

## 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, 2008 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:

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Title: Executive Director of Finance and Business  
School District: Dexter Community Schools  
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**Continuing Disclosure Report  
November 2008  
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>
2008/09	3,641	2003/04	3,481
2007/08	3,642	2002/03	3,349
2006/07	3,614	2001/02	3,187
2005/06	3,534	2000/01	3,090
2004/05	3,489	1999/00	2,993

The projected K-12 enrollment for 2012/2013 is 3,841, as estimated by the School District.

Labor Relations

<u>Class</u>	<u>Number</u>	<u>Affiliation</u>	<u>Contract Expires</u>
Superintendent	1	Non-affiliated	June 30, 2010
Assistant Superintendent	1	Non-affiliated	June 30, 2009
Administrators	12	Dexter Administrators Association	June 30, 2010
Teachers	233	MEA/NEA	June 30, 2010
Para-Professionals, Secretarial, Technology, Maintenance, Custodial and Food Service	154	Michigan Educational Support Personnel Association (MEPSA)	June 30, 2008*
Bus Drivers	38	Operating Engineers	June 30, 2008*
Executive Director	1	Non-affiliated	June 30, 2010
Supervisors	17	Non-affiliated	June 30, 2009
Child Care	<u>9</u>	Non-affiliated	N/A
Total	<u>466</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>
October 1, 2008 – September 30, 2009	16.54%
October 1, 2007 – September 30, 2008	16.72
October 1, 2006 – September 30, 2007	17.74
October 1, 2005 – September 30, 2006	16.34
October 1, 2004 – September 30, 2005	14.87

<u>Fiscal Year Ending June 30,</u>	<u>Contribution to MPSERS</u>
2009	\$3,662,000 (estimated)
2008	3,556,000
2007	3,677,000
2006	3,239,000
2005	2,755,000

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

	<u>State Equalized Valuation</u>	<u>Taxable Valuation</u>
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
2005	1,273,700,790	989,587,903
2004	1,179,454,000	909,207,264

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>	
2008/09	\$14,458,925	Not applicable		Not applicable		Not applicable	
2007/08	14,668,464	\$13,033,768	88.86%	\$14,109,033	96.19%	\$14,117,040	96.24%
2006/07	14,009,206	12,230,037	87.30	12,976,016	92.62	13,724,133	97.97
2005/06	12,487,437	11,457,176	91.75	11,646,946	93.27	12,314,428	98.61
2004/05	11,663,447	8,429,656	72.27	11,014,153	94.43	11,662,327	99.99
2003/04	9,744,988	9,102,784	93.41	9,468,904	97.17	9,713,998	99.68

\* Some payments from the Washtenaw County Tax Payment Fund are received after June 30. In 2005/06, payments from Northfield Township, Scio Township and Webster Township were received in July, 2006. In 2004/05, payments from Scio Township were received in April 2005, and payments from the DDA and LDFA Taxing Authorities were received in October, 2005.

**State Aid Payments**

Year	Blended Pupil Count	Foundation Allowance Per Pupil	Total State Aid Payments
2008/09	3,636	\$7,938	\$25,340,000 (estimate)
2007/08	3,636	7,843	25,309,306
2006/07	3,595	7,761	24,632,344
2005/06	3,518	7,551	23,732,027
2004/05	3,483	7,376	23,957,051

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</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 2008 taxable valuations. The taxpayers listed below represent 6.58% of the School District's 2008 Taxable Valuation of \$1,162,638,417.

<u>Taxpayer</u>	<u>Product or Service</u>	<u>Taxable Value</u>	<u>Equivalent IFT*</u>	<u>Total Valuation Subject to Taxation</u>
Dexter Fastener Technologies	Engine fasteners	\$19,782,537	\$1,907,639	\$21,690,176
DTE Energy Company/Mich Con	Utility	19,142,387		19,142,387
International Transmission Co.	Utility	7,838,327		7,838,327
Thetford Corporation	Plastic components	5,740,823		5,740,823
Creative Solutions	Computer software	5,361,489		5,361,489
Thomson-Shore Inc.	Publishing	2,727,599	2,434,000	5,161,599
Blackhawk Development Corp.	Mall/real estate dev'l.	4,835,937		4,835,937
Nagel Precision Inc.	Honing machines	4,133,332		4,133,332
Dapco Industries	Valves and fittings	3,426,063	436,950	3,863,013
Tri-Bro LLC	Grocery	<u>3,478,200</u>		<u>3,478,200</u>
TOTAL		\$76,466,694	\$4,778,589	\$81,245,283

\* 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)	18,545,000
09/29/08	2008 School Building and Site and Refunding Bonds (UTQ)	<u>59,780,000</u>
NET DIRECT DEBT		<u>\$109,825,000</u>

**Legal Debt Margin**

2008 State Equalized Valuation		\$1,421,982,225
Debt Limit (15% of 2008 State Equalized Valuation)		\$213,297,334
Debt Outstanding	\$109,825,000	
Less bonds not subject to Debt Limit*	<u>(109,825,000)</u>	
Total Subject to Debt Limit		<u>0</u>
Additional Unlimited Tax Debt Which Could Be Legally Incurred		<u>\$213,297,334</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, 2009

Amended  
11-17-08  
2008/09

REVENUES

Local Sources	\$ 4,936,410
Other Political Subdivisions	2,334
State Sources	26,156,796
Federal Sources	941,812
Transfers and Other Financing Sources	<u>3,566,026</u>
TOTAL REVENUES	\$35,603,378

EXPENDITURES

Instruction	
Basic Programs	\$ 17,053,461
Added Needs	3,094,339
Support Services	
Pupil Support	3,825,211
Instruction Staff Support	1,988,578
General Administration	623,720
School Administration	1,954,944
Business Services	513,054
Operations and Maintenance	3,893,390
Transportation	2,264,250
Other Central Support	65,204
Community Services	148,566
Outgoing Transfers and Other Financing Uses	<u>750,862</u>
TOTAL EXPENDITURES	<u>\$36,175,579</u>
Revenues Over (Under) Expenditures	\$ ( 572,201)
Fund Balance - July 1	<u>\$ 5,833,168</u>
Estimated Fund Balance - June 30	<u>\$ 5,260,967</u>