

# Village of Dexter

## Cityhood Fact Sheet

On May 7, 2013, the following Ballot Question will be placed in front of Village of Dexter voters – Shall the proceedings continue that purpose to incorporate the Village of Dexter and lands in Webster and Scio Townships, Washtenaw County, as a Home Rule City?

A “yes” vote permits the incorporation proceedings to continue

A “no” vote terminates incorporation proceedings

If “yes” receives the majority of votes, does the Village become a City?

- A yes vote means the Cityhood process continues. If the process continues, the next step is for Village - residents to vote to select a nine member Charter Commission. This could occur as soon as November 2013. Residents interested in serving can gather petition signatures to put their name on the ballot. The Charter Commission will then write the Charter, which is the governing document for the City. The Charter must be voted on and passed by the residents of the Village within three years. If the Charter is adopted by the residents, the Village becomes a City.

What will change if the Village becomes a City?

- The two Townships will no longer collect taxes on behalf of the City. Property owners will receive two tax bills instead of three. All property and personal property taxes will be collected by the City and then distribution to the proper entity (e.g. Dexter Community Schools, Washtenaw County, etc.).
- Elections will be administered by the City. Polling places will be located within City limits.
- Assessing services will be provided by the City.
- City residents will no longer be able to vote for Township Offices/ballot questions.
- The Boundary will change slightly in a couple of places primarily to provide connectivity in the area of Westridge and the Cedars of Dexter using vacant land or to simplify the current description (attach map with final fact sheet).

What does not have to change?

- Our current Code of Ordinances does not have to change. They will obviously have to be updated to reflect the name change, but the ordinances themselves can remain unchanged.
- Road maintenance will remain the responsibility of the City.
- Water and sewer services will still be provided by the City.
- The City can remain a member of the Dexter Area Fire Department for fire/rescue services.
- The City can continue to contract with the Washtenaw County Sheriff for police services.
- Trash collection/recycling can continue to be provided by Waste Management.

What are the new services expected to cost? How will they be paid for?

- Assessing – (estimated by assessing contractor at approx. \$40,000 per year)
- Elections (start-up - \$6000 for equipment; ongoing per election – approx. \$2000)
- 12 Year payment to Webster Township (required by 425 Agreement) - \$27,225
- The City will have the option to collect the 1% administration fee on tax bills that the Township currently collects, which would bring in an additional \$102,153 in revenue. This money would be used to offset the cost of assessing and tax collection. This increased revenue is expected to generate enough additional funding to cover the increased costs.

How much are Village residents/businesses currently paying in Scio and Webster Township taxes?

- Currently Village taxpayers pay \$229,113 (1.446 mills) in taxes to Scio Township and \$70,930 (3.0221 mills) in taxes to Webster Township.
- The Townships also collect a 1% administration fee on each tax bill that generates \$66,114 for Scio and \$9,050 for Webster.
- Owner of a \$200,000 home in Scio Township - \$145 per year
- Owner of a \$200,000 home in Webster Township - \$302 per year
- Business in Scio Township with a taxable value of \$2,000,000 - \$2,892 per year

How are Village taxes structured compared to City taxes?

- The current maximum allowable millage rates for Dexter, which is a general law village, are set by State Law:
  - o General Operating – 12.5 mills
  - o Streets – 5 mills
  - o Garbage Collection - 3 mills
  - o Cemetery – 1 mills
- The Village’s current allowable rates due to the Headlee Amendment are as follows:
  - o General Operating – 9.8807 mills
  - o Streets – 3.952 mills
  - o Garbage Collection – not levied by the Village
  - o Cemetery – not levied by the Village
- The Village is currently levying the following rates:
  - o General Operating – 9.8337 mills
  - o Streets – 2.8874 mills
  - o General Obligation Bond for the Downtown Streetscape added by popular vote – 0.8351 mills
- A city’s maximum allowable millage rate is 20 mills and is set by the City Charter.
  - o The City Charter Commissioners can decide to designate the 20 mils for specific purposes.
  - o The law also allows for an additional 3 mills to be levied for garbage collection.
  - o The voters in Dexter will have the final say in deciding what the maximum allowable millage rate is that the City can levy though the vote on the City Charter.
  - o Both the City Study Committee and Village Council anticipate that the millage rate structure for the City will be very similar to the current structure.

How much has been spent on the process to become a city?

- Since 2006, \$62,868.57 has been spent on the following items:

o City Study Committee Costs – Attorney, Meeting Room, Notice Publication	\$1810.00
o Consultant Services from David Rutledge	\$388.57
o Engineering Cost for Boundary Survey	\$30,983.00
o Engineer’s Attendance at Boundary Commission Meetings & Boundary Revisions in Response to State Staff Comments and to Provide Contiguity	\$7,362.75
o Tom Ryan – Cityhood Attorney	\$19,116.50
o Engineering Cost for Revisions to Boundary to remove Gordon Hall/ Mill Creek Sports	\$3,207.75