

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

Title: 2012 School Building and Site and Refunding Bonds
Date and Amount: dated 05/24/12, original amount: \$15,670,000
CUSIP ID #: 252255

Number of pages attached: 5 pages, plus June 30, 2016 audited
financial statements.

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

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Continuing Disclosure Report
December 2016
Dexter Community Schools
Counties of Washtenaw and Livingston, State of Michigan
\$69,600,000 1998 School Building and Site Bonds
\$59,780,000 2008 School Building and Site and Refunding Bonds
\$15,670,000 2012 School Building and Site and Refunding Bonds

Enrollment History

<u>School Year</u>	<u>Enrollment</u>	<u>School Year</u>	<u>Enrollment</u>
2016/17	3,585	2011/12	3,595
2015/16	3,550	2010/11	3,624
2014/15	3,547	2009/10	3,647
2013/14	3,550	2008/09	3,641
2012/13	3,544	2007/08	3,642

The projected K-12 enrollment for 2019/2020 is 3,585, 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, 2021
Chief Financial Officer	1	Non-affiliated	June 30, 2018
Executive Director Human Resources	1	Non-affiliated	June 30, 2017
Administrators	12	Dexter Administrators Association	June 30, 2018
Teachers	240	DEA/MEA/NEA	June 30, 2019
Para-Professionals, Secretarial, Technology, Maintenance, Custodial and Food Service	167	Dexter Educational Support Personnel Association/MEA/NEA	June 30, 2018
Bus Drivers and Bus Monitors	34	West Washtenaw Bus Drivers and Monitors Association	June 30, 2018
Other Non-Affiliated Personnel	<u>55</u>	Non-affiliated	N/A
Total	<u>511</u>		

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>Pension Contribution Rate</u>	<u>Defined Contributions Contribution Rate</u>
October 1, 2016 - September 30, 2017	20.96 – 24.94%	0 - 6%
October 1, 2015 - September 30, 2016	20.96 – 25.78%	0 - 6%
October 1, 2014 - September 30, 2015	20.96 – 25.78%	0 – 6%
October 1, 2013 - September 30, 2014	20.96 - 24.79 %*	0 – 6%
February 1, 2013 - September 30, 2013	20.96 - 24.32 %*	0 – 6%
October 1, 2012 - January 31, 2013	20.96 - 25.36 %*	

<u>Fiscal Year Ending June 30,</u>	<u>Contribution to MPSERS</u>
2017	\$8,164,000 (Estimated)
2016	\$7,899,000 **
2015	\$7,225,000 **
2014	\$6,075,000 **
2013	\$5,435,000 **

* Public Act 300 of 2012 (Pension Reform 2012) provided members a choice to increase, maintain or stop their contributions to the pension fund. The employer contribution rate is the full actuarial funding of the pension benefit plus the retiree health care benefit amounts on a cash disbursement basis. In addition the employer contributes to the Defined Contribution plan based on the members election.

** The Contribution to MPSERS above includes supplemental payments that were reimbursed by sections 147(c) and 147(d) of State Aid in the amounts of \$392,692, \$1,029,602, \$1,740,070 and \$2,424,485 in 2012/13, 2013/14, 2014/15 and 2015/16, respectively. The estimated amount to be reimbursed by section 147(c) of State Aid for 2016/17 is \$2,642,170.

History of Valuations – State Equalized Valuation and Taxable Valuation

	<u>State Equalized Valuation</u>	<u>Taxable Valuation</u>
2016	\$1,492,829,088	\$1,225,539,135
2015	1,400,798,781	1,201,675,830
2014	1,290,189,197	1,162,043,625
2013	1,221,125,562	1,122,070,648
2012	1,195,068,757	1,092,947,510

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>	
2016/17	\$14,834,192	In Process of Collection		In Process of Collection		In Process of Collection	
2015/16	15,111,395*	\$13,929,298	95.20%	\$14,624,089	99.95%	\$14,627,556	96.80%
2014/15	14,578,465*	13,291,521	94.14	14,056,646	99.55	14,282,576	97.97
2013/14	13,562,660	12,500,177	92.17	13,220,063	97.47	13,445,933	99.14
2012/13	13,284,549	12,278,433	92.43	12,650,471	95.23	13,122,932	98.78
2011/12	13,337,791	12,331,879	92.46	12,767,112	95.72	13,213,032	99.06

* Total tax levy was increased in a subsequent tax year. March 1 and June 30 tax collections reflect percentages of levies at June 30 of each tax year.

State Aid Payments

<u>Year</u>	<u>Blended Pupil Count</u>	<u>Foundation Allowance Per Pupil</u>	<u>Total State Aid Payments</u>
2016/17	3,581	\$7,799	\$27,876,071 (Estimate)
2015/16	3,550	7,693	27,719,067
2014/15	3,538*	7,569	26,841,302
2013/14	3,548*	7,519	25,841,848
2012/13	3,550	7,468	25,354,276

* Blended pupil count is calculated on 10% prior school year spring and 90% current school year fall counts. For 2013/14 and 2014/15 the blend calculation was 90% current school year fall and 10% current school year spring.

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</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 2033 tax levy.

Largest Taxpayers

Shown below are the ten largest identifiable taxpayers in the School District based on their 2016 taxable valuations. The taxpayers listed below represent 6.41% of the School District's 2016 Taxable Valuation of \$1,225,539,135.

<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	Utility	\$ 25,338,143		\$25,338,143
Dexter Fastener	Engine fasteners	11,037,990	\$1,654,598	12,692,588
International Transmission Company	Utility	9,485,740		9,485,740
Enbridge Pipelines	Oil pipeline system	9,171,098		9,171,098
Thomson-Shore	Publishing	2,517,817	3,059,100	5,576,917
Chelsea Health & Wellness	Wellness center	5,270,617		5,270,617
Thetford Corp	Plastic components	4,759,851	295,071	5,054,922
United Methodist Retirement Community	Retirement devel.	4,846,616		4,846,616
Creative Solutions	Computer software	3,209,592		3,209,592
AML Dexter LLC	Car dealership	<u>2,884,181</u>		<u>2,884,181</u>
TOTAL		\$78,521,645	\$5,008,769	\$83,530,414

* 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
09/29/08	2008 School Building and Site and Refunding Bonds (UTQ)	26,195,000
05/24/12	2012 School Building and Site and Refunding Bonds (UTQ)	<u>9,740,000</u>
NET DIRECT DEBT		<u>\$67,435,000</u>

Legal Debt Margin

2016 State Equalized Valuation		\$1,492,829,088
Debt Limit (15% of 2016 State Equalized Valuation)		\$223,924,363
Debt Outstanding	\$67,435,000	
Less bonds not subject to Debt Limit*	(67,435,000)	
Total Subject to Debt Limit		<u>0</u>
Additional Unlimited Tax Debt Which Could Be Legally Incurred		<u>\$223,924,363</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, 2017

	Amended 12-05-16 <u>2016/17</u>
<u>REVENUES</u>	
Local Sources	\$ 5,137,463
Other Political Subdivisions	3,671
State Sources	28,262,647
Federal Sources	869,148
Transfers and Other Financing Sources	<u>4,301,409</u>
TOTAL REVENUES	\$38,574,338
<u>EXPENDITURES</u>	
Instruction	
Basic Programs	\$ 19,054,141
Added Needs	3,838,802
Support Services	
Pupil Support	4,046,614
Instruction Staff Support	1,914,626
General Administration	744,169
School Administration	2,254,295
Business Services	659,161
Operations and Maintenance	3,526,547
Transportation	1,544,615
Other Central Support	269,758
Community Services	202,544
Outgoing Transfers and Other Financing Uses	<u>594,141</u>
TOTAL EXPENDITURES	<u>\$38,649,413</u>
Revenues Over (Under) Expenditures	\$ (75,075)
Fund Balance - July 1	<u>\$ 6,149,120</u>
Estimated Fund Balance - June 30	<u>\$ 6,074,045</u>