

**Continuing Disclosure Report
December 2004**

**Dexter Community Schools
Counties of Washtenaw and Livingston, State of Michigan
\$69,600,000 1998 School Building and Site Bonds
and
\$30,210,000 2003 Refunding Bonds**

Enrollment History

1995/1996	2,574	2000/2001	3,090
1996/1997	2,626	2001/2002	3,187
1997/1998	2,780	2002/2003	3,349
1998/1999	2,878	2003/2004	3,481
1999/2000	2,993	2004/2005	3,489

Projected enrollment for 2008/2009 is 3,889.

Labor Relations

<u>Class</u>	<u>No.</u>	<u>Affiliation</u>	<u>Contract Expires</u>
Teachers	222	Michigan Ed. Assoc./National Ed Assoc.	June 30, 2007
Administrators	12	Dexter Administrator's Association	June 30, 2003 *
Para-Professionals, Secretarial, Technology, Maintenance, Custodial & Food Service	152	Michigan Education Support Personnel Association (MEPSA)	June 30, 2004 *
Bus Drivers	31	Operating Engineers	June 30, 2005
Superintendent	1	Non-Affiliated	June 30, 2007
Executive Directors	1	Non-Affiliated	June 30, 2006
Supervisors	15	Non-Affiliated	June 30, 2005
Child Care	<u>11</u>	Non-Affiliated	No contract
Total	445		

* In negotiations.

The School District has not experienced a strike by any of its bargaining units in the past ten years.

Retirement Plan

<u>Fiscal Year Ending June 30,</u>	<u>Contribution to MPERS</u>
2001	\$ 1,844,000
2002	2,110,000
2003	2,400,000
2004	2,466,000
2005	2,864,000 (estimate)

<u>Contributions Period</u>	<u>Contribution Rate</u>
October 1, 2000 – September 30, 2001	12.16 %
October 1, 2001 – September 30, 2002	12.17
October 1, 2002 – September 30, 2003	12.99
October 1, 2003 – September 30, 2004	12.99
October 1, 2004 – September 30, 2005	14.87

History of State Equalized Valuations and Taxable Valuations

	<u>State Equalized Valuation</u>	<u>Taxable Valuation</u>
2000	\$ 758,976,970	\$ 624,691,805
2001	845,979,900	689,520,254
2002	970,342,350	760,627,821
2003	1,035,567,880	833,460,417
2004	1,179,454,000	909,277,264

Tax Collection Record

<u>School Year</u>	<u>Total Tax Levy</u>	<u>Current collections to March 1, Each Year</u>		<u>Collections to June 30 Fiscal Year End</u>		<u>Total Tax Collections Including Tax Payment Fund*</u>	
2000/01	\$7,889,231	\$ 6,926,439	87.80%	\$7,095,108	89.93%	\$ 7,733,767	98.03%
2001/02	8,455,167	7,686,628	90.91	7,885,394	93.26	8,428,561	99.69
2002/03	9,321,696	8,436,937	90.51	9,071,945	97.32	9,098,170	97.60
2003/04	9,744,988	9,102,784	93.41	9,468,904	97.17	9,701,754	99.56
2004/05	10,905,997	(In process of collection)					

*Note: Some payments from the Washtenaw County Tax Payment Fund are received after June 30.

School District Tax Rates (Per \$1,000 of Valuation)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
School District					
Operating Non-Homestead	18.00	18.00	18.00	18.00	18.00
Debt	<u>8.50</u>	<u>8.50</u>	<u>8.50</u>	<u>8.50</u>	<u>8.50</u>
Total Homestead	8.50	8.50	8.50	8.50	8.50
Total Non-Homestead	26.50	26.50	26.50	26.50	26.50

The School District levies 18.00 mills of voted operating millage on non-homestead property and authorized debt millage on all homestead and non-homestead property. The voted millage expires with the 2013 levy.

State Aid Payments

<u>School Year</u>	<u>Blended Pupil Count</u>	<u>Foundation Allowance Per Pupil</u>	<u>Total State Aid Payments</u>
2000/01	3,070	\$6,876.00	\$19,738,728
2001/02	3,167	7,176.00	21,263,370
2002/03	3,316	7,322.00 *	22,768,769
2003/04	3,456	7,302.00 *	23,860,409
2004/05 (estimated)	3,483	7,376.00	23,800,803

* Note: Includes midyear prorations enacted; \$54 in 2002/03 and \$74 in 2003/04.

Largest Taxpayers

Shown below are the ten largest identifiable taxpayers in the School District based on their 2004 taxable valuations.

<u>Taxpayer</u>	<u>Product or Service</u>	<u>Taxable Valuation</u>	<u>IFT Valuation</u>	<u>Total Valuation Subject to Taxation</u>
Dexter Fastener Technologies	Engine fasteners	\$ 8,511,400	\$ 11,512,261	\$ 20,023,661
DTE Energy Co. ¹ /MichCon	Utility	13,804,339		13,804,339
Thomson-Shore Inc.	Publishing	3,571,367	2,781,600	6,352,967
Thetford Corporation	Plastic components	5,302,852		5,302,852
Creative Solutions	Computer software development	5,157,562		5,157,562
Sweepster Inc.	Runway sweepers	3,721,614		3,721,614
Blackhawk Development Corp.	Mall/real estate dev'l.	3,705,584		3,705,584
Nagel Precision Inc.	Manufacturing	3,125,897		3,125,897
Dapco Industries	Valves, fittings	2,592,266	475,100	3,067,366
Thompson Information Services	Computer software development	2,421,600		2,421,600
TOTAL		<u>\$51,914,481</u>	<u>\$14,768,961</u>	<u>\$66,683,442</u>

% of School District's 2004 Taxable Valuation (\$909,277,264) 5.71%

¹ DTE Energy Co. is contesting the multipliers used for assessing their taxes with the State Tax Tribunal. Sources: Dexter, Hamburg, Lima, Lodi, Northfield, Scio and Webster Townships.

Legal Debt Margin

2004 State Equalized Valuation		\$1,179,454,000
Debt Limit (15% of 2004 State Equalized Valuation)		176,918,100
Debt Outstanding	\$87,425,000	
Less Bonds excluded from Debt Limit*	<u>87,425,000</u>	
Total Subject to Debt Limit		<u>0</u>
Additional Debt which could be Legally Incurred		\$ 176,918,100

* Act 451, Public Acts of Michigan, 1976, provides debt limits as follows:

(a) Section 1351(3) - The bonded indebtedness of a school district shall not exceed 15% of all assessed valuation of the district. Bonds not included in the computation of the legal debt margin, according to Section 1351(3) are: (1) refunding bonds, (2) any bond qualified under Article IX, Section 16, of the 1963 Michigan Constitution, and (3) deficit budget bonds as authorized by Section 1356.

DIRECT DEBT

06/01/98	School Building and Site Bonds (UTQ)	\$59,220,000
03/26/03	Refunding Bonds (UTQ)	<u>28,205,000</u>
NET DIRECT DEBT		\$87,425,000

DEXTER COMMUNITY SCHOOLS

GENERAL FUND BUDGET

2004/05

	Adopted
REVENUE:	
Local Sources	\$ 3,531,091
State Sources	23,839,158
Federal Sources	652,033
Transfers and Other Transactions	<u>2,833,878</u>
TOTAL REVENUE	\$ 30,856,161
EXPENDITURES:	
Instruction	
Cornerstone Elementary	\$ 3,339,411
Bates Elementary	2,263,911
Wylie Elementary	3,374,771
Creekside Elementary	3,543,387
Mill Creek Middle School	3,473,541
Dexter High School	5,854,235
Support Services:	
Instructional Support	298,866
Board of Education	180,344
Executive Administration	340,929
Fiscal Services	385,249
Business Services	297,275
District Utilities/Security	1,316,412
Operations & Maintenance	1,926,472
Transportation	2,264,112
Personnel	56,181
Technology	803,419
Outgoing Transfers & Other Transactions	<u>1,036,435</u>
TOTAL EXPENDITURES	\$ 30,754,950
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	\$ 101,211
FUND BALANCE, JULY 1	\$ 3,071,783
ESTIMATED FUND BALANCE, JUNE 30	\$ 3,172,994