



DETROIT PUBLIC SCHOOLS
Division of Finance
3011 W. Grand Blvd., 11th Floor, Fisher Bldg.
Detroit, MI 48202

DETROIT PUBLIC SCHOOLS

Division of Finance

Office of the Chief Financial Officer

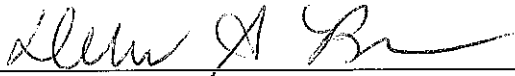
June 8, 2011

Via Facsimile: (614) 775-5631
The Bank of New York
6525 West Campus Oval, Suite 200
New Albany, OH 43054

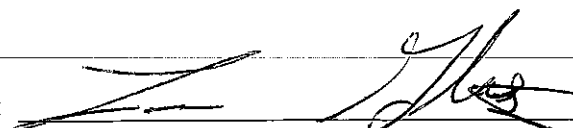
Attention: Vice President
Municipal Credit Group

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: 

Leon Glaster
Interim 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 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:

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**, 2011

[To be filed monthly 5 days before Funds Transfer Date]



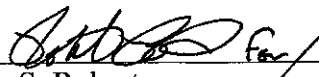
Delores A. Brown

Title: Deputy CFO and Chief Accounting Officer



Leon Glaster

Title: Interim Chief Financial Officer



Roy S. Roberts

Title: Emergency Manager

DETROIT PUBLIC SCHOOLS
General Fund Estimated Cash Flow (In Thousands)
July 2010 - June 2011

	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
Beginning Balance	\$62,153	\$17,373	\$222,243	\$166,409	\$123,433	\$79,785	\$41,987	\$24,676	\$17,829	\$32,885	\$32,320	\$15,689	\$62,153
Cash Receipts													
State Aid	56,981	61,035	-	57,894	65,888	43,506	53,331	52,046	45,678	47,755	49,703	48,976	582,793
Property Taxes	1,908	47,500	(10,721)	14,766	-	5,124	12,143	-	1,698	1,698	-	-	72,418
Grants	18,495	45,895	36,518	28,771	13,005	35,508	8,862	33,978	22,643	19,129	52,281	21,207	335,392
State Stabilization Funds - State Aid	-	-	-	-	-	-	9,854	-	-	-	-	-	9,854
Education Jobs Fund	-	-	-	-	-	-	-	16,749	-	-	-	-	16,749
State Aid Note Proceeds	-	187,961	-	-	-	-	-	-	68,467	-	-	-	187,961
2010B State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	119,521
2011A-1 State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	39,710
2011A-2 State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
WCRESA - Net	-	-	-	6,641	5,396	6,181	6,181	6,181	6,641	5,721	6,181	6,181	61,484
Food Service-Reimbursement	19,790	-	702	4,892	-	7,454	3,033	2,194	3,249	5,797	2,654	2,362	52,127
- Deposits	74	-	-	211	-	97	311	223	183	279	231	141	1,750
RD-Other	132	-	140	2	-	-	1,299	4,266	1,152	780	2,090	143	5,839
Interest	598	32	61	-	7	258	82	-	1	13	13	2	4,995
Miscellaneous	2	4	10	4	6	6	1	2	1	13	13	2	51
E-Rate reimbursement	6,224	65	167	636	2,914	6,681	727	604	2,031	5,774	(8,451)	11,600	28,972
Outreach Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-
Fee for Service Medicaid	7,438	-	944	-	944	944	944	944	944	944	944	944	15,934
Total Available Funds	111,442	342,492	34,462	113,357	88,154	105,758	96,768	116,286	150,989	145,686	105,632	124,524	1,535,550
Total Cash Receipts	173,595	359,865	256,705	279,766	211,587	185,543	138,755	140,962	168,818	178,570	137,952	140,213	1,597,703
Cash Disbursements													
Payroll	(54,492)	(33,999)	(37,013)	(51,980)	(39,654)	(46,493)	(34,910)	(35,436)	(33,541)	(45,794)	(32,625)	(33,230)	(479,166)
FICA	(5,705)	(3,470)	(3,569)	(3,504)	(3,231)	(4,704)	(2,936)	(3,058)	(2,870)	(3,029)	(2,788)	(2,995)	(41,859)
Retirement	(14,404)	(9,873)	(7,668)	(8,180)	(9,640)	(16,693)	(11,247)	(10,578)	(10,913)	(10,377)	(10,362)	(16,117)	(136,051)
Non-Payroll Expenditures	(265)	(268)	-	(139)	(494)	(635)	-	-	(1,842)	(1,162)	(1,127)	(2,407)	(8,339)
Fringe Benefits	(9,004)	(10,582)	(6,257)	(9,849)	(8,546)	(6,916)	(4,501)	(7,482)	(7,822)	(14,252)	(6,012)	(7,593)	(98,815)
Fringe Benefits-Wired	(25,352)	(32,462)	(35,790)	(34,952)	(17,968)	(20,386)	(12,757)	(17,991)	(29,673)	(26,209)	(23,448)	(16,761)	(293,750)
Account Payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional Account Payable	-	-	-	-	(4,541)	-	-	(859)	(3,242)	(2,458)	(3,497)	(4,842)	(19,458)
Food Service Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Leases	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult Education	-	-	-	-	-	-	-	-	-	(2,259)	-	(498)	(2,737)
Set Aside Payments on Debt	-	-	-	-	-	-	-	-	-	-	-	-	-
2005B Bonds- Principal	-	-	-	(1,675)	(1,675)	(1,675)	(1,675)	(1,675)	(1,675)	(1,675)	(1,675)	-	(13,400)
2005B Bonds- Interest	-	-	-	(1,054)	(1,054)	(1,054)	(1,054)	(1,054)	(1,054)	(1,054)	(1,054)	-	(8,428)
2009B Note - Principal	(47,000)	(25,000)	-	-	-	-	-	-	-	-	-	-	(72,000)
2009B Note - Interest	-	(21,850)	-	-	-	-	-	-	-	-	-	-	(21,850)
2010A Note - Principal	-	-	-	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(31,235)	-	-	-	(256,235)
2010A Note - Interest	-	-	-	-	-	-	-	-	(12,067)	-	-	-	(12,067)
2010B Note - Principal	-	-	-	-	-	-	-	-	-	-	-	-	(116,000)
2010B Note - Interest	-	(117)	-	-	-	-	-	-	-	-	-	-	(117)
Total Set-Aside Payments	(47,000)	(46,967)	-	(47,729)	(47,729)	(47,729)	(47,729)	(47,729)	(46,031)	(40,729)	(40,729)	(40,000)	(500,098)
Total Cash Disbursements	(156,222)	(137,621)	(90,297)	(156,332)	(131,803)	(143,556)	(114,080)	(123,132)	(135,933)	(146,250)	(122,263)	(124,542)	(1,582,031)
Ending Balance with Note Proceeds	\$17,373	\$222,243	\$166,409	\$123,433	\$79,785	\$41,987	\$24,676	\$17,829	\$32,885	\$32,320	\$15,689	\$15,671	\$15,671
Balance without Note Proceeds	(261,492)	(221,931)	(276,765)	(274,741)	(273,389)	(266,187)	(238,498)	(201,345)	(372,104)	(347,718)	(326,350)	(286,367)	(286,367)
Balance without 2011A1&2 Proceeds	\$17,373	\$222,243	\$166,409	\$123,433	\$79,785	\$41,987	\$24,676	\$17,829	(197,193)	(197,757)	(214,389)	(214,406)	(214,406)
Debt Service Coverage	1.21	1.30	0.80	1.21	1.38	0.91	1.12	1.09	0.99	1.17	1.22	1.22	1.17

* If actual property tax revenues come in less than expected from February to Mid March, accounts payable will decrease accordingly.

DETROIT PUBLIC SCHOOLS
General Fund Estimated Cash Flow (In Thousands)
July 2011 - June 2012

	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
Beginning Balance	\$15,671	\$23,406	\$206,479	\$190,492	\$147,087	\$108,395	\$78,587	\$46,726	\$31,616	(4,366)	(34,504)	(35,912)	\$15,671
Cash Receipts													
State Aid	48,976	47,863	-	51,751	51,751	41,048	48,183	48,183	48,183	48,183	48,183	48,183	530,490
Property Taxes	-	10,938	23,567	6,899	1,309	792	11,532	11,577	4,399	11	870	12,520	84,415
Grants	12,749	27,934	36,518	4,655	13,005	33,819	8,862	21,164	25,289	16,373	54,747	15,328	270,443
State Aid Note Proceeds	-	182,814	-	-	-	-	-	-	-	-	-	-	182,814
2011B State Aid Note Proceeds	53,870	15,823	-	-	-	-	-	-	-	-	-	-	69,693
2012A State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Receipts	-	-	6,181	6,181	6,181	6,181	6,181	6,181	6,181	6,181	6,181	6,181	61,810
WCRESA -Net	3,241	4,184	2,154	1,891	1,726	2,792	2,177	3,322	5,127	2,282	2,895	2,746	34,538
Food Service-Reimbursement	70	-	93	107	92	92	295	211	232	207	219	134	1,662
-Deposits	125	-	133	2	-	-	1,234	4,052	-	-	-	-	5,547
-RD	398	32	61	-	258	82	82	-	1,172	759	2,090	143	4,995
RD-Other	9	8	95	70	57	31	22	-	20	1	-	-	366
Interest	2,606	1,433	624	1,089	1,314	1,799	748	1,560	1,559	1,569	511	1,880	16,692
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-
E-Rate reimbursement	944	944	944	944	944	944	944	944	944	944	944	944	11,328
Outreach Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-
Fee for Service Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts	122,990	291,973	70,370	73,590	76,287	87,777	80,270	97,218	93,107	76,512	116,640	88,060	1,274,793
Total Available Funds	138,661	315,379	276,849	264,082	223,374	196,172	158,857	143,944	124,723	72,146	82,136	52,148	1,290,464
Cash Disbursements													
Payroll	(41,614)	(33,704)	(42,321)	(33,704)	(33,704)	(41,614)	(33,704)	(33,704)	(42,321)	(33,704)	(33,704)	(41,671)	(445,469)
FICA	4,308	2,872	2,872	2,872	2,872	4,308	2,872	2,872	2,872	2,872	2,872	2,872	37,336
Retirement	(10,035)	(10,233)	(15,250)	(10,233)	(10,233)	(10,233)	(10,233)	(10,233)	(15,250)	(10,447)	(10,233)	(10,233)	(132,843)
Non-Payroll Expenditures	(1,800)	(1,200)	(1,200)	(1,200)	(1,200)	(1,800)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,800)	(16,200)
Fringe Benefits	(9,006)	(8,022)	(9,031)	(8,022)	(8,022)	(8,803)	(8,022)	(8,022)	(8,980)	(8,022)	(8,022)	(8,967)	(100,941)
Fringe Benefits-Wired	(13,573)	(14,638)	(19,273)	(17,788)	(15,938)	(19,423)	(15,938)	(14,938)	(13,553)	(14,138)	(23,138)	(36,423)	(220,764)
Account Payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional Account Payable	(3,241)	(4,184)	(2,154)	(1,891)	(1,726)	(2,792)	(2,177)	(3,322)	(5,127)	(2,282)	(2,895)	(2,746)	(34,538)
Food Service Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Leases	-	-	-	-	-	-	-	-	(2,239)	-	-	(498)	(2,737)
Set Aside Payments on Debt	-	-	-	-	-	-	-	-	-	-	-	-	-
2005B Bonds - Principal	-	-	-	(1,759)	(1,759)	(1,759)	(1,759)	(1,759)	(1,759)	(1,759)	(1,759)	(1,759)	(14,070)
2005B Bonds - Interest	-	-	-	(970)	(970)	(970)	(970)	(970)	(970)	(970)	(970)	(970)	(7,758)
2010B Notes - Principal	(33,000)	(39,730)	-	-	-	-	-	-	-	-	-	-	(72,730)
2010B Notes - Interest	(7,293)	(61)	-	-	-	-	-	-	-	-	-	-	(7,354)
2011A-1 Notes - Principal	-	-	-	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	-	-	-	-	(120,000)
2011A-1 Notes - Interest	-	-	-	-	-	-	-	(7,353)	-	-	-	-	(7,353)
2011A-2 Notes - Principal	-	-	-	(20,300)	(20,300)	(10,500)	(17,000)	(9,700)	(3,200)	-	-	-	(111,000)
2011A-2 Notes - Interest	-	-	-	-	-	-	-	-	(7,361)	-	-	-	(7,361)
2011B Notes - Principal	-	-	-	-	-	-	-	-	-	(37,000)	(57,000)	(40,000)	(114,000)
2011B Notes - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Set-Aside Payments	(40,293)	(39,791)	-	(47,029)	(47,029)	(37,229)	(43,729)	(43,782)	(43,290)	(39,729)	(39,729)	(40,000)	(461,626)
Total Cash Disbursements	(115,255)	(108,900)	(86,357)	(116,994)	(114,979)	(117,585)	(112,130)	(112,329)	(129,088)	(106,650)	(118,048)	(139,466)	(1,377,782)
Ending Balance with Note Proceeds	\$23,406	\$206,479	\$190,492	\$147,087	\$108,395	\$78,587	\$46,726	\$31,616	(4,366)	(34,504)	(35,912)	(35,912)	(87,318)
Balance without Note Proceeds	(167,493)	55,371	31,261	32,156	57,225	61,917	71,056	96,998	15,095	21,957	57,549	46,143	46,143
Balance without 2011A1&2 Proceeds	(135,825)	47,248	31,261	32,156	57,225	61,917	71,056	96,998	15,095	(15,043)	(16,451)	(67,857)	(67,857)
Debt Service Coverage	1.22	1.20	0.00	1.10	1.10	1.10	1.10	1.10	1.11	1.21	1.21	1.20	1.15