



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

---

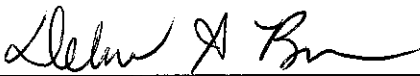
September 15, 2012


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 **September**, 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
<b>Beginning Balance</b>	\$61,944	\$49,573	\$88,608	\$21,307	\$21,077	\$66,218	\$34,899	\$37,543	\$52,916	\$50,028	\$32,782	\$13,506	\$61,944
<b>Cash Receipts</b>													
State Aid (1,2)	42,992	44,040	-	43,494	43,494	8,980	31,989	31,989	31,989	31,989	31,989	31,989	374,953
Property Taxes (2,3,4)	-	48,254	(25,725)	-	-	-	10,613	16,347	-	1,933	-	15,653	67,074
Grants	17,909	18,665	15,720	9,105	16,688	16,672	11,897	16,851	26,086	12,691	16,784	17,705	196,772
State Aid Note Proceeds (5)	-	-	-	-	45,000	-	-	-	-	-	-	-	45,000
2012B State Aid Note Proceeds	-	-	5,912	-	-	-	-	-	-	-	-	-	5,912
EAA - 2012A SAN Note Proceed	-	-	-	18	2,012	1,008	3,007	-	-	-	-	-	6,045
EAA - Note Repayment (16)	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
WCRSA -Net	-	1,328	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	26,128
Food Service-Reimbursement	-	-	3,085	2,017	3,698	3,694	2,636	3,734	5,780	2,812	3,719	3,923	35,100
-Deposits	2	-	-	107	-	85	295	211	232	207	438	79	1,657
-RD	-	-	-	-	-	-	-	-	-	-	-	-	-
RD-Other	1,008	3,534	61	-	-	258	82	-	1,172	759	4,180	1,702	12,756
Interest	-	6	12	5	16	21	11	16	24	16	11	9	146
Miscellaneous (6)	179	375	565	1,213	1,452	2,042	892	1,837	1,757	2,910	633	2,245	16,101
E-Rate reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-
Outreach Medicaid (15)	1,074	1,074	1,074	1,074	1,074	1,074	1,043	1,685	434	240	307	819	10,974
Fee for Service Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-
EAA Receipts (7)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts</b>	63,165	117,276	3,184	59,512	115,913	36,314	64,945	75,151	69,954	56,038	60,541	76,603	798,597
<b>Total Available Funds</b>	125,109	166,849	91,792	80,819	136,990	102,532	99,844	112,694	122,870	106,066	93,323	90,109	860,541
<b>Cash Disbursements</b>													
Payroll (8,9)	(28,846)	(31,684)	(30,060)	(23,339)	(30,378)	(23,940)	(23,024)	(22,702)	(27,748)	(23,307)	(29,503)	(23,362)	(317,892)
PICA	(2,245)	(2,022)	(2,857)	(1,878)	(2,482)	(1,927)	(1,853)	(1,828)	(2,233)	(1,876)	(2,376)	(1,880)	(25,457)
Retirement (10)	(10,689)	(9,568)	(9,753)	(7,847)	(6,127)	(7,713)	(6,427)	(5,675)	(6,285)	(7,912)	(6,130)	(7,156)	(91,282)
TIP Payment (11)	-	-	(4,500)	-	-	-	-	-	-	-	-	-	(4,500)
Non-Payroll Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	(912)	(214)	(163)	(485)	(426)	(843)	(427)	(309)	(860)	(449)	(624)	(732)	(6,445)
Fringe Benefits-Wired	(6,312)	(6,279)	(7,275)	(6,775)	(4,860)	(6,157)	(4,267)	(4,318)	(4,853)	(5,430)	(4,539)	(4,376)	(65,441)
Account Payable (12,13,14)	(26,531)	(24,557)	(6,878)	(10,758)	(14,164)	(15,726)	(14,035)	(14,587)	(16,957)	(15,873)	(15,802)	(16,429)	(192,297)
Additional Account Payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Food Service Transfer	-	(3,917)	(3,085)	(2,017)	(3,698)	(3,694)	(2,636)	(3,734)	(5,780)	(2,812)	(3,719)	(3,923)	(39,017)
Capital Leases	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult Education	-	-	-	-	-	-	-	-	(1,500)	-	(1,500)	(2,500)	(5,500)
EAA Advance	-	-	(5,912)	-	-	-	-	-	-	-	-	-	(5,912)
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)
2012B Notes - Principal	-	-	-	-	-	-	-	-	-	(9,000)	(9,000)	(9,000)	(27,000)
2012B Notes - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
2012A EAA Note Payments	-	-	-	(18)	(2,012)	(1,008)	(3,007)	-	-	-	-	-	(6,045)
<b>Total Set-Aside Payments</b>	-	-	-	(6,643)	(8,637)	(7,634)	(9,632)	(6,625)	(6,625)	(15,625)	(15,625)	(9,000)	(86,047)
<b>Total Cash Disbursements</b>	(75,556)	(78,242)	(70,485)	(69,742)	(70,772)	(67,633)	(62,301)	(59,778)	(72,842)	(75,283)	(79,817)	(69,358)	(839,790)
<b>Ending Balance with Note Proceeds</b>	\$49,573	\$88,608	\$21,307	\$21,077	\$66,218	\$34,899	\$37,543	\$52,916	\$50,028	\$32,782	\$13,506	\$20,751	\$61,944