



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

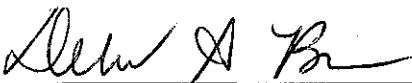
August 15, 2012

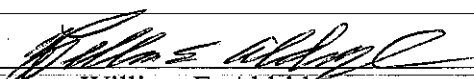
Via Facsimile: (614) 775-5631
The Bank of New York
6525 West Campus Oval, Suite 200
New Albany, OH 43054

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:

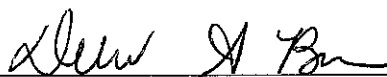
DOES NOT REQUIRE the establishment of new Set Aside Requirements

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 **August**, 2012

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



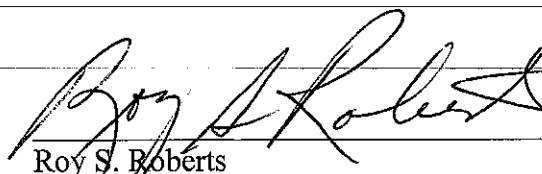
Delores A. Brown

Title: Deputy CFO and Chief Accounting Officer



William E. Aldridge

Title: Chief Financial Officer



Roy S. Roberts

Title: Emergency Financial 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	\$49,573	\$65,515	\$21,222	\$18,532	\$50,419	\$21,624	\$26,092	\$43,284	\$42,242	\$29,743	\$15,209	\$61,944
Cash Receipts													
State Aid	42,992	42,634	-	43,494	43,494	8,985	31,991	31,991	31,991	31,991	31,991	31,991	373,540
Property Taxes	-	12,858	10,987	-	-	-	10,604	16,333	-	1,931	-	15,640	67,452
Grants	17,909	16,557	11,952	9,105	16,688	16,672	11,897	16,851	26,086	12,691	16,784	17,705	190,895
State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
2012 State Aid Note Proceeds	-	-	-	-	30,500	-	-	-	-	-	-	-	30,500
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	-	9,535	2,648	2,017	3,698	3,694	2,636	3,734	5,780	2,812	3,719	3,923	44,197
-Deposits	2	-	-	107	-	85	295	211	232	207	438	79	1,657
-RD	-	-	-	-	-	-	-	-	-	-	-	-	-
RD-Other	1,008	107	61	-	-	258	82	-	1,172	759	4,180	1,702	9,329
Interest	-	10	19	4	12	16	6	12	19	13	10	10	131
Miscellaneous	179	1,264	687	1,213	1,452	2,042	892	1,837	1,757	2,910	633	2,245	17,112
E-Rate reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-
Outreach Medicaid	-	-	-	-	481	1,761	1,043	1,685	434	240	307	819	12,027
Fee for Service Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-
EAA Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts	63,165	84,672	31,230	61,169	100,590	37,778	63,712	76,920	71,737	57,821	62,328	78,379	789,501
Total Available Funds	125,109	134,245	96,744	82,391	119,122	88,196	85,336	103,013	115,022	100,062	92,071	93,588	851,445
Cash Disbursements													
Payroll	(28,846)	(30,502)	(27,796)	(23,339)	(30,378)	(23,940)	(23,024)	(22,702)	(27,748)	(23,307)	(29,503)	(23,362)	(314,447)
FICA	(2,245)	(2,413)	(2,237)	(1,878)	(2,482)	(1,927)	(1,853)	(1,828)	(2,233)	(1,876)	(2,376)	(1,880)	(25,227)
Retirement	(10,689)	(9,568)	(12,253)	(7,841)	(6,127)	(7,713)	(6,427)	(5,675)	(6,285)	(7,912)	(6,130)	(7,156)	(93,777)
TIP Payment	-	-	(4,500)	-	-	-	-	-	-	-	-	-	(4,500)
Non-Payroll Expenditures	(912)	(498)	(162)	(480)	(422)	(834)	(423)	(305)	(851)	(444)	(617)	(724)	(6,671)
Fringe Benefits	(6,312)	(4,353)	(5,046)	(4,921)	(4,808)	(6,114)	(4,221)	(4,272)	(4,800)	(5,371)	(4,489)	(4,329)	(59,035)
Fringe Benefits-Wired	(26,531)	(11,862)	(20,878)	(16,758)	(14,164)	(15,726)	(14,035)	(14,587)	(16,957)	(15,873)	(15,802)	(16,429)	(199,601)
Account Payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional Account Payable	-	(9,535)	(2,648)	(2,017)	(3,698)	(3,694)	(2,636)	(3,734)	(5,780)	(2,812)	(3,719)	(3,923)	(44,197)
Food Service Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Leases	-	-	-	-	-	-	-	-	(1,500)	-	(1,500)	(2,500)	(5,500)
Adult Education	-	-	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	(6,100)	(6,100)	(6,100)	(18,300)
2012 Notes - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Set-Aside Payments	-	-	-	(6,625)	(6,625)	(6,625)	(6,625)	(6,625)	(6,625)	(12,725)	(12,725)	(6,100)	(71,302)
Total Cash Disbursements	(75,536)	(68,731)	(75,522)	(63,860)	(68,703)	(66,573)	(59,244)	(59,728)	(72,780)	(70,320)	(76,861)	(66,403)	(824,260)
Ending Balance with Note Proceeds	\$49,573	\$65,515	\$21,222	\$18,532	\$50,419	\$21,624	\$26,092	\$43,284	\$42,242	\$29,743	\$15,209	\$27,185	\$27,185