Dexter Community Schools Funding Explained

1. Every Dexter homeowner pays a 4 mill State Education Tax.
2. The State Education Tax, combined with these other taxes, makes up the Michigan School Aid Fund.
3. The state determines how much money each school district is allowed to have for operating expenses (things like teacher salaries, maintenance, technology, school programs, etc.). This amount, called the Foundation Allowance, was set for each district in 1994 based on how much money districts were spending at that time.
4. Dexter Schools pays an 8 mill on Dexter businesses and non-resident property owners pays money on Dexter Schools, but only up to the Foundation Allowance limit.
5. There is massive inequality in this system.

How can we level the playing field?

This is where E4DS comes in. E4DS, or Excellence 4 Dexter Students, is a community-led 501(c)(3) non-profit that raises funds to be donated to Dexter Community Schools. This money can be used for things like more programs, longer school days, and additional teachers.

Why does Dexter Schools need more money?

Compared to other districts, Dexter Schools does a very good job managing their operating expenses, devoting ~75% of the budget to classroom instruction. However, the district is still struggling to keep up administratively, as expenses are high. However, we want to provide the best possible education for our kids. Where a child lives should not determine how much is spent on their education.

What is Proposal A?

In 1994, Proposal A was signed into law. The goal was to equalize school funding between districts and to reduce taxes. The statewide School Aid Fund grew significantly in response to the state tax increases plus additional sources including the 6 mill State Education Tax that all homeowners pay today. In addition, the state calculated a funding level for each school district, based on the revenue per district in 1994–95. The effect of this is that school districts are essentially stuck with their post funding levels. Districts like Bloomfield Hills Schools and Ann Arbor Schools, which had high revenue in 1994, are given much higher funding today than Dexter Schools.

Where did the money come from for the new elementary school and athletic fields?

Dexter Community Schools is allowed to ask voters to authorize the sale of bonds to provide funding for capital infrastructure, such as buildings, site improvements, renovations, furniture, buses, and computers. Bloomfield Elementary School was funded with two bond proposals from the 1994-95 bond Proposal A. The bonds are repaid out of the 8.5 mills debt levy.

Why doesn’t Dexter just pass an extra school operating mileage?

Proposal A prohibits most communities from passing additional millages for operating expenses. If one district fails locally, the Foundation Allowance set in 1994–95 would have significantly reduced their operating budgets. Dexter Schools is not one of those districts; Ann Arbor Schools and Bloomfield Hills Schools are.

For more information, please visit: www.E4DS.org