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 Officer 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:

**X** 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 June, 2010
[To be filed monthly 5 days before Funds Transfer Date]

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

Ricardo Kisner, Chief Financial Officer
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**

<table>
<thead>
<tr>
<th>Month</th>
<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>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Balance</strong></td>
<td>$47,021</td>
<td>$22,458</td>
<td>$263,023</td>
<td>$119,605</td>
<td>$70,158</td>
<td>$30,339</td>
<td>$47,771</td>
<td>$17,221</td>
<td>$177,335</td>
<td>$123,963</td>
<td>$47,021</td>
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</tbody>
</table>

### Cash Receipts

1. State Aid
2. Property Taxes
3. Grants
4. State Stabilization Funds - State Aid
5. State Aid Note Proceeds
6. 2009B State Aid Note Proceeds
7. 2010A State Aid Note Proceeds
8. Other Receipts

### Other Receipts

1. WCRESA - Net
2. Food Service-Reimbursement
3. Deposits
4. RD
5. RD-Other
6. Interest
7. Miscellaneous
8. State reimbursement
9. Interest
10. Outreach Medicaid
11. Fee for Service Medicaid
12. Total Cash Receipts
13. Total Available Funds
14. Cash Disbursements
15. Payroll
16. FICA
17. Retirement
18. Non-Payroll Expenditures
19. Fringe Benefits
20. Fringe Benefits-Ward
21. Account Payable
22. Additional Accounts Payable
23. Food Service Transfer
24. Capital Leases
25. Adult Education
26. Set Aside Payments on Debt
27. 2005B Bonds - Principal
28. 2005B Bonds - Interest
29. 2006 Note - Principal
30. 2006 Note - Interest
31. 2006A Note - Interest
32. 2006B Note - Principal
33. 2006B Note - Interest
34. Total Set-Aside Payments
35. Total Cash Disbursements
36. Ending Balance with Note Proceeds
37. Balance without Note Proceeds
38. Debt Service Coverage

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Prepared by Public Financial Management and Updated by Detroit Public Schools

DPS does not use the Debt Coverage Test for March and April 2010 due to reductions in prior State Aid; however, DPS is able to make scheduled debt payments.

6/16/2010 12:20 PM
<table>
<thead>
<tr>
<th>Date</th>
<th>Total Cash Disbursements</th>
<th>Total Cash Receipts</th>
<th>Total Available Funds</th>
<th>Cash Receipts</th>
<th>Cash Disbursements</th>
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</thead>
<tbody>
<tr>
<td>July 2010</td>
<td>$163,111</td>
<td>324,601</td>
<td>487,712</td>
<td>$65,611</td>
<td>$28,510</td>
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<td>August</td>
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<td>TOTAL</td>
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</tbody>
</table>

**Cash Receipts**

- **State Aid**
  - 2010A State Aid Note Proceeds
  - 2010B State Aid Note Proceeds
  - 2010C State Aid Note Proceeds

- **Property Taxes**
  - 2010A Property Tax Note Proceeds
  - 2010B Property Tax Note Proceeds

- **State Stabilization Funds - State Aid**
  - 2010A State Stabilization Funds Note Proceeds
  - 2010B State Stabilization Funds Note Proceeds

- **Other Receipts**
  - WCRESA -Net
  - Food Service Reimbursement
  - Deposits
  - RD-Other
  - Interest
  - Miscellaneous

- **Outlay Receipts**
  - WCRESA -Net
  - Food Service Reimbursement
  - Deposits
  - RD-Other
  - Interest
  - Miscellaneous

**Total Cash Receipts**

77,000 296,090 42,056 65,902 79,434 116,561 53,994 104,361 319,023 74,617 80,519 84,828 1,471,178

**Total Available Funds**

163,111 324,601 258,913 243,220 184,187 183,549 148,695 131,416 333,130 303,795 255,175 215,624 1,342,589

**Cash Disbursements**

- **Pension**

- **FICA**
  - (4,208) (2,976) (2,785) (3,744) (3,865) (3,865) (2,653) (2,695) (2,648) (3,773) (2,617) (3,017) (2,641)

- **Social Security**
  - (8,850) (12,237) (7,186) (6,665) (9,041) (6,618) (8,010) (6,096) (6,210) (3,760) (7,023) (6,319) (9,187)

- **Non-Pension Expenditures**
  - Fringe Benefits
  - (665) (441) (473) (1,724) (2,020) (2,676) (796) (580) (1,173) (1,163) (1,264) (1,273)

- **Fringe Benefits-Wired**
  - (12,297) (12,297) (12,297) (12,297) (12,297) (12,297) (12,297) (12,297) (12,297) (12,297) (12,297) (12,297) (12,297)

- **Account Payable**
  - (7,277) (17,214) (22,177) (19,521) (16,800) (18,180) (22,907) (21,599) (19,020) (15,600) (13,040) (15,600) (17,902)

- **Total Account Payable**
  - (20,309) (20,309) (20,309) (20,309) (20,309) (20,309) (20,309) (20,309) (20,309) (20,309) (20,309) (20,309) (20,309)

- **Total Set Aside Payments**
  - (47,000) (41,123) (41,123) (41,123) (41,123) (41,123) (41,123) (41,123) (41,123) (41,123) (41,123) (41,123) (41,123)

- **Total Cash Disbursements**

- **Ending Balance with Note Proceeds**
  - $28,510 $1,395,963 $162,318 $104,752 $65,788 $34,092 $26,856 $14,107 $229,178 $168,656 $1,30,757 $57,411

- **Balance without Note Proceeds**
  - (200,335) (346,394) (286,039) (292,650) (288,569) (252,655) (211,642) (179,309) (146,039) (197,669) (159,522) (172,217)

- **Debt Service Coverage**
  - 1.10 1.10 0.00 1.13 1.13 1.13 1.13 1.17 1.11 1.11 1.12 1.12

Prepared for Detroit Public Schools by Public Financial Management

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