



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

# DETROIT PUBLIC SCHOOLS

## Division of Finance

### Office of the Chief Financial Officer

---


July 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:

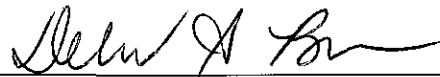
DOES NOT REQUIRE the establishment of new Set Aside Requirements

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 **July**, 2012

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



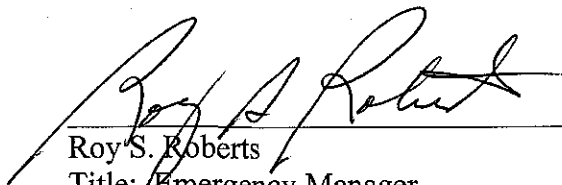
Delores A. Brown

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 2012 - June 2013**

	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
Beginning Balance	\$61,944	\$58,837	\$79,249	\$48,695	\$48,220	\$44,347	\$16,693	\$19,460	\$36,870	\$36,849	\$33,363	\$23,304	\$61,944
<b>Cash Receipts</b>													
State Aid (1,2)	42,992	42,634	-	43,494	43,494	8,985	31,991	31,991	31,991	31,991	31,991	31,991	373,541
Property Taxes (2,3,4)	-	12,858	10,087	-	-	-	10,604	16,333	-	1,931	-	15,640	67,452
Grants	18,647	14,000	11,952	9,105	16,688	16,672	11,897	16,851	26,086	12,691	16,784	17,705	189,077
State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
2012 State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
WCRESA -Net	-	-	4,266	4,266	4,266	4,266	4,266	4,266	4,266	4,266	4,266	4,266	42,660
Food Service-Reimbursement	4,608	4,926	2,648	2,017	3,698	3,694	2,636	3,734	5,780	2,812	3,719	3,923	44,197
-Deposits	47	-	-	107	-	85	295	211	232	207	438	79	1,702
-RD	-	-	-	-	-	-	-	-	-	-	-	-	-
RD-Other	573	32	61	-	-	258	82	-	1,172	759	4,180	1,702	8,819
Interest	2	30	28	16	20	14	5	10	17	11	13	14	180
Miscellaneous (5)	1,924	1,578	687	1,213	1,452	2,042	892	1,837	1,757	2,910	633	2,245	19,170
E-Rate reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-
Outreach Medicaid	1,074	1,709	1,510	962	481	1,761	1,043	1,685	434	240	307	819	12,028
Fee for Service Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-
EAA Receipts	-	12,095	-	-	-	-	-	-	-	-	-	-	12,095
Total Cash Receipts	69,868	89,862	31,238	61,180	70,099	37,776	63,711	76,918	71,735	57,819	62,330	78,383	770,921
Total Available Funds	131,811	148,699	110,487	109,875	118,319	82,123	80,405	96,379	108,605	94,668	95,693	101,688	832,864
<b>Cash Disbursements</b>													
Payroll	(31,453)	(31,469)	(20,296)	(23,339)	(30,378)	(23,940)	(23,024)	(22,702)	(27,748)	(23,307)	(29,503)	(23,362)	(310,521)
FICA	(2,462)	(2,533)	(1,633)	(1,878)	(2,482)	(1,927)	(1,853)	(1,828)	(2,233)	(1,876)	(2,376)	(1,880)	(24,961)
Retirement (6)	(10,689)	(7,596)	(5,639)	(6,470)	(9,751)	(6,908)	(6,841)	(6,913)	(6,830)	(6,523)	(9,471)	(7,038)	(90,669)
TIP Payment (7)	-	-	(4,500)	-	-	-	-	-	-	-	-	-	(4,500)
Non-Payroll Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	(940)	(1,500)	(1,000)	(1,000)	(1,000)	(1,000)	(1,050)	(302)	(840)	(438)	(610)	(715)	(10,395)
Fringe Benefits-Wired	(6,226)	(6,458)	(12,058)	(6,258)	(6,458)	(6,258)	(6,258)	(4,218)	(4,740)	(5,304)	(4,433)	(4,275)	(72,942)
Account Payable	(16,596)	(14,968)	(14,018)	(14,067)	(13,580)	(15,078)	(12,657)	(13,187)	(15,459)	(14,420)	(14,152)	(14,953)	(173,135)
Additional Account Payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Food Service Transfer	(4,608)	(4,926)	(2,648)	(2,017)	(3,698)	(3,694)	(2,636)	(3,734)	(5,780)	(2,812)	(3,719)	(3,923)	(44,197)
Capital Leases	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult Education	-	-	-	-	-	-	-	-	(1,500)	-	(1,500)	(2,500)	(5,500)
Set Aside Payments on Debt	-	-	-	-	-	-	-	-	-	-	-	-	-
2012 Bonds- Principal	-	-	-	(1,884)	(1,884)	(1,884)	(1,884)	(1,884)	(1,884)	(1,884)	(1,884)	-	(15,075)
2012 Bonds - Interest	-	-	-	(709)	(709)	(709)	(709)	(709)	(709)	(709)	(709)	-	(5,669)
2011 Bonds - Principal	-	-	-	(2,656)	(2,656)	(2,656)	(2,656)	(2,656)	(2,656)	(2,656)	(2,656)	-	(21,246)
2011 Bonds - Interest	-	-	-	(1,377)	(1,377)	(1,377)	(1,377)	(1,377)	(1,377)	(1,377)	(1,377)	-	(11,013)
2012 Notes - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
2012 Notes - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Set-Aside Payments	-	-	-	(6,625)	(6,625)	(6,625)	(6,625)	(6,625)	(6,625)	(6,625)	(6,625)	-	(53,002)
Total Cash Disbursements	(72,974)	(69,450)	(61,792)	(61,655)	(73,972)	(65,430)	(60,944)	(59,508)	(71,757)	(61,305)	(72,389)	(58,645)	(789,822)
Ending Balance with Note Proceeds	\$58,837	\$79,249	\$48,695	\$48,220	\$44,347	\$16,693	\$19,460	\$36,870	\$36,849	\$33,363	\$23,304	\$43,043	\$43,043
Balance without Note Proceeds	58,837	79,249	48,695	48,220	44,347	16,693	19,460	36,870	36,849	33,363	23,304	43,043	43,043