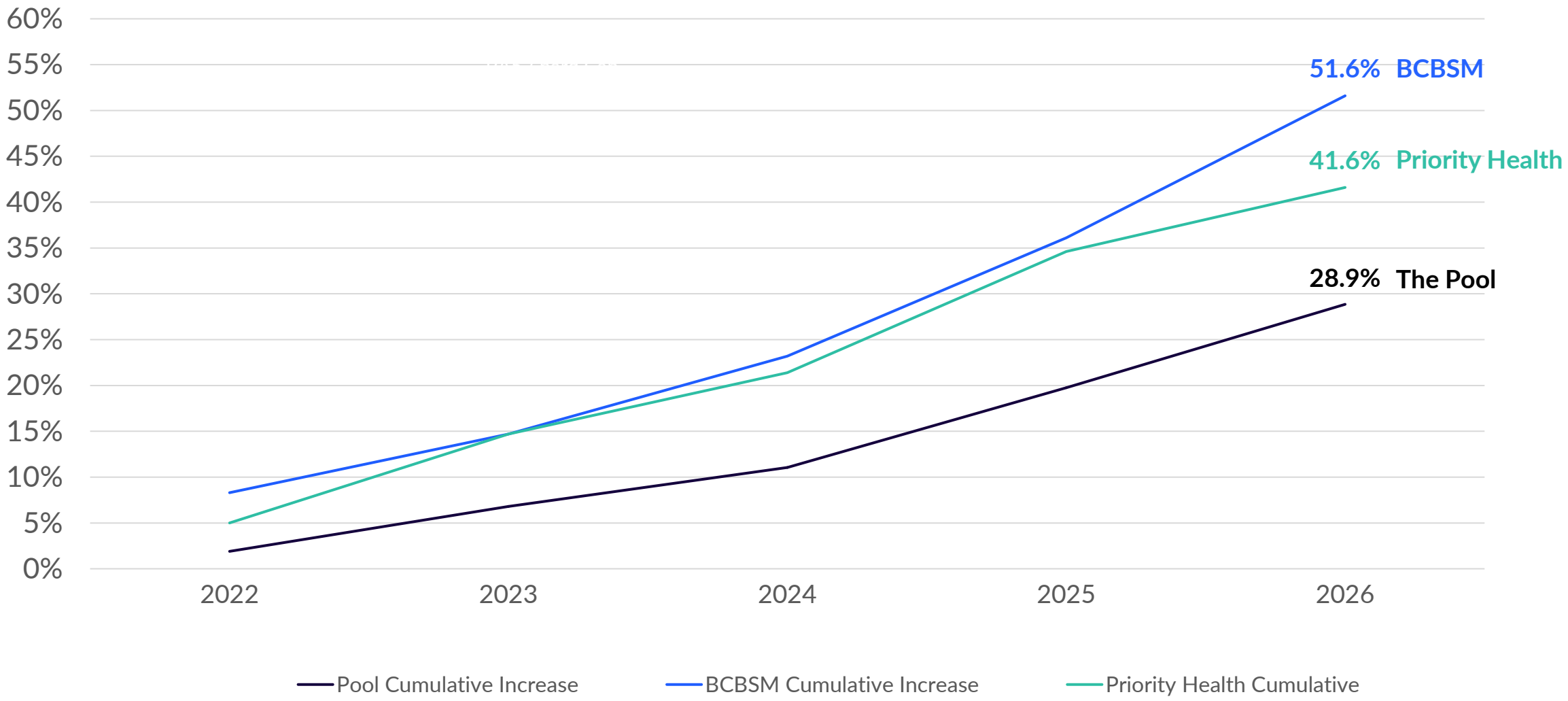
LANTERN
Surgical concierge program

Why are groups choosing The Pool?

THE POOL
Michigan Health Insurance

Market Trends

Market options have far outpaced the increases in The Pool.



Note: Priority Health does not publish state-wide large group increases. Number illustrates Small Group increases filed with DIFS

Current and Renewal Benefit Plan Coverage and Financial Details

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Gallagher

Insurance | Risk Management | Consulting

Current Medical Premiums
Active Employees

Medical/Rx - Active	Current BCBSM/BCN				Renewal BCBSM/BCN			
FINANCIAL SUMMARY	BCBS PPO CB 1500 Active DPW Only 007012186-0020	BCN HMO HBL $0 Active 00160874-0003-0009	BCN HMO HBL $500 PCP Focus Active 00160874-0003-0012	BCN HMO HBL $1000 Active 00160874-0003-0017	BCBS PPO CB 1500 Active DPW 007012186-0020	BCN HMO HBL $0 Active 00160874-0003-0009	BCN HMO HBL $500 PCP Focus Active 00160874-0003-0012	BCN HMO HBL $1000 Active 00160874-0003-0017
Enrollment								
Employee	0	5	3	3	0	5	3	3
Employee + 1	0	6	2	1	0	6	2	1
Employee + Family	0	7	13	3	0	7	13	3
	0	18	18	7	0	18	18	7
Rates								
Employee	$1,365.13	$761.35	$640.73	$608.58	$1,630.60	$912.78	$770.08	$736.39
Employee + 1	$3,276.31	$1,827.24	$1,537.75	$1,460.61	$3,913.43	$2,190.69	$1,848.19	$1,767.34
Employee + Family	$4,095.39	$2,284.06	$1,922.19	$1,825.75	$4,891.79	$2,738.36	$2,310.23	$2,209.17
Monthly Premium	$0	$30,759	$29,986	$8,764	$0	$36,877	$36,040	$10,604
Estimated Taxes/Fees	Included	Included	Included	Included	Included	Included	Included	Included
% Δ from Current								
ANNUAL TOTAL PREMIUM	$ 834,100				$ 1,002,242			
$ Δ from Current					$ 168,142			
% Δ from Current					20.2%			

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Current Medical Plan Details

Active Employees

	Current BCBSM/BCN				RENEWAL BCBSM/BCN			
BENEFIT SUMMARY	**BCBS PPO CB 1500** Active DPW Only 007012186-0020	**BCN HMO HBL $0** Active 00160874-0003-0009	**BCN HMO HBL $500 PCP Focus** Active 00160874-0003-0012	**BCN HMO HBL $1000** Active 00160874-0003-0017	**BCBS PPO CB 1500** Active DPW 007012186-0020	**BCN HMO HBL $0** Active 00160874-0003-0009	**BCN HMO HBL $500 PCP Focus** Active 00160874-0003-0012	**BCN HMO HBL $1000** Active 00160874-0003-0017
Deductible (Emb/Agg)	$1,500/$3,000	$0/$0	$500/$1,000	$1,000/$2,000	$1,500/$3,000	$0/$0	$500/$1,000	$1,000/$2,000
Coinsurance (INN/OON)	0%	0%	0%	20%	0%	0%	0%	20%
Coinsurance Maximum	N/A	N/A	N/A	$2,000/$4,000	N/A	N/A	N/A	$2,000/$4,000
Annual OOP Maximum	$4,000/$8,000	$1,750/$3,500	$8,150/$16,300	$8,150/$16,300	$4,000/$8,000	$1,750/$3,500	$8,150/$16,300	$8,150/$16,300
PCP Visit / Specialist Visit	$30/$30	$20/$20	$20/$30	$25/$35	$30/$30	$20/$20	$20/$30	$25/$35
ER / Urgent Care	$250/$30	$75/$35	$250 after ded./$35	$250 after ded./$35	$250/$30	$75/$35	$250 after ded./$35	$250 after ded./$35
Chiro, Visits	$30, max 24 visits	$20, max 30 visits	$30, max 30 visits	$35, max 30 visits	$30, max 24 visits	$20, max 30 visits	$30, max 30 visits	$35, max 30 visits
PT/OT/ST, Visits	$0 after ded., max 60 visits	$20, max 60 visits combined	$30 after ded., max 60 visits combined	$35 after ded., max 60 visits combined	$0 after ded., max 60 visits	$20, max 60 visits combined	$30 after ded., max 60 visits combined	$35 after ded., max 60 visits combined
Hi-Tech Imaging	$0 after ded.	$0	$150 after ded.	$150 after ded.	$0 after ded.	$0	$150 after ded.	$150 after ded.
Hospitalization	$0 after ded.	25%	$0 after ded.	20% after ded.	$0 after ded.	25%	$0 after ded.	20% after ded.
Diabetic Supplies	$0 after ded.	50%	$0	20%	$0 after ded.	50%	$0	20%
Rx	$10/$40/$80	$10/$40	$4/$15/$40/$80/20% ($200)/20% ($300)	$4/$15/$40/$80/20% ($200)/20% ($300)	$10/$40/$80	$10/$40	$4/$15/$40/$80/20% ($200)/20% ($300)	$4/$15/$40/$80/20% ($200)/20% ($300)
90 Day Mail Order	2x copay	2x copay	3x copay less $10	3x copay less $10	2x copay	2x copay	3x copay less $10	3x copay less $10
Formulary	Custom	Custom	Custom	Custom	Custom	Custom	Custom	Custom

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Current Medical Premiums
Pre-65 Retirees

Medical/Rx - Pre-65 Retirees	Current BCBSM/BCN			RENEWAL BCBSM/BCN		
FINANCIAL SUMMARY	**BCBS PPO CB 1** Retirees (closed class) 007012186-0022	**BCN HMO HBL $0** Pre-65 Retirees 00160874-0003-0010	**BCN Classic HMO** Pre-65 Retirees 00160874-0003-0011	**BCBS PPO CB 1** Retirees (closed class) 007012186-0022	**BCN HMO HBL $0** Pre-65 Retirees 00160874-0003-0010	**BCN Classic HMO** Pre-65 Retirees 00160874-0003-0011
Enrollment						
Employee	2	0	0	2	0	0
Employee + 1	2	0	1	2	0	1
Employee + Family	0	1	0	0	1	0
	4	**1**	**1**	**4**	**1**	**1**
Rates						
Employee	$1,708.55	$761.35	$955.25	$2,027.52	$912.78	$1,143.01
Employee + 1	$4,100.50	$1,827.24	$2,292.59	$4,866.06	$2,190.69	$2,743.22
Employee + Family	$5,125.62	$2,284.06	$2,865.73	$6,082.58	$2,738.36	$3,429.03
Employee + 1 Comp						
Monthly Premium	**$11,618**	**$2,284**	**$2,293**	**$13,787**	**$2,738**	**$2,743**
Estimated Taxes/Fees	**Included**	**Included**	**Included**	**Included**	**Included**	**Included**
ANNUAL TOTAL PREMIUM	$		194,337	$		231,225
$ Δ from Current				$		36,888
% Δ from Current						19.0%

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Current Medical Plan Details

Pre-65 Retirees

BENEFIT SUMMARY	Current BCBSM/BCN			RENEWAL BCBSM/BCN		
	BCBS PPO CB 1 Retirees (closed class) 007012186-0022	BCN HMO HBL $0 Pre-65 Retirees 00160874-0003-0010	BCN Classic HMO Pre-65 Retirees 00160874-0003-0011	BCBS PPO CB 1 Retirees (closed class) 007012186-0022	BCN HMO HBL $0 Pre-65 Retirees 00160874-0003-0010	BCN Classic HMO Pre-65 Retirees 00160874-0003-0011
Deductible (Emb/Agg)	$0/$0	$0/$0	$0/$0	$0/$0	$0/$0	$0/$0
Coinsurance (INN/OON)	0%	0%	0%	0%	0%	0%
Coinsurance Maximum	N/A	N/A	N/A	N/A	N/A	N/A
Annual OOP Maximum	$500/$1,200	$1,750/$3,500	$6,350/$12,700	$500/$1,200	$1,750/$3,500	$6,350/$12,700
PCP Visit / Specialist Visit	$10/$10	$20/$20	$0/$0	$10/$10	$20/$20	$0/$0
ER / Urgent Care	$50/$10	$75/$35	$0/$0	$50/$10	$75/$35	$0/$0
Chiro, Visits	$0, max 24 visits	$20, max 30 visits	$0, max 30 visits	$0, max 24 visits	$20, max 30 visits	$0, max 30 visits
PT/OT/ST, Visits	$0, 60 visits combined	$20, max 60 visits combined	$0, max 60 visits combined	$0, 60 visits combined	$20, max 60 visits combined	$0, max 60 visits combined
Hi-Tech Imaging	$0	$0	$0	$0	$0	$0
Hospitalization	0% after ded.	25%	$0	0% after ded.	25%	$0
Diabetic Supplies	0% after ded.	50%	$0	0% after ded.	50%	$0
Rx	$15/$30	$10/$40	$5/$10	$15/$30	$10/$40	$5/$10
90 Day Retail	1x copay	2x copay	1x copay	1x copay	2x copay	1x copay
Formulary		Custom	Custom		Custom	Custom

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Net Cost Analysis

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Gallagher

Insurance | Risk Management | Consulting

2026 Current Medical Net Cost

Active Employees	Monthly Rate	Monthly Contrib (EE)	Contrib per pay (EE)	Monthly Net Cost (ER)	Contribution % of Total (EE)	# of Enrolled	Gross Premium Cost	Gross Contribution (EE)	Net Cost (ER)
CURRENT 2026									
Active Medical									
BCBS PPO CB 1500	Active DPW Only 007012186-0020		24 Pay Ded						
Employee	$ 1,365.13	$ -	$ -	$ 1,365.13	0%	0	$ -	$ -	
Employee + 1	$ 3,276.31	$ -	$ -	$ 3,276.31	0%	0	$ -	$ -	
Employee + Family	$ 4,095.39	$ -	$ -	$ 4,095.39	0%	0	$ -	$ -	
Annual Total						0	$ -	$ -	$ -
BCN HMO HBL $0	Active 00160874-0003-0009		24 Pay Ded						
Employee	$ 761.35	$ 161.15	$ 80.58	$ 600.20	21%	5	$ 3,807	$ 806	
Employee + 1	$ 1,827.24	$ 386.76	$ 193.38	$ 1,440.48	21%	6	$ 10,963	$ 2,321	
Employee + Family	$ 2,284.06	$ 483.45	$ 241.73	$ 1,800.61	21%	7	$ 15,988	$ 3,384	
Annual Total						18	$ 369,103	$ 78,126	$ 290,978
BCN HMO HBL $500 PCP Focus	Active 00160874-0003-0012		24 Pay Ded						
Employee	$ 640.73	$ 41.96	$ 20.98	$ 598.77	7%	3	$ 1,922	$ 126	
Employee + 1	$ 1,537.75	$ 100.70	$ 50.35	$ 1,437.05	7%	2	$ 3,076	$ 201	
Employee + Family	$ 1,922.19	$ 125.87	$ 62.94	$ 1,796.32	7%	13	$ 24,988	$ 1,636	
Annual Total						18	$ 359,834	$ 23,563	$ 336,271
BCN HMO HBL $1000	Active 00160874-0003-0017		24 Pay Ded						
Employee	$ 608.58	$ 2.34	$ 1.08	$ 606.24	0%	3	$ 1,826	$ 7	
Employee + 1	$ 1,460.61	$ 5.62	$ 2.59	$ 1,454.99	0%	1	$ 1,461	$ 6	
Employee + Family	$ 1,825.75	$ 7.02	$ 3.24	$ 1,818.73	0%	3	$ 5,477	$ 21	
Annual Total						7	$ 105,163	$ 404	$ 104,759
					TOTAL ACTIVE MEDICAL COST	43	$ 834,100	$ 102,093	$ 732,007
Retirees Medical									
BCBS PPO CB 1	Retirees (closed class) 007012186-0022		24 Pay Ded						
Employee	$ 1,708.55	$ -	$ -	$ 1,708.55	0%	2	$ 3,417	$ -	
Employee + 1	$ 4,100.50	$ -	$ -	$ 4,100.50	0%	2	$ 8,201	$ -	
Employee + Family	$ 5,125.62	$ -	$ -	$ 5,125.62	0%	0	$ -	$ -	
Annual Total						4	$ 139,417	$ -	$ 139,417
BCN HMO HBL $0	Pre-65 Retirees 00160874-0003-0010		24 Pay Ded						
Employee	$ 761.35	$ -	$ -	$ 761.35	0%	0	$ -	$ -	
Employee + 1	$ 1,827.24	$ -	$ -	$ 1,827.24	0%	0	$ -	$ -	
Employee + Family	$ 2,284.06	$ -	$ -	$ 2,284.06	0%	1	$ 2,284	$ -	
Annual Total						1	$ 27,409	$ -	$ 27,409
BCN Classic HMO	Pre-65 Retirees 00160874-0003-0011		24 Pay Ded						
Employee	$ 955.25	$ -	$ -	$ 955.25	0%	0	$ -	$ -	
Employee + 1	$ 2,292.59	$ -	$ -	$ 2,292.59	0%	1	$ 2,293	$ -	
Employee + Family	$ 2,865.73	$ -	$ -	$ 2,865.73	0%	0	$ -	$ -	
Annual Total						1	$ 27,511	$ -	$ 27,511
					TOTAL RETIREE MEDICAL COST	6	$ 194,337	$ -	$ 194,337
MAPD									
BCBS MAPD			24 Pay Ded						
Employee	$ 515.29	$ -	$ -	$ 515.29	0%	49	$ 25,249	$ -	
					TOTAL MAPD COST	49	$ 302,991	$ -	$ 302,991
Medical Opt Out Credit	$250/Month				**TOTAL OPT OUT COST**	9	$ 27,000	$ -	$ 27,000
					TOTAL MEDICAL COST	98	$ 1,358,428	$ 102,093	$ 1,256,335

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2027 Renewal Medical Net Cost

Active Employees	Monthly Rate	Monthly Contrib (EE)	Contrib per pay (EE)	Monthly Net Cost (ER)	Contribution % of Total (EE)	# of Enrolled	Gross Premium Cost	Gross Contribution (EE)	Net Cost (ER)
RENEWAL 2027									
Active Medical									
BCBS PPO CB 1500	Active DPW 007012186-0020		24 Pay Ded						
Employee	$ 1,630.60	$ -	$ -	$ 1,630.60	0%	0	$ -	$ -	
Employee + 1	$ 3,913.43	$ -	$ -	$ 3,913.43	0%	0	$ -	$ -	
Employee + Family	$ 4,891.79	$ -	$ -	$ 4,891.79	0%	0	$ -	$ -	
Annual Total						0	$ -	$ -	$ -
BCN HMO HBL $0	Active 00160874-0003-0009		24 Pay Ded						
Employee	$ 912.78	$ 291.82	$ 145.91	$ 620.96	32%	5	$ 4,564	$ 1,459	
Employee + 1	$ 2,190.69	$ 700.36	$ 350.18	$ 1,490.33	32%	6	$ 13,144	$ 4,202	
Employee + Family	$ 2,738.36	$ 875.45	$ 437.73	$ 1,862.91	32%	7	$ 19,169	$ 6,128	
Annual Total						18	$ 442,519	$ 141,473	$ 301,046
BCN HMO HBL $500 PCP Focus	Active 00160874-0003-0012		24 Pay Ded						
Employee	$ 770.08	$ 149.11	$ 74.55	$ 620.97	19%	3	$ 2,310	$ 447	
Employee + 1	$ 1,848.19	$ 357.86	$ 178.93	$ 1,490.33	19%	2	$ 3,696	$ 716	
Employee + Family	$ 2,310.23	$ 447.33	$ 223.66	$ 1,862.90	19%	13	$ 30,033	$ 5,815	
Annual Total						18	$ 432,475	$ 83,739	$ 348,736
BCN HMO HBL $1000	Active 00160874-0003-0017		24 Pay Ded						
Employee	$ 736.39	$ 115.42	$ 53.27	$ 620.97	16%	3	$ 2,209	$ 346	
Employee + 1	$ 1,767.34	$ 277.01	$ 127.85	$ 1,490.33	16%	1	$ 1,767	$ 277	
Employee + Family	$ 2,209.17	$ 346.26	$ 159.81	$ 1,862.91	16%	3	$ 6,628	$ 1,039	
Annual Total						7	$ 127,248	$ 19,945	$ 107,303
					TOTAL ACTIVE MEDICAL COST	43	$ 1,002,242	$ 245,157	$ 757,085
Retirees Medical									
BCBS PPO CB 1	Retirees (closed class) 007012186-0022		24 Pay Ded						
Employee	$ 2,027.52	$ -	$ -	$ 2,027.52	0%	2	$ 4,055	$ -	
Employee + 1	$ 4,866.06	$ -	$ -	$ 4,866.06	0%	2	$ 9,732	$ -	
Employee + Family	$ 6,082.58	$ -	$ -	$ 6,082.58	0%	0	$ -	$ -	
Annual Total						4	$ 165,446	$ -	$ 165,446
BCN HMO HBL $0	Pre-65 Retirees 00160874-0003-0010		24 Pay Ded						
Employee	$ 912.78	$ -	$ -	$ 912.78	0%	0	$ -	$ -	
Employee + 1	$ 2,190.69	$ -	$ -	$ 2,190.69	0%	0	$ -	$ -	
Employee + Family	$ 2,738.36	$ -	$ -	$ 2,738.36	0%	1	$ 2,738	$ -	
Annual Total						1	$ 32,860	$ -	$ 32,860
BCN Classic HMO	Pre-65 Retirees 00160874-0003-0011		24 Pay Ded						
Employee	$ 1,143.01	$ -	$ -	$ 1,143.01	0%	0	$ -	$ -	
Employee + 1	$ 2,743.22	$ -	$ -	$ 2,743.22	0%	1	$ 2,743	$ -	
Employee + Family	$ 3,429.03	$ -	$ -	$ 3,429.03	0%	0	$ -	$ -	
Annual Total						1	$ 32,919	$ -	$ 32,919
					TOTAL RETIREE MEDICAL COST	6	$ 231,225	$ -	$ 231,225
MAPD									
BCBS MAPD			24 Pay Ded						
Employee	$ 520.26	$ -	$ -	$ 520.26	0%	49	$ 25,493	$ -	
					TOTAL MAPD COST	49	$ 305,913	$ -	$ 305,913
Medical Opt Out Credit	$250/Month				**TOTAL OPT OUT COST**	9	$ 27,000	$ -	$ 27,000
					TOTAL MEDICAL COST 2027	68	$ 1,566,380	$ 245,157	$ 1,321,223
					Medical Increase Amount		$ 207,952	$ 143,064	$ 64,888

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PA 152 Hard Cap Analysis

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Gallagher

Insurance | Risk Management | Consulting

Current 2026 Hard Cap Analysis

Active Employees – Shared Hard-cap

PA 152 Hard Cap Analysis - 2026

Using TOTAL Headcounts in each plan

Renewal Active

Allowed 2026 Hard Cap	
Monthly	Annual
$661.84	$7,942.09
$1,384.12	$16,609.38
$1,805.03	$21,660.30

Allowed 2026 Hard Cap	
Monthly	Annual
$661.84	$7,942.09
$1,384.12	$16,609.38
$1,805.03	$21,660.30

Hard Cap Analysis — BCN HBL $0

Enrollment		Hard Cap allowed based upon enrollment:	$61,252.86			
Employee	11					
Employee + 1	9	Shared Contribution:	20.81%			
Employee + Family	23					
	43	Straight Hard Cap		Shared Contribution		80/20 Split	
Rates	Premium	EE Cost	Net ER Cost	EE Cost	Net ER Cost	EE Cost	Net ER Cost
Employee	$761.35	$99.51	$661.84	$161.15	$600.20	$152.27	$609.08
Employee + 1	$1,827.24	$443.13	$1,384.12	$386.76	$1,440.48	$365.45	$1,461.79
Employee + Family	$2,284.06	$479.04	$1,805.03	$483.45	$1,800.61	$456.81	$1,827.25
Monthly Premium	$77,353	$16,100.53	$61,252.86	$16,372.84	$60,980.55	$15,470.68	$61,882.71
ANNUAL TOTAL PREMIUM	$ 928,241	$193,206.37	$735,034.31	$196,474.08	$731,766.60	$185,648.14	$742,592.54

Hard Cap Analysis — BCN HBL $500 w/ PCP Focus

		Hard Cap allowed based upon enrollment:	$61,252.86			
	11					
	9	Shared Contribution:	5.91%			
	23					
	43	Straight Hard Cap		Shared Contribution		80/20 Split	
	Premium	EE Cost	Net ER Cost	EE Cost	Net ER Cost	EE Cost	Net ER Cost
	$640.73	$0.00	$640.73	$41.96	$598.77	$128.15	$512.58
	$1,537.75	$153.64	$1,384.12	$100.70	$1,437.05	$307.55	$1,230.20
	$1,922.19	$117.17	$1,805.03	$125.87	$1,796.32	$384.44	$1,537.75
	$65,098	$4,077.51	$61,020.64	$4,262.87	$60,835.28	$13,019.63	$52,078.52
	$ 781,178	$48,930.12	$732,247.68	$51,154.44	$730,023.36	$156,235.56	$624,942.24

Hard Cap Analysis — BCN HBL $1,000

Enrollment		Hard Cap allowed based upon enrollment:	$61,252.86			
Employee	11					
Employee + 1	9	Shared Contribution:	0.94%			
Employee + Family	23					
	43	Straight Hard Cap		Shared Contribution		80/20 Split	
Rates	Premium	EE Cost	Net ER Cost	EE Cost	Net ER Cost	EE Cost	Net ER Cost
Employee	$608.58	$0.00	$608.58	$2.34	$606.24	$121.72	$486.86
Employee + 1	$1,460.61	$76.49	$1,384.12	$5.62	$1,454.99	$292.12	$1,168.49
Employee + Family	$1,825.75	$20.73	$1,805.03	$7.02	$1,818.73	$365.15	$1,460.60
Monthly Premium	$61,832	$1,165.13	$60,666.99	$237.78	$61,594.34	$12,366.42	$49,465.70
ANNUAL TOTAL PREMIUM	$ 741,985	$13,981.56	$728,003.88	$2,853.36	$739,132.08	$148,397.09	$593,588.35

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2027 Renewal Hard Cap Analysis

Active Employees – Shared Hard-cap

PA 152 Hard Cap Analysis - 2027

Using TOTAL Headcounts in each plan

Renewal Active

Allowed 2027 Hard Cap	
Monthly	Annual
$681.70	$8,180.35
$1,425.64	$17,107.66
$1,859.18	$22,310.11

Allowed 2027 Hard Cap	
Monthly	Annual
$681.70	$8,180.35
$1,425.64	$17,107.66
$1,859.18	$22,310.11

Hard Cap Analysis — BCN HBL $0

Hard Cap allowed based upon enrollment: $63,090.44

Shared Contribution: 31.97%

Enrollment	
Employee	11
Employee + 1	9
Employee + Family	23
	43

		Straight Hard Cap		Shared Contribution		80/20 Split	
Rates	Premium	EE Cost	Net ER Cost	EE Cost	Net ER Cost	EE Cost	Net ER Cost
Employee	$912.78	$231.08	$681.70	$291.82	$620.96	$182.56	$730.22
Employee + 1	$2,190.69	$765.05	$1,425.64	$700.36	$1,490.33	$438.14	$1,752.55
Employee + Family	$2,738.36	$879.18	$1,859.18	$875.45	$1,862.91	$547.67	$2,190.69
Monthly Premium	$92,739	$29,648.63	$63,090.44	$29,648.63	$63,090.44	$18,547.81	$74,191.26
ANNUAL TOTAL PREMIUM	$ 1,112,869	$355,783.52	$757,085.32	$355,783.52	$757,085.32	$222,573.77	$890,295.07

BCN HBL $500 w/ PCP Focus

Hard Cap allowed based upon enrollment: $63,090.44

Shared Contribution: 19.36%

Enrollment	
Employee	11
Employee + 1	9
Employee + Family	23
	43

		Straight Hard Cap		Shared Contribution		80/20 Split	
Rates	Premium	EE Cost	Net ER Cost	EE Cost	Net ER Cost	EE Cost	Net ER Cost
Employee	$770.08	$88.38	$681.70	$149.11	$620.97	$154.02	$616.06
Employee + 1	$1,848.19	$422.55	$1,425.64	$357.86	$1,490.33	$369.64	$1,478.55
Employee + Family	$2,310.23	$451.05	$1,859.18	$447.33	$1,862.90	$462.05	$1,848.18
Monthly Premium	$78,240	$15,149.44	$63,090.44	$15,149.44	$63,090.44	$15,647.98	$62,591.90
ANNUAL TOTAL PREMIUM	$ 938,879	$181,793.24	$757,085.32	$181,793.24	$757,085.32	$187,775.71	$751,102.85

Hard Cap Analysis — BCN HBL $1,000

Hard Cap allowed based upon enrollment: $63,090.44

Shared Contribution: 15.67%

Enrollment	
Employee	11
Employee + 1	9
Employee + Family	23
	43

		Straight Hard Cap		Shared Contribution		80/20 Split	
Rates	Premium	EE Cost	Net ER Cost	EE Cost	Net ER Cost	EE Cost	Net ER Cost
Employee	$736.39	$54.69	$681.70	$115.42	$620.97	$147.28	$589.11
Employee + 1	$1,767.34	$341.70	$1,425.64	$277.01	$1,490.33	$353.47	$1,413.87
Employee + Family	$2,209.17	$349.99	$1,859.18	$346.26	$1,862.91	$441.83	$1,767.34
Monthly Premium	$74,817	$11,726.82	$63,090.44	$11,726.82	$63,090.44	$14,963.45	$59,853.81
ANNUAL TOTAL PREMIUM	$ 897,807	$140,721.80	$757,085.32	$140,721.80	$757,085.32	$179,561.42	$718,245.70

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Pool Quote

THE POOL
Michigan Health Insurance

2027 Pool Options

Pool plan designs and rates

Based on current enrollment:

$1,052,613 renewal vs $942,967 Pool

10.42% or $109,646 savings vs renewal
1.73% or $16,608 savings vs current

	VALUE 0 090	ENHANCED 500 118	ENHANCED 1000 117
	In-Network	In-Network	In-Network
Deductibles & Out-of-Pocket			
Individual Deductible	$0	$500	$1,000
Family Deductible	$0	$1,000	$2,000
Embedded or Aggregate	Embedded	Embedded	Embedded
Coinsurance (Insurance Pays)	100%	100%	80%
Individual Coinsurance Max	N/A	N/A	$2,000
Family Coinsurance Max	N/A	N/A	$4,000
Individual Out-of-Pocket Max	$2,250	$1,500	$3,000
Family Out-of-Pocket Max	$4,500	$3,000	$6,000
Prescription Drugs			
Generic	$10	$10 copay	$10 copay after ded.
Preferred Brand	$40	80% ($80 max)	80% ($80 max)
Non-Preferred Brand	$80	80% ($100 max)	80% ($100 max)
Preferred Specialty	$40	80% ($80 max)	80% ($80 max)
Non-Preferred Specialty	$80	80% ($100 max)	80% ($100 max)
Monthly Premiums — 2027 Pool Rates			
Single	$843.57	$781.44	$659.29
2-Person	$1,898.02	$1,758.22	$1,483.37
Family	$2,361.97	$2,188.01	$1,845.97

- *PPO Plan Options*
- *No PCP Designation or Referral Needed*
- *No Wellness Requirement*

- *Minor Rx Copay*

2027 WMHIP Hard Cap Analysis

Active Employees – Shared Hard-cap

PA 152 Hard Cap Analysis - 2027

Using TOTAL Headcounts in each plan

POOL Alternate

Allowed 2027 Hard Cap	
Monthly	Annual
$681.70	$8,180.35
$1,425.64	$17,107.66
$1,859.18	$22,310.11

Allowed 2027 Hard Cap	
Monthly	Annual
$681.70	$8,180.35
$1,425.64	$17,107.66
$1,859.18	$22,310.11

Hard Cap Analysis — **Value 0**

Enrollment		Hard Cap allowed based upon enrollment:	$63,090.44
Employee	11		
Employee + 1	9	Shared Contribution:	21.81%
Employee + Family	23		
	43		

		Straight Hard Cap		Shared Contribution		80/20 Split	
Rates	Premium	EE Cost	Net ER Cost	EE Cost	Net ER Cost	EE Cost	Net ER Cost
Employee	$843.57	$161.87	$681.70	$183.97	$659.60	$168.71	$674.86
Employee + 1	$1,898.02	$472.38	$1,425.64	$413.92	$1,484.10	$379.60	$1,518.42
Employee + Family	$2,361.97	$502.79	$1,859.18	$515.10	$1,846.87	$472.39	$1,889.58
Monthly Premium	$80,687	$17,596.32	$63,090.44	$17,596.32	$63,090.44	$16,137.35	$64,549.41
ANNUAL TOTAL PREMIUM	$ 968,241	$211,155.80	$757,085.32	$211,155.80	$757,085.32	$193,648.22	$774,592.90

Enhanced 500

		Hard Cap allowed based upon enrollment:	$63,090.44
Employee	11		
Employee + 1	9	Shared Contribution:	15.59%
Employee + Family	23		
	43		

		Straight Hard Cap		Shared Contribution		80/20 Split	
Rates	Premium	EE Cost	Net ER Cost	EE Cost	Net ER Cost	EE Cost	Net ER Cost
Employee	$781.44	$99.74	$681.70	$121.84	$659.60	$156.29	$625.15
Employee + 1	$1,758.22	$332.58	$1,425.64	$274.13	$1,484.09	$351.64	$1,406.58
Employee + Family	$2,188.01	$328.83	$1,859.18	$341.14	$1,846.87	$437.60	$1,750.41
Monthly Premium	$74,744	$11,653.61	$63,090.44	$11,653.61	$63,090.44	$14,948.81	$59,795.24
ANNUAL TOTAL PREMIUM	$ 896,929	$139,843.28	$757,085.32	$139,843.28	$757,085.32	$179,385.72	$717,542.88

Hard Cap Analysis — **Enhanced 1000**

Enrollment		Hard Cap allowed based upon enrollment:	$63,090.44
Employee	11		
Employee + 1	9	Shared Contribution:	-0.05%
Employee + Family	23		
	43		

		Straight Hard Cap		Shared Contribution		80/20 Split	
Rates	Premium	EE Cost	Net ER Cost	EE Cost	Net ER Cost	EE Cost	Net ER Cost
Employee	$659.29	$0.00	$659.29	$0.00	$659.29	$131.86	$527.43
Employee + 1	$1,483.37	$57.73	$1,425.64	$0.00	$1,483.37	$296.67	$1,186.70
Employee + Family	$1,845.97	$0.00	$1,845.97	$0.00	$1,845.97	$369.19	$1,476.78
Monthly Premium	$63,060	$519.58	$62,540.25	$0.00	$63,059.83	$12,611.97	$50,447.86
ANNUAL TOTAL PREMIUM	$ 756,718	$6,235.02	$750,482.94	$0.00	$756,717.96	$151,343.59	$605,374.37

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Service you can count on

THE POOL
Michigan Health Insurance

Pool Executive Support Team

Providing strategic consultation to The Pool's Executive, Value and Member Experience Committees



Mike Hagerty
Lead Consultant

Leads team in execution of strategic plan and capitalizing on growth opportunities



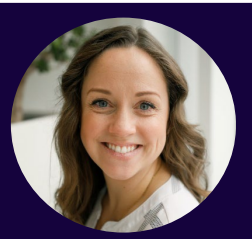
Chris Glass
Consultant

Supports team in execution of strategic plan and capitalizing on growth opportunities



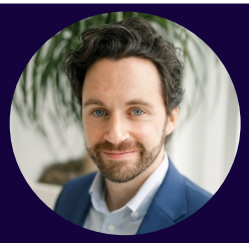
Leslie Nowaczyk
Service Consultant - Pool

Oversee and develop the overall service delivery for The Pool and its key members



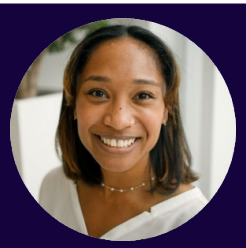
Ashley Contreras
Chief of Staff

Onboard, develop, mentor and direct the client service team



Mike Wagner
Strategy and Operations

Leads strategic initiatives include data analytics, new entity quoting, and growth opportunities.



Lottie Shaw
Marketing Director

Drives development and execution of Pool communications and promotions



Christine Coon
Service Consultant - Group

Assigned to key accounts to lead client retention and growth

The Pool's Client Service Team

Supporting group administrators and employees

Service Consultants



Leslie Nowaczyk



Christine Coon

Client Managers



Mary Quinn



Melody Harris



Tim Wagner



Amanda Bieszard



Beth Minard



Renee Lowery



Carley Wall



Kyle Chestnut



Rocio Glover

Client Associates



Carrie Watkins



J.P. Kelly



Maddie Dyer

Layers of dedicated support for your medical program:

- Lead Consultant
- Client Manager
- Client Associate

Thank you.



WESTERN MICHIGAN

HEALTH INSURANCE POOL

BYLAWS

As adopted on November 11, 2008

In connection with the Pool providing a

Public Employer Pooled Plan

[the "Western Michigan Health Insurance Pool (PEPP)]

and amended through May 3, 2022

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THE BYLAWS OF THE

BOARD OF TRUSTEES OF THE

WESTERN MICHIGAN HEALTH INSURANCE POOL

THESE BYLAWS ("Bylaws") are an integral part of the Trust Agreement by and among the Members and Trustees (all hereafter defined) of the Western Michigan Health Insurance Pool (the "Pool"), and set forth the provisions and procedures for the governance, finance, and administration of the Pool as follows:

PREAMBLES

A. Michigan Public Act 35 of 1951, as amended, §§ 5-12b; MCL, §§ 124.5-124.12b ("Act 35"), authorizes Michigan school districts and other defined municipal corporations by intergovernmental contract to establish a group self-insurance pool for the purpose of providing certain insurance coverages to its participating members and their employees.

B. Act 35 has authorized Michigan school districts and other defined municipal corporations to form a group self-insurance pool to provide hospital, medical, surgical or dental benefits as a multiple employer welfare arrangement ("MEWA") under Chapter 70 of the Michigan Insurance Code of 1956; MCL, §§ 500.7001 - 500.7090, and now additionally authorizes a group self-insurance pool formed by such school districts and municipal corporations to provide for hospital, medical, surgical, or dental benefits through a public employer pooled plan ("PEPP") as permitted under Act 106 of 2007 (the "Public Employees Health Benefit Act"), MCL §§124. 71 to MCL 124.85.

C. The Trustees have concluded the MEWA, and established a PEPP, which is now the Pool's only health insurance plan. All MEWA liabilities have been settled.

D. As empowered by Article III, section (e) of the Trust Agreement, and directed by Article VI of the Trust Agreement, the Trustees determine to adopt these Bylaws which provide for the governance, finance and administration of the Western Michigan Health Insurance Pool (PEPP) (hereafter the “PEPP”).

NOW THEREFORE, the Trustees adopt the following Bylaws, as the same may be amended from time to time in accordance with their terms.

ARTICLE I
DEFINITIONS FOR THE PEPP

1.1 **Definitions**. As used in the Bylaws, the following terms, whether or not capitalized and unless the context or term clearly implies otherwise, shall apply to all matters and transactions related to the PEPP, including all funds and accounts, excess insurance, and letter of credit, which are hereby established separately from the pre-existing funds and accounts, excess insurance and letter of credit for the MEWA, and shall have the meanings set forth:

“Administrative Charges” – Payments required by Members to cover the costs of administration of the Pool which shall be included in the monthly funding rates paid by each Member.

“Benefit Fund” – The single fund of moneys hereby established by the Members to collectively self-insure or otherwise insure, administer and pay Benefits granted by the individual Members under the PEPP to their respective Participants, and to purchase excess claim or other conventional insurance.

“Benefits” – Non-salary payments made to Participants under the PEPP to cover medical, surgical, hospitalization, dental, and vision costs, incurred by Participants for themselves and for their dependents. “Benefits” may also include fully-insured life and long term disability insurance benefits for Participants provided through third party insurance carriers (but never as a pooled, or insured product of the Pool itself). In order for life insurance and long term disability insurance benefits to be paid to or for Members’ participants, such insurance must be in force and effect of the time such Benefit claims arise, and payment of such insurance benefits shall be limited to the amount received by the Pool from the insurance carriers providing such insurance.

“Board of Trustees” – The governing body of the Pool.

“Consulting/Management Firm" − A qualified company retained by the Pool to advise, underwrite and manage all of the plans approved by the Board of Trustees.

“Contributions, including Supplemental Contributions” – Payments required by Members, and determined for each Member in accordance with these Bylaws, to cover (1) the costs of anticipated Benefit payments under the PEPP (including administration) for Participants and their dependents, (2) the cost of excess insurance and other insurance

required by the Board of Trustees, (3) sufficient sums to create and maintain a Reserve Fund and (4) the Pool's obligation to reimburse the issuer of any Letter of Credit for all amounts drawn under it**.**

"Director" – The Michigan Director of the Department of Insurance and Financial Services.

"Fiscal Year" – The twelve-month period commencing July 1 or as amended.

"Governing Body" --- The governing body of a Member of the Pool.

"Letter of Credit" – Any letter of credit that the Pool obtains to secure any or all of its obligations for the PEPP under the Public Employees Health Benefit Act, §(9)(1)(a).

"Members" – A public entity purchasing medical benefits cooperatively through the Pool, admitted in accordance with the bylaws, including those identified in the Trust Agreement. Additionally, a member may also purchase dental or other ancillary benefits as offered through the Pool.

"Participants" – All persons working for a Member under the direction and control of that Member who meet that Member's eligibility requirements for coverage under its PEPP benefits program and, subject to such collective bargaining agreement, including persons who are covered by a collective bargaining agreement. Persons who are identified as "independent contractors", in contract or in fact, shall not be participants. "Participants" shall also include all former participants entitled to coverage pursuant to COBRA or any

other applicable law. For purposes of PEPP benefit coverage, “participants” shall also include all dependents of a Member’s participants, provided that such dependents have been specifically identified by the Member to the Pool as eligible for coverage.

“Plan” – The Public Employer Pooled Plan approved by the Board of Trustees under which Benefit programs are maintained for Participants of the Members.

“Plan Year” – January 1 through December 31 of any given year.

“Pool” – The Western Michigan Health Insurance Pool, which is a separate legal trust, established by the Trust Agreement and pursuant to the constitution and the laws of the State of Michigan.

“Reserve Fund” – A fund of money in a separate, identifiable account, which shall not be commingled with other Pool moneys, for the purpose of holding Pool money which is in excess of its Members’ current obligations under the PEPP and is anticipated to be an amount sufficient to pay the Benefit claims of the Members under the PEPP filed subsequent to conclusion of the PEPP, but attributable to the period of its existence, in compliance with Michigan Law.

“Specific Stop Loss Insurance” – Conventional insurance which reimburses the Benefit Fund for Benefits under the PEPP paid to Participants of Members which are in excess of a specific deductible amount per plan year. Specific stop loss insurance expressly includes any

specific stop loss "coverage" as may be offered under Act 350, Michigan Public Acts of 1980, in particular but not limited to, Section 211 thereof.

"Third Party Administrator" – A company organized as a non-profit health care corporation under Act 350, Michigan Public Acts of 1980, and/or otherwise qualified under the Public Employers Health Benefit Act, to provide claims administration, billing functions, and other functions as determined by the Board of Trustees, and retained by the Pool for such purposes.

"Trust Agreement" - Agreement among the Trustees and Members, dated on or about July 12, 2005, as amended and approved by the Director.

"Unreserved Net Assets" – (Formerly "Free Surplus Fund") The fund of moneys which have been paid by the Members to the Pool under the PEPP, plus all interest income earned, and which are in excess of Members current obligations to the Benefit Fund and the Reserve Fund.

ARTICLE II
GENERAL STRUCTURE OF THE POOL

2.1 **Trust Entity**. The Pool is a separate legal and administrative trust entity pursuant to Act 35, §§5(2)(a), 5(4), and 5.(5).

2.2 **Coverages**. The Pool shall offer to its Members a pooled self-insurance program for the payment of medical, surgical, hospitalization, dental and vision Benefits to

the Members' respective Participants, but the Pool alternatively may obtain some or all such coverages through third party insurance carriers in accordance with the Bylaws as may be amended. The Pool acting as a purchasing group shall also purchase from third party insurance carriers fully-insured life and long term disability insurance for the Members' respective Participants, but such insurance shall never be a pooled or insured product of the Pool. The Pool shall also process and pay Benefit claims and shall create the Benefit Fund to pay such Benefits, in excess of the deductibles, and in amounts up to certain levels over which claims shall be paid by specific stop loss insurance policies.

2.3 **Operational Premise**. The Members have determined not to purchase insurance coverage to pay claims for Benefits below certain limits, except for special coverages such as life insurance and long term disability insurance, but rather to rely upon their pooled funds and contribution obligations to pay benefits which occur and, when authorized by the Board of Trustees, to purchase insurance to protect against catastrophic and certain other benefit claims.

2.4 **Source and Investment of Funds**. All funds contained within the Pool are directly derived from its Members and from investment income. Pool funds shall only be invested in investments which would be permitted for the Members under Michigan Law, including the Insurance Code of 1956, MCL §§500.910, 500.912 and 500.914. The Members intend to pay Benefit claims by contributions of the Members into the Benefit Fund, in varying amounts per Member based upon Benefits offered, claims made and other factors. The Members intend to pay for the costs of administering the Pool by Administration Charges included in the monthly funding rates paid by each Member.

2.5 **Cash Reserves in Reserve Fund**. In accordance with the Public Employees Health Benefit Act §9(1)(a), the Reserve Fund shall contain cash reservesin an amount equal to a minimum of 2.5% of the immediately preceding year's claims plus its most recent designated reserve for incurred, but not reported claims, as indicated in the Pool's financial statement filed with the Commissioner, Up to 50% of this reserve requirement may be satisfied by an irrevocable and unconditional letter of credit.

ARTICLE III
AUTHORITY AND DUTIES

3.1 **Authority and Duties**. The Pool shall have the authority and duty to accomplish the purposes of the Pool as set forth in, and as limited by, the Trust Agreement, within the financial budget limits of the Pool, and in accordance with the procedures set forth in the Bylaws, as follows:

(a) Employ agents, employees, and independent contractors.

(b) Obtain by loan, purchase or lease the facilities, machinery, equipment, or personal property necessary for the carrying out of the purpose of the Pool.

(c) Carry out educational and other programs relating to health, accident and other claims reductions.

(d) Cause the creation of at least a Benefit Fund and a Reserve Fund and the implementation of the powers for the administration of the Pool.

(e) Direct the collection and receipt of Contributions, including Administration Charges from Members, to be used for the provision of Benefits and the administration of the Pool.

(f) Purchase specific stop loss and other types of conventional insurance as approved by the Board of Trustees and as available to support the Benefits to be paid by the Pool.

(g) Prepare and approve an annual rate renewal calculation (budget) for the Pool.

(h) Prepare a quarterly report of the financial affairs of the Pool.

(i) Prepare and submit to each Member monthly reports of Benefit claims filed and paid pursuant to that Member's plan.

(j) Obtain and furnish to each Member annually an audited report of the financial affairs of the Pool, made by a certified public accountant at the end of each fiscal year in accordance with generally accepted accounting principles and any applicable law.

(k) Carry out, within the budgetary limits established by the Members, such other activities as are necessarily implied or required to carry out the purposes of the Pool under the Trust Agreement and the Bylaws.

(l) Comply with reporting requirements of the Director.

ARTICLE IV
DURATION, COMMENCEMENT AND CYCLES

4.1 **Formation and Continuation of Pool**. The formation of the Pool became effective, following receipt of an initial certificate of authority by the Director, execution of the Trust Agreement, and adoption of the Bylaws, at 12:01 a.m. on September 1, 2005, (the "Formation Date"). The continuation of the Pool, shifting from provision of hospital, medical, surgical or dental benefits under a MEWA, to provision of hospital, medical, surgical or dental benefits under a public employer pooled plan as permitted under the Public

Employees Health Benefit Act took effect following receipt of an initial certificate of registration by the Director, at 12:01 a.m. on January 1, 2009 (the "Effective Date"). After the formation of the Pool, the Members may, in the manner provided in Article XVII, terminate the Pool. The Pool will continue in operation until the Members act to terminate it.

4.2 **Pool Cycles**. The Pool shall conduct its business, for the purpose of determining when Members may withdraw, in initial three-year cycles. The Members thereafter may continue operation of the Pool for additional membership cycles, each of which shall be for one year. If the Board of Trustees votes to continue the term of the Pool into a new one-year cycle, then any Member which does not give sufficient notice in accordance with Section 15.1, of its withdrawal from the Pool prior to the end of its initial Membership cycle, or the then current Pool one-year cycle, whichever is applicable, shall remain a Member for at least the new one-year cycle.

4.3 **Change in Cycle**. The Board of Trustees may in any one-year cycle during the duration of the Pool extend or reduce the length of the cycle by no more than six months in order to achieve a date for the commencement of a fiscal year more in keeping with the needs of the Members.

ARTICLE V
MEMBERSHIP

5.1 **Initial Members [INTENTIONALLY LEFT BLANK]**

5.2 **New Members**. A new member may join the Pool upon at least two-thirds (2/3) vote of the Board of Trustees, or upon the majority vote of the Executive

Committee, provided, however, following January 1, 2009, the Pool shall accept for membership any entity allowed to become a member under PA 106 and that applies to become a Member, agrees to make the required payments, agrees to remain in the Pool for a minimum of three years, and satisfies other reasonable provisions of the plan. New Member contributions will be set in accordance with the underwriting standards established by the Consulting/Management Firm and approved by the Board of Trustees.

5.3 **New Membership Cycles**. New Members may be admitted at any time during a fiscal year and during a one-year cycle. Any new Member shall remain a Member for a minimum of three years. If such new Member does not give sufficient notice, as provided in Section 15.1, of its withdrawal from the Pool at the end of its initial Membership cycle, such Member shall thereafter continue its Membership in the Pool until the end of the Pool's then current one-year cycle. Thereafter, Membership shall continue for each successive one-year cycle until the Member gives sufficient notice of withdrawal prior to the end of a one-year cycle in accordance with Section 15.1.

5.4 **Membership Scope of Participation**. Except as otherwise specifically provided, all Members of the Pool shall be obligated to continue as Members for the Pool's initial three-year cycle and then current one-year cycle. In addition, a Member shall only be required to provide continuing participation for those persons within such classes of employees as are actually employed or working for the Member.

ARTICLE VI
GOVERNANCE

6.1 **Board of Trustees**. There shall be established a Board of Trustees for the Pool. The Board of Trustees shall consist of one Trustee designated by each Member of

the Pool. Each such Trustee shall be appointed by the Governing Body of the Member. The Governing Body shall also appoint an Alternate Trustee to serve as Trustee when the initial person is not available or in attendance to carry out the Trustee's duties. Not less than 50% of the Trustees, or the amount required by law, shall be persons who are covered under the pooled plan. No Trustee or Alternate Trustee shall be an owner, officer, or employee of the Third Party Administrator(s) or any other third party providing services to the Pool. Each Trustee and Alternate Trustee shall serve until replaced by action of the Governing Body or the discontinuance of employment by the Trustee or Alternate Trustee. Once appointments are made known to the Pool, the persons appointed shall remain in office until the Pool receives evidence of appointment of other persons. Evidence of proper appointment of the Trustee and Alternate Trustee shall be a certified copy of the resolution passed by such Governing Body, indicating the names of the designated Trustee and/or Alternate Trustee. Failure of a Member to designate a Trustee, or the failure of that Trustee/Alternate Trustee to participate on the Board of Trustees, shall not affect the responsibilities or duties of a Member under the Trust Agreement.

6.2 **Powers of Board of Trustees**. The Board of Trustees shall determine the general policy of the Pool, which shall be followed by the officers, agents, employees, and independent contractors employed or retained by the Pool. Among its responsibilities, the Board of Trustees shall:

(a) appoint Pool Executive Committee.

(b)

(c)

(d)

(e) approve amendments to the Bylaws,

(f) approve acceptance of new Members and expulsion of Members, except that the approval of new Members and expulsion of Members may also be a power of the Executive Committee,

(g) approve and amend the annual renewal calculation (budget),

(h) establish, and if necessary, to the full extent of the law enforce payment of the annual and supplementary contributions, including administrative charges, and other payments by Members, and for each Member, to the Benefit Fund and the various other Pool funds, and the monthly rates of such payments,

(i) establish such rules and regulations regarding the return of funds to current members as deemedl appropriate,

6.3 **Executive Committee**. There shall be an Executive Committee. The Executive Committee shall consist of the Chairperson, Vice-Chairperson, Treasurer, Secretary, the Immediate Past Chairperson, and the chairpersons of the standing committees. The minutes of the meetings of the Executive Committee shall be available to all Trustees upon request. The Executive Committee shall have such authority, powers and duties as are granted elsewhere in these Bylaws, or as granted and except as limited by the Board of Trustees, and also except (i) amendment to the Bylaws; and (ii) approval and amendments to the annual renewal calculation (budget), Actions by the Executive Committee shall be by a majority vote of the members of the Executive Committee. Among its responsibiltiies, the Executive Committee shall:

(a) Appoint agents, employees, or independent contractors as appropriate.

(b) Negotiate for the Pool the terms of retention and compensation of the Consulting/Management Firm,

(c) Set compensation for the Third Party Administrator(s) and all other persons, firms, and corporations employed or retained by the Pool,

(d) procure fidelity bonds for employees or other persons, as required by the Bylaws or applicable law,

(e) set authority levels, powers and duties for committees, including the authority to settle disputes and expend the funds of the Pool,

(f) resolve disputes over the Benefit coverages of the Pool,

(g) approve educational and other programs and procedures relating to claim reduction,

(h) approve additional cycles for the existence of the Pool.

6.4 **Actions of the Board of Trustees; Quorum**. Each Trustee shall be entitled to one vote. All actions taken by the Board of Trustees shall be by a majority vote of a quorum consisting of a majority of the voting members, either in person or by proxy in writing in accordance with Michigan Law, of the Board of Trustees, except as where otherwise expressly provided in the Bylaws, and except for any amendment to the Bylaws, which shall require a two-thirds (2/3) vote of the total number of Trustees on the Board of Trustees.

6.5 **Meetings**. Meetings of the Board of Trustees and Executive Committee shall be as follows:

(a) Regular meeting of the Board of Trustees shall be held as often as necessary to carry out the purposes of the Pool, but no less than two times during each fiscal year. The dates and locations of regular meetings of the Board of Trustees shall be established no later than the annual meeting. Any item of business may be considered at a regular meeting.

(b) An annual meeting of the Board of Trustees shall be held between the beginning of the Pool fiscal year and September 30.

(c) Regular meetings of the Executive Committee shall be held at least once per calendar quarter on a day or date and at a time a agreed upon by the Executive Committee, but subject to these Bylaws. Any item of business may be considered at a regular meeting.

(d) Special meetings of the Board of Trustees and Executive Committee may be called by the Chairperson or any three Trustees. The time and location of special meetings of the Board of Trustees and the Executive Committee shall be determined by the Chairperson, or in that person's absence, the Vice-Chairperson. Business conducted at special meetings shall be limited to those items specified in the agenda.

(e) The Chairperson, or in that person's absence, the Vice-Chairperson, shall give at least fifteen days' written notice of the annual meeting, at least seven days written notice of regular meetings, and at least eighteen hours written notice of special meetings to the Trustees and an agenda specifying the subject of any special meeting shall accompany such notice.

(f) Rules of Order -- To the extent not contrary to the Bylaws, and except as modified by the Board of Trustees as special rules, Roberts Rules of Order, latest edition, shall govern all meetings of the Board of Trustees and the Executive Committee.

(g) Minutes of all regular and special meetings of the Board of Trustees and the Executive Committee shall be available to all Trustees.

6.6 **Other Committees**. The Board of Trustees or Executive Committeeshall have the power to establish both standing and ad hoc committees. . The Chairperson may establish committee chairs and their membership.

ARTICLE VII
OFFICERS

7.1 **Creation**. The Board of Trustees shall elect, from among the Trustees, a Chairperson, Vice-Chairperson, Secretary, and Treasurer. Positions shall be elected for a two-year term and officers may be re-elected no more than twice to their respective positions. The Board of Trustees may from time-to-time establish other officers as it deems necessary for the transaction of the business of the Pool, and may elect members of the Board of Trustees to serve in such offices.

7.2 **Chairperson**. The Chairperson shall preside at all meetings of the Board and the Executive Committee at which the Chairperson is present. The Chairperson shall vote on all matters that come before the Board or committee on which the Chairperson serves. The Chairperson shall be a non-voting ex-officio member of all committees of the Pool on which the Chairperson does not directly serve. The Chairperson shall have such other powers as are set forth in the Bylaws and such other powers as are granted from time-to-time by the Board of Trustees.

7.3 **Vice-Chairperson**. The Vice-Chairperson shall carry out all duties of the Chairperson during the absence or inability of the Chairperson, shall succeed to the office of Chairperson in the event of a vacancy in that office for the remainder of such term of office, and shall perform such duties and shall carry out such other functions as are assigned by the Chairperson or the Board of Trustees.

7.4 **Treasurer**. The Treasurer shall (i) maintain the financial books and records of the Pool; (ii) have charge and custody of and be responsible for all funds and securities of the Pool; (iii) receive and give all receipts for moneys due and payable to the Pool from any source whatsoever; and (iv) deposit all such moneys in the name of the Pool in such banks, savings and loan associations or other depositories as the Board of Trustees shall specifically or generally select from time to time. Provided, however, that all investments of the Pool funds shall be made only in those financial investments which may be purchased by the Members in accordance with Michigan law. The Treasurer shall perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the Board of Trustees.

7.5 **Secretary**. The Secretary shall record and sign the minutes of meetings, orders, resolutions and other proceedings of the Board of Trustees and the Executive Committee. The Secretary shall file and maintain, at the registered address of the Pool, the original signed counterparts of the Trust Agreement and the Bylaws, and any amendments thereto, the resolutions of Member Governing Bodies approving the Trust Agreement and the Bylaws, or designating their Trustees on the Pool Board of Trustees, and a roster of current Members and Trustees, together with copies of all other reports, books, papers and other documents of the Pool, and shall deliver them to a successor in office. Records may be maintained electronically.

7.6 **Removal and Vacancies**. Any officer may be removed by the Board of Trustees whenever, in its judgment, the business interests of the Pool will be served thereby. If a vacancy should occur in the office of Vice-Chairperson, Treasurer, Secretary

or other office established by the Board of Trustees, the Chairperson shall select a person to fill that vacancy by a temporary appointment until the Board of Trustees selects a person to fill the vacancy until the end of the predecessor's term.

ARTICLE VIII
TRUSTEE AND OFFICER DUTIES AND STANDARDS OF CONDUCT

8.1 **Standard of Care**. The Trustees and officers of the Pool shall give the attention and exercise the vigilance, diligence, care, and skill that prudent persons use in like or similar circumstances. Trustees shall be responsible for all operations of the Pool, and shall take all necessary precautions to safeguard the assets of the Pool. To the extent permitted by law, no Trustee shall be held liable for any delinquency under this section after six (6) years from the date of the delinquency, or after two (2) years from the time when the delinquency is discovered by a person complaining of the delinquency, whichever occurs sooner. The funds of the Pool shall be used to defend, and hold harmless, any Trustee or officer for actions taken by the Board or performed by the Trustee or officer within the scope of that Trustee or officer's authority for the Pool. The Pool may purchase insurance, including but not limited to errors and omissions coverage, providing liability coverage for such Trustees or officers.

8.2 **No Unlawful or Improper Interest**. A Trustee or officer of the Pool shall not knowingly and intentionally, directly or indirectly, receive any money or valuable thing for negotiating, procuring, recommending, or aiding in any purchase by or sale to the Pool or any property or any loan from the Pool, or be peculiarly interested, either as principal, co-principal, agent, or beneficiary in any such purchase, sale or loan.

8.3 **Compensation Restrictions**. The Pool shall not pay any salary, compensation, or emolument to any officer or Trustee of the Pool. Any salary, compensation, or payment of other expenses for a Trustee, shall be paid by the Member represented by that Trustee. Provided, however, that the Chairperson, and such other officers as may be previously authorized, may submit to the Executive Committee for their approval reimbursement of expenses incurred in the pursuit of their position as officers of the Pool. The reimbursement for such expenses shall include amounts advanced on behalf of the Pool either by that officer or by the Member represented as Trustee by that officer.

ARTICLE IX
ADMINISTRATION

9.1 **Selection of Consultants, Administrators and Staff**. The Board of Trustees or Executive Committee shall select a Consulting/Management Firm to manage the Pool and underwrite the plans, as well as other services as the Board of Trustees may determine. The Board of Trustees may also assign functions of officers of the Pool to the Consulting/Management Firm. The Consulting/Management Firm shall assist the Board of Trustees in its selection of Third Party Administrators qualified pursuant to Michigan law. The Pool may also employ staff to carry out administrative functions who shall be selected by the Board of Trustees. The Board of Trustees shall determine which administrative support functions will be carried out by the Consulting/Management Firm and the Third Party Administrator(s), respectively, and which may be assigned to staff personnel. Pool contracts with the Consulting/Management Firm and the Third Party Administrator(s), respectively, and for staffing shall be reviewed by the Board of Trustees at least annually as part of the budgetary review process. Pool contracts with the Consulting/Management Firm and the Third Party Administrator(s) shall provide that such contracts may be terminated by

the Board of Trustees whenever in their judgment the business interests of the Pool will be served thereby.

9.2 **Consulting/Management Firm Duties**. Among the Consulting/Management Firm's duties may be the following:

(a) Sign, with such other person as authorized by the Board of Trustees, any instruments which the Board of Trustees has authorized to be executed; and, in general perform all duties as may be prescribed by the Board of Trustees.

(b) Prepare a proposed annual renewal calculation (budget) and proposed allocation and schedule of Member administration charges and Member contributions and supplemental contributions to the Benefit Fund.

(c) As requested by the Board of Trustees, make recommendations regarding policy decisions, the creation of other Pool officers, and the employment of staff and independent contractors.

(d) Act as a non-voting member on such standing or ad hoc committees as the Chairperson shall direct.

9.3 **Consulting/Management Firm Reports**. Periodically, but not less than quarterly, the Consulting/Management Firm shall prepare and distribute to the Board of Trustees a report on the status of the Pool. Such report shall include, but not necessarily be limited to, such items as the status of major claims; status of major projects or progress on specific objectives of the Board of Trustees; status of new Member activities; Members' compliance with claim reduction programs as set by the Board; recommendations for improvements in Pool operations; status of insurance renewal activities; and status of legislation which may influence Pool operations.

9.4 **Consulting/Management Firm and Third Party Administrator Bonds**. The Consulting/Management Firm and the Third Party Administrator(s) shall each deliver to the Pool a fidelity bond in an amount approved by the Michigan Director of the Department of Insurance and Financial Services to protect against the misappropriation or misuse of any money handled by the Consulting/Management Firm or the Third Party Administrator(s).

9.5 **Other Bonding and Fidelity Insurance**. The Pool shall purchase a blanket fidelity bond in an amount to be determined by the Board of Trustees to assure the fidelity of all officers and employees of the Pool who have authority to receive or authorize by their signature or order the payment, transfer or investment of Pool funds. Additional fidelity and similar coverages, as determined by the Board of Trustees, may be procured by the Pool.

9.6 **Administrative Charges to Members**. The cost of administering the Pool shall be charged to each Member in direct proportion of the number of Participants covered by such Member whose Benefits are to be administered by the Pool to the total numbers of such Participants served by the Pool. Member payments for administrative charges shall be paid into the Benefit Fund as part of contributions, and Pool payments to cover its administrative expenses shall be paid from the Benefit Fund.

9.7 **Legal Counsel**. The Pool may employ legal counsel to represent the Pool in actions brought for or against the Pool and to render other legal services for the welfare of the Pool. The Board of Trustees or the Executive Committee may consult with counsel concerning any questions or matters which may arise with reference to the duties and powers of either body or on any other matter with reference to the Bylaws or the Pool.

The opinion of such counsel shall be given full and complete authorization and protection in respect to any action taken or by the Board of Trustees or the Executive Committee under the Bylaws in good faith in accordance with the opinion of such attorney, and the Board of Trustees and the Executive Committee shall not be liable therefor.

9.8 **Registered Address**. The registered address of the Pool shall be:

Western Michigan Health Insurance Pool (PEPP)
c/o Gallagher Benefit Services of Michigan, Inc.

300 Ottawa NW, Suite 301
Grand Rapids, Michigan 49503-2308

As provided in Section 7.5, the Secretary shall be responsible for maintaining all Pool documents, records and papers at the registered address of the Pool

ARTICLE X
THE BENEFIT FUND AND POOL FINANCES

10.1 **Fiscal Year**. The fiscal year of the Pool shall commence on July 1 and end on June 30 of each year, or such other fiscal year as the Board of Trustees may establish.

10.2 **Single Benefit Fund**. The Benefit Fund will be administered for each fiscal year as a single fund without regard to the amount of Benefit payments made to the Participants of a particular Member.

10.3 **Plan Year Contributions**. At the close of each plan year an accounting will take place to determine whether the Participants listed by each Member have received total Benefit payments in excess of the actuarially predetermined claim cost for such Member.

This information will be made available to the Board of Trustees. Member contributions into the Benefit Fund will be determined in the following manner:

(a) At least 90 days prior to the start of each plan year, the Consulting/Management Firm shall determine, on the basis of actuarial data, the amount of total contributions from Members necessary to fund anticipated benefit payments, the cost of excess and other insurance required by the Board of Trustees in accordance with the Bylaws, plus sufficient sums to maintain the Reserve Fund.

(b) The Consulting/Management Firm shall recommend how this total amount for Benefits and insurance should be divided among the Members. In the usual course the Consulting/Management Firm shall recommend Member contributions for the next plan year utilizing the rate protection formula included in the annual renewal calculation (budget). However, at the request of the Board of Trustees and in accordance with reasonable standards directed by the Board of Trustees, the Consulting/Management Firm may, in the alternative, recommend a different division among Members of the total contributions necessary for the subsequent plan year.

(c) Any alternate to the rate protection formula will be included in the annual renewal calculation (budget) and voted upon by the board. (d) The Board of Trustees, at least forty-five days prior to the start of each plan year, will approve Member contributions for the next plan year. A failure of the Board of Trustees to so approve Member contributions shall not invalidate such action taken at a later date, provided that no Member shall have less than fifteen days' prior notice of contributions due the Pool as a result of such delayed action.

10.4 **Supplementary Contributions**.

(a) If during or for any fiscal year, the funds on hand in the Benefit Fund are not sufficient to pay benefits, or other costs of the Pool which are not covered by administrative charges to Members, then:

(1) The Board of Trustees shall first utilize the Unreserved Net Assets (formerly "Free Surplus Fund") and if such fund is not sufficient, the Board of Trustees shall require supplementary contributions.

(2) The supplementary contributions to be paid by Members shall be computed utilizing the same method for that fiscal year under which contributions by Members were required to be paid into the Benefit Fund. To the extent that supplementary contributions are to be utilized to pay benefits, they shall be distributed in the order in which claims are received and approved for payment by the Third Party Administrator(s).

(3) If, after all amounts in the Unreserved Net Assets (formerly "Free Surplus Fund") are exhausted, and supplementary contributions have been called for and not fully received, the Pool may loan sums from the Reserve Fund, but only up to the amount expected to be received from the call for supplementary contributions. When the supplementary contributions are received, the Reserve Fund shall be promptly credited with the amount necessary to repay the loan.

(b) For purposes of this Section 10.4, "costs of the Pool" may include the Pool's obligation to reimburse the issuer of any Letter of Credit for all amounts drawn under it.

10.5 **Required Contributions**. During any plan year, a Member shall only be required to make contributions into the Benefit Fund for those Participants within those covered classes established at the beginning of each month of such fiscal year who are from time to time employed by the Member.

ARTICLE XI
PLAN OF BENEFITS

11.1 **Plan of Benefits**. A Member may, if more than one Plan is offered by the Pool, change its Plan, or adopt an additional Plan. The Pool shall be notified of such new or additional Plan not less than thirty days prior to its effective date, and any such change shall subject the Member to a redetermination on an actuarial basis of its contributions to the Pool. The Consulting/Management Firm shall determine the amount of contributions increase or decrease resulting from such change.

ARTICLE XII
EXCESS INSURANCE

12.1 **Excess Insurance**. The Board of Trustees shall cause to be purchased excess insurance (or "excess loss coverage" under Act 350, Michigan Public Acts of 1980) from a company and in an amount approved by the Director . For each fiscal year, the amounts and types of excess insurance (or "excess loss coverage" under Act 350, Michigan Public Acts of 1980) shall be, subject to any prior review requirements of the Director, established by the Board of Trustees at the time the amounts of Member contributions into the Benefit Fund for such year are established and approved by the Board of Trustees.

12.2 **Additional Insurance**. The Board of Trustees, acting as a purchasing group, may cause to be purchased fully-insured life insurance and long term disability insurance for Member's Participants from companies qualified to provide such insurance in Michigan, but never as a pooled or insured product of the Pool itself. The Board of Trustees may purchase other insurance as it deems necessary to carry out the purposes of the Pool. The Pool, through the distribution of the minutes of the Board of Trustees or through other means, shall inform all Members of the scope and amount of insurance in force from time to time.Membership in the Pool shall not preclude any Member from purchasing any insurance coverage above those amounts purchased by the Pool or providing insurance or self-insurance for benefits not included in the Plan or Plans of Benefits approved by the Board of Trustees.The Pool shall, through the Consulting/Management Firm, advise Members of the types of additional or different benefits or insurance coverage available to the Members.

ARTICLE XIII
OBLIGATIONS OF MEMBERS

13.1 **Obligations of Members**. In addition to obligations of Members stated elsewhere in the Bylaws and the Trust Agreement, the obligations of Members shall be as follows:

(a) To pay promptly all contributions, including administrative charges and supplemental contributions and any other payments due to the Pool at such times and in such amounts as shall be established by the Board of Trustees in accordance with the Bylaws. Any delinquent payments shall be paid with an interest charge, the rate for which shall be determined by the Board of Trustees.

(b) To designate a Trustee to serve on the Board of Trustees and an Alternate Trustee.

(c) To allow the Pool reasonable access to all facilities of the Member and all records including, but not limited to, financial records which relate to the purpose or powers of the Pool.

(d) To allow legal counsel employed by the Pool to represent the Member in investigation, settlement discussions, and all levels of litigation arising out of any claim made against the Member within the scope of loss protection furnished by the Pool.

(e) To furnish full cooperation with the Pool's legal counsel and any agent, employee, officer, or independent contractor of the Pool relating to the purpose and powers of the Pool.

(f) To report to the Pool as promptly as possible all claims made to it within its Plan of Benefits as administered by the Pool.

(g) To provide through the Pool all benefits which the Pool requires its Members to so provide, and to furnish the Consulting/Management Firm with a copy of changes to its Plan of Benefits, which are permitted by the Bylaws, at least thirty days prior to the effective date of such change.

(h) To promptly notify all of its Plan participants of any withdrawal or expulsion of such Member from the Pool.

(i) In the event that the Pool is required to expend funds for administrative, legal or other costs arising from the failure of the Member to make annual contributions, including administrative charges and supplemental contributions, and all other payments owed the Pool, including costs for the legal enforcement of payment thereof, such amounts expended by the Pool

for such costs, including attorneys' fees, litigation costs and other fees or charges, shall be added to the Member payments due the Pool and shall be payable by the Member.

ARTICLE XIV
DISPUTES OVER COVERAGE

14.1 **Dispute of Pool Decision**. Except to the extent that an appeal to, or review by, the Executive Committee has already occurred under the Plan itself or applicable law, any Participant in any Plan who has been denied a benefit, or feels aggrieved by any action taken by or on behalf of the Pool, and who has exhausted the appeals procedure under the terms of such Plan, shall be entitled to request a review by the Executive Committee of any denial or action taken by or on behalf of the Pool. All such requests shall be made, in writing, within thirty (30) days from the date a written denial has been issued by the entity administering claims on behalf of the Pool. The request for such appeal shall be made to the Board Chair and shall state the reason(s) supporting the allegation that the claim was interpreted incorrectly or resulted in an improper denial of payment. Any supporting documentation or comments must be provided. No dispute shall be considered by the Executive Committee unless the Participant complies with this requirement.

The Executive Committee shall review the action taken, and based on the provisions of such Plan, may uphold, reject or modify the action taken and shall render its final decision with respect thereto within thirty (30) days of the receipt of such request and such decision shall thereupon be promptly communicated, in writing, to the Participant. Subject to the applicable law, the decision of the Executive Committee shall be final.

ARTICLE XV
WITHDRAWAL OF MEMBERS

15.1 **Withdrawal of Members**. Any Member of the Pool which has completed the initial three-year cycle or a subsequent one-year cycle may withdraw from Membership by giving written notice of such intention to withdraw to the Chairperson and to the Consulting/Management Firm at least thirty days prior to January 1. Any Member which withdraws from the Pool shall not be considered for re-admission to membership for at least three years after it has withdrawn.

15.2 **Benefit Claims of Withdrawing Member**. If a Member properly withdraws from the Pool in the manner authorized by the Bylaws, and is not in financial arrears, the Pool shall pay properly presented benefit claims of the withdrawing Member, which were incurred prior to the withdrawal date, and not previously paid, excluding amounts paid or to be paid by specific stop loss insurance

15.3 **Obligations of Withdrawing Members, Including Expelled Members**. Under no circumstances shall a withdrawing Member or expelled Member be entitled to a refund of any payment made to the Pool for any reason. All withdrawing or expelled Members shall remain fully obligated for their portion of all expenses of and claims against the Pool incurred during the period of their Membership. Amounts owed by a withdrawing Member or expelled Member shall be immediately due and payable and shall, if delinquent more than fifteen days, be payable with interest as provided in Section 13.1 (a).

ARTICLE XVI
EXPULSION OF MEMBERS

16.1 **Basis of Expulsion**. By the vote of two-thirds (2/3) of the total number of Trustees on the Board of Trustees if a hearing is requested, or by the vote of at least two-thirds (2/3) of the Executive Committee if no hearing is requested, any Member may be expelled for failure to fulfill any obligation of that Member under the Bylaws and the Trust Agreement.

16.2 **Process of Expulsion**. A Member may be expelled from the Pool for failure to comply with these Bylaws or for nonpayment. The Executive Committee must first provide written notice of the alleged failure, along with a reasonable opportunity of not less than thirty days to cure the alleged failure. The notice shall specify that the Member shall be expelled unless the failure is cured and the date upon which expulsion shall occur if no hearing is requested.

The Member may request a hearing before the Board of Trustees. Such request must be made in writing and received by the Board of Trustees before expiration of the time to cure.

The date for a requested hearing will be set by the Chairperson, who shall set a Board of Trustees meeting for such purpose. The date for a hearing shall not be less than seven days after the expiration of the time to cure has passed.

A decision by the Board of Trustees under this Section shall be final unless a court determines that the Board of Trustees has committed a gross abuse of discretion.

The Board of Trustees may effectuate the expulsion of a Member under this Section at any time not less than sixty days after the vote expelling the Member has been made. If the expulsion is for a failure to make payments due to the Pool, the effective date of the expulsion may be at any time after the vote expelling the Member. If the date of expulsion is less than sixty days before the beginning of the next fiscal year, the date of expulsion

may be at the end of the fiscal year. If the expulsion vote or subsequent action of the Board of Trustees does not state the time at which the expulsion shall take place, such expulsion shall take place sixty days after the vote expelling the Member, or at the beginning of the next fiscal year, whichever date is sooner.

16.3 **Cessation of Benefits**. The Pool shall have no obligation with respect to claims incurred under the Plan of an expelled Member after the effective date of such expulsion. The obligation of the Pool to administer claims incurred under the Plan of an expelled Member prior to the effective date of expulsion shall continue for such claims as may have been or may be properly filed under the Plan, provided that if payment of such claim results in the expelled Member having a debit balance in the Benefit Fund, the expelled Member shall promptly reimburse the Benefit Fund the amount of such debit balance. Within one hundred twenty days after the filing of the last claim of an expelled Member which the Pool is obligated to pay, a final accounting of funds shall occur and any amount determined to be owed by the expelled Member shall be immediately paid into the Benefit Fund by the expelled Member, and shall it be delinquent more than fifteen days, be payable with interest as provided in Section 13.1(a).

16.4 **Fulfillment of Incurred Obligations**. After expulsion, the former Member shall continue to be fully obligated for all obligations which were created during the term of its Membership as if it were still a Member of the Pool. The expelled Member shall, after expulsion, no longer be entitled to participate or vote on the Board of Trustees.

ARTICLE XVII
TERMINATION OF POOL

17.1 **Events of Termination**. If the withdrawal of Members prior to the start of any one-year cycle shall reduce the number of covered Participants of the remaining Members, and any new Members legally committed to Membership for the next one-year cycle, to less than 400 persons, the Pool shall, except for winding up its affairs, cease its operations at the end of the then-concluding fiscal year. If, during any fiscal year, the number of covered Participants and officers should be reduced to below 300 persons, any Member may call a special meeting to discuss the feasibility of terminating the Pool prior to the close of that fiscal year.

17.2 **Winding Up**. In the event the Board of Trustees approves termination of the Pool, the Board of Trustees shall continue to meet on such a schedule as shall be necessary to carry out the winding up of the affairs of the Pool. After all valid claims of the Pool have been paid and all administrative expenses have been paid, any remaining funds in any account shall be distributed to those Members of the Pool which continued to be Members upon termination, which had been Members for at least five years, and which have submitted to the Pool assurances satisfactory to the Pool that such distributed funds shall be dedicated to hospital, medical, surgical or dental benefits for its Participants and their beneficiaries. Payments shall be made to those Members in proportion to their contributions to the Pool.

ARTICLE XVIII
BYLAWS CONSTITUTE CONTRACT AMONG MEMBERS

18.1 **Contractual Obligations**. The Bylaws, together with the Trust Agreement, of which the Bylaws are an integral part, shall constitute an intergovernmental contract among the Members of the Pool in accordance with Act 35. The obligations and responsibilities of

the Members set forth herein, including the obligation to take no action inconsistent with the Bylaws or the Trust Agreement of which the Bylaws are in integral part, as either may be amended, shall be a continuing obligation and responsibility of each Member. Each Member and its Governing Body acknowledges that its contractual obligations as set forth in the Bylaws may be modified by amendments to the Bylaws by the Board of Trustees. The terms of the Bylaws and the Trust Agreement of which the Bylaws are an integral part, may be enforced in a court of law by the Pool. The consideration for the duties herewith imposed upon the Members to take certain actions and to refrain from certain other actions shall be based upon the mutual promises and agreements of the Members set forth herein.

18.2 **Evidence of Contract and Amendment**. The Bylaws, either original or as amended, may be executed in duplicate originals or counterparts by sufficient Trustees for their amendment, or additionally, the Bylaws as amended may be evidenced by such amendments to the Bylaws approved by the Board of Trustees as certified by the Secretary, with the date of Director approval.

18.3 **Limited Liability of Other Members**. Except to the extent of the limited financial payments or contributions, including administrative charges and supplemental contributions, to the Pool itself, as expressly agreed to in the Bylaws, no Member agrees or contracts to be held responsible for any claims in tort or contract made against the Pool itself (a separate legal entity) or any other Member. The Members intend in the creation of the Pool to establish an organization for intergovernmental self-insurance only within the scope herein set out and have not herein created as between Member and Member any relationship of surety, indemnification, or responsibility for the debts or claims against any Member.

ARTICLE XIX
MISCELLANEOUS

19.1 **Notice**. All notices, bills, or other communications required or permitted by the Bylaws shall be in writing and shall be deemed to have been given on the day of service if served personally, or on the business day after delivery to the United States Post Office for regular mail service, and addressed, if to a Member, to the head of the Member's public body, and/or the Trustee designated by, that Member at the address listed with the signature, or such other address of which the Member provides notice, and if to the Pool, then to:

Western Michigan Health Insurance Pool (PEPP)
c/o Gallagher Benefit Services of Michigan, Inc.
300 Ottawa NW, Suite 301
Grand Rapids, Michigan 49503-2308

19.2 **Validity**. If any provision of the Trust Agreement, including the Bylaws, shall be determined to be unconstitutional or invalid under state statutes, the remainder of the Trust Agreement, including the Bylaws, shall not be affected thereby.

19.3 **Operative Effect**. The Bylaws and any amendment thereto shall be filed with and approved by the Director before becoming operative.

IN WITNESS WHEREOF, the approval and adoption of these Bylaws by the Board of Trustees with respect to its PEPP is evidenced by the attached certificate of the Secretary of the Pool indicating such approval, and the date thereof, by not less than two-thirds (2/3) of the total number of Trustees on the Board of Trustees, and the date of their approval by the Michigan Director of the Department of Insurance and Financial Services

WEST MICHIGAN HEALTH INSURANCE POOL
AMENDED TRUST AGREEMENT

This Amended Agreement and Declaration of Trust ("Trust Agreement") is made by and among each of the individual trustees identified in attached Schedule A (each a "Trustee" and collectively the "Trustees"), and those school districts presently to be Members of the West Michigan Health Insurance Pool, also listed in Schedule A, by whom the Trustees were respectively appointed, for the purpose of forming and operating the West Michigan Health Insurance Pool.

PREMISES

A. Act 35, Michigan Public Acts, 1951, as amended, §§ 5-12b; MCL, §§ 124.5-124.12b ("Act 35"), authorizes Michigan school districts and other defined municipal corporations to establish a group self-insurance pool, for the provision of hospital, medical, surgical and dental benefits for Member employees and their dependents, and acting as a purchasing group, for the purchase of fully-insured basic life and long-term disability coverage for Member employees (but never as pooled or insured products of the Pool itself).

B. Act 35 authorizes the establishment of the pool as a separate legal entity for purposes of effectuating such insurance.

C. Act 35 further provides that any school districts' group self-insurance pool may provide hospital, medical, surgical or dental benefits under a multiple employer welfare arrangement ("MEWA") pursuant to Chapter 70 of the Michigan Insurance Code, MCL §§ 500.7001 – 500.7090, or under a Public Employer Pooled Plan ("PEPP") pursuant to the Public Employees Health Benefit Act, MCL §§ 124.71 – 124.85.

D. Pursuant to such power and authority, to provide hospital, medical, surgical and dental benefits for Member employees and their dependents, and, acting as a purchasing group, to purchase fully-insured basic life and long-term disability coverage for Member employees (but never, as pooled or insured products of the Pool itself), the Trustees and the Members have determined to make this Trust Agreement which will establish the West Michigan Health Insurance Pool (the "Pool") as a trust entity a for the purpose of receiving, protecting and disbursing the moneys of the Pool.

NOW, THEREFORE, the Trustees and Members do hereby covenant and agree as follows:

ARTICLE I
CREATION AND NAME OF THE TRUST

There is hereby established and created a trust which shall be known as the "West Michigan Health Insurance Pool" (hereafter referenced herein as the "Trust") and its Trustees may hold property, enter into contracts, and in all matters as hereinafter set forth transact business on behalf of the Trust only in the name "West Michigan Health Insurance Pool," except that the Trust may add appropriate prefixes or suffixes to its name for purposes of distinguishing filings with the Michigan Commissioner of the Office of Financial and Insurance Regulation, or accounts or funding sources, by insurance plan or program. The Trust and the Trust funds shall be used only for the purposes as hereinafter set forth.

ARTICLE II
PURPOSE

This Trust Agreement is made and executed for the purpose of forming as a separate trust entity for the provision of hospital, medial, surgical and dental benefits, and life and disability for Member employees and their dependents, and for the purchase, as a purchasing group, of fully-insured basic life and long-term disability coverage for Member employees (but never as pooled or insured products of the Pool itself), or defraying the reasonable expenses of administering the Trust, and for pooling, holding and administering Members' contributed funds solely for this purpose.

Trust Assets shall never inure to the benefit of any Member, and in the event of termination of the Trust, Trust assets shall be distributed in accordance with Section 17.2 of the Bylaws (hereafter identified), including its provision that Members receiving such assets upon termination assure dedication of such assets for hospital, medical, surgical or dental benefits for its employees and their beneficiaries.

ARTICLE III
POWERS OF THE TRUST

The Trust shall have power:

a) To have succession by its name for a term which shall be in perpetuity, except for earlier termination in accordance with the Bylaws, and except in the event the rule against perpetuity is applicable. If such rule is applicable, then this Trust shall terminate at the expiration of 21 years after the death of the last survivor of the Trustees who are listed in Exhibit A and who have signed this Declaration of Trust.

b) To sue and be sued, complain and defend, in any court of law or equity or to be a party to any proceedings before any board or commission or other public body of the State of Michigan or any other state or

government. Suits at law may be maintained by the Trust against any Member for any cause relating to the business of the Trust.

c) To have a seal which may be altered at pleasure, and to use the seal by causing it or a facsimile of the seal to be impressed or affixed or reproduced, or otherwise.

d) To appoint such officers and agents (including Executive Committee) as the business of the Trust shall require and to allow them suitable compensation.

e) To make, alter, amend, and repeal bylaws for the regulation and government of Trust affairs.

f) To conduct its business in the State of Michigan, other states, the District of Columbia, the territories and colonies of the United States and in foreign countries and the territories and colonies thereof, and have one or more officers out of the State of Michigan, and to acquire, purchase, hold, mortgage, pledge, assign, transfer and convey real and personal property out of the State of Michigan subject to applicable Michigan and federal law.

ARTICLE IV
THE MEMBERS

The names and business addresses of the present Members of the Trust are set forth in Schedule A. The rights and obligations of Members are as provided in the Bylaws. New Members may be admitted to the Trust and Members may resign or shall be expelled in accordance with the Bylaws.

ARTICLE V
BOARD OF TRUSTEES

The powers of the Trust shall be exercised by the Board of Trustees consisting of one trustee appointed by each Member, with equal vote in person, or by alternate or proxy. The current Board of Trustees is set forth in Schedule A.

Other provisions concerning the powers and duties of the Trustees, their manner of governance, their qualifications for office, and the method of their appointment, replacement or removal, and all related matters, shall be as set forth in the Bylaws.

ARTICLE VI
BYLAWS

As part of the process of concluding its existing MEWA plan and establishing a PEPP plan, the Board of Trustees shall adopt the PEPP Bylaws set forth in Schedule B-PEPP, and by this reference such PEPP Bylaws are incorporated into this Trust Agreement as an integral part hereof. The PEPP Bylaws shall provide for the governance, finance and administration of the Western Michigan Health Insurance Pool (PEPP) with respect to the PEPP plan, but the Board of Trustees may continue to use the Bylaws previously adopted with respect to its MEWA plan (the "MEWA Bylaws" as set forth in Schedule B-MEWA, and incorporated herein as an intergral part hereof), particularly for all claims for benefits still pending for payment following conclusion of the MEWA, and for all other matters and transaction related to the MEWA. Subject to prior filing with, and approval by, the Michigan Commissioner of the Office of Financial and Insurance Regulation, the Board of Trustees may from time to time subsequently amend the PEPP Bylaws and/or the MEWA Bylaws in accordance with their terms, which amended PEPP Bylaws and/or MEWA Bylaws shall be contractually binding upon the respective Members.

ARTICLE VII
RULES AND REGULATIONS

The Board of Trustees may prescribe such rules and regulations as may, in their judgment and discretion, be proper and necessary for the sound and efficient administration of the Trust, provided however, that the rules and regulations shall not be inconsistent with the terms of this Trust Agreement, the Bylaws, or applicable Michigan or federal law.

ARTICLE VIII
SITUS AND RESIDENT AGENT

The situs of the Trust is in the State of Michigan, and all questions concerning the validity, construction and administration of the Trust shall be determined in accordance with Michigan law. Gallagher Benefits Services of Michigan, Inc. (Consulting/Management Firm to the Trust), attention: Douglas Derks, 161 Ottawa NW, Suite 112, Grand Rapids, Michigan 49503, shall be the resident agent of the Trust for purposes of service of process.

ARTICLE IX
OPERATIVE EFFECT

This Trust Agreement, and any amendment thereto by all continuing Members of the Trust, and any amendment to the Bylaws, shall be filed with and approved by the Michigan Commissioner of the Office of Financial and Insurance Regulation before becoming operative.

IN WITNESS WHEREOF, this Trust Agreement has been executed on its Schedule A by the Trustees and the identified Members of the Trust acting through their respectively appointed Trustees.

SCHEDULE A

Member Districts	**Trustees and Signatures**	
Allendale Public Schools 6561 Lake Michigan St. Allendale, MI 49401	DAVID VANDER WALL [Print] [Signature]	Date: 11/11/08
Caledonia Community Schools 203 Main Street Caledonia, MI 49316	RONALD L. ARCHER [Print] [Signature]	Date: 11-11-08
Comstock Public Schools 3010 Gull Road Kalamazoo, MI 49048	Todd D. Mora [Print] [Signature]	Date: 11/11/08
Comstock Park Public Schools 101 School Street NE Comstock Park, MI 49321	Ethan Ebenstein [Print] [Signature]	Date: 11/11/08
Coopersville Area Schools 198 East Street Coopersville, MI 49404	CATHERINE L. KUDSKA [Print] [Signature]	Date: 11/17/08
Delton Kellogg Public Schools 327 North Grove Street Delton, MI 49046	Sheryl Downey [Print] [Signature]	Date: 11/17/08

East Grand Rapids Public Schools
2915 Hall Street
East Grand Rapids, MI 49056

KEVIN PHILLIPPS
[Print]

[Signature]

Date: 11/11/08

Fennville Area Schools
5 Memorial Drive
Fennville, MI 49408

Dirk Weeldreyer
[Print]

[Signature]

Date: 11/11/08

Gobles Public Schools
409 N. State Street
Gobles, MI 49055

Amy J Christman
[Print]

[Signature]

Date: 11/17/08

Godfrey Lee Public Schools
963 Joosten Street SW
Wyoming, MI 49509

Roxanne Claxton
[Print]

[Signature]

Date: 11-11-08

Grand Haven Area Public Schools
1415 South Beech Street
Grand Haven, MI 49417

Dottie Bishop
[Print]

[Signature]

Date: 12/08

Grand Rapids Community College
143 Bostwick Ave. NE
Grand Rapids, MI 49503

ROBERT PARTRIDGE
[Print]

[Signature]

Date: 11/11/08

Hudsonville Public Schools
3886 Van Buren Street
Hudsonville, MI 49418

Brian Metcalf
[Print]

[Signature]

Date: 11/1/08

Kent City Community Schools
200 Clover Street
Kent City, MI 49330

Steven Lampe
[Print]

Steve Lampe
[Signature]

Date: 11/11/08

Kent ISD
2930 Knapp Street, NE
Grand Rapids, MI 49525-4518

Mike Hagerty
[Print]

[Signature]

Date: 11-11-08

Lowell Area Schools
300 High Street
Lowell, MI 49331

John Zielinski
[Print]

[Signature]

Date: 11-11-08

Muskegon Reeths Puffer Schools
991 W. Giles Street
Muskegon, MI 49445

Frank J Verhoven
[Print]

[Signature]

Date: 11/11/08

Ottawa Area ISD
13565 Port Sheldon Road
Holland, MI 49424

Darcie Buikstra
[Print]

Darcie Buikstra
[Signature]

Date: 11/11/08

Rockford Public Schools
350 N. Main Street
Rockford, MI 49341

MIKE COMPO
[Print]

[Signature]

Date: 11/10/08

South Haven Public Schools
554 Green Street
South Haven, MI 49090

Robin C. Mock
[Print]

[Signature]

Date: 11-11-08

Spring Lake Public Schools
345 Hammond Street
Spring Lake, MI 49456

Debra A. Miller
[Print]

[Signature]

Date: 11/17/08

Thornapple Kellogg School
10051 Green Lake Road
Middleville, MI 49333

Christine Marcy
[Print]

[Signature]

Date: 11.11.08

Van Buren ISD
490 South Paw Paw Street
Lawrence, MI 49064

Barbara Matthews
[Print]

[Signature]

Date: 12-3-08

Vicksburg Community Schools
301 S. Kalamazoo Street
Vicksburg, MI 49097

STEPHEN GOSS
[Print]

[Signature]

Date: 11/10/2008

Wayland Union Schools
500 100th Street SW
Byron Center, MI 49315

James M. English
[Print]

[Signature]

Date: 11/11/08

West Ottawa Public Schools
1138 136th Street
Holland, MI 49424

David Zimmer
[Print]

[Signature]

Date: 11-11-08

Wyoming Public Schools
3575 Gladiola, SW
Wyoming, MI 49509

SCOTT E. POWERS
[Print]

[Signature]

Date: 11/11/08

00056678.DOC

Newaygo County RESA

Jamie Carnes

[Signature]

11/11/08

WESTERN MICHIGAN
HEALTH INSURANCE POOL

REPORT ON FINANCIAL STATEMENTS
(with required supplementary and other information)

YEARS ENDED JUNE 30, 2026 AND 2025

Maner Costerisan

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Maner Costerisan

2425 E. Grand River Ave.,
Suite 1, Lansing, MI 48912

2851 Charlevoix Dr SE #300,
Grand Rapids, MI 49546

517.323.7500

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the
Western Michigan Health Insurance Pool

Opinion

We have audited the accompanying financial statements of Western Michigan Health Insurance Pool, which comprise the statements of net position as of June 30, 2026 and 2025, and the related statements of revenue, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Western Michigan Health Insurance Pool, as of June 30, 2026 and 2025, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Western Michigan Health Insurance Pool's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Western Michigan Health Insurance Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Western Michigan Health Insurance Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of claims development, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the schedule of operations and net position by policy year from inception through June 30, 2026, as identified in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Maner Costerisan PC

Lansing, Michigan
September 25, 2026

WESTERN MICHIGAN HEALTH INSURANCE POOL
MANAGEMENT'S DISCUSSION AND ANALYSIS

The purpose of management's discussion and analysis (MD&A) is to help the Western Michigan Health Insurance Pool (the "Pool") readers understand what the financial statements and notes in this financial report say about the Pool's financial health and why it changed since the prior fiscal year. It contains information drawn from those other parts of the report, accompanied by explanations informed by the finance staff's knowledge of the Pool's finances.

If you have questions about this report or need additional information, we welcome you to contact Chris LaHaie, Treasurer, Western Michigan Health Insurance Pool, at (616) 786-2081.

Overview of the Financial Statements

The Pool is a public employer pooled plan established to provide healthcare and related employee benefit coverage to participating governmental entities throughout Michigan.

The Pool operates as a risk-sharing arrangement in which participating members collectively fund healthcare costs and administrative expenses through member contributions. By pooling resources, participating entities are able to obtain healthcare coverage and related services while sharing the risks associated with healthcare claims and utilization.

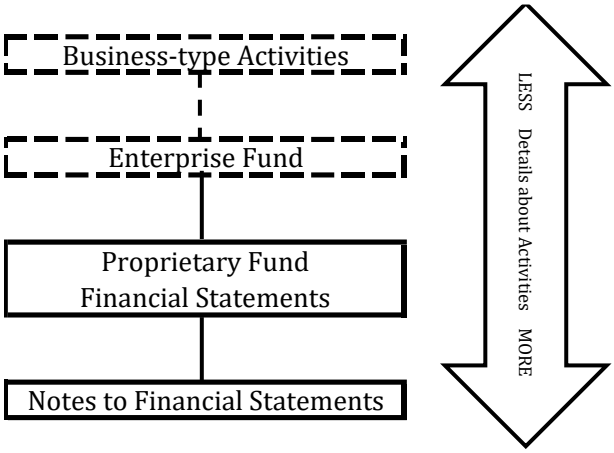
Coverage offerings include medical, prescription drug, dental, vision, and other employee benefit programs administered through contractual arrangements with third-party service providers and insurance partners. The Pool also utilizes excess insurance and other risk management strategies designed to limit exposure to catastrophic claims and unexpected fluctuations in healthcare costs.

As June 30, 2026, the Pool served 286 participating governmental entities, an increase from 237 participating entities at June 30, 2025. Growth in membership continued to contribute to increased contribution revenue, claims activity, and overall financial operations.

The Pool is regulated by the Michigan Department of Insurance and Financial Services and is required to maintain statutory capital and reserve levels intended to support its ongoing ability to satisfy member claim obligations.

The Pool's financial report contains its basic financial statements. The Pool reports a single fund using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. Those statements also provide the basis for evaluating the capital structure of the Pool and assessing the liquidity and financial flexibility of the Pool. The Pool's single fund is a proprietary fund with services financed in whole or in part with charges from others. (See the diagram in Figure A-1.)

Figure A-1. Contents of the Pool's Basic Financial Statements



The next section of this financial report contains *notes to financial statements*, which delve deeper into the Pool's finances as reported in the financial statements. The information in the notes is as important to understanding the Pool's finances as the information in the financial statements. The Pool uses notes to (1) present information in greater detail than is possible within the financial statements themselves, (2) explain the nature of amounts reported in the financial statements and how those amounts were determined, and (3) report certain information that does not meet the requirements for inclusion in the financial statements (such as certain contingencies).

Types of Information in the Financial Statements

All of the Pool's financial statements use the *economic resources measurement focus* and *accrual basis of accounting*. (See Figure A-2.) In other words, they comprehensively report all types of financial statement elements:

- *Assets* - resources the Pool controls, including cash and cash equivalents, restricted and unrestricted investments, and accounts receivable.

- *Liabilities* - amounts the Pool owes, including accounts payable, premiums received in advance, amounts due to the claims administrator and network provider, and estimated liabilities for reported claims and claims incurred but not reported.

- *Deferred Outflows of Resources and Deferred Inflows of Resources* - flows that occurred during the year, or in prior years, that will not be reported as expenses and revenues until the future year to which they are related, when applicable.

- *Revenues and Expenses* - inflows and outflows of economic resources, respectively, related to the current year.

Figure A-2. Types of Information Reported in the Pool's Financial Statements

	Financial Statements
	Proprietary Fund
Types of assets and liabilities	All assets and liabilities, both financial and nonfinancial, short term and long term
Types of deferred outflows of resources and deferred inflows of resources	All types of resources that flow in or out during the fiscal year that relate to a future fiscal year
Types of revenues/ additions	All types of revenues/additions that flow in during the fiscal year that relate to that year, regardless of when cash is received
Types of expenses/ deductions/expenditures	All types of expenses/deductions that flow out during the fiscal year that relate to that year, regardless of when cash is paid

More detail about the measurement focuses and bases of accounting can be found in the first note to financial statements, the summary of significant accounting policies.

Financial Summary

The following table shows, in a condensed format, a comparative analysis of the net position as of June 30, 2026 and 2025.

Table A-1. Comparative Analysis of the Net Position

	2026	2025	Change	
ASSETS				
Cash and cash equivalents	$ 16,291,908	$ 35,696,235	$ (19,404,327)	-54%
Other assets	84,704,194	53,677,901	31,026,293	58%
TOTAL ASSETS	100,996,102	89,374,136	11,621,966	13%
LIABILITIES AND NET POSITION				
LIABILITIES				
Reserve for known claims	29,443,000	20,670,000	8,773,000	42%
Other Liabilities	53,027,721	38,621,582	14,406,139	37%
TOTAL LIABILITIES	82,470,721	59,291,582	23,179,139	39%
NET POSITION - unrestricted	$ 18,525,381	$ 30,082,554	$ (11,557,173)	-38%

Net position may serve over time as a useful indicator of a entity's financial position. The previous table shows that as of June 30, 2026, the Pool's total net position - assets minus liabilities - was an decrease compared with the prior fiscal year.

The condensed financial information in the following table was derived from the Statements of Revenue, Expenses, and Changes in Net Position and reflects how the Pool's net position changed between the fiscal years ending June 30, 2026 and 2025.

Table A-2. Comparative Analysis of the Changes in Net Position

	Year Ended June 30,		Change	
	2026	2025		
OPERATING REVENUE	$ 448,929,040	$ 347,924,743	$ 101,004,297	29%
OPERATING EXPENSES				
Total provision for claims	421,495,073	318,869,218	102,625,855	32%
Other operating expenses	40,275,482	31,261,140	9,014,342	29%
TOTAL OPERATING EXPENSES	461,770,555	350,130,358	111,640,197	32%
Operating Income (loss)	(12,841,515)	(2,205,615)	(10,635,900)	482%
NONOPERATING (EXPENSE) REVENUE				
Interest income	1,289,791	1,423,628	(133,837)	-9%
Realized and unrealized (loss) gain on investments	(5,449)	1,539,790	(1,545,239)	-100%
TOTAL NONOPERATING (EXPENSE) REVENUE	1,284,342	2,963,418	(1,679,076)	-57%
Change in net position	$ (11,557,173)	$ 757,803	$ (12,314,976)	-1625%

Financial Highlights

Major financial events during fiscal year 2026 include:

- Membership growth from 237 participating entities to 286 participating entities.
- Member contribution revenue increased substantially as a result of participation growth and healthcare cost trends.
- Claims costs and related administrative expenses increased compared to the prior year.
- Net position decreased approximately $11.6 million during the year.
- The Pool maintained compliance with applicable statutory reserve requirements.
- The Pool established a $10 million revolving line of credit to strengthen available liquidity resources.

Detailed Analyses

Net Position

Net position decreased during fiscal year 2026 as healthcare claims, pharmacy costs, and related administrative expenses increased at a greater rate than contribution revenue. While participation growth contributed positively to revenues, increased healthcare utilization and claim costs negatively affected operating results.

Management continues to monitor reserve levels, claims activity, healthcare cost trends, and liquidity requirements in an effort to maintain the Pool's financial strength and long-term stability.

Operating Results

Operating revenues increased during fiscal year 2026 primarily as a result of membership growth and corresponding increases in covered participants. The increase in participating entities contributed to higher contribution revenue and expanded healthcare coverage activity throughout the Pool.

Operating expenses also increased during fiscal year 2026 due principally to higher medical and prescription drug claim costs and increased administrative expenditures associated with serving a larger membership base.

The Pool reported an operating loss for fiscal year 2026. Positive investment earnings partially offset operating losses; however, the increase in healthcare costs exceeded growth in revenues, resulting in a decrease in net position from the prior year.

Claims Liabilities

The Pool records liabilities for known claims and claims incurred but not reported (IBNR) in accordance with actuarial estimates and historical claim development experience.

Claims reserve balances increased during fiscal year 2026 due primarily to increased participation, greater claim volume, and ongoing claim development activity. Management continues to utilize independent actuarial analyses and historical experience in evaluating the adequacy of recorded claim liabilities.

Investments and Liquidity

The Pool maintains cash, cash equivalents, and investments to support claim payments, operational requirements, and statutory reserve requirements established by state regulation.

Investment earnings remained positive during fiscal year 2026 despite changing interest rate environments.

The Pool also maintained significant liquidity resources through cash balances, investment holdings, and available borrowing capacity under its revolving line of credit arrangement.

Significant Capital Asset and Long-Term Financing Activity

The Pool does not own significant capital assets and had no long-term debt outstanding at June 30, 2026.

During fiscal year 2026, the Pool entered into a revolving line of credit agreement providing borrowing capacity of up to $10 million. The agreement matures in November 2026 and bears interest at the Wall Street Journal Prime Rate. No amounts were outstanding at June 30, 2026.

Management established the line of credit as an additional source of liquidity to support operational cash flow requirements and potential claims payment obligations, if necessary.

Currently Known Facts, Decisions, or Conditions

Management continually evaluates healthcare utilization trends, prescription drug costs, stop-loss insurance markets, inflationary pressures, and other market factors that may affect future operating results.

Contribution rates for future coverage periods are established utilizing actuarial projections, historical claims experience, expected healthcare cost trends, and anticipated utilization patterns. Medical inflation, specialty pharmaceutical costs, large claimant activity, and broader economic conditions continue to represent significant factors influencing future financial performance.

The Pool remains subject to healthcare market and regulatory developments that may affect future operations. Management continues to monitor reserve adequacy, liquidity resources, claims experience, and participation levels in order to maintain the Pool's financial stability and ability to meet member obligations.

Management believes the Pool remains well-positioned to meet its obligations to participating entities and continue serving as a stable healthcare purchasing and risk-sharing arrangement for governmental employers throughout Michigan.

FINANCIAL STATEMENTS

WESTERN MICHIGAN HEALTH INSURANCE POOL
STATEMENTS OF NET POSITION
JUNE 30, 2026 AND 2025

	2026	2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 16,291,908	$ 35,696,235
Investments		
Restricted	10,480,821	6,884,507
Unrestricted	257,073	247,474
Accounts receivable - excess insurance carrier	1,402,418	-
Accounts receivable - excess insurance premium sharing	46,104,152	26,239,000
Total current assets	74,536,372	69,067,216
Noncurrent assets		
Investments - restricted	26,459,730	20,306,920
TOTAL ASSETS	100,996,102	89,374,136
LIABILITIES		
Current liabilities		
Accounts payable	1,797,835	1,062,488
Due to claims administrator and network provider	11,291,782	5,792,186
Reserve for known claims	29,443,000	20,670,000
Unearned revenue	39,938,104	31,766,908
TOTAL LIABILITIES	82,470,721	59,291,582
NET POSITION - unrestricted	$ 18,525,381	$ 30,082,554

See notes to financial statements.

WESTERN MICHIGAN HEALTH INSURANCE POOL
STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
OPERATING REVENUE		
Member contributions	$ 448,929,040	$ 347,924,743
OPERATING EXPENSES		
Provision for claims		
Claims paid	412,722,073	314,093,218
Change in estimate of unpaid claims and claim adjustment expenses	8,773,000	4,776,000
Total claims	421,495,073	318,869,218
Excess insurance premiums	2,763,152	2,372,503
General and administrative	11,034,138	7,864,087
Third-party administrative fees	26,478,192	21,024,550
TOTAL OPERATING EXPENSES	461,770,555	350,130,358
OPERATING INCOME (LOSS)	(12,841,515)	(2,205,615)
OTHER NONOPERATING REVENUE		
Interest income	1,289,791	1,423,628
Realized and unrealized gains (losses) on investments	(5,449)	1,539,790
TOTAL NONOPERATING REVENUE	1,284,342	2,963,418
CHANGE IN NET POSITION	(11,557,173)	757,803
NET POSITION, beginning of year	30,082,554	29,324,751
NET POSITION, end of year	$ 18,525,381	$ 30,082,554

See notes to financial statements.

WESTERN MICHIGAN HEALTH INSURANCE POOL
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
Cash flows from operating activities		
Cash received from members	$ 457,100,236	$ 355,573,027
Cash paid for claims	(428,490,047)	(327,200,136)
Cash paid for excess insurance premiums	(2,763,152)	(2,372,503)
Cash paid to suppliers and others	(36,776,983)	(28,657,528)
Net cash and cash equivalents used by operating activities	(10,929,946)	(2,657,140)
Cash flows from investing activities		
Purchase of investments	(12,906,058)	(14,934,868)
Proceeds from sale and maturities of investments	3,141,886	33,180,434
Interest income received	1,289,791	1,423,628
Net cash and cash equivalents provided by investing activities	(8,474,381)	19,669,194
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(19,404,327)	17,012,054
CASH AND CASH EQUIVALENTS		
Beginning of year	35,696,235	18,684,181
End of year	$ 16,291,908	$ 35,696,235
Reconciliation of operating (loss) income to net cash from operating activities		
Operating (loss) income	$ (12,841,515)	$ (2,205,615)
Adjustments to reconcile operating (loss) income to net cash		
Changes in:		
Accounts receivable - excess insurance carrier	(1,402,418)	-
Accounts receivable - excess insurance premium sharing	(19,865,152)	(14,401,339)
Accounts payable	735,347	231,109
Due to claims administrator and network provider	5,499,596	1,294,421
Premiums received in advance	8,171,196	7,648,284
Reserve for claims	8,773,000	4,776,000
Net cash and cash equivalents used by operating activities	$ (10,929,946)	$ (2,657,140)

See notes to financial statements.

NOTE 1 - NATURE OF BUSINESS

Western Michigan Health Insurance Pool (the "Pool") was formed via a transfer of assets from West Michigan Health Insurance Pool and received its certificate of registration from the Michigan Department of Insurance and Financial Services (DIFS) to conduct business effective January 1, 2009. The Pool is regulated and authorized by the State of Michigan under the Michigan Insurance Code as a Public Employer Pooled Plan pursuant to Public Act 106 of 2007. The Pool began to collect premiums and to underwrite claims effective February 1, 2009 and provides cost-effective and high-quality group health coverage for public entities, including employee medical, prescription drug, and dental benefits. The Pool services approximately 290 public entities throughout the state of Michigan.

The Pool was formed based on the provisions of Act 35, Michigan Public Acts, 1951, as amended, which authorizes Michigan school districts, public entities, and other defined municipal corporations to establish a group self-insurance pool for the provisions of hospital, medical, surgical, or dental benefits for Michigan employees and their dependents under a Multiple Employer Welfare Arrangement pursuant to Chapter 70 of the Michigan Insurance Code or under a Public Employer Pooled Plan pursuant to the Public Employees Health Benefit Act.

The Pool's general objectives are to administer a program of self-insurance for its members, to provide adequate financing for such a program, and to develop a cost-effective option for its members. Membership in the Pool is considered after a formal request supported by a resolution from the member's governing body of the applying public entity. Any member joining the Pool is required to remain a member for a minimum of three full years. A member may withdraw from the Pool after the member's initial three-year term by giving 90 days' prior written notice.

Pool underwriting and rate-setting policies are established after consultation with excess insurance underwriters and the actuary. Members are given 30 days' notice to make annual contributions to the Pool. The annual contributions are based on a final budget approved by the board of directors and made on a monthly basis by members.

The Pool follows all applicable GASB pronouncements.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

The Pool considers all investments with an original maturity of three months or less when purchased to be cash equivalents.

Funds Maintained Under Statutory Requirements

The Pool is required to maintain segregated funds under statutory or contractual requirements or obtain a letter of credit to protect members and health care providers in the event the Pool is unable to meet its contractual obligations. These funds can be used only at the direction of the State of Michigan in accordance with statutory provisions. Amounts held in a restricted investment account to fulfill this requirement were $36,940,551 and $27,191,427 at June 30, 2026 and 2025, respectively. In accordance with Public Act 106 of 2007, the restricted investments are stated at fair value (see Note 3). The remaining investment balances of $257,073 and $247,474 were unrestricted as of June 30, 2026 and 2025, respectively. Investment income is recognized when earned.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts Receivable

Accounts receivable represent amounts due from the excess insurance carrier of the Pool and are considered fully collectible. Accounts receivable also is representative of pharmacy rebates earned yet not received. There has been a nine month lag from when rebates were incurred to when they are collected, as such the Pool has recorded an estimate based on rebate rates per claims paid. Accordingly, the Pool has no allowance for doubtful accounts for financial reporting purposes.

Unearned Revenue

Prepayments of premiums are recorded as premiums received in advance, as they relate to premiums paid for coverage beginning subsequent to year end. The revenue is recognized during the applicable policy period.

Reserve for Claims

The reserve for claims represents the estimated ultimate liability for unpaid insurance losses and related expenses from reported claims and claims incurred but not reported. Changes to estimates are reflected in earnings currently.

Deposit with/Due to Claims Administrator and Network Provider

Deposit with claims administrator and network provider represents the prepayment of premiums related to potential hospital claims required to be on deposit with the claims administrator and network provider based on contract provisions. Due to claims administrator and network provider represents the accumulation of claims paid by the claims administrator on behalf of certain member public entities that have not been remitted by the Pool, totaling $11,291,782 and $5,792,186 at June 30, 2026 and 2025, respectively.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates relating to the reserve for claims are described in Note 4. Significant estimates related to rebates receivables are described in Note 2, Accounts Receivable.

Tax Status

The Pool's income is exempt from taxation under Internal Revenue Code Section 115. Accordingly, no provision for income taxes is reflected in the financial statements.

Premium Deficiency

Management evaluates whether a premium deficiency reserve is necessary at each reporting period. Anticipated investment income is considered in determining if a premium deficiency exists. No premium deficiency reserve was required at June 30, 2026 or 2025.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Recognition of Health Care Service Costs

Health care service costs and the related liabilities are recorded when medical services are performed. The reserve for claims includes an actuarially determined estimate of the ultimate cost of settling claims.

Revenue and Expense Recognition

Revenue and expense are recorded on the accrual basis. Insurance premiums, both direct and ceded, are recognized over the effective coverage period of the underlying policy, and are reflected as operating revenue. Operating expenses related to the operating functions of the Pool consist of claims payments, excess insurance premiums paid, third-party administrative fees, and general and administrative expenses. Nonoperating revenue and expenses consist of investment income.

NOTE 3 - DEPOSITS AND INVESTMENTS

Under the provisions of the Public Employees Health Benefit Act, the Pool is authorized to invest surplus moneys not needed for immediate cash needs in U.S. government bonds; U.S. Treasury notes; U.S. government agency issues; U.S. government-sponsored enterprises; certificates of deposit; and depository receipts issued by a bank, trust company, or savings and loan association insured by the FDIC. The Pool's investment policy authorizes the Pool to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan.

The Pool has designated Fifth Third Bank for the deposit of its funds.

The Pool's cash and investments are subject to several types of risk, which are examined in more detail below:

Cash and Cash Equivalents

Cash and cash equivalents include commercial NOW accounts. Cash and cash equivalents totaled $16,291,908 and $35,696,235 at June 30, 2026 and 2025, respectively.

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Pool's deposits may not be returned to it. The Pool does not have a deposit policy for custodial credit risk. The Pool believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Pool evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

At June 30, 2026, the Pool's deposit balance of $16,291,908 had $10,940 of cash accounts that were uninsured and uncollateralized. At June 30, 2025, the Pool's deposit balance of $35,696,235 had $24,787 of cash accounts that were uninsured and uncollateralized

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

Restricted Investments

Restricted investments are reported at fair value. As of June 30, 2026 and 2025, the Pool had the following investments:

Investment Type	2026	2025
U.S. Treasury	$ 30,527,616	$ 24,282,952
U.S. agencies and pass throughs	976,039	1,684,856
Foreign bonds	798,688	1,083,329
Money market funds	4,638,208	140,290
Total fair value	$ 36,940,551	$ 27,191,427

Unrestricted Investments

Unrestricted investments are reported at fair value. As of June 30, 2026 and 2025, the Pool had the following investments:

Investment Type	2026	2025
Money market funds	$ 257,073	$ 247,474

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Pool's investment policy does not restrict investment maturities. The Pool's policy minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market and limiting the average maturity in accordance with the Pool's cash requirements.

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

Interest Rate Risk (continued)

At June 30, 2026, the average maturities are as follows:

Investment Type	Fair Value	Weighted Average Maturity (Years)	%
U.S. Treasury	$ 30,527,616	2.2330	82.1%
U.S. agencies and pass throughs	976,039	10.5471	2.6%
Foreign bonds	798,688	0.9566	2.1%
Money market funds	4,895,281	0.0027	13.2%
Total fair value	$ 37,197,624		100.0%
Portfolio weighted average maturity		2.1299	

One day maturity equals 0.0027, one year equals 1.00.

At June 30, 2025, the average maturities are as follows:

Investment Type	Fair Value	Weighted Average Maturity (Years)	%
U.S. Treasury	$ 24,282,952	2.2110	88.5%
U.S. agencies and pass throughs	1,684,856	8.0458	6.1%
Foreign bonds	1,083,329	1.5596	3.9%
Money market funds	387,764	0.0027	1.4%
Total fair value	$ 27,438,901		100.0%
Portfolio weighted average maturity		2.5121	

One day maturity equals 0.0027, one year equals 1.00.

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. In accordance with the Pool's investment policy, the Pool may invest in those investments, as permitted by the DIFS.

At June 30, 2026 and 2025, the credit quality ratings of debt securities by type (other than the U.S. government) are as follows:

Rating	Fair Value 2026	Fair Value 2025
Foreign bonds		
AAA	$ 798,688	$ 1,083,329
Money market funds		
AAA	4,895,281	387,764
Total	$ 5,693,969	$ 1,471,093

The Pool's foreign bond investments are denominated in U.S. dollars; therefore, the Pool had no foreign currency risk at June 30, 2026 and 2025.

Concentration of Credit Risk

Excluding investments issued or guaranteed by the U.S. government, there were no investments that individually exceed 5 percent of the Pool's net position at June 30, 2026 and 2025.

Fair Value Measurements

The Pool is required to disclose amounts within a framework established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Quoted prices in active markets for identical securities.

Level 2: Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include prices for similar securities, interest rates, prepayment speeds, credit risk and others.

Level 3: Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant, unobservable inputs may be used. Unobservable inputs reflect the Pool's own assumptions about the factors market participants would use in pricing an investment and would be based on the best information available.

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

Fair Value Measurements (continued)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2026 and 2025.

Debt Instruments: Corporate and Foreign Bonds and U.S. Government Securities: The investment grade debt securities held by the Pool often do not trade in active markets on the measurement date. If they do, they are measured at the closing price in that active market. In the absence of a trade on the measurement date for the identical security in an active market, corporate bonds and U.S. government securities are valued using inputs including yields currently available on comparable securities of issuers with similar credit ratings, recent market price quotations (where observable), bond spreads, and fundamental data relating to the issuer.

Money Market Funds: Valued at the net asset value (NAV) of units held by the Pool at year end.

The Pool reports their investments according to the following levels:

June 30, 2026

	Level 1	Level 2	Level 3	Total
Debt instruments				
U.S. Treasury	$ -	$ 30,527,616	$ -	$ 30,527,616
U.S. agencies and pass throughs	-	976,039	-	976,039
Foreign bonds	-	798,688	-	798,688
Money market funds	4,895,281	-	-	4,895,281
Total fair value	$ 4,895,281	$ 32,302,343	$ -	$ 37,197,624

June 30, 2025

	Level 1	Level 2	Level 3	Total
Debt instruments				
U.S. Treasury	$ -	$ 24,282,952	$ -	$ 24,282,952
U.S. agencies and pass throughs	-	1,684,856	-	1,684,856
Foreign bonds	-	1,083,329	-	1,083,329
Money market funds	387,764	-	-	387,764
Total fair value	$ 387,764	$ 27,051,137	$ -	$ 27,438,901

NOTE 4 - RESERVE FOR CLAIMS

The estimated reserve for unsettled claims filed is provided by the third-party administrator. The reserve for claims incurred but not reported is estimated by an independent actuary based upon the Pool's historical experience of claims incurred prior to June 30, 2026. The estimates reflect the best judgment as to the potential for claims to increase beyond the amounts already paid and reserved on filed claims. Although management believes that the provision for unpaid claims is adequate, no assurance can be given that the ultimate settlement of these liabilities may not be greater or less than such estimates. Any future adjustments to these amounts will affect the reported results of future periods.

The change in provision for claims incurred in prior years increased in 2026 due to claims development of facility and professional medical claims pertaining to the 2025 year.

Activity in the reserve for claims is summarized as follows:

	2026	2025	2024
Reserve for claims - beginning of year	$ 20,670,000	$ 15,894,000	$ 11,013,000
Incurred claims and claim adjustment expenses			
Provisions for claims incurred in the current year	418,221,669	315,387,639	242,268,002
Change in provision for claims incurred in prior years	3,273,404	3,481,579	3,324,316
Total incurred claims and claim adjustment expenses	421,495,073	318,869,218	245,592,318
Payments			
Claims and claim adjustment expenses paid for claims incurred in current year	388,778,669	294,717,639	226,374,002
Claims and claim adjustment expenses paid for claims incurred in prior years	23,943,404	19,375,579	14,337,316
Total paid	412,722,073	314,093,218	240,711,318
Reserve for claims - end of year	$ 29,443,000	$ 20,670,000	$ 15,894,000

NOTE 5 - EXCESS INSURANCE COVERAGE

The Pool has purchased excess insurance coverage from Blue Cross/Blue Shield of Michigan and Priority Health to reduce its exposure to large specific losses and large aggregate losses on a policy year basis. Excess insurance contracts permit recovery of a portion of losses from the excess insurance carrier, although they do not discharge the primary liability of the Pool as direct insurer of the risks reinsured. For the years June 30, 2026 and 2025, the excess insurance contract provides coverage for medical and prescription drug benefits in excess of $900,000, per member per year for Priority Health and $1,250,000 for Blue Cross/Blue Shield of Michigan. The specific lifetime maximum reimbursement per covered member is unlimited.

NOTE 5 - EXCESS INSURANCE COVERAGE (continued)

Amounts recoverable under these contracts totaled 0 at June 30, 2026 and 2025, respectively. Premiums under these contracts during the years ended June 30, 2026 and 2025 totaled $2,739,687 and $2,349,045, respectively. Amounts deducted from reserve for claims for expected recoveries under these contracts total $1,921,004 and $580,334 during the years ended June 30, 2026 and 2025, respectively.

Additionally, effective July 1, 2019, the Pool entered into a premium sharing agreement with Blue Cross/Blue Shield of Michigan. Blue Cross/Blue Shield of Michigan will pay the Pool 25 percent of the net profit, which is calculated at 65 percent of the sum of all stop-loss premiums paid by the Pool, less the stop-loss reimbursements, during the contract year of July 1, 2020 through June 30, 2021. The agreement was amended for the contract year of July 1, 2021 through June 30, 2022, where Blue Cross/Blue Shield of Michigan will pay the Pool 25 percent of the net profit, with a maximum refund of 15 percent of specific stop-loss premium, which is calculated at 60 percent of the sum of all stop-loss premiums paid by the Pool, less the stop-loss reimbursements, during the contract year. The estimated refund under these agreements totaled $1,402,418 and $237,661 for the years ended June 30, 2026 and 2025, respectively.

NOTE 6 - LINE OF CREDIT

At June 30, 2026, the Pool has available a line of credit agreement with a financial institution: a bank facility line with a revolving amount of $10,000,000 with interest at prime rate. The line of credit is secured by substantially all assets of the Pool. At June 30, 2026, there was $0 outstanding under the bank facility line of credit.

NOTE 7 - CHANGE IN ACCOUNTING ESTIMATE

During the year ended June 30, 2025, the Pool revised its estimate for the claims reserve based on a review of more recent claims experience. This reassessment incorporated updated historical data and trends observed in the frequency and severity of reported claims. As a result, the claims reserve was increased by approximately $2,786,000, reflecting management's best estimate of future obligations under current conditions.

This change in estimate was accounted for prospectively in accordance with GASB 100 - Accounting Changes and Error Corrections and does not represent a correction of an error.

NOTE 8 - ADOPTION OF GASB STATEMENT NO. 103

For the year ended June 30, 2026, the Pool implemented GASB Statement No. 103, *Financial Reporting Model Improvements.* The Standard addressed the following areas:

a. Management's discussion and analysis (MD&A);
b. Unusual or infrequent items;
c. Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position;
d. Information about major component units in basic financial statements should be presented separately in the statement of net position and statement of activities unless it reduces the readability of the statements in which case combining statements of should be presented after the fund financial statements;
e. Budgetary comparison information should include variances between original and final budget amounts and variances between final budget and actual amounts with explanations of significant variances required to be presented in the notes to RSI.

NOTE 9 - UPCOMING ACCOUNTING PRONOUNCEMENTS

In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. The Pool is currently evaluating the impact this standard will have on the financial statements when adopted during the 2026-2027 fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION

WESTERN MICHIGAN HEALTH INSURANCE POOL
SCHEDULE OF CLAIMS DEVELOPMENT

CLAIMS DEVELOPMENT INFORMATION

The table on the following page illustrates how the Pool earned revenue (net of reinsurance) and investment income compared to related costs of loss (net of loss assumed by excess insurers) and other expenses assumed by the Pool as of the end of each of the past 10 years. The rows of the table are defined as follows:

1. This line shows the total of each fiscal year's gross earned contribution revenue and investment revenue, contribution revenue ceded to excess insurers and net earned contribution revenue and reported investment revenue.

2. This line shows the fiscal year's other operating costs of the Pool, including overhead and claims expense not allocable to individual claims.

3. This line shows the Pool's gross incurred claims and allocated claim adjustment expenses, claims assumed by excess insurers, and net incurred claims and allocated adjustment expenses (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year).

4. This section of 10 rows shows the cumulative net amounts paid as of the end of the successive years for each policy year.

5. This line shows the latest re-estimated number of claims assumed by excess insurers as of the end of the current year for each accident year.

6. This section of 10 rows shows how each policy year's net incurred claims increased or decreased as of the end of successive years. This annual re-estimation results from new information received on known claims, re-evaluation of existing information on known claims, and emergence of new claims not previously known.

7. This line compares the latest re-estimated net incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of net claims cost is greater or less than originally thought.

WESTERN MICHIGAN HEALTH INSURANCE POOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CLAIMS DEVELOPMENT

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
(1) Required contributions and investment income										
Earned	$ 450,213,382	$ 350,888,161	$ 266,954,998	$ 216,411,807	$ 185,052,303	$ 173,187,851	$ 162,683,585	$ 148,147,934	$ 129,347,989	$ 98,403,440
Ceded	2,763,152	2,372,503	1,373,490	1,373,490	1,355,365	980,133	2,288,914	2,417,461	2,132,547	3,512,912
Net	447,450,230	348,515,658	265,581,508	215,038,317	183,696,938	172,207,718	160,394,671	145,730,473	127,215,442	94,890,528
(2) Expenses other than allocated claim adjustment expenses	37,512,330	28,888,637	21,438,398	17,578,308	14,725,291	14,053,739	13,510,684	12,773,739	12,150,914	9,256,503
(3) Estimated claims and expenses - end of policy year										
Incurred	418,221,669	315,387,639	242,268,002	188,097,582	178,132,191	150,937,965	141,536,869	130,793,807	108,447,427	87,014,595
Ceded	1,921,004	580,334	241,739	-	1,440,906	969	2,679,058	853,138	661,662	2,111,595
Net incurred*	416,300,665	314,807,305	242,026,263	188,097,582	176,691,285	150,936,996	138,857,811	129,940,669	107,785,765	84,903,000
(4) Net paid (cumulative) as of:										
End of policy year	388,778,669	294,717,639	226,374,002	177,084,582	166,067,285	142,865,996	130,851,811	122,003,669	99,968,795	78,184,000
One year later	-	318,661,043	245,749,581	191,421,898	181,800,561	155,313,704	138,520,773	129,902,676	107,460,471	84,004,849
Two years later	-	-	245,749,581	191,421,898	181,800,561	155,313,704	138,520,773	129,902,676	107,460,471	84,004,849
Three years later	-	-	-	191,421,898	181,800,561	155,313,704	138,520,773	129,902,676	107,460,471	84,004,849
Four years later	-	-	-	-	181,800,561	155,313,704	138,520,773	129,902,676	107,460,471	84,004,849
Five years later	-	-	-	-	-	155,313,704	138,520,773	129,902,676	107,460,471	84,004,849
Six years later	-	-	-	-	-	-	138,520,773	129,902,676	107,460,471	84,004,849
Seven years later	-	-	-	-	-	-	-	129,902,676	107,460,471	84,004,849
Eight years later	-	-	-	-	-	-	-	-	107,460,471	84,004,849
Nine years later	-	-	-	-	-	-	-	-	-	84,004,849
(5) Re-estimated ceded claims and expenses	1,921,004	580,334	241,739	-	1,440,906	969	2,679,058	853,138	661,662	2,111,595
(6) Re-estimated net incurred claims and expenses										
End of policy year	418,221,669	314,807,305	242,026,263	188,097,582	176,691,285	150,936,996	138,857,811	129,940,669	107,785,765	84,903,000
One year later	-	318,080,709	245,507,842	191,421,898	181,800,561	155,313,704	138,520,773	129,902,676	107,460,471	84,004,849
Two years later	-	-	245,507,842	191,421,898	181,800,561	155,313,704	138,520,773	129,902,676	107,460,471	84,004,849
Three years later	-	-	-	191,421,898	181,800,561	155,313,704	138,520,773	129,902,676	107,460,471	84,004,849
Four years later	-	-	-	-	181,800,561	155,313,704	138,520,773	129,902,676	107,460,471	84,004,849
Five years later	-	-	-	-	-	155,313,704	138,520,773	129,902,676	107,460,471	84,004,849
Six years later	-	-	-	-	-	-	138,520,773	129,902,676	107,460,471	84,004,849
Seven years later	-	-	-	-	-	-	-	129,902,676	107,460,471	84,004,849
Eight years later	-	-	-	-	-	-	-	-	107,460,471	84,004,849
Nine years later	-	-	-	-	-	-	-	-	-	84,004,849
(7) (Decrease) increase in estimated net incurred claims and expenses from end of policy year	$ -	$ 3,273,404	$ 3,481,579	$ 3,324,316	$ 5,109,276	$ 4,376,708	$ (337,038)	$ (37,993)	$ (325,294)	$ (898,151)

* Does not include a provision for claims incurred but not reported.

OTHER INFORMATION

WESTERN MICHIGAN HEALTH INSURANCE POOL
SCHEDULE OF OPERATIONS AND NET POSITION BY POLICY YEAR
FROM INCEPTION THROUGH JUNE 30, 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016 and Prior	Total
OPERATING REVENUE												
Member contributions	$ 448,929,040	$ 347,924,743	$ 263,712,572	$ 215,580,986	$ 187,079,118	$ 173,132,508	$ 161,370,147	$ 147,275,591	$ 129,296,519	$ 98,390,141	$ 337,520,135	$ 2,510,211,500
Member assessments	-	-	-	-	-	-	-	-	-	-	1,847,997	1,847,997
Other contributions	-	-	-	-	-	-	-	-	-	-	528,408	528,408
Other	-	-	-	-	-	-	-	-	-	-	10,481	10,481
Investment income	1,284,342	2,963,418	3,242,426	830,820	(2,026,816)	55,343	1,313,438	872,343	51,470	13,299	585,281	9,185,364
TOTAL REVENUE	450,213,382	350,888,161	266,954,998	216,411,806	185,052,302	173,187,851	162,683,585	148,147,934	129,347,989	98,403,440	340,492,302	2,521,783,750
OPERATING EXPENSES												
Provision for claims												
Payments	412,722,073	314,093,218	240,711,318	192,817,858	166,067,285	155,313,704	138,520,773	129,902,676	107,460,471	84,004,849	285,260,946	2,226,875,171
Addition to reserve for claims	8,773,000	4,776,000	4,881,000	389,000	10,624,000	-	-	-	-	-	-	29,443,000
Reinsurance	2,763,152	2,372,503	1,456,392	1,373,490	1,355,365	980,133	2,288,914	2,417,461	2,132,547	3,512,912	14,517,315	35,170,184
General and administrative	11,034,138	7,864,087	5,640,629	4,420,484	3,611,198	3,314,632	2,966,010	2,919,819	3,138,884	2,711,535	8,478,956	56,100,372
Third-party administrative fees	26,478,192	21,024,550	15,797,769	13,157,824	11,114,093	10,739,107	10,544,674	9,853,920	9,012,030	6,544,968	20,880,365	155,147,492
TOTAL OPERATING EXPENSES	461,770,555	350,130,358	268,487,108	212,158,656	192,771,941	170,347,576	154,320,371	145,093,876	121,743,932	96,774,264	329,137,582	2,502,736,219
MEMBER CAPITAL WITHDRAWALS	-	-	-	-	-	-	-	-	-	-	(522,150)	(522,150)
CHANGE IN NET POSITION	$ (11,557,173)	$ 757,803	$ (1,532,110)	$ 4,253,150	$ (7,719,639)	$ 2,840,275	$ 8,363,214	$ 3,054,058	$ 7,604,057	$ 1,629,176	$ 10,832,570	$ 18,525,381

Farmington City Council **Staff Report**	**Council Meeting** **Date: Nov. 16, 2026**	**Informational**

Submitted by: Melissa Andrade, Assistant to the City Manager

Agenda Topic: Minutes from City's Boards and Commissions

CIA: Sept. minutes not yet posted
DDA: October 2026
Historical: September 2026
Parking: Next meeting Oct. 21
Pathways: October 2026
Planning: September 2026
ZBA: October minutes not yet posted
Library: October 2026: https://www.farmlib.org/about/library-board/2026-board-meetings/#docaccess-4d9dcbb98f0aa749a558bd2a691e76b0
Commission on Aging: September 2026
Farmington/Farmington Hills Arts Commission: September and October minutes not yet posted
Commission on Children, Youth and Families: October minutes not yet posted
Emergency Preparedness Committee: October 2026

DOWNTOWN FARMINGTON
Downtown Development Authority

8:00 AM Wednesday, October 7, 2026
City Hall Conference Room
23600 Liberty Street
Farmington, MI 48335

Meeting Minutes

The meeting was called to order at 8:04 AM by Chair Todd Craft.

1. Roll Call

Board Members Present: Todd Craft, Karlyn Cassidy, Sean Murphy, Tom Pascaris, and Donovan Singleton. Claire Perko (arrived at 8:11).

Board Members Absent: Joe LaRussa, James McLaughlin

Others Present: Jess Westendorf, Jenny Gray

2. Approval of Consent Agenda

Amotion by Sean Murphy, seconded by Singleton to approve the Consent Agenda. The motion carried unanimously.

The Consent Agenda included the September 2, 2026 DDA Board regular meeting minutes; September 4, 2026 Business Development and PSD Committee minutes; September 29, 2026 Promotions Committee minutes; October 1, 2026 Design Committee minutes; and acceptance of Shawn MacDonell-Kavanagh's resignation.

3. Approval of Regular Agenda

Motion by Singleton, seconded by Cassidy to approve the Regular Agenda. The motion carried unanimously.

4. Public Comment

No public comments.

5. Executive Director Update

Westendorf reported on the conclusion of Harvest Moon and the opening of the Grand Raven Festival, thanking Board members and volunteers for their support. Preliminary Harvest Moon results would be discussed later in the meeting. Eleven new sculptures are scheduled for installation at Art Park Promenade and Riley Park on October 20, followed by the Art Park Promenade dedication from 5:00-7:00 PM on October 28 with live music, art activities, and food samples from Table 42.

Valbona Vintage opened in the Retail LAB during Harvest Moon, while inaugural tenant The Lowry Estate moved into a holiday pop-up at the former Clothes Encounters space. SEMCOG completed filming at downtown businesses for an Experience Farmington video, and Main Street Oakland County hosted small-business office hours with an Oakland Thrive hospitality consultant. Westendorf also shared the Michigan Downtown Association podcast featuring Farmington's Great American Main Street Award story.

Board training is scheduled for October 21 in Wixom. Westendorf reviewed the five-year Principal Shopping District renewal timeline and noted that the current assessment remains in effect through the current fiscal year. She thanked Shawn MacDonell-Kavanagh for her service and reported that the City had received several strong applications for the vacant Board seat.

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6. Capital Improvement Steering Committee Appointment

Westendorf explained that the appointment is part of the City's annual Capital Improvement Program process. Board members were asked to review the current CIP and submit proposed changes before the next Board meeting. The Downtown Master Plan is expected to guide the DDA's recommended capital projects.

Motion by Singleton, seconded by Pascaris, to designate Jess Westendorf to serve on the Capital Improvement Program Work Group. The motion carried unanimously.

7. Metromode 2026-2027 Partnership Agreement

Westendorf presented the proposed $13,000 agreement with Issue Media Group's Metromode, unchanged in cost from the prior year. The Promotions Committee reviewed the partnership and found it to be a strong value for six long-form stories with original photography and redistribution of DDA press releases. The new agreement adds interim analytics reports. Board members also noted the value of purchasing rights to additional photographs created during Metromode assignments.

Motion by Singleton, seconded by Cassidy, to authorize $13,000 for IMG/Metromode for continued FY 2026-2027 engagement in Downtown Farmington news reporting, communications, and content deliverables as detailed in the contract. The motion carried unanimously by roll-call vote.

- **Ayes (6):** Craft, Singleton, Cassidy, Perko, Murphy, Pascaris
- **Nays (0):** None
- **Absent (2):** LaRussa, McLaughlin

8. Principal Shopping District Renewal Recommendation

Westendorf summarized the proposed five-year renewal of the Principal Shopping District special assessment, which currently generates approximately $225,000 and supports downtown maintenance and marketing. The recommendation retains the existing focus on district maintenance, utilities, seasonal decorations, promotion, business assistance, and volunteer recruitment. It adds residential properties with four or more units under common ownership, and establishes a Year 1 assessment of $242,016.77, followed by annual 3.3% increases. The additional funding will help maintain newer public investments, including Farmington Road Streetscape, Dinan Park, Masons Corner, and Art Park Promenade, while the expanded assessment base limits the impact on existing properties to approximately 3.3%.

Motion by Perko, seconded by Murphy, to confirm the necessity of the special assessment and recommend that City Council approve the second resolution and proceed with the public hearing to establish the Special Assessment District. The motion carried unanimously.

9. Sign Grant Review The Mercantile

The Board discussed the program's intent, the quality and visibility of the sign, and the value of supporting an arts nonprofit located at the rear of a shopping center. Members recommended making the application deadline more prominent in future grant materials. Sean Murphy recused himself from the discussion and vote.

Motion by Pascaris, seconded by Cassidy, to approve The Mercantile's Sign Incentive Grant application in an amount not to exceed $3,152.64, with funds derived from Development Incentives account 248-000.00-880.005. The motion carried unanimously by roll-call vote of the members participating.

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- **Ayes (5):** Pascaris, Craft, Singleton, Cassidy, Perko
- **Nays (0):** None
- **Absent (2):** LaRussa, McLaughlin
- **Recused (1):** Murphy

10. Sign Grant Review Comicade

The Design Committee recommended approval of Comicade's colorful, non-illuminated wall sign and suggested that the business consider adding greater depth to the sign.

Motion by Cassidy, seconded by Perko, to approve Comicade's Sign Incentive Grant application in an amount not to exceed $2,059.66, with funds derived from Development Incentives account 248-000.00-880.005. The motion carried unanimously by roll-call vote.

- **Ayes (6):** Cassidy, Perko, Murphy, Pascaris, Craft, Singleton
- **Nays (0):** None
- **Absent (2):** LaRussa, McLaughlin

11. Sign Grant Review Central Data

The Board reviewed Central Data's proposed non-illuminated blade sign. Westendorf clarified that grant approval remains contingent on the applicant completing the City's sign-permitting process.

Motion by Perko, seconded by Cassidy, to approve Central Data's Sign Incentive Grant application in an amount not to exceed $905.79, with funds derived from Development Incentives account 248-000.00-880.005. The motion carried unanimously by roll-call vote.

- **Ayes (6):** Perko, Murphy, Pascaris, Craft, Singleton, Cassidy
- **Nays (0):** None
- **Absent (2):** LaRussa, McLaughlin

12. Harvest Moon Results

Gray reported that total event activity was approximately 30% below the prior year because of rain on Thursday and Saturday, while Friday produced the event's strongest Friday-night results to date. Preliminary net proceeds were estimated at $10,000-$15,000 after expenses, with final figures still being reconciled.

Westendorf and Gray thanked the volunteers and Board members whose work supported event operations.

13. Harvest Moon Funding Dedication

Westendorf recommended directing any 2026 Harvest Moon proceeds remaining after summer concert expenses toward replacement seasonal holiday lighting. The 22 original silhouettes were purchased in 2012, and only approximately 10 remain functional. Replacement LED silhouettes are available an anticipated discounted cost of $528.75 each. Depending on final proceeds and product availability, purchases may be phased.

Motion by Murphy, seconded by Pascaris, to authorize 2026 Harvest Moon Celebration proceeds above and beyond the amount necessary to cover summer concert expenses to be used for replacement seasonal holiday lighting for Downtown Farmington, at a cost not to exceed the available Harvest Moon proceeds and an anticipated cost of $528.75 per silhouette from GP Designs. The motion carried unanimously.

14. Committee Updates

a. Promotions Committee

Cassidy and Murphy reported that the committee's purpose of meeting was to discuss the Metromode agreement addressed earlier in the meeting. The committee also emphasized the

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added value of Metromode photography assignments, which allow the DDA to purchase rights to additional professional images for future promotion.

b. Business Development Committee

Westendorf reported that recent meetings were held jointly with the PSD Study Group and focused on the PSD renewal recommendation and 2027 Retail LAB planning. Six applications were reviewed, with five considered strong candidates. Staff will contact applicants and develop a seasonal rotation while applying lessons learned from the transition between the first two tenants.

c. Design Committee

Perko reported that the committee reviewed the sign applications considered by the Board and plans to extend the sidewalk in front of Heights Brewing and the Retail LAB after removing two parking spaces. The project would create a level area for outdoor seating, add a black fence, and help guide pedestrians toward the designated crossing.

The committee also discussed a proposed rapid-flashing beacon at the midblock Farmington Road crossing. Members supported improving pedestrian safety but expressed concern that reinstalling the beacon could create a false sense of security. Perko will prepare a letter outlining the committee's concerns and alternative visibility measures. The committee also reviewed an initial TAP grant concept to relocate the Grand River crossing so it aligns with Art Park Promenade and Riley Park; broader visioning and design work would be required if funding advances.

d. Public Art Committee

Perko reported that 11 sculptures will be installed in Art Park Promenade and Riley Park on October 20 and displayed for one year through the Midwest Sculpture Initiative. The public dedication is scheduled for October 28.

e. Organization Committee

Murphy and Cassidy reported that several prospective volunteers identified through recent outreach participated in Harvest Moon and Grand Raven activities. Board members recognized the strong volunteer turnout and noted that event breakdown was completed more quickly than in prior years.

15. Other Business

Westendorf invited Board members to attend the Greater Farmington Area Chamber of Commerce Gala on October 22 at 6:00 PM. Staff will coordinate DDA tickets and seating based on availability.

Singleton announced that this would be his final meeting and that he would submit his resignation because work and family commitments no longer allowed him to participate consistently. He reflected on seven years of service and expressed appreciation for the Board and downtown community.

16. Board Comment

Murphy and other board members thanked Singleton for his years of service. Murphy also thanked Westendorf, Gray, Board members, and volunteers for managing the overlapping demands of Harvest Moon, Grand Raven, and the Retail LAB tenant transition.

17. Adjournment

The meeting was adjourned at 9:14 AM on a motion by Singleton, and second by Pascaris. The motion carried unanimously.

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HISTORICAL COMMISSION REGULAR MEETING
Minutes
September 23, 2026

1. Meeting was called to order at 7:01pm

2. Roll call: Laura Myers, Kevin Parkins, Jill Keller, Kevin Russom, Peggy Castine, Lena Stewart, and Rudy Wengorovius

3. Approval of agenda: Rudy Wengorovius approved, Laura Myers seconded; all ayes

4. Public Comment: none

5. Approval of Minutes – regular meeting of August 26, 2026: Laura Myers approved Jill Keller seconded; all ayes

6. Financial Report: n/a

7. Warner Mansion Activities: discussion of Monday 9/21 City Council Meeting where funding for design work of green wall trellis was approved.

8. New Business:
    a. Raven Scarecrow contest - next year HC will contribute a scarecrow. Will include on August 2027 agenda
    b. Christmas Holiday Decoration Contest - Historical Commission would like to sponsor a contest withing the historic district. Kevin R will outline the event – initial discussions:
        i. Communication plan – create flier; promote through social media - FB and Instagram (city/ DDA sites) starting 1st of November with weekly reminders
        ii. Historical Commission judging – December 4th
        iii. Winners announces at Holly Days – December 5th; prize a Civic or city business gift card.
    c. Historical Marker Book – coffee table type, pictures of historical Farmington. Open discussion – possibility of creating this.

9. Old Business:
    a. Historic District Survey: Rudy, Peggy, and Laura met with Matt Malone on August 27th. More detail of site elements reviewed, and Matt supported adjustments to layers, creating "highlighted sites" layer, and new website draft. Building has been in process for the highlighted sites area (adding photos, adjusting map points, etc). Narratives of 14 addresses are kicked-off with target Oct 14th (Peggy/Laura) and then incorporate into website by Oct 28 meeting (Rudy).
    b. Downtown Historic Plaques: Civic plaque mount and unveiling was completed Sept 8th with Claire, Maria, and HC members in attendance.
        i. Plaque design for State Savings Bank was presented by Kevin R. He has also approached representative from GLP. They do like the idea and we will take next steps to finalize design and funding.

10. Correspondence and communications:
    a. Annual Report was presented at 9-24 Council meeting.

11. Commission Comments:
    a. Next meeting October 28th.

12. Adjournment at 8:07pm



FARMINGTON PATHWAYS COMMITTEE
LOCATION: Conference Room at City Hall

6:00 p.m. AGENDA OCTOBER 14, 2026

1. CALL TO ORDER heather 6:07 pm by Heather Davies
2. ROLL CALL Present: Chris Weber, Jamie Palmisano, Dave Haering, Maria Taylor, Joe VanDerZanden, Heather Davies,Kevin Daniels. Absent - Tim Prince
3. APPROVAL OF AGENDA Maria moved to approve by Jamie, seconded. Approved unanimously.
4. APPROVAL OF MEETING MINUTES, September 9, 2026 Kevin moved to approve by motion, seconded by Joe. Approved unanimously.
5. MONTHLY INSPO - Kevin Chris' new kittens - Margo and Maisie.
6. OLD BUSINESS
    a. GRAND RIVER PEDESTRIAN COUNTS UPDATE - Summary to be submitted to MDOT. Maria to send one final thought to Heather to be added. Chris to submit to MDOT - Mohammad.
    b. THOMAS STREET CROSSING AT PROMENADE PARK - Painted a red stripe on sidewalk and will be finalized when construction is completed.
    c. E-BIKE UPDATE - Heather drafted letter to be submitted by City Council. Dave Murphy to be asked to forward to the City Council.
    d. RADIO SHACK UPDATE - Lucas reports that the back is now cleaned up.
    e. SCHOOL STREET AND GRAND RIVER SIDEWALK UPDATE - On the list and will be completed by the end of fall.
    f. SHIAWASSEE TREE UPDATE - The tree is still up and has gotten worse. Branch and tree coming down this winter.
    g. GRAND RIVER SPEED SIGN UPDATE - Signs are placed in the proper amount of distance. A new speed sign will be placed near Mooney for entrance into the City.
    h. GILL ROAD SPEED UPDATE - Machine broke down and data is still being completed.
    i. LETTERS OF SUPPORT UPDATE - Jamie wrote two letters one for City of Farmington Hills and Southfield and both have been submitted.
    j. RAMS HORN SIDEWALK UPDATE - On Josh's list and will be completed this fall.
    k. LIGHTING NEAR CITY HALL UPDATE - Public Safety will be reviewing and determining the need
    l. SAFE STREETS BUNDLE UPDATE (includes: 25 sets of bike lights; 25 light-up wristbands; 25 reflective armbands; 25 *Safe Streets* stickers; 25 *Safe Streets* pamphlets; 25 each of Pedestrians, Bicyclists, and Drivers tip cards; 1 of Michigan's Guide for Aging Drivers and Their Families; 1 Safe Streets poster; NEW: 1 Southeast Michigan Guide to Transportation Planning; NEW: A safety educational resource on e-bikes, e-motos, and micromobility)
    Still on its way. Good summer activity.
    m. Farmington Road Flashing Beacon Update - City Council vetoed the motion because of the cost that OHM gave of $61K to add.
7. NEW BUSINESS
    a. ANY NEW TARGET AREAS?
        i. Adding a mid-block crossing on State Street to the Library for additional parking. Heather motioned for the City Council to review to have this crosswalk approved. Maria seconded and unanimously approved.
    b. ANY NEW CITY CONSTRUCTION PROJECTS? Farmington Place getting revamped and supporting other redevelopments in and around the facility.
8. PUBLIC COMMENT - N/A
9. COMMITTEE MEMBER COMMENT - N/A
10. ADJOURNMENT - Meeting adjourned at 7:13. Next meeting: November 11, 2026

Minutes submitted by Jamie Palmisano Next meeting: NOVEMBER 11, 2026

FARMINGTON PLANNING COMMISSION PROCEEDINGS
23600 Liberty Street
Farmington, Michigan
September 14, 2026

Chairperson Perrot called the meeting to order in Council Chambers, 23600 Liberty Street, Farmington, Michigan, at 7:00 p.m. on Monday, September 14, 2026.

ROLL CALL

Present: Crutcher, Gray, Kmetzo, Mantey, Perrot and Westendorf
Absent: Majoros

A quorum of the Commission was present.

OTHER OFFICIALS PRESENT: Beth Saarella, City Attorney; Brian Belesky, Director of Media; Brian Golden, Director of Media; Kristen Hatfield, OHM Advisors.

APPROVAL OF ITEMS ON CONSENT AGENDA

A. August 10, 2026 minutes

MOTION by Crutcher, seconded by Kmetzo, to approve the items on the Consent Agenda.

MOTION carried, all ayes.

APPROVAL OF ITEMS ON REGULAR AGENDA

MOTION by Crutcher, seconded by Gray, to approve the Regular Agenda as presented.

MOTION carried, all ayes.

UNFINISHED BUSINESS

None heard.

NEW BUSINESS

A. Architectural Plan Review for Façade Modifications to 22849 Orchard Lake Rd (Farmington Car Care)

Chairperson Perrot introduced the agenda item and requested that the applicant describe the planned improvements to the building.

Kal Dagher, Dagher Signs and Graphics
22476 Telegraph Rd, Southfield, MI 48033

Dagher described the improvements as proposed by the owner of the building. He stated that the building needs improvements on all sides and that it is an older structure. Dagher stated that he is trying to focus on a few elements to upgrade the way the building looks. He is proposing metal panels on the east and south elevations and a small amount of red ACH cladding. He noted that the south side of the building does not need the same amount of improvement.

Hatfield from OHM Advisors reviewed the comments from the OHM Advisors review letter dated August 25, 2026. She noted that automobile and truck repair facilities are not permitted under the current Zoning Ordinance and that this is an existing, non-conforming use. The improvements as proposed do not constitute an expansion of the use or the structure.

Hatfield went on to say that she is aware that the applicant is working within the constraints of the existing site while trying to refresh the exterior of the building. She noted that per the Zoning Ordinance, predominant building materials should be materials that are characteristic of Michigan such as brick, architectural panels, wood, native stone and tinted/textured concrete masonry. She observed that the existing structure appears to be primarily constructed of brick and that the Planning Commission should determine if the materials as proposed satisfy the intent of the ordinance.

Hatfield reviewed the proposed colors noting that the cladding as shown was a vibrant red which would not be considered subtle, neutral or earth tone and that the Planning Commission should determine if the colors as presented and used on the structure meet the intent of the ordinance.

Hatfield concluded by stating that she had conducted a site visit as part of her review and noted that there is a small area to the east of the structure that could be brought more into conformance with the current landscape ordinance, a number of weeds and trees that should be removed from the dumpster enclosure area and an obsolete sign on the west side of the building that should be removed.

Mantey asked about the red color proposed for the cladding and was that a brand color? Dagher stated that it was a preference from what the owner used on a car wash. He noted that it would only constitute 10 to 15 percent of the street-facing façade and was an accent color.

Crutcher stated that the ordinance makes an exception for accent/trim color and he would consider this the trim.

Painting the rest of the structure was discussed at length. The applicant noted that he did not think that the owner was planning to paint the entire building. Crutcher stated that the plans indicate that the building would be painted grey. The applicant offered to have the entire building painted Sherwin Williams Peppercorn, a dark grey color, if that was acceptable to the Planning Commission. There was general discussion and the Planning Commission had a consensus that a dark grey color was acceptable, including Sherwin Williams Peppercorn.

The Planning Commission also discussed the existing signs on the site. The applicant stated that he was unsure if the tenant would upgrade the sign at this time.

MOTION by Westendorf, supported by Crutcher to approve the façade improvements at 22849 Orchard Lake Rd (Farmington Car Care) as presented with the following conditions:

> Subject to the conditions on page 4 of the August 25, 2026, OHM Advisors review letter.
> Removal of the pylon sign on the west side of the building.
> Removal of the weeds and vegetation around the dumpster enclosure.

UPDATE CURRENT DEVELOPMENT PROJECTS

Building Official Bowdell provided updates about developments across the city. He noted that there were quite a few things going on including rough inspections for the first building at Legion Square and that Farmington Place had building permits issued for the interior work. Perrot asked about the former Big Boy. Bowdell noted that he had received plans for a coffee shop with a drive-thru and that he will review it after they have been reviewed and approved by the health department.

Westendorf reminded everyone that Harvest Moon was this weekend.

PUBLIC COMMENT

None heard.

PLANNING COMMISSION COMMENT

None heard.

ADJOURNMENT

MOTION by Westendorf, supported by Crutcher to adjourn the meeting.

Motion carried, all ayes.

The meeting was adjourned at 7:25 p.m.

Respectfully submitted,

_____
Secretary

APPROVED MEETING MINUTES
FARMINGTON AREA COMMISSION ON AGING
TUESDAY, SEPTEMBER 22, 2026-5:30 PM
COSTICK CENTER, 28600 ELEVEN MILE ROAD.
FARMINGTON HILLS, MI 48336

Meeting called to order at pm 09/22/2026.> 5:30pm

ROLL CALL:

Mary Buchan, Farmington Hills
Vivek Das, Farmington Hills
Mic Fahey, Farmington
LaShawn Clark, Farmington Hills
Tiffany Tuttle, Farmington Hills
Nancy Cook, Farmington
Marsha Koet, Senior Division Liaison
Michael Bridges, City Council
Ted Davis, Director Park & Recreations FH

APPROVAL OF MARCH 2024 MEETING MINUTES
Motion by Tiffany Tuttle 2nd by Nancy Cook

COMMITTEE REPORTS
Nothing to report

COMMUNICATION, PROMOTIONS AND WEBSITE
Nothing to report

EDUCATION COMMITTEE
Dolli Lewis working on directory
Move information minutes & announcements to city website

SENIOR CENTER ADVOCACY COMMITTEE
Introduced Ted Davis Park & Rec Director
Amenities in new center
Grant $850K, City purchases 3 acres west of Costick Center
Ad hoc meeting next week

SENIOR DIVISION LIAISON REPORT
Marsha Koet discussed;
Wellness EXPO and Flu Shot Clinic October 6th 50 Booths
Fall Festival October 14
Farmington Schools Senior Breakfast October 15

Elections
Continental Club October 30th
Veterans Luncheon November 11th

OLD BUSINESS
No report

NEW BUSINESS
No report

AMBASSADOR REPORT
Michael Bridges discussed new Park & Rec Director Ted Davis and Ideas
Sept 29th Ad hoc 5pm at Costick Center
Many questions from 50+ Attendees

PUBLIC COMMENT
Comments about what might be included in new Senior Center

ADJOURNMENT
6:30 pm Motion by Mary 2nd by Mic Fahey

Next meeting Tuesday, October 27, 2026 at Costick Center -Casey

Minutes submitted by Mic Fahey

MEETING MINUTES
Emergency Preparedness Commission
October 5, 2026 – 5:00 PM
Farmington Hills City Hall – Community Room
31555 W. 11 MILE RD.
Farmington Hills, MI 48336
248-473-1800 www.fhgov.com

MEETING CALLED TO ORDER: Chair Sweeney called the meeting to order at 5:00 PM.

MEMBERS PRESENT: Avie, Card, Dilts, Foshee, Hopfe, Igwe, Sloan, Schertel, Sweeney, Thomas, and Tyler.

MEMBERS ABSENT: Ciaramitaro and Dixon.

OTHERS PRESENT: Aldred (FH City Council), Pankow (FHFD), Piggott (FHPD), and Wren (FPS).

OTHERS ABSENT: None.

CITIZENS PRESENT: None.

APPROVAL OF AGENDA: Motion by Avie to approve the agenda as submitted, seconded by Thomas. Motion passed unanimously by voice vote.

APPROVAL OF MEETING MINUTES: Motion by Avie to approve the July 6, 2026 meeting minutes as submitted, seconded by Schertel. Motion passed unanimously by voice vote.

BUDGET REPORT:

- The EPC budget for 2026/2027 is $2,500. Approximately $300 of the budget has been spent.

UNFINISHED BUSINESS:

- None.

NEW BUSINESS:

- Past event summaries: The EPC participated in the events below in the last few months, distributing literature and having conversation with citizens about emergency preparedness.
    - Farmington Founders Festival, 7/16-18/26
    - Farmington Neighborhood Watch, 8/13/26
    - Corewell Health Seniors Fair, 8/20/26
    - Oakland County VA Services 8/28/26
    - American Legion Post 346 – 9/11 Memorial, 9/11/26
    - Farmington Hills Citywide Open House, 10/3/26
- Upcoming Events

- Costick Center Seniors Health Fair, 10/6/26: M. Sweeney and R. Avie will attend.

- EPC commissioners with commissions that are expiring in 2027 indicated that they will apply for reappointment.
- EPC officers will be elected at the first meeting of the new year on 1/4/27. Commissioners interested in volunteering should contact Chair Sweeney.

LIAISON REPORTS:

- Lt. Pankow, FHFD: Onboarding eight new personnel. Farmington Hills open house went well.
- Chief Piggot, FHPD: Citizens Police academy is starting on October 13th. School liaison information meeting on October 12th.
- Council Member Aldred: No updates.
- Cmdr Wren, FPS: Planning for the Light up the Grand Parade on December 5th.

COMMITTEE REPORTS:

- Website Committee report
  - The website committee will be working with the new Farmington Hills communications person to update the emergency preparedness information on the website.

PUBLIC COMMENTS:

- None

COMMISSIONER COMMENTS:

- Avie: Thanked the commissioners for assisting with the Founders Festival parade.
- Thomas: Spoke about getting emergency preparedness information into the schools to parents and teachers.
- Sweeney: A local scout troop is interested in the EPC assisting with a merit badge.

NEXT MEETING DATE: The next public meeting will be Monday, November 2, 2026, at 5:00 PM in the Farmington Hills City Hall Community Room.

ADJOURNMENT: Chair Sweeney adjourned the meeting at 6:05 PM.

Minutes taken by Secretary Card.

NOTE: Anyone planning to attend the meeting who has need of special assistance under the Americans with Disabilities Act (ADA) is asked to contact the City Clerk's Office at (248)871-2410 at least two (2) business days prior to the meeting, wherein necessary arrangements/accommodations will be made. Thank you.