

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

Title: 2017 School Building and Site and Refunding Bonds
Date and Amount: dated 11/28/17, original amount: \$70,615,000
CUSIP ID #: 252255

Number of pages attached: 5 pages, plus June 30, 2018 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 2018
Dexter Community Schools
Counties of Washtenaw and Livingston, State of Michigan
\$69,600,000 1998 School Building and Site Bonds
\$15,670,000 2012 School Building and Site and Refunding Bonds
\$70,615,000 2017 School Building and Site and Refunding Bonds

Enrollment History

<u>School Year</u>	<u>Enrollment</u>	<u>School Year</u>	<u>Enrollment</u>
2018/19	3,636	2013/14	3,550
2017/18	3,628	2012/13	3,544
2016/17	3,586	2011/12	3,595
2015/16	3,550	2010/11	3,624
2014/15	3,547	2009/10	3,647

The projected K-12 enrollment for 2021/2022 is 3,706, 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, 2023
Chief Financial Officer	1	Non-affiliated	June 30, 2020
Executive Director Human Resources	1	Non-affiliated	June 30, 2020
Administrators	13	Dexter Administrators Association	June 30, 2019
Teachers	250	DEA/MEA/NEA	June 30, 2019
Para-Professionals, Secretarial, Technology, Maintenance, Custodial and Food Service	160	Dexter Educational Support Personnel Association/MEA/NEA	June 30, 2019
Bus Drivers and Bus Monitors	32	West Washtenaw Bus Drivers and Monitors Association	June 30, 2019
Other Non-Affiliated Personnel	<u>51</u>	Non-affiliated	N/A
Total	<u>509</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>Contribution Rate</u>	<u>Pension & Pension Plus</u>
October 1, 2018 - September 30, 2019	25.32 – 27.82%	25.39 – 30.16%
February 1, 2018 - September 30, 2018	25.21 – 27.31%	25.28 – 30.16%
October 1, 2017 - January 31, 2018	25.21 – 27.31%	25.28 – 27.03%
October 1, 2016 - September 30, 2017	25.18 – 26.72%	25.31 – 27.09%
October 1, 2015 - September 30, 2016	25.39 – 27.35%	25.56 – 27.13%
October 1, 2014 - September 30, 2015	25.78 – 27.27%	25.70 – 27.17%

<u>Fiscal Year Ending June 30,</u>	<u>Contribution to MPSERS</u>
2019	\$9,041,000 (Estimated)
2018	\$9,007,000
2017	\$8,157,000
2016	\$7,899,000
2015	\$7,225,000

* For additional information see “Defined Benefit Plan and Post Retirement Benefits” note in the Financial Statement

History of Valuations – State Equalized Valuation and Taxable Valuation

	<u>State Equalized Valuation</u>	<u>Taxable Valuation</u>
2018	\$1,629,979,824	\$1,332,417,299
2017	1,572,280,747	1,267,390,387
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

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>	
2018/19	\$16,119,205	In Process of Collection		In Process of Collection		In Process of Collection	
2017/18	15,792,224*	\$14,748,977	93.39%	\$15,338,990	97.13%	\$15,340,707	97.14%
2016/17	14,922,674*	14,333,850	96.05	14,890,512	99.78	14,893,329	99.80
2015/16	14,870,669*	13,929,298	93.67	14,624,089	98.34	14,629,094	98.38
2014/15	14,514,700*	13,291,521	91.57	14,056,646	96.84	14,282,686	98.40
2013/14	13,710,441*	12,500,177	91.17	13,220,063	96.42	13,446,100	98.07

* Total tax levy adjusted in subsequent tax year. March 1 and June 30 tax collections reflect percentages of adjusted 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>
2018/19	3,636	\$8,117	\$30,343,030 (Estimate)
2017/18	3,625	7,905	30,179,925
2016/17	3,585	7,799	28,562,243
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

* 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</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 2018 taxable valuations. The taxpayers listed below represent 6.25% of the School District’s 2018 Taxable Valuation of \$1,332,417,299.

<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	\$ 25,354,792		\$25,354,792
Dexter Fastener	Engine fasteners	10,412,936	\$1,704,548	12,117,484
International Transmission Company	Utility	11,922,668		11,922,668
Enbridge Pipelines	Oil pipeline system	9,657,397		9,657,397
Rover Pipeline LLC	Natural gas pipeline	6,926,500		6,926,500
Thetford Corp	Plastic components	4,742,791	280,369	5,023,160
United Methodist Retirement Community	Retirement develop	4,994,718		4,994,718
Power Wellness Management LLC**	Wellness center	4,776,600		4,776,600
Thomson-Shore	Publishing	2,224,722	1,858,800	4,083,522
Sweepster/Sweepster Attachments	Industrial machine	<u>2,243,054</u>	<u>1,500,000</u>	<u>3,743,054</u>
TOTAL		\$83,256,178	\$5,343,717	\$88,599,895

* Equivalent IFT Valuation is half of the property’s total taxable valuation. The School District collects debt tax revenues at one-half rate of the total IFT valuations.

** Taxable status is being protested and is currently in litigation. The owner is a nonprofit, charitable institution. The nonprofit status was upheld by the Michigan Tax Tribunal for 2014 & 2015 tax years.

Direct Debt

06/01/98	1998 School Building and Site Bonds (UTQ)	\$ 26,250,000
05/24/12	2012 School Building and Site and Refunding Bonds (UTQ)	5,130,000
11/28/17	2017 School Building and Site and Refunding Bonds (UTQ)	<u>70,615,000</u>
NET DIRECT DEBT		<u>\$101,995,000</u>

Legal Debt Margin

2018 State Equalized Valuation		\$1,629,979,824
Debt Limit (15% of 2018 State Equalized Valuation)		\$244,496,974
Debt Outstanding	\$101,995,000	
Less bonds not subject to Debt Limit*	(101,995,000)	
Total Subject to Debt Limit		<u>0</u>
Additional Unlimited Tax Debt Which Could Be Legally Incurred		<u>\$244,496,974</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, 2019**

Amended
12-10-18
2018/19

REVENUES

Local Sources	\$ 5,483,543
Other Political Subdivisions	5,412
State Sources	30,190,030
Federal Sources	1,661,926
Transfers and Other Financing Sources	<u>4,856,854</u>
TOTAL REVENUES	\$42,197,765

EXPENDITURES

Instruction	
Basic Programs	\$ 20,764,004
Added Needs	4,483,770
Support Services	
Pupil Support	4,152,035
Instruction Staff Support	2,414,531
General Administration	613,580
School Administration	2,468,946
Business Services	678,455
Operations and Maintenance	3,676,888
Transportation	1,554,175
Other Central Support	314,504
Community Services	265,027
Outgoing Transfers and Other Financing Uses	<u>528,592</u>
TOTAL EXPENDITURES	\$41,914,507

Revenues Over (Under) Expenditures	\$ 283,258
Fund Balance - July 1	<u>\$ 6,988,496</u>
Estimated Fund Balance - June 30	<u>\$ 7,271,754</u>