

CITY OF SYLVAN LAKE

August 2009

City Hall 1820 Inverness, Sylvan Lake MI 48320 Hours: Tuesday - Friday 8:00 A.M. - 4:30 P.M.
Mayor: Aron Lorenz - 682-7857 , Mayor Pro Tem: Sharon Maurina - 681-5708
Council Members: John Shepp - 683-3982, Eric Wiegand - 682-8746, Mike Zubrzycki - 738-1192
City Manager: John Martin, City Clerk/Treasurer: Dennise Clippert, Police Chief: Mark Silver
Sylvan Lake Web Site: sylvanlake.org , Email Address: SylvanLakeCityHall@Comcast.net
Telephone: (248) 682-1440, Fax Number: (248) 682-7721
Police, Fire or Medical Emergency 911, Police non-emergency (248) 682-2104

Paper Newsletter being reduced to Quarterly In our continued efforts to save money and resources, we are limiting the paper newsletter to quarterly. The next paper newsletter to be mailed will be in October, then January, April and July. Please sign up for the electronic newsletter by emailing your name, address and email address to: SylvanLakeNewsletter@gmail.com We will continue to send information electronically to all those that are on the list.

Rewards for Recycling Information on this initiative and different available bin sizes will be mailed separately along with a "chip" to be placed on your recycling bin for monitoring. This is an affinity program that is designed to increase the number of households and amount of recycling collect within our community. Once you sign up at the web site and become a member you will be able to access Rewards and Promotions offered by local merchants. If you set out a recycling bin, the recycling truck will detect it and you will automatically become a Green Club Member of the program. All these Green members, as active recyclers, will be able to access a second level of Rewards and Promotions provided by local and national merchants. Watch for more information.

Planning Commission The meeting will be at 7:00 p.m. August 4th. On the agenda will be continued discussion on the noise ordinance.

City Council This month's meeting will be at 7:30 p.m. August 12th at the Community Center. Tentatively on the agenda will be discussion of the millage proposal for the November Election, approval of the revised fence ordinance and discussion of a joint meeting with Keego Harbor to discuss Police Services (tentatively set for August 18). Please check the website and electronic newsbytes for additional information.

The Annual Ice Cream Social Please join us for the annual Sylvan Lake Garden Club Ice Cream Social at the Community Center, Thursday, August 20, from 6:00 p.m. to 8:00 p.m. Ice cream and cake for just \$1.00 is the sweetest stimulus package available. Beverages extra.

The Greater West Bloomfield Historical Society will be bringing old-fashioned toys and Bill McIsaac's pre-war outboards and related memorabilia. Children always have a good time using these old toys and games. Helen Jane Peters will show Sylvan Lake's historical display. If you would like to volunteer to bake a cake or serve ice cream and cake, please call Helen McAllister at 248-682-1082.

Petitions for City Council Seat There will be two openings for City Council this November. If you are interested in serving on the City Council for a three-year term, you must have your petition signed and returned to City Hall by 4:00 p.m. on August 11th, 2009. If you would like more information, please call City Hall. It is an eye-opening experience.

Opening on the Cable Advisory Board This is a three-year term running from July 1 - June 30. If you are interested, please submit a letter to City Hall and fill out the application for Boards and Commissions. If you have questions, please call and we will have one of our current Board members get in touch with you.

Water Bills Your water bills have been sent out. During the summer billing periods, we discount your sewage usage based on what you used over the winter. This allows you to water your lawn and/or flowers without having to pay for the sewage fee. For example, if you used 5,000 gallons during the winter (average) and now you are using 25,000 gallons for this period, you will be charged for the 25,000 gallons of water used, but only for 5,000 gallons for sewage disposal.

Bikers and Walkers Please remember when walking to walk on the left side of the street (facing traffic) and bikers should ride on the right side of the street (with traffic). If you plan to ride your bike or walk at night, please wear reflective clothing so that drivers can clearly see you. Parents, please make your children aware of these laws. *Everyone* should stop at all stop signs (walkers and especially bikers), including on the trail. Bikers are required to follow the same laws as motorists when on the street.

Lowering Property Values The property values in Oakland County are expected to decrease again next year. If that happens, those of you that have an assessed value equal or close to your taxable value will probably see your property taxes decrease.

Millage Information The City of Sylvan Lake has one of the lowest millage rates for general operating in Oakland County. Our City Charter limits us to spreading a maximum of 10 mills on tax bills. (10 mills = \$10 per \$1,000 of *taxable* value of property). Most other communities have a maximum of 20 mills to spread. The City has been discussing the funding shortfall due to the Headlee Amendment since 1994. It is not something new and it is not something that was just decided to be acted upon. Since 1979, our millage rate has dropped from 10 mills to 6.8941.

The explanations below are generalizations for general operating millages and similar. I am attempting to make them as easy as possible to understand.

The **Headlee amendment** that was passed in 1978 and proposal A that was passed in 1994 have had large impacts on local governments. (Proposal A will be discussed at a later time) The **Headlee amendment** states that if the assessed value of *the City's total taxable property*, excluding new construction and improvements, increases by more than the inflation rate, the millage rate must be reduced so that the total property tax received is the same as the prior year, adjusted for inflation.

For Example: If the total taxable value in the City was \$100,000,000 with a millage rate of 1.0 mill (\$1.00 per \$1,000 of *taxable* value), it would generate, \$100,000 in taxes ($\$100,000,000 / 1,000 \times \1.00). If the taxable value increased to \$110,000,000, and the inflation rate was 2%, the millage would have to be reduced to 0.9272 ($\$100,000,000 \times 1.02$ (inflation) / $\$110,000,000$). In this example, the City would see an increase of \$1,992 in taxes received.

Q: Over the past few years when the house values increased so much, didn't the City receive big increases in tax dollars?

A: No. As you can see in the example, with the exception of new construction, even with the big housing boom over the past several years that saw housing values increase by huge percentages, the City did not realize an increase in taxable value other than the rate of inflation. It just lowered the millage rate.

Q: Will the City get more income from taxes when the housing values go back to where they were?

A: No. If the housing values increase, the millage rate will drop again. The City would only see the increase due to inflation.

Q: If the Whitfield Property was sold and developed would we see a large increase in taxes?

A: We would see an increase, but not as much as you might think. If the property were developed with a value of 10-million dollars, the City would generate approximately \$34,500 in taxes for general operating.

Q: Then why does my tax bill increase?

A: There are many items on your tax bill in addition to the City's general operating. State Education for example stays at 6 mills and is not reduced due to Headlee. Some items, such as "debt," fluctuate. Still other items may be reduced, but at a lower percentage rate than the City's general operating millage.

Q: How much of the total taxes that are paid go to the City's General Operating?

A: For the Pontiac School District it is about 21.7% of the total bill (13.8% if not homestead) For West Bloomfield it is about 17.3% of the total bill (12.8% if no homestead)

Once the millage rate is decreased, it cannot be increased without a vote of the people. Even though our Charter states a maximum of 10 mills, we cannot levy that without a vote. Because our millage rate was small to begin with, it is that much more difficult to make the finances work.

Watch for more information on taxes, proposal A, the City's staff and services provided in future mailings and newsbytes.

August Calendar of Events

- 4th - Planning Commission meeting at 7:00 p.m.
- 11th - Last day to file petitions for City Council Seat, 4:00 p.m.
- 12th - Council Meeting, 7:30 p.m.
- 20th - Annual Ice Cream Social at the Community Center from 6:00 p.m. to 8:00 p.m.
- 20th - Water bills due
- 27th - City Council Study Session at 5:00 p.m.

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