Ladies and Gentlemen:

Pursuant to Section 6.2(a)(v) of that certain Reimbursement Agreement among the Michigan Municipal Bond Authority, the School District of the City of Detroit (the “District”) and The Bank of New York Trust Company, N.A. (the “Bank”), dated as of March 1, 2005, the District, through its undersigned official, hereby certifies that except as otherwise known and provided by law, the District has not taken any action or failed to take any action as of the date hereof that will result in the state withholding State Aid payments.

By: __________________________

Delores A. Brown
Deputy CFO and Chief Accounting Officer

By: __________________________

Ricardo Kisner
Chief Financial Officer
CERTIFICATE AS TO SET ASIDE REQUIREMENTS

(Pursuant to Section 3.3 of the Financing Agreement
dated as of March 1, 2005 (the “Agreement”) between the
Michigan Municipal Bond Authority and the School
District of the City of Detroit (the “District”))

The undersigned, the Emergency Financial Manager and Authorized District Officers of
the District, hereby certifies that he/she has projected the District’s monthly receipt of State
School Aid for each month in the Projection Period (as defined in the Agreement) and compared
such receipts to the corresponding monthly Set Aside Requirements (as defined in the
Agreement) and has determined that at this time Section 3.3 of the Agreement:

☐ DOES NOT REQUIRE the establishment of new Set Aside Requirements

☒ DOES REQUIRE the establishment of new Set Aside Requirements which, for each
Series of Obligations currently Outstanding, are as follows:

[For each series of Obligations identify new Set Aside Requirements]

This 15th day of February, 2010
[To be filed monthly 5 days before Funds Transfer Date]

____________________________
Delores A. Brown
Title: Deputy CFO and Chief Accounting Officer

____________________________
Ricardo Kisner
Title: Chief Financial Officer

____________________________
Robert C. Bobb
Title: Emergency Financial Manager
## DETROIT PUBLIC SCHOOLS
### General Fund Estimated Cash Flow (In Thousands)
#### July 2009 - June 2010
##### January/February 2010 State Aid Advance

<table>
<thead>
<tr>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>$47,021</td>
<td>$25,458</td>
<td>$28,402</td>
<td>$195,522</td>
<td>$215,965</td>
<td>$70,158</td>
<td>$30,139</td>
<td>$35,249</td>
<td>$40,957</td>
<td>$224,937</td>
<td>$159,029</td>
<td>$95,822</td>
<td>$47,021</td>
</tr>
</tbody>
</table>

### Cash Receipts
- **State Aid**
  - 35,425
- **Property Taxes**
  - 6,648
- **Grants**
  - 42,025
- **State Stabilization Funds - State Aid**
  - 31,959
- **State Aid Note Proceeds**
  - 228,652
- **2009 A State Aid Note Proceeds**
  - 228,652
- **2010 A State Aid Note Proceeds**
  - 229,000

### Other Receipts
- **WCRESA - Net**
  - 115,896
- **Food Service-Reimbursement**
  - 2,039
deductions
  - 3
- **RE**
  - 0
- **RD**
  - 0
- **RD Other**
  - 45
- **Interest**
  - 7
- **Miscellaneous**
  - 1,759
- **S-State reimbursement**
  - 0
- **Outreach Medicaid**
  - 448
- **Feas for Service Medicaid**
  - 0

**Total Cash Receipts**
- 115,896

### Total Available Funds
- 166,597

### Cash Disbursements
- **Payroll**
  - (57,806)
- **FICA**
  - (4,569)
- **Reimbursement**
  - (15,078)
- **Non-Payroll Expenditures**
  - **Fringe Benefits**
    - (362)
  - **Fringe Benefits-Wired**
    - (15,571)
  - **Account Payable**
    - (5,090)
  - **Additional Accounts Payable**
    - 0
  - **Food Service Transfer**
    - (3,185)
  - **Capital Leases**
    - 0
  - **Adult Education**
    - 0
  - **Set Aside Payments on Debt**
    - 0
  - **2005 B Bonds - Principal**
    - 0
  - **2005 B Bonds - Interest**
    - 0
  - **2008 Note - Principal**
    - (42,500)
  - **2008 Note - Interest**
    - 0
  - **2009 A Note - Principal**
    - 0
  - **2009 A Note - Interest/Fees**
    - 0
  - **2009 B Note - Principal**
    - 0
  - **2009 B Note - Interest**
    - 0

**Total Set Aside Payments**
- (42,500)

**Total Cash Disbursements**
- (144,449)

### Ending Balance with Note Proceeds
- $22,658

### Balance without Note Proceeds
- (166,277)

### Debt Service Coverage
- 0.83

Prepared by Public Financial Management and Updated by Detroit Public Schools

2/11/2010 12:15 PM
DETROIT PUBLIC SCHOOLS
General Fund Estimated Cash Flow (In Thousands)
July 2010 - June 2011
January / February / March 2010 State Aid Advance

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Balance</strong></td>
<td>$48,683</td>
<td>$14,489</td>
<td>$228,979</td>
<td>$176,567</td>
<td>$91,262</td>
<td>$31,584</td>
<td>$367</td>
<td>$57,007</td>
<td>$99,159</td>
<td>$152,578</td>
<td>$60,684</td>
<td>(6,478)</td>
<td>$48,685</td>
</tr>
</tbody>
</table>

**Cash Receipts**
- State Aid: 56,977
- Property Taxes: 6,449
- Grants: 39,083
- State Stabilization Funds - State Aid: 2,231
- State Aid Note Proceeds: -
- 2010A State Aid Note Proceeds: -
- 2010B State Aid Note Proceeds: -
- 2011A State Aid Note Proceeds: -

**Other Receipts**
- WCRESA Net: 7,832
- Food Service-Reimbursement: 1,020
- Deposits: 28
- RD: 6
- Interest: 15
- Miscellaneous: 696
- E-Rate reimbursement: -
- Other: -

**TOTAL Cash Receipts**: 106,514

**Total Available Funds**: 155,200

**Cash Disbursements**
- Payroll: 56,419
- FICA: (4,547)
- Retirement: (7,688)
- Non-Payroll Expenditures: -
- Fringe Benefits: (900)
- Fringe Benefits-Wired: (4,603)
- Account Payable: (8,641)
- Additional Account Payable: -
- Food Service Transfer: (1,020)
- Capital Leases: -
- Subsidy Payments on Debt: -
- 2005B Bonds - Principal: -
- 2005B Bonds - Interest: -
- 2005B Note - Principal: (47,000)
- 2005B Note - Interest: (21,850)
- 2010A Note - Principal: -
- 2010A Note - Interest: -
- 2011A Note - Principal: -
- 2011A Note - Interest: -

**TOTAL Cash Disbursements**: 140,711

**Ending Balance with Note Proceeds**: $14,489

**Balance without Note Proceeds**: (9,165)

**Debt Service Coverage**: 1.21