CITY COUNCIL AGENDA ITEM

Date: March 18, 2016

To: Honorable Mayor and City Council

From: Brian M. Kischnick, City Manager
Thomas Darling, Director of Financial Services
Lori Grigg Bluhm, City Attorney

Subject: Standard Purchasing Resolution 9: Approval to Expend Funds for Membership Dues and Renewals Over $10,000 - Michigan Municipal League

History

The Michigan Municipal League (MML), a state association of cities and villages, is a nonpartisan, nonprofit association working cooperatively to strengthen the quality of municipal government and administration.

Benefits of membership include advocacy of municipal issues and low-cost educational opportunities for municipal officials and employees regarding a multitude of areas for effective and efficient governance.

Throughout the last 38 years of the City of Troy's membership with the MML, City Council members and staff members have taken advantage of many continuing education opportunities, legislative updates, workshops, conferences and resource materials made available by the League.

With our membership, we are also able to take advantage of the MML's Workers' Compensation Fund (MML WCF). The MML WCF provides Workers Compensation coverage to more than 880 public entities throughout Michigan and provides legal expertise and defense loss control services, as well as claims handling services which are included in their premium. The broker for the MML WCF takes competitive bids from re-insurers. As of June 30, 2013, the re-insurer and the rating is: Munich ReCAT.

According to the MML, "*The Michigan Municipal League Workers' Compensation Fund is the state's leading provider of municipal workers' compensation and risk management services. The Fund has the lowest rates, the best claims service and the highest historical return of dividends of any insurer in Michigan. The Fund has more than 880 members, $135 million in assets and more than $65 million in net member equity. Efficient administration, effective loss control programs and proactive claims services have resulted in rates that are on average 50 percent lower than those of our nearest competitor.*"

The invoice reflects $1,115 for participation in the Michigan Municipal League's Legal Defense Fund. The Legal Defense Fund authorizes amicus briefs in cases that have a statewide impact for Michigan municipalities. The Legal Defense Fund has recently weighed in on medical marijuana

cases, billboard cases, tax cases, governmental immunity cases, right to farm act cases, constitutional law cases, municipal employment law cases, telecommunications cases and zoning cases. In addition to advocating on behalf of municipal interests throughout the State of Michigan, the Legal Defense Fund has also specifically provided amicus briefs in cases filed against the City of Troy.

Financial

Membership fees are currently available in the City Council budget account number 101.102.7958. In addition, it is anticipated that the City will renew and participate in the MML Workers Compensation Fund. Current cost for participation in the MML Workers Compensation Fund is $330,477.

Recommendation

Continued membership with the MML via payment of the attached invoice is recommended for annual dues in the amount of $12,269. These dues cover the time period of May 1, 2016 through April 30, 2017.

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