

# **Cass Lake Village Charter Meeting**

January 15, 2026

**Finance Committee Present:** Brik Pardo, Cathy Oconnell, Robert Redner. Jon Kellner, Chris LaDuke

**Residents Present:** 4

**The meeting was called** to order by Chris LaDuke

**Roll Call:** 5 Commissioners were present. (Attorney Not present)

**Video Access:**

<https://drive.google.com/file/d/1Bn3k5Xg7gX7Hoc1J5qiogyxCGaij8E3z/view?usp=sharing>

Minutes:

- **Discussion of Township Attorney and Legal Costs** Cass Lake Village Information shared the township attorney's letter, noting that they plan to go over it in depth at the meeting. They expressed concern about the attorney's aggressive stance against incorporation, suggesting the attorney "has got it in for us".
- **Upcoming West Bloomfield Meeting and Township Letter** Bob Redner confirmed that the West Bloomfield meeting is scheduled for next week, possibly Wednesday or Thursday, and that the township initiated the request to meet with them. Cass Lake Village Information shared a printed copy of the letter from the township attorney to the state regarding the village incorporation, which mentioned that the water system has not deteriorated "due to lack of maintenance" and questioned future maintenance plans.
- **Charter Commission Meeting Logistics and Agenda** The meeting started late due to waiting for stragglers and was called to order after recording was initiated. The roll call confirmed the presence of Mr. Bob Redner, Cathy OConnell, Brik Pardo, John Kellner, and Chris LaDuke. The agenda included discussion of the maximum millage rate and a review of the changes in bold in the draft charter sent by Jerry.
- **Millage Rate Education and Budgeting** Cass Lake Village Information explained the confusion regarding tax rates, noting that the council sets the operating millage annually based on the proposed budget, unlike fixed special assessments or bonds used for items like buying a fire truck. They clarified that the Charter Commission is setting the maximum millage rate, and the annual collection will be based on the budget.
- **Township's Public Comment on Infrastructure Deficiencies** Cass Lake Village Information reviewed the letter submitted by West Bloomfield Township's

attorney and signed by the Supervisor and Clerk, emphasizing that it informed their view on the necessity of action. The letter claimed that bridges are no longer certified for current traffic, the water system is unreliable and undersized for fire suppression, and the area may become "unfit for human occupation" without substantial investments in infrastructure. The letter also stated that analysis of surrounding home rule villages shows village costs typically exceed township costs by 10 to 43%.

- Concerns Over Township Authority and Infrastructure Deficit** Cass Lake Village Information expressed concern that if the village does not take care of its business, the township has the authority to implement special assessments, potentially declaring properties uninhabitable, which would allow them to assess properties up to their zero value. They estimated an infrastructure deficit of \$25 million that has been postponed for 100 years. The cost of upgrading the water system was estimated at \$8 million, but the county quoted \$15 million, reflecting a preference for thoroughness over cost efficiency in external management.
- Financial Management and Capital Reserves** The current homeowner dues do not keep up with inflation, and the HOA is not meeting its bylaw requirement to put 75% of collected money into reserves. Instead, funds are being taken from reserves to cover increased operational costs for things like pothole patching. Cass Lake Village Information argued that continuing the same financial practices will only lead to the infrastructure deficit growing.
- Support for Village Incorporation as the Solution** The commissioners agreed that village incorporation is the only way out of the financial and infrastructure crisis, noting that eliminating the HOA and allowing West Bloomfield to take over would lead to the dire situation described in the township's letter. Village status provides access to federal and state funding and grants that are unavailable to an HOA. An attendee confirmed that the consent order with Eagle is a formality that will be resolved when the new pump comes online.
- Township as Competition and Fiduciary Refusal** Cass Lake Village Information stated that the township views the village as competition for funding and attempted to charge an administration fee for bridge funding. The township previously refused to act as the fiduciary to handle state revolving fund money, which necessitated the village's pursuit of municipality status for bonding ability. Furthermore, the township closed the Greer Road Bridge, demanding a plan to replace all 15 bridges before reopening it, a demand the HOA could not meet without external funding.
- Inefficiency and Loss of Control to Township** Cass Lake Village Information criticized the township's inefficient process, which involves using the engineering company DLZ for reviews and marking up the bill, resulting in high costs for the village. They emphasized that control is lost when the village must rely on the township for things like environmental review, expressing hope that the charter's passage in August will allow the village to handle its own projects.

- **Finance Committee's Mill Rate Recommendations** Mike Johnson of the finance committee stated that the committee carefully developed their mill rate recommendations, which they believe represent the minimum required to put the community in a better financial position. The committee's recommendation for the ongoing maximum millage rate is 10 mills, with a suggested starting rate of 6.7 mills to fund operations and reserves. This starting rate would allow for saving towards reserves but not cover all necessary projects, giving the village council the flexibility to potentially raise the rate later, up to the maximum, if required for emergencies or to secure loans for projects.
- **Support for Infrastructure Investment** Lyn Drew and others supported the presented need for infrastructure improvements, emphasizing the risks of municipal failure, such as becoming "the flint of Michigan," and the potential for the community to be taken over by West Bloomfield if they do not manage their affairs properly. Ken agreed that setting a reasonable rate, possibly 10 mills, is necessary to secure future funding for challenging infrastructure projects, potentially including a long-term, 50-year plan for bridges and water systems to spread out costs.
- **Concerns Regarding External Services and Control** Sherry questioned the township's ability to impose a special assessment district, though it was noted that the township could refuse to provide emergency services, such as fire trucks, over bridges that do not meet fire code, giving them leverage. Mike Johnson added that West Bloomfield previously showed reluctance to help with a loan, initially seeking to profit by charging 7% interest on a 2% state loan before refusing entirely, further highlighting the need for the village to be self-sufficient. John mentioned that if the township refused to provide fire and police services, the village could opt out of paying the associated public safety millage to the township.
- **Conservative Responsibility and Accountability** Chris referenced conservative values of taking care of one's business and being responsible for community assets like bridges, water systems, and roads. They explained that passing a maximum millage rate allows the elected board to set the annual rate, moving away from the difficult HOA model where individual votes are needed for increases, which has led to a \$25 million infrastructure deficit. Chris felt a six-and-a-half mill operating rate was more appropriate than Bob's suggested four mills for parity, but supported a 10-mill maximum to provide flexibility in emergencies, noting the high degree of accountability in the small community would prevent misuse.
- **Maximum Millage Rate Vote and Comparison to Other Villages** Following discussion, a motion was made and seconded to set the maximum millage rate at 10 mills, which passed with a vote of "Aye". Chris noted that other nearby villages, such as Wolverine, New Leup Village, and the Village of Byron, have operating mills around 10 or 11, although they acknowledged that circumstances

might not be entirely comparable, particularly concerning property valuation and services provided by the township. Kathy reminded the attendees that the council must have open meetings to set the budget, ensuring community accountability.

- **Review of Charter Changes: Fiscal Year and Budget Submission** The meeting moved to review changes to the charter sent by Jerry, focusing on highlighted and bolded sections. The proposed July 1st start for the fiscal year was agreed upon, as it coincides with summer taxes and allows sufficient time for budget preparation compared to a January 1st or April 1st start. The group discussed who should submit the recommended budget, suggesting a budget committee involving the clerk, treasurer, and president, though the clerk, as a paid employee, could be responsible for the submission. The motion to include the clerk for submission was temporarily tabled.
- **Financial and Budgetary Processes in the Charter** Discussion continued on various financial sections of the charter. There were no issues with Section 7.4A regarding the statement of debt or Section 7.4C concerning a detailed estimate of money. The group discussed the adoption of the budget, noting that it includes a public hearing and sets the annual millage levy. It was noted that Section 7.4B grants the council the power to reduce appropriations if anticipated revenues fall short, and the quarterly review of revenues versus expenditures was deemed sufficient.
- **Questions on Assessor and Board of Review Language** Significant concerns were raised about Sections 8.5, 8.6, and 8.7 regarding the preparation of the assessment roll, the Board of Review, and the assessor's role, as the village plans to use the township assessor and does not want the authority or responsibility for a separate board of review. The complexity of these processes and the need for qualified, non-council members for the Board of Review led to a decision to ask Jerry for clarification on whether this language is necessary if the township assessor is used.
- **Clerk Certification and Need for Financial Professional Input** The requirement for the clerk to certify the total amount of tax levy to the assessor (Section 8.6) was questioned, as this process assumes the assessor works for the village and might conflict with the timeline for summer tax bills. The team decided to consult Tina from Metamora for guidance on these financial processes, as recommended by their current accounting firm, before finalizing sections 8.6, 8.7, and 8.8. Kathy volunteered to contact Tina.
- **Tax Collection and Borrowing Authority** The group agreed that the language in the charter regarding tax liens (8.9), the notice of taxes due via newspaper (8.10), and the 1% per month late fee for taxes past September 14th (8.12) should remain as written. Section 8.12 allowing the village to send tax delinquency to the county for collection was seen as a useful new tool. Questions were raised for Jerry regarding the "three-year" limit on emergency obligations (9.1C), the meaning of "refunding of the funded indebtedness" (9.1F), and the "40% limit" on

bonding (9.3). The maximum borrowing limit of \$12 million, consistent with 10% of the total assessed value (\$120 million), was noted as consistent with state law.

- Special Assessment Districts** Cass Lake Village Information discussed the provision for a special assessment district (SAD), noting that it allows the village to address infrastructure needs, such as a bridge replacement servicing only a few homes. They indicated that the SAD process would follow state law and is similar to what a neighboring community, like West Bloomfield, could implement. This capability is viewed as a mechanism to fulfill legal obligations for public safety if emergency access is compromised, potentially by forcing a replacement and levying a special assessment on the affected area.
- Typographical Errors and Chapter 11 Review** Cass Lake Village Information identified typos in the document, noting an instance in the title of Chapter 11 and a misspelling of the village name, "Case Lake Village" instead of "Cass Lake Village Information" on the first page. They emphasized the importance of correcting the village name and noted that Chapter 11 sections 111 through 114 were not reviewed in detail because they were not new content. The speaker also noted a misspelling of "council".
- Regulation of Utilities and Franchises (Chapter 12)** The group confirmed the village's power to regulate utilities in section 121 and manage its own utilities in section 122. Cass Lake Village Information clarified that the village could charge utility providers like Comcast a franchise fee for operating within the village, and that section 122 prohibits granting exclusive public utility franchises. Discussion also covered the utility's responsibility for property damage and potential cost-sharing for street, alley, or bridge improvements related to their use.
- Contracting and Leasing Limits (Chapter 13)** The discussion moved to Chapter 13 concerning contracting and leasing, focusing on a proposed dollar limit in section 132B for contracts that require specific bidding and advertising procedures. Cass Lake Village Information debated the definition of a "contract," questioning if verbal agreements or emergency repairs, like a \$25,000 water leak fix, should fall under the limits requiring a vote or advertisement. They acknowledged the typical requirement for board approval for purchases or contracts but debated whether \$5,000 or \$10,000 was the appropriate threshold for mandatory advertising, suggesting higher numbers might be better suited for policy rather than the charter.
- Public Improvement Costs and Emergency Exceptions** Cass Lake Village Information questioned the requirement in section 133 for advertising sealed proposals for any construction work exceeding an estimated cost, noting that this could tie the hands of the water department during emergencies. They also reviewed language regarding public improvements costing more than a specific amount, which would require an estimate to be submitted to and approved by the council, asking the legal representative, Jerry, to review the language concerning

dollar amounts and emergency situations. The speaker also expressed disagreement with a sentence in 13.6 requiring a vote of the electors for letting property related to public ways like streets or canals.

- **Next Meeting Scheduling** The meeting concluded with a discussion about scheduling the next session, aiming to complete the charter review by the end of the month to meet the state's timeline. Cass Lake Village Information suggested meeting a week later, on the 22nd, as Thursday generally works for Jerry, the legal representative. The participants briefly debated the meeting start time, with a request to move it from 6:00 PM to 7:00 PM to accommodate the public, but the group ultimately decided to keep the 6:00 PM start time to avoid late finishes.

<https://bsaonline.com/>, which will reference all municipal information.