

## Annual Filing Continuing Disclosure

Issuer: Dexter Community Schools  
Counties of Washtenaw and Livingston  
State of Michigan

Details of Issues:

Title: 1998 School Building and Site Bonds  
Date and Amount: dated 06/01/98, original amount: \$69,600,000  
CUSIP ID #: 252255

Title: 2003 Refunding Bonds  
Date and Amount: dated 03/26/03, original amount: \$30,210,000  
CUSIP ID #: 252255

Title: 2008 School Building and Site and Refunding Bonds  
Date and Amount: dated 09/29/08, original amount: \$59,780,000  
CUSIP ID #: 252255

Number of pages attached: 5 pages, plus June 30, 2010 audited  
financial statements.

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I hereby represent that I am authorized by the Issuer or its agent to distribute this information publicly:

Name: Sharon Raschke  
Title: Chief Financial Officer  
School District:: Dexter Community Schools  
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**Continuing Disclosure Report**  
**December 2010**  
**Dexter Community Schools**  
**Counties of Washtenaw and Livingston, State of Michigan**  
**\$69,600,000 1998 School Building and Site Bonds**  
**\$30,210,000 2003 Refunding Bonds**  
**\$59,780,000 2008 School Building and Site and Refunding Bonds**

**Enrollment History**

<u>School Year</u>	<u>Enrollment</u>	<u>School Year</u>	<u>Enrollment</u>
2010/11	3,624	2005/06	3,534
2009/10	3,647	2004/05	3,489
2008/09	3,641	2003/04	3,481
2007/08	3,642	2002/03	3,349
2006/07	3,614	2001/02	3,187

The projected K-12 enrollment for 2014/2015 is 3,655, as estimated by the School District.

**Labor Relations**

<u>Class</u>	<u>Number</u>	<u>Affiliation</u>	<u>Contract Expires</u>
Superintendent (Interim)	1	Non-affiliated	June 30, 2011
Chief Financial Officer	1	Non-affiliated	June 30, 2011
Administrators	11	Dexter Administrators Association	June 30, 2010*
Teachers	230	DEA/NEA	June 30, 2013
Para-Professionals, Secretarial, Technology, Maintenance, Custodial and Food Service	127	Dexter Educational Support Personnel Association (MEPSA)	June 30, 2011
Bus Drivers and Bus Monitors	41	Operating Engineers	June 30, 2011
Other Non-Affiliated Personnel	<u>21</u>	Non-affiliated	N/A
Total	<u>432</u>		

\* In negotiations.

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

**Retirement Plan**

<u>Contribution Period</u>	<u>Contribution Rate</u>
November 1, 2010 – September 30, 2011	20.66 %
October 1, 2010 – October 31, 2010	19.41 %
October 1, 2009 – September 30, 2010	16.94 %
October 1, 2008 – September 30, 2009	16.54 %
October 1, 2007 – September 30, 2008	16.72 %
October 1, 2006 – September 30, 2007	17.74 %

<u>Fiscal Year Ending June 30,</u>	<u>Contribution to MPSERS</u>
2011	\$4,327,000 (Estimated)
2010	\$3,760,000
2009	\$3,596,000
2008	\$3,526,000
2007	\$3,677,000

**History of Valuations – State Equalized Valuation and Taxable Valuation**

	<u>State Equalized Valuation</u>	<u>Taxable Valuation</u>
2010	\$1,244,205,710	\$1,098,712,770
2009	1,323,950,351	1,139,135,553
2008	1,421,982,225	1,162,638,417
2007	1,469,346,740	1,152,151,867
2006	1,377,643,572	1,076,591,873

Sources: County Equalization Departments.

**Tax Levies and Collections**

<u>School Year</u>	<u>Total Tax Levy</u>	<u>Collections To March 1, Each Year</u>		<u>Collections to June 30 Fiscal Year End</u>		<u>Collections Including Tax Payment Fund*</u>	
2010/11	\$13,476,951	Not Applicable		Not Applicable		Not Applicable	
2009/10	14,030,764	\$12,292,635	87.61%	\$12,941,303	92.24%	\$13,539,754	96.50%
2008/09	14,301,239	12,278,857	85.86	12,869,839	89.99	13,739,669	96.07
2007/08	14,668,464	13,033,768	88.86	14,109,033	96.19	14,563,537	99.28
2006/07	14,009,206	12,230,037	87.30	12,976,016	92.62	13,730,720	98.01
2005/06	12,487,437	11,457,176	91.75	11,646,946	93.27	12,318,370	98.65

\* Some payments from the Washtenaw County Tax Payment Fund are received after June 30. In 2009/10 payments from Scio and Northfield were received in August, 2010 and September, 2010, respectively. In 2005/06, payments from Northfield Township, Scio Township, and Webster Township were received in July, 2006.

**State Aid Payments**

<u>Year</u>	<u>Blended Pupil Count</u>	<u>Foundation Allowance Per Pupil</u>	<u>Total State Aid Payments</u>
2010/11	3,629	\$7,938	\$ 25,398,509* (Estimate)
2009/10	3,645	7,938	24,871,502*
2008/09	3,635	7,938	25,066,162*
2007/08	3,636	7,843	25,545,476
2006/07	3,595	7,761	24,632,344

\* The Foundation allowance above was prorated in 2008/09, 2009/10, and 2010/11; the total state aid payments above do not include additional funding the district received from the Federal American Recovery and Reinvestment Act of 2009 (ARRA) stabilization funds in the amounts of \$1,351,675, \$1,019,273, and an estimated \$423,308, respectively, and an additional estimated funding from the Federal Education Jobs Funding grant in the amount of \$561,493 in 2010/11.

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Operating – Extra Voted*	18.0000	18.0000	18.0000	18.0000	18.0000
Debt	<u>8.5000</u>	<u>8.5000</u>	<u>8.5000</u>	<u>8.5000</u>	<u>8.5000</u>
Total Homestead	8.5000	8.5000	8.5000	8.5000	8.5000
Total Non-Homestead	26.5000	26.5000	26.5000	26.5000	26.5000

\* The extra voted millage is levied on Non-Homestead property only and expires with the December 2013 tax levy.

**Largest Taxpayers**

Shown below are the ten largest identifiable taxpayers in the School District based on their 2010 taxable valuations. The taxpayers listed below represent 6.87% of the School District's 2010 Taxable Valuation of \$1,098,712,770.

<u>Taxpayer</u>	<u>Product or Service</u>	<u>Taxable Value</u>	<u>Equivalent IFT*</u>	<u>Total Valuation Subject to Taxation</u>
DTE Energy Company/Mich Con	Utility	\$20,557,430		\$20,557,430
Dexter Fastener Technologies	Engine fasteners	16,789,454	\$3,345,400	20,134,854
Thomson-Shore Inc.	Publishing	3,619,323	5,873,600	9,492,923
Thetford Corporation	Plastic components	4,875,484		4,875,484
Creative Solutions	Computer software	3,960,600		3,960,600
Blackhawk Development Corp.	Mall/real estate dev.	3,853,011		3,853,011
Nagel Precision Inc.	Honing machines	3,793,500		3,793,500
Dapco Industries	Valves and fittings	2,625,671	716,200	3,341,871
Sweepster Inc.	Construction equip.	2,288,100	492,600	2,780,700
Tri-Bro LLC	Grocery	<u>2,656,900</u>		<u>2,656,900</u>
TOTAL		\$65,019,473	\$10,427,800	\$75,447,273

\* The School District collects debt tax revenues at one-half rate of the total IFT valuations  
Sources: County Equalization Departments and Township Assessors.

**Direct Debt**

06/01/98	1998 School Building and Site Bonds (UTQ)	\$ 31,500,000
03/26/03	2003 Refunding Bonds (UTQ)	15,145,000
09/29/08	2008 School Building and Site and Refunding Bonds (UTQ)	<u>52,760,000</u>
NET DIRECT DEBT		<u>\$99,405,000</u>

**Legal Debt Margin**

2010 State Equalized Valuation		\$1,244,101,110
Debt Limit (15% of 2010 State Equalized Valuation)		\$186,615,167
Debt Outstanding	\$99,405,000	
Less bonds not subject to Debt Limit*	(99,405,000)	
Total Subject to Debt Limit		<u>0</u>
Additional Unlimited Tax Debt Which Could Be Legally Incurred		<u>\$186,615,167</u>

\* Section 1351(3) of Act 451, Public Acts of Michigan, 1976, as amended, provides that bonds not included in the computation of the legal debt margin are (1) any bond qualified under Article IX, Section 16, of the Michigan Constitution of 1963, and (2) deficit budget bonds authorized under Section 1356. In addition, Section 605 of Act 34, Public Acts of Michigan, 2001, as amended, provides, in relevant part, that debt evidenced by a refunding security shall not be deemed to be within any statutory or charter limitation of outstanding debt limit.

**DEXTER COMMUNITY SCHOOLS**

**General Fund Budget Summary  
Fiscal Year Ending June 30, 2011**

	Amended 11-29-10 <u>2010/11</u>
<b><u>REVENUES</u></b>	
Local Sources	\$ 4,588,302
Other Political Subdivisions	2,476
State Sources	25,368,773
Federal Sources	2,293,122
Transfers and Other Financing Sources	<u>3,213,242</u>
<b>TOTAL REVENUES</b>	<b>\$35,465,915</b>
<b><u>EXPENDITURES</u></b>	
Instruction	
Basic Programs	\$ 17,483,111
Added Needs	3,321,793
Support Services	
Pupil Support	3,388,223
Instruction Staff Support	2,077,081
General Administration	595,968
School Administration	1,973,690
Business Services	501,962
Operations and Maintenance	3,435,864
Transportation	1,969,960
Other Central Support	84,608
Community Services	151,550
Outgoing Transfers and Other Financing Uses	<u>339,127</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$35,322,937</u></b>
Revenues Over (Under) Expenditures	\$ 142,978
Fund Balance - July 1	<u>\$ 5,955,926</u>
Estimated Fund Balance - June 30	<u>\$ 6,098,904</u>