

TO: Board of Education

FROM: Sharon Raschke

Sharon

DATE: April 3, 2013

RE: Common Debt Fund

Since we have refunded and refinanced our outstanding debts into lower interest rate bonds, we now have five separate debt funds. While we continue our need to borrow from the School Loan Revolving Fund to make our debt payments, establishing a common debt fund will give us the flexibility to allocate and reallocate our property tax collections and debt payments to minimize borrowing and reduce the burden on the District's taxpayers.

It is the advice of our bond counsel, Amanda VanDusen at Miller Canfield, and our bond financial advisor, Jesse Nelson at Umbaugh & Associates, that we establish a common debt retirement fund at this time. By having the authorization to move monies between debt funds prior to April 23, we will be able to reduce our borrowing for the May 1 debt payments by approximately \$625,000.

Attached is a Board Resolution prepared by Miller Canfield for adoption by the Board of Education.

Resolution Establishing Common Debt Retirement Fund

Dexter Community Schools
Counties of Washtenaw and Livingston, State of Michigan

Minutes of a regular meeting of the Board of Education of the Dexter Community Schools, Counties of Washtenaw and Livingston, State of Michigan (the "School District"), held in the Board of Education offices on the 22nd day of April, 2013 at 7:00 p.m., Eastern Daylight Time.

PRESENT: Members _____

ABSENT: Members _____

The following preamble and resolution were offered by Member _____ supported by Member _____.

WHEREAS, pursuant to Section 701(5)(a) of Act 34, Public Acts of Michigan, 2001 and Section 1223(3)(a) of the Revised School Code, the School District is authorized to create and maintain a common debt retirement fund for deposit or investment purposes; and

WHEREAS, the establishment of a common debt retirement fund will facilitate the School District's efforts to manage its debt millage revenue to minimize the School District's borrowing from the State's School Loan Revolving Fund and reduce the burden on the School District's taxpayers.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The School District shall establish a Common Debt Retirement Fund for the payment of all bonds issued by the School District which are payable as unlimited tax general obligations.

2. All resolutions and parts of resolutions insofar as they conflict with this resolution be and the same hereby are rescinded.

AYES: Members _____

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

Secretary, Board of Education
Dexter Community Schools
Counties of Washtenaw and Livingston, Michigan

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Education of the Dexter Community Schools, County of Counties of Washtenaw and Livingston, Michigan, at a regular meeting held on April 22, 2013, and that notice of such meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Secretary, Board of Education
Dexter Community Schools
Counties of Washtenaw and Livingston, Michigan

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