



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


January 15, 2012

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

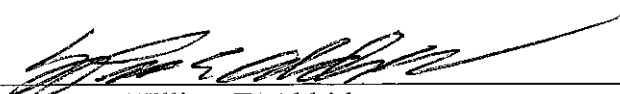
Attention: Vice President
Municipal Credit Group

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: 

William E. Aldridge
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:

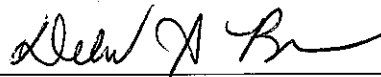
DOES NOT REQUIRE the establishment of new Set Aside Requirements

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]

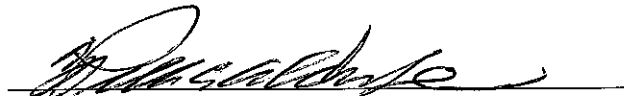
This 15th day of **January**, 2012

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



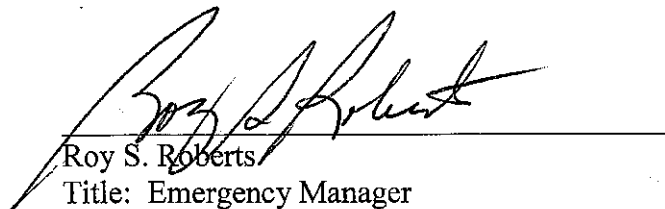
Delores A. Brown

Title: Deputy CFO and Chief Accounting Officer



William E. Aldridge

Title: Chief Financial Officer



Roy S. Roberts

Title: Emergency Manager

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	\$38,355	\$31,074	\$45,873	\$61,066	\$48,963	\$46,688	\$38,297	\$40,473	\$45,328	\$40,280	\$34,116	\$37,828	\$38,355
Cash Receipts													
State Aid	51,062	70,554	-	46,951	51,819	34,946	44,122	44,122	44,122	44,122	44,122	44,122	520,066
Property Taxes	(5,752)	17,941	19,213	(9,651)	-	-	10,843	11,533	3,842	3	538	11,190	59,700
Grants	67,292	31,722	23,255	3,282	2,669	43,873	19,082	21,011	27,267	22,540	24,410	25,051	311,453
State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
2011B State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
2012A State Aid Note Proceeds	-	20,000	51,082	-	-	-	-	-	-	-	-	-	71,082
Other Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
WCRESA -Net	-	-	4,428	4,501	4,501	4,501	4,501	4,501	4,501	4,501	4,501	4,501	44,932
Food Service-Reimbursement	2,379	1,340	-	3,536	36	8,339	2,168	3,290	5,105	2,263	2,844	3,050	34,352
-Deposits	2	-	-	339	159	191	12	30	232	207	219	124	1,515
-RD	-	-	-	-	-	-	-	-	-	-	-	-	-
RD-Other	776	600	2,425	404	1,669	3,641	67	100	350	2,497	3,214	2,947	18,689
Interest	3	18	7	0	2	3	3	3	3	9	11	14	77
Miscellaneous	5,785	179	73	219	208	610	80	125	1,558	654	517	1,892	11,900
E-Rate reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-
Outreach Medicaid	944	1,888	944	12,951	1,450	1,472	948	948	948	948	948	948	25,337
Fee for Service Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts	122,490	144,243	101,426	62,531	62,513	97,575	81,826	85,664	87,928	77,744	81,324	93,839	1,093,103
Total Available Funds	160,845	175,317	147,299	123,597	111,475	144,263	120,123	126,136	133,256	118,024	115,440	131,667	1,137,458
Cash Disbursements													
Payroll	(36,292)	(32,010)	(34,913)	(29,684)	(30,292)	(37,957)	(29,632)	(31,426)	(40,881)	(31,426)	(32,151)	(41,375)	(408,038)
FICA	(2,954)	(2,561)	(2,065)	(2,422)	(2,456)	(3,626)	(2,394)	(2,480)	(2,480)	(2,480)	(2,480)	(2,480)	(30,878)
Retirement	(10,339)	(9,975)	(8,788)	(7,528)	(9,812)	(15,828)	(11,121)	(8,776)	(9,296)	(17,602)	(8,501)	(8,927)	(126,493)
Non-Payroll Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	(1,022)	(237)	(390)	(995)	(518)	(2,030)	(1,135)	(1,200)	(1,800)	(1,200)	(1,200)	(1,200)	(12,926)
Fringe Benefits-Wired	(557)	(11,215)	(5,530)	(6,301)	(5,459)	(6,141)	(6,014)	(7,155)	(7,870)	(7,155)	(7,155)	(7,870)	(78,421)
Account Payable	(40,314)	(33,651)	(34,433)	(22,418)	(10,969)	(30,285)	(17,984)	(21,200)	(18,022)	(16,500)	(18,000)	(12,095)	(275,872)
Additional Account Payable	-	(5)	(115)	(3)	-	-	-	-	-	-	-	-	(123)
Food Service Transfer	-	-	-	-	-	(4,817)	(6,088)	(3,290)	(5,105)	(2,263)	(2,844)	(3,050)	(27,459)
Capital Leases	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult Education	2,000	-	-	-	-	-	-	-	(2,239)	-	-	-	(239)
Set Aside Payments on Debt	-	-	-	-	-	-	-	-	-	-	-	-	-
2005B Bonds - Principal	-	-	-	(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)	-	(7,758)
2010B Notes - Principal	(33,000)	(39,730)	-	-	-	-	-	-	-	-	-	-	(72,730)
2010B Notes - Interest	(7,293)	(61)	-	-	-	-	-	-	-	-	-	-	(7,354)
2011 Bond - P & I	-	-	-	(2,553)	(2,553)	(2,553)	(2,553)	(2,553)	(2,553)	(2,553)	(2,553)	(2,553)	(22,981)
2011A-1 Notes - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
2011A-1 Notes - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
2011A-2 Notes - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
2011A-2 Notes - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
2011B Notes - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
2011B Notes - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Set-Aside Payments	(40,293)	(39,791)	-	(5,282)	(5,282)	(5,282)	(5,282)	(5,282)	(5,282)	(5,282)	(5,282)	(2,553)	(124,893)
Total Cash Disbursements	(129,771)	(129,445)	(86,233)	(74,634)	(64,787)	(103,966)	(79,650)	(80,809)	(92,976)	(83,908)	(77,612)	(79,550)	(1,083,342)
Ending Balance with Note Proceeds	\$31,074	\$45,873	\$61,066	\$48,963	\$46,688	\$38,297	\$40,473	\$45,328	\$40,280	\$34,116	\$37,828	\$38,355	\$52,117