

Vergennes Township

A Place Where People Like to Live
www.vergennestwp.org



10381 Bailey Dr., P.O. Box 208, Lowell, MI 49331

897-5671

Hours: M, W, F – 9 A.M.–3 P.M.



SUMMER 2008

SUPERVISOR: TIM WITTENBACH
TREASURER: JEAN HOFFMAN
CLERK: MARI STONE
TRUSTEES: VERN NAUTA
ALLAN BAIRD

*Township Board Meetings are held the third Monday of every month at 7:00 P.M. in the Township Hall.
Planning Commission Meetings are held the first Monday of every month at 7:00 P.M. in the Township Hall.*

CLERK'S CORNER

by Mari Stone, Vergennes Township Clerk

At the Crossroads.....

Hello Vergennes residents – I hope this newsletter finds you enjoying the summer weather we have been waiting for. It seemed like an awfully long winter to me. Maybe it's my age, but the urge to escape to anywhere warm was especially strong this year. Things have settled down at the township offices over the last several months, and we are now in preparation for the August Primary and November General Elections. More on that later....

Vergennes High Speed Internet Meeting Summary

Our last newsletter included a story concerning some of the frustrations we have here in Vergennes receiving reliable and affordable high speed internet service. I asked readers to send a note if they would be interested in having us look into this problem. About 80 residents replied, and a meeting was held in May at which providers were encouraged to attend and residents could ask questions about their various options. I would like to acknowledge and thank our State Representative Dave Hildenbrand and his staff for their support as I worked with the providers. It can be daunting to try to connect with the right contacts in large companies, and Dave and his assistant Jen were great help.

AT&T and the Lowell-based wireless provider REDfrog Technologies were there. Comcast was contacted, but did not send a representative. Former Lowell Cable General Manager Tom Richards was present in an unofficial capacity. We have quite a few residents who work in technology-related areas, and their presence was invaluable. We began the meeting by sharing experiences in attempting to secure high-speed service. Some have found wireless services work for them - if there is good cell phone coverage at the home that usually means high speed service offered by the same carrier will be successful. It was noted that there are some "dead zones" present in the township, and that some carriers are covering the area better than others. Verizon was mentioned as a good bet around Vergennes. In short, if you do not get cell phone service where you live, wireless internet will likely not work for you either. This solution is not as affordable as DSL, but

carriers can bundle cell phone service and sometimes this is a good deal.

REDFrog has two towers in Vergennes (3-mile Rd near Lincoln Lake, and near the intersection of McPherson and Alden Nash) that serve locations that can get the necessary line-of-sight to them. Light foliage is usually not a problem, but hills and valleys and heavily forested areas are. This eliminates many customers for REDfrog in Vergennes. This solution is usually more costly than DSL.

Several residents have also tried satellite service. If the latency (time of signal delay) issue is not a problem, as it is for users of Virtual Private Networks, this can work for the typical homeowner. It was noted that this is more expensive than DSL, but there are less costly packages at lower speeds. A separate receiver dish is required.

AT&T offers DSL out of the Lowell central office to sections 32 - 36. Some residents in the northern part of the township have also been receiving DSL. It turns out that equipment on Lincoln Lake between 3-mile and 4-mile has been upgraded, so it may be that if you are within a mile or two of that location it could work for you. Costs are usually in the range of \$25 to \$30 a month, in addition to any equipment needed.

We have requested that AT&T upgrade another equipment box on Lincoln Lake near Burroughs to enable it to send additional DSL service to residents within two+ miles. Mr. Schwartz from AT&T said he would look into the feasibility of that. I heard from him just this week that the area management told him "it is more involved than that but he is still working on it." I did a little research on the number of homes in the 2 mile area surrounding the box - there are 698 homes it could potentially serve, not including several sections to the west that may be within reach as well.

This solution would seem to be the most affordable, least complicated and highly reliable method for a large number of Vergennes residents, so I will continue to pursue this option with them. Should we require a correspondence blitz, Burroughs area residents Mark Weber and Ed VanTimmeran have offered to coordinate

such an effort, and you will hear from us.

Beyond DSL, T-1's are being used by several residents and businesses (including the township offices) but this service is quite expensive for the average residential user.

AT&T was asked to explain their latest product rollout, U-Verse, also called Project Lightspeed. High-speed internet, cable, and telephone service in one package. It is delivered over upgraded copper wires and equipment also used for telephone service, like DSL. Schwartz said that it is being deployed in major markets like Detroit, Lansing and Grand Rapids, and is not available here. He was questioned as to when our area could expect this type of service, and was not able to give an answer. It was pointed out that when DSL was rolled out to residential customers several years ago, the same scenario occurred. AT&T now considers DSL "antiquated", while Vergennes never received the upgrades needed to utilize this service throughout the township. It appears that AT&T's cost to upgrade infrastructure here outweighs potential profits, and that less densely populated areas such as Vergennes will likely remain in this cycle of events.

Several residents discussed the potential of utilizing T-1 lines to a "neighborhood" location, broadcasting the signal from an antenna to residences who purchased the wireless receivers needed to use it. This hybrid solution may work for clusters of homes willing to share the cost of the T-1 and invest in their own infrastructure. I have been told that a single T-1 or combination of several can

be used in this type of neighborhood plan. It is a matter of calculating need and balancing potential demand to figure how many are needed in any situation, and then to see how cost effective that number is. A committee was formed to study the cost effectiveness of this potential solution, and AT&T and REDfrog will participate and assist.

The committee would like potential "neighborhoods" to take surveys of interested users. It was suggested that a one mile radius be used. If you would like to take a survey of your neighbors, you may send the addresses of interested locations in these one mile clusters to me at clerk@vergennestwp.org, or drop a list off at the township offices. Please include your contact information so we can reach you.

A helpful breakdown of dialup vs High-Speed services. This has helped me (an average non-techie person) to understand the differences between methods of service, and I thought I would share it with you. Of course, being an average non-techie, I will plead ignorance if you need to correct me.

Dial up = 1 pair of copper wire = 20k or 20 thousand bits per second

ISDN = two pair of 64k or 128k total, or 6 x faster than dial up

DSL (digital subscriber line) = 1.5 to 3 MG (million bits per second)

T-1 = a carrier facility that can send or receive 1.54 Mbps. The township office uses one for all of the internet needs of the staff plus up to 8 telephone lines.

ELECTION INFORMATION

If you are not yet registered to vote in Vergennes Township, the last day to do so and still vote in the August 5th Primary Election is July 7th. If you contact me prior to that date I can assist you, or you may go to any Secretary of States office.

The state Qualified Voter File works in conjunction with your Michigan drivers license. Any change to your license will affect your voter registration, as you must be registered in the same municipality as your drivers' license address.

Qualifications to register to vote in the August Primary

- Citizen of the United States
- At least 18 years of age on or before August 5, 2008
- Must be a Resident of Vergennes Township

If you are interested in an **absentee ballot** for this election, please call the office and my deputy, Star, or I can assist you. Please feel free to take advantage of this convenience if you are 60 years of age or older, or will be unable to attend the polls on Election Day. Star and I will also be available in the Township Office on Saturday, August 2nd, from 10 AM to 2 PM for anyone who needs to obtain a last minute absentee ballot. You may also vote in the office by absentee ballot on Monday, August 2nd until 5 PM.

The General Election date is November 4th, and the last day to register to vote for that election, if you are not already registered, is October 6th. Again, you can obtain an absentee ballot in the same manner as in August.

EAGLE SCOUT PROJECT BENEFITS TOWNSHIP



Pictured left to right: George Majinska, Daniel Ruland, Jacob (on the ladder), Alex and Matt Majinska, and James Sterling.

Boy Scout Jacob Sterling and his brother Aaron have served the township for the last 10 years in placing flags on veteran's graves in the township cemeteries. When Jacob was looking for an Eagle Scout Project, he knew the township needed a storage shed for miscellaneous cemetery and grounds keeping items. He offered to build a shed for the cost of the materials, and the Board was more than happy to agree. Jacob designed and planned the building from scratch. He worked with Supervisor Tim Wittenbach to locate it in the northeast corner of the upper parking lot, close to a pathway that leads across the street to the cemetery. It turned out great, and we thank Jacob and his parents, James and Judy, for all of their hard work and dedication.



SUMMER TAXES – 2008 *Jean Hoffman, Treasurer*



Taxes are due on September 14th. This year, the 14th falls on a Sunday, therefore the tax bill will be due on Monday, the 15th. Please mail early, as we do not accept postmarks as the due date. We cannot be responsible for any delays with the postal service. Please use the yellow return envelope provided for you in the tax statement.

If you are having difficulty in making a one-time tax payment, please read my article regarding partial payments.

If you would like a paid receipt, please enclose the entire tax bill with a self-addressed envelope. We will return the top portion of the bill with a paid stamp on it.

Make checks payable to: **Vergennes Township**. Any payment received after the due date that does not have interest added will be applied as a partial payment. State law prohibits the township from waiving these charges.

Office hour are M-W-F from 9 a.m. to 3 p.m. For your convenience, there is a mail slot in the door for after-hour payments. Be sure to place a check or money order through the slot—please no cash.

It is your responsibility to make sure your taxes are paid. Pay early to avoid any interest being added to your tax bill. You can check periodically on the Vergennes Township website to see if your taxes have been posted. Posting is usually recorded on the web page every two weeks.

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Kent County has phased in 100% of their operating on the summer bill. They will only have the jail and senior millage on the winter bill.

Please check your tax statement for accuracy. If you have a mortgage company, please look under your name for the mortgage company to which the tax bill was sent. If the mortgage company is wrong, please contact me at the Township so that I can correct this.

Under "Tax Detail" on your tax statement, you will find your **Principle Residence Exemption**. Your **P.R.E.** will show you how much your tax bill has been reduced. **By State of Michigan standards**, you must own and **occupy** your property prior to May 1st of a given year and it must be the only property for which you have filed. If you feel you qualify for a P.R.E., please contact our assessor.

Have a wonderful and safe summer.



SUMMER TAX DEFERMENTS



To Qualify:

*Your **HOUSEHOLD INCOME** must not exceed \$40,000

and must be either

- senior citizen (62 years or older)
- paraplegic, quadriplegic
- eligible service person, eligible veteran, eligible widow or widower
- blind person
- totally and permanently disabled

*Agriculture

The forms are available in the office from Treasurer Jean Hoffman from July 1st through September 14th. The deferment period covers one year only, so you must re-apply each tax year.



PAYMENT OPTIONS FOR TAX BILLS



- **Mail** – Please mail your payment in the enclosed yellow envelope. If you would like a receipt for your property taxes, please include the entire bill and a self-addressed envelope. We will receipt the top portion and return it to you. If not, please enclose the bottom portion of the bill only with your check.
- **Mail Slot** – For your convenience, a mail slot is located in the entry door for after-hour payments. Please no cash in the mail slot. The same procedure applies to receipts.
- **In person** – Payment may also be made at the Township Office on Monday, Wednesday, and Friday from 9 a.m. to 3 p.m.

PARTIAL PAYMENTS ON TAXES

Did you know...your taxes don't have to be paid in full all at once? Once you receive your bill, you can make partial payments without penalty through September 14. Payments can be made weekly, monthly or any schedule that fits your budget. The same applies to your winter taxes through February 14. If there are still taxes owing after the above dates, you will be charged interest only on the balance due. Please note that we cannot hold postdated checks. Any payment received must be deposited in a timely manner per our auditors. If you have any questions about partial payments, do not hesitate to contact the Treasurer's office at 897-5671.

DO YOU HAVE A NEW ADDRESS?

I would encourage each property owner to read and review their tax bill for accuracy. Is your name and address correct? Is your homestead exemption up to date? If you have moved and still own the property, please notify the township of your change of address. If your tax bill is returned to us and we don't have a forwarding address, you will not receive your bill. You are responsible for the taxes even though you don't receive the bill. We strive to keep all information current but with the continued activity of building and parcel splits, errors can occur.

ASSESSING CHANGES

Changes to Assessing Rules Recognize Declining Property Values

Last March, many people were a bit shocked when they received their new property assessment notices. Everyone knows that real estate values are headed down, but assessments in many cases were still headed up. Property owners need to be aware that, because of some changes in the rules at the state level on how property is assessed, declining home values will be better reflected in this year's assessments.

Under normal circumstances, property is assessed based on a sales study that covers a two year time span. This means that the assessor is looking at home sales that occurred in the past six to 30 months. When housing prices are going up, this practice actually keeps property assessments lower than if only more recent sales were studied. Unfortunately, when housing values start going down, it can take more than a year before the sales study will reflect this trend. However, the state has changed the rules to allow assessors to react to a declining housing market.

For this year's assessment, assessors will be allowed to use sales studies that reflect housing values that existed between October 2006 and September 2007. This means that the assessment recognizes the declining values much quicker than occurred in prior years. The assessments should more accurately reflect the value of the home in today's real estate market.

Does this mean that my property taxes go down?

When a property owner receives their property assessment in March, they will see two numbers on the assessment notice: the state equalized value (SEV) and the taxable value. The SEV represents 50 percent of the true cash value as required by the state constitution and law. This value goes up or down without limit based on market conditions. Prior to 1994, this was the number used to calculate property tax bills.

When Proposal A passed in 1994, our state constitution was amended to say that a property owner should not pay property taxes on property values that were going up more than the rate of inflation or 5 percent, whichever is less. For more than a decade, the property taxes paid by property owners have been going up by only inflation, except for voter-approved increases in property taxes or because something was added to the property, such as a new garage.

For many property owners, a large gap has developed between the SEV and capped value reflected in the taxable value. This gap demonstrates the benefit to long-term property owners created under Proposal A. When Proposal A was created, a cap was placed on how fast taxes could go up; it did not automatically reduce taxes when property values were heading down. If you have been in your home for a long period of time, it is unlikely that the actual property tax bill will go down even if the SEV goes down. Taxes will not go down until the SEV falls below the taxable value. For many long-term property owners the SEV is 30 percent or more above the taxable value. Housing values would need to go down 30 percent or more before most would see their property tax bills go down.

For those who have recently purchased property, they are much more likely to see actual reductions in property tax bills based on a declining housing market. Under Proposal A, when property sells, the cap comes off of the taxable value, and the SEV and taxable value are the same in the first year after sale. For those property owners where the SEV and taxable value are very close or equal, a reduction in the SEV can also mean a reduction in the taxable value-and thus a reduction in property taxes.

REVENUE SHARING AND YOU

It's possible that you have heard the term "revenue sharing" in the news, by our state representative or senator and even by township officials. Like many, it may come across as one of those "government" words that you don't completely understand and you wonder what all the fuss is about.

Did you know that revenue sharing helps pay for essential services that keep you safe? Or that revenue sharing helps us maintain the roads within the township? It does these things and much more. Revenue sharing has a direct impact on you as a resident of Vergennes Township.

What exactly is revenue sharing?

Revenue sharing is money that local governments, such as townships, cities, villages and counties, receive from the state. Revenue sharing was established in 1946 by a vote of the people through a constitutional amendment to replace and relieve local taxation. The state promised to give local governments a portion of the money it received from other state taxes, including the sales and income taxes, and the Single Business Tax. The primary purpose of revenue sharing, when first implemented, was to limit local taxing authority while increasing state taxing authority, with the idea that a predetermined amount would be shared with the local government. Revenue sharing provides a basic level of funding for services to all cities, villages and townships, and to a few counties.

Revenue sharing was designed to be flexible, non-restricted funding that a community could use to best fit its needs. Local communities rely on revenue sharing to pay for services that directly impact your life. It is used to help fund police and fire protection as well as roads, water, sewer services and a variety of other essential local services.

There are two types of revenue sharing in Michigan: statutory revenue sharing and constitutional revenue sharing. In 1996, the state stopped distributing revenue sharing from the income tax, Single Business Tax and intangibles tax, instead dedicating a percentage of the first 4 percent of the sales tax to revenue sharing. Constitutional revenue sharing is funded by taking 15 percent of the first 4 percent gross collection of the state sales tax. Statutory revenue sharing is funded by using 21.3 percent of the 4 percent gross collections of the state sales tax. The remaining 63.7 percent of revenue from the 4 percent gross collections is used to fund other state obligations. The remaining 2 percent of sales tax collected is dedicated to the school aid fund.

So how does this affect life here in our township?

Revenue sharing funding, although promised by the state, is also at the mercy of the state's economy and how much revenue the state takes in each year. In recent years, funding for revenue sharing has seen dramatic cuts as the state's economy has lagged. And as we look to future years, with skyrocketing gas prices and people cutting back on extras, revenue from sales tax could decrease, further impacting our revenue sharing funding and local services.

As lawmakers in Lansing battle over the 2008-09 fiscal year budget, which begins on Oct. 1, 2008, revenue sharing is once again a high profile topic. Now more than ever, money that local communities rely on to pay for essential services that directly impact your lives is continually being threatened. It is important that the township, on behalf of their residents, receives the appropriate level of funding to assist with local services.

Here at Vergennes Township, we are doing all we can to make sure our state representative and senator are aware of how revenue sharing impacts our community. Just like you are counting on us to make this community a wonderful place to live, we are counting on Lansing lawmakers to make sure we receive proper funding from the state.