



ANNEXATION FAQ #1



January 14, 2015

1. What is school district annexation?

Annexation is when one district attaches another district to itself. In this case, the district to be attached (Whitmore Lake) loses its legal entity and becomes a part of the annexing (Dexter) district. This is distinct from consolidation when two or more districts are dissolved and a brand new district created (e.g., Ypsilanti Public Schools and Willow Run Community Schools consolidated to form Ypsilanti Community Schools).

2. Why is annexation being considered?

The population of school-aged children in the State has declined over the last decade as has State funding for local school districts. As a result, many districts are grappling with balancing budgets and shrinking fund balances. Whitmore Lake, while currently in the black, has lost 25% of its student population in the last seven years. The district took a proactive approach to pursue annexation as a means to stabilize and continue to offer a quality education for students.

3. What action is being taken to explore this option?

Each district has assembled ad hoc committees, comprised of board members. These committees are charged with researching and collecting information related to the topic, to identify the pros and cons, and explore long-term options, which are beneficial to both districts.

4. What are the educational benefits for students?

This will be a high priority for the ad hoc committees to identify. Certainly one advantage is a larger student population will generate an increase in revenue. This additional revenue could potentially be used to implement specialized educational programs that are currently nonexistent or at risk of being eliminated due to budget constraints. By eliminating duplicate central administrative overhead, a greater proportion of student funding could be spent in the classroom to enhance instruction and educational programs.

5. Will special education services be altered?

All special education services will continue to be rendered according to state and federal guidelines and as outlined in the student's Individualized Education Program (IEP).

6. How will the staff in both districts be impacted?

The specifics depend on a number of factors. Teachers in Whitmore Lake would become part of the Dexter Education Association. Their placement on the salary schedule remains to be determined. Initially the plan would be to maintain staff in their current assignments.

7. Will the community vote on this proposal?

The Whitmore Lake community will vote on the proposal. The Dexter Community Schools' Board of Education will determine the annexation question pursuant to state statute (MCL 380.901-933). The only time both districts vote on annexation is when there is a mutual assumption of debt. This was the case for the Ann Arbor Public Schools and Whitmore Lake annexation vote. Because Dexter does not have a "hold harmless" millage or a sinking fund, there is not a financial reason to pursue a mutual assumption of debt. After analyzing the construction bond debt for both districts, mutual assumption of debt has an unfavorable impact on Dexter property taxes.

There are no provisions in State statute to hold a vote of the general public in the annexing district without a mutual assumption of debt.

8. When will this decision be made?

Both districts have agreed to thoroughly examine this matter. If there is mutual consent to move forward, the soonest a formal proposal would occur is in time for a 2015 ballot (e.g., August or November).

9. Will annexation impact my taxes?

Taxes for Whitmore Lake and Dexter residents will remain the same as if the annexation had not occurred (meaning Whitmore Lake residents will continue to pay for their debt obligations and Dexter residents will continue to pay for their debt obligations separately). Any new taxes (i.e. a future bond issue or sinking fund) would be applied across the boundaries of the expanded district on a uniform basis and only subsequent to a vote of the people authorizing the levy.

10. Will annexation impact my property values?

It is believed that property values are likely to increase in Whitmore Lake as a result of being attached to the Dexter district and that the impact on property values in Dexter will be neutral. Real estate experts are being consulted to obtain additional information on this question.

11. How many schools does Whitmore Lake Public Schools currently operate?

Whitmore Lake has three facilities. Students in K-6 are served in the elementary building and students in grades 7-12 are in the high school facility. While much of the former middle school is closed, the preschool programs are located in that building.

12. How many schools does Dexter Community Schools currently operate?

Dexter operates seven buildings – Jenkins Early Learning Center (preschool), Bates and Cornerstone (K-2), Wylie (3-4), Creekside (5-6), Mill Creek (7-8), and Dexter High School (9-12).

13. Will all the schools remain open?

If annexation occurs, all school buildings currently in operation will initially remain open. As is the common practice with all school districts, there will be regular evaluation of building use and student needs.

14. What is the student population of Whitmore Lake?

944

15. What is the student population of Dexter?

3,550

16. Will current school attendance boundaries remain in place?

It is the plan to keep attendance boundaries the same for both districts. The Dexter School Board could pass a resolution which would allow students in each district to continue attending their current local schools.

17. What will the per pupil foundation allowance be?

After consultation with the Michigan Department of Education, the foundation allowance will \$7569 per student (Dexter's current foundation allowance). Whitmore Lake's current foundation allowance is \$7126. As a result, the combined district would receive approximately \$420,000 more in foundation revenue from the state on an annual basis.

18. What is the financial benefit to the respective school districts?

The operational revenue would increase by approximately \$420,000 (this is a result of the increase in the foundation grant for the WL students). Additionally, by combining central office and other efficiencies, there may be a reduction in expenditures of \$300,000-500,000. This will allow funds to be directed to maintaining and improving educational opportunities for students in both districts.

19. What is the current fund balance for WLPS and DCS?

Whitmore Lake – slightly over \$24,000

Dexter – \$6 million

20. How will bus transportation be coordinated if the districts are combined?

There will be one transportation department for the district. A study will be completed to determine the most efficient way to provide transportation for students within the district.

21. If Dexter annexes Whitmore Lake, will the district be renamed?

Because this is an annexation and not a consolidation, the district will remain Dexter Community Schools. The buildings in Whitmore Lake will remain Whitmore Lake Elementary and Whitmore Lake High School with branding to note they are part of Dexter Community Schools. These names could be modified in the future by a vote of the Dexter Board of Education.

22. What will happen to the athletic programs in each district?

Whitmore Lake High School and Dexter High School are both comprehensive high schools that will continue to offer athletic programs for students attending the school. It is possible for Whitmore Lake High School to remain in the Tri-County Conference while Dexter High School remains in the SEC. It would be possible for the district to offer some sports in one, but not both high schools, but to provide opportunities for students who attend the other high school to participate in the sport not offered in their building.

23. If annexation occurs, what will be the make-up of the Board of Education?

The Dexter School Board will continue with the seven elected officials. The Dexter School Board may decide to include two non-voting ex-officio members from Whitmore Lake to sit at the board table until a future election in which Whitmore Lake candidates have the opportunity to run for election.

24. What examples are there of other local districts that have consolidated or annexed?

Annexations

2013 – Free Soil Schools annexed to Mason County Schools

2011 – Bloomfield Township #7 Rapson Schools annexed to Sigel Township #3

2009 – White Pine Schools annexed into Ontonagon Schools

1994 – Ferry Schools annexed into Shelby Schools

The last annexation of districts in southeast Michigan occurred in 1985.

1985 – Cherry Hill Schools annexed into Wayne-Westland Schools

1985 – North Dearborn Heights Schools annexed into Crestwood Schools

Consolidations

2013 – Willow Run Community Schools and Ypsilanti Public Schools

2011 – Deerfield Schools and Britton Macon

2004 – Marenisco Schools and Wakefield Schools