

**Continuing Disclosure Report
December 2005**

**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

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
2000/2001	3,090	2005/2006	3,534

Projected enrollment for 2009/2010 is 3,834.

Labor Relations

<u>Class</u>	<u>No.</u>	<u>Affiliation</u>	<u>Contract Expires</u>
Teachers	221	Michigan Ed. Assoc./National Ed Assoc.	June 30, 2007
Administrators	12	Dexter Administrator's Association	June 30, 2006
Para-Professionals, Secretarial, Technology, Maintenance, Custodial & Food Service	154	Michigan Education Support Personnel Association (MEPSA)	June 30, 2007
Bus Drivers	31	Operating Engineers	June 30, 2007
Superintendent/Assistant	2	Non-Affiliated	June 30, 2007
Executive Directors	1	Non-Affiliated	June 30, 2007
Supervisors	15	Non-Affiliated	June 30, 2006
Child Care	<u>11</u>	Non-Affiliated	No contract
Total	445		

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 MPSERS</u>
2002	\$ 2,110,000
2003	2,400,000
2004	2,466,000
2005	2,755,000
2006	3,065,000 (estimate)

<u>Contributions Period</u>	<u>Contribution Rate</u>
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
October 1, 2005 – September 30, 2006	16.34

History of State Equalized Valuations and Taxable Valuations

	<u>State Equalized Valuation</u>	<u>Taxable Valuation</u>
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
2005	1,273,700,790	989,587,903

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>
2001/02	\$8,455,167	\$ 7,686,628 90.91%	\$7,885,394 93.26%	\$ 8,429,845 99.70%
2002/03	9,321,696	8,436,937 90.51	9,071,945 97.32	9,099,777 97.62
2003/04	9,744,988	9,102,784 93.41	9,468,904 97.17	9,706,729 99.61
2004/05	11,657,248	8,429,656 72.31	11,014,153 94.48	11,644,220 99.89
2005/06	12,725,718	(In process of collection)		

*Note: Some payments from the Washtenaw County Tax Payment Fund are received after June 30. In 2004/05 payments from Scio Twp. were received in April, 2005 and DDA and LDFA Taxing Authorities were received in October, 2005.

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

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</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>
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	3,483	7,376.00	23,957,051
2005/06 (estimated)	3,519	7,551.00	23,335,847

* 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 2005 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	\$ 8,397,400	\$ 10,972,130	\$ 19,369,530
DTE Energy Co. ¹ /MichCon	Utility	14,395,407		14,395,407
Thomson-Shore Inc.	Publishing	3,504,023	2,287,900	6,319,557
Thetford Corporation	Plastic components	5,536,199		5,536,199
Creative Solutions	Computer software development	5,265,700		5,265,700
Sweepster Inc.	Runway sweepers	3,691,751		3,691,751
Blackhawk Development Corp.	Mall/real estate dev'l	4,959,535		4,959,535
Nagel Precision Inc.	Manufacturing	3,345,087		3,345,087
Dapco Industries	Valves, fittings	2,608,263	669,600	3,067,366
Walkabout Creek	Real estate dev'l	2,349,421		2,349,421
TOTAL		<u>\$54,580,420</u>	<u>\$13,929,630</u>	<u>\$68,510,050</u>

% of School District's 2005 Taxable Valuation (\$989,587,903) 5.52 %

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

2005 State Equalized Valuation		\$1,273,700,790
Debt Limit (15% of 2005 State Equalized Valuation)		191,055,119
Debt Outstanding	\$83,340,000	
Less Bonds excluded from Debt Limit*	<u>83,340,000</u>	
Total Subject to Debt Limit		<u>0</u>
Additional Debt which could be Legally Incurred		\$ 191,055,119

* 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)	\$57,490,000
03/26/03	Refunding Bonds (UTQ)	<u>25,850,000</u>
NET DIRECT DEBT		\$83,340,000

DEXTER COMMUNITY SCHOOLS

GENERAL FUND BUDGET

2005/06

Adopted

REVENUE:

Local Sources	\$	4,745,544
State Sources		23,548,569
Federal Sources		680,066
Transfers and Other Transactions		<u>3,197,591</u>
TOTAL REVENUE	\$	32,171,770

EXPENDITURES:

Instruction

Cornerstone Elementary	\$	3,508,513
Bates Elementary		2,332,364
Wylie Elementary		3,614,388
Creekside Elementary		3,629,233
Mill Creek Middle School		3,795,928
Dexter High School		6,380,351

Support Services:

Instructional Support		348,872
Board of Education		145,292
Executive Administration		433,686
Fiscal Services		403,544
Business Services		132,109
District Utilities/Security		1,393,344
Operations & Maintenance		2,046,036
Transportation		2,490,874
Personnel		60,243
Technology		813,180

Outgoing Transfers & Other Transactions

		<u>1,074,677</u>
TOTAL EXPENDITURES	\$	32,602,634

EXCESS OF REVENUE OVER (UNDER) EXPENDITURES \$ (430,864)

FUND BALANCE, JULY 1 \$ 4,070,162

ESTIMATED FUND BALANCE, JUNE 30 \$ 3,639,298