

Cass Lake Village Charter Commission Minutes

December 11 , 2025

Charter Commission Present: Bob Redner, Cathy O'Connell, Brik Prado, Chris LaDuke, Jon Kellner. Attorney Jerry Fisher

Residents Present: 27 Residents

Meeting was called to order at 6:00 PM by Chris LaDuke.

Roll Call: All 5 Commissioners were present.

Minutes: - The meeting started with a review of the minutes of the Brik Pardo, the secretary, read aloud

- **Meeting Logistics and Agenda Amendment** Cass Lake Village Information called the Charter Commission meeting to order and confirmed that the meeting was being recorded and transcribed by AI. The agenda was amended to potentially review the proposed charter language emailed by Jerry, the municipal attorney, regarding village powers after the millage discussion, if time allowed.
- **Review of Previous Meeting Minutes** The meeting included a summarized review of the previous meeting's minutes, highlighting several decisions made by the Charter Commission. These included: amending the prior minutes to reflect a change in the clarification of term lengths and officer section; the appointment of John Kelner and Chris LaDuke to negotiate services and costs with West Bloomfield Township; drafting language for filling council vacancies by a majority vote of remaining members within 90 days; and setting election signatures for council candidacy at 20.
- **Village Charter Development and Tabled Motions** The Charter Commission confirmed that the village charter would be made available to residents for review, published in a local paper 60 to 90 days before the August election. Several motions were tabled at the previous meeting pending further research and feedback from Jerry Fischer, the municipal attorney, including compensation for the council, the village president's duties, the annual audit and fiscal year, budget shortfall, ordinances versus resolutions, and referendum and recall. Decisions were made to follow the drafted charter regarding the clerk and treasurer's responsibilities and the council's power to borrow money.
- **Approved Motions and Legal Matters** The Commission passed motions to allow the assessment of late fees and potentially add them to taxes. They also passed a motion to set the meeting schedule at the beginning of each year. Other approved motions granted the council the ability to negotiate state government grants, land management, and property sales on behalf of the village. They

authorized the council to hire legal representatives to defend the village. A motion to approve the minutes as read was passed.

- Millage Discussion Process and Community Engagement** Cass Lake Village Information outlined the process for deciding the millage rate, emphasizing that the discussion with the community would extend into January before a final decision is made by the five elected charter commissioners. The goal is full community engagement to ensure the charter's success in the August vote. The meeting would follow Robert's Rules of Order, including a presentation, questions from commissioners, and a public comment period, but a less formal educational seminar would be held later for more relaxed Q&A. The charter commissioners ultimately decide what is included in the charter, but the residents vote on the charter as a whole.
- Infrastructure Discussion and Next Steps** The presentation from the finance committee was intended to update the Charter Commissioners on the committee's six months of work investigating costs and potential revenue sources as a village. For the subsequent Charter Commission meeting, Cass Lake Village Information proposed inviting the chairs of the infrastructure departments—Josh, Chris, and Ken—to answer questions regarding the bridges, water, and roads. This step is aimed at collaboratively exploring facts to reach a consensus on the approach to these issues.
- Legal Introduction to Millage** Gerald Fischer, the municipal attorney, introduced the legal aspects of millage, explaining that the amount authorized in the charter sets a ceiling, and any amount levied by the village council must be below this maximum. They clarified that raising the cap requires an election and public approval. Fischer also discussed the Headley Amendment, which involves an annual roll back of the authorization amount based on the cost of living, which means the authorized amount can decrease over time.
- Millage Rate and Property Taxes** The millage rate is determined annually based on the approved budget and the value of property in the village, meaning the tax bill could fluctuate yearly. Cass Lake Village Information noted that the village tax would be a separate bill, handled by the village treasurer, unless West Bloomfield was hired to administer it. The general operating millage is intended to cover various expenses, but a special millage could be voted on for projects falling outside the operating budget, such as buying new docks.
- Village Tax Burden and Property Value** Mark Edelstein explained that the revenue collected is based on the village's entire taxable value, which means the tax burden will shift to properties with higher taxable values. This shift is due to Proposition A allowing the municipality to "uncap" the taxable value of homes upon sale, bringing it up to the assessed value.
- Infrastructure Challenges and Deferred Maintenance** Mark Edelstein detailed the significant infrastructure challenges facing the neighborhood, including 13

remaining bridges needing replacement estimated at \$800,000 each, an \$8 million water system replacement, and road replacement costs of a couple million dollars. Edelstein stated that the prior philosophy of setting HOA dues only for maintenance resulted in massive deferred maintenance, which the transition to a municipality provides an opportunity to address through access to different funding sources and debt forgiveness.

- Advantages of Village Status and Funding** Edelstein highlighted that being a village provides greater sovereignty and avoids the 27% administrative fees charged by the township for borrowing through a special assessment district. Village status unlocks additional annual income streams, including about \$50,000 from constitutional revenue sharing based on population and about \$30,000 from the Michigan Transportation Fund Act 51 for roads. Furthermore, a village can borrow from the state's revolving fund for drinking water at a subsidized rate of 2.5%, and apply for grants that could forgive a portion of the principal borrowed.
- Financial Projections and Millage Examples** The current total taxable value for all properties in the village is over \$45.2 million. Based on the HOA's last year general fund expenses, which were nearly \$125,000, and \$180,000 put into reserves, the combined revenue collected was equivalent to almost seven mills. Incorporating additional village-specific expenses like clerk, audit, attorney, and election fees, while subtracting new revenue streams, results in a projected millage need of about 6.5858 mills to cover all expenses for the upcoming year. Mark Edelstein then introduced a spreadsheet with millage examples to help calculate approximate tax based on tiers of taxable value.
- Village Tax and Water Costs** Cass Lake Village Information presented a spreadsheet detailing village tax estimates for different taxable home values, noting that for a home with a taxable value of just under \$150,000, the estimated tax would be about \$950. They clarified that the water portion of household expenses is completely separate from the village tax. The presentation included millage rate increments and the corresponding years it would take to generate enough revenue to address the bridges, roads, and water infrastructure, excluding canals.
- Property Tax Increases and Headlee Amendment** Cass Lake Village Information explained that Proposition A (Prop A) limits the annual increase in a home's taxable value to the lesser of 5% or the rate of inflation, which was 2.9% in October. Prop A also allows for the uncapping of taxable value when property is sold or transferred, except for certain transfers like family-to-family or due to divorce. The Headlee Amendment limits the amount of revenue the village can collect each year, which causes a rollback of millage rates because the total taxable value of the village increases.
- Headlee Roll-Up and Funding Services** Cass Lake Village Information discussed the difficulty municipalities face in funding services because costs rise faster

than revenue collection due to the Headlee Amendment. They explained that a "Headlee roll-up" is a process where residents can vote to reset the millage back to its original charter amount, despite the rollbacks. This reset requires a resident vote, and historically, attempts at a Headlee roll-up across the state have failed.

- **Future Finance Committee Topics** The finance committee plans to address several topics in future meetings, including whether to engage an outside professional for guidance on operating millage language for the charter, how much to save annually for infrastructure, and the necessary water bill amount to cover operating costs. They also plan to discuss the possibility of metering homes versus an unmetered water system and propose a maximum operating millage to the charter commission.
- **Maximum Operating Millage Recommendation** Cass Lake Village Information suggested that the charter should set the maximum millage rate to the maximum allowed by law, arguing that setting a lower number might lead to future budget shortfalls and a higher likelihood of needing a Headlee roll-up. They noted that the current financial projections are initial estimates without sufficient operational experience.
- **Property Data Resource** Cass Lake Village Information informed attendees about the website BSA online, which houses data for Michigan municipalities, including taxable value history and millage rate breakdowns. They encouraged property owners to claim their homes on the site to access data such as utility bill and building department information for the township without charge.
- **Water Meter Discussion** Discussion on water meters was opened to commissioners, with Cass Lake Village Information detailing that the finance committee is researching the feasibility and cost of metering homes, considering plumbing and access issues. The potential benefit of metering is that residents would pay for actual water usage instead of a flat rate, which could offset high sewer bills paid to the township, potentially keeping money within the village. The estimated installation cost per home was cited as \$400 to \$600.
- **Water System Funding Structure** Chris, the water operator, clarified that the village millage covers village operating costs and infrastructure for bridges and roads, while the water system is treated as a separate utility with its own budget for depreciation and replacement costs. Village money can be spent on the water system, but water system money cannot be used for village expenses. The finance committee excluded water infrastructure costs from their current financial projections, aiming to determine the necessary water bill before setting the millage rate, so residents have a full picture of their household expenses.
- **Consultant for Budget and Millage Setting** Cass Lake Village Information sought input from commissioners on hiring an outside expert, such as an auditor, to consult on setting the millage and likely budget, given the complexity and lack of experience among volunteers. A commissioner suggested first comparing

millage rates and expenses of similar villages, like Metamora, before spending money on a consultant. Cass Lake Village Information noted the challenges in making accurate comparisons due to differences in township millages, taxable values, and the overall tax burden relative to resident income.

- **Public Comment on Water Meters** A public commenter noted that water meters can help find leaks and while costly, the installation is a one-time charge. Chris, the water operator, estimated that meters could offset the sewer bill, potentially paying for themselves in two to five years. Chris explained the three aspects of the water system cost: water usage (metered), water infrastructure, and major projects eligible for state and federal funding.
- **Canal Dredging and Special Assessment** Wade asked if there would be a mechanism for a special assessment to cover the million-dollar cost of canal dredging and muck removal, suggesting it should be allocated to those on the canals rather than the entire system. Cass Lake Village Information committed to adding this to the finance committee agenda for homework and discussion.
- **Charter Development Timeline and Consultant Need** Mike inquired about the deadline for the final vote on the village charter, with Jerry explaining that while there's a theoretical 60-day limit, the practical deadline to get the vote on the ballot is around April, requiring the document to be written by mid-January. Michael Rosemire stressed the importance of hiring a professional consultant for the charter development, emphasizing that it will affect the village for the rest of its life.
- **Bridge Replacement and Maintenance Strategy** Michael Rosemire questioned the need to replace all bridges, suggesting research into repairing or maintaining them to extend their service life, and linking this to the millage collection strategy. Ken also voiced concerns that the \$800,000 estimate for replacement might be low and discussed the complications with the Algonquin bridge design and the urgency of spending the available grant money by 2026.
- **Sewer Costs and Water Meters** Wendy Russ and Andy Lawrence brought up the high flat-rate sewer costs paid to West Bloomfield and reinforced the need to investigate water meters to potentially reduce these costs through metered water usage. They requested empirical data to support the anticipated recovery and reduction in sewer bills by metering.
- **Conservative Millage Rate** Lynn Drew expressed support for the conservative millage rate approach, suggesting setting the maximum millage to the highest legally allowed number, and stating that they expect their taxes to increase to support necessary infrastructure improvements.
- **Engagement with West Bloomfield Township** A public commenter suggested that the village should challenge some of West Bloomfield's expenditures at their budget hearings to gain influence and understanding. Cass Lake Village Information emphasized the importance of being organized and politically

engaged, noting that community presence at township meetings is a powerful lever for negotiations. They also cited previous examples where political organization led to securing grants and beneficial outcomes.

- **Next Commission Meeting Agenda** Jerry proposed focusing the next meeting on infrastructure issues for the first 45 minutes with Josh, Chris, and Ken, followed by reviewing the charter draft and language. Jerry suggested that commissioners study the draft and focus the discussion on specific enumerated powers, recommending that they also review relevant city charters. The commissioners agreed to submit their questions to the secretary, who will consolidate them to set the agenda for the latter part of the meeting.

Suggested next steps

- ✓ Cass Lake Village Information will post the presentation and a link to the spreadsheet on the website tomorrow.
- ✓ Cass Lake Village Information will include the BSA online website address in the documents.
- ✓ Cass Lake Village Information will put together a list of neighboring villages' millages to inform decisions.
- ✓ The group will send a list of individual questions about the charter draft to Brik ahead of time so that Brik can consolidate them for the next commission meeting agenda.
- ✓ The group will integrate and answer the public comments, including the question about the special assessment mechanism for canals, at the finance committee meeting.

Adjournment of Meeting

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