



DETROIT PUBLIC SCHOOLS
Division of Finance
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DETROIT PUBLIC SCHOOLS
Division of Finance
Office of the Chief Financial Officer

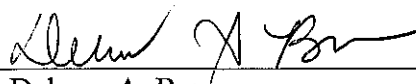
September 15, 2013

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 and Administrative 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 Financial 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:

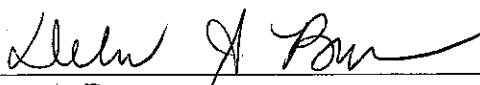
DOES NOT REQUIRE the establishment of new Set Aside Requirements

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, 2013

[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 and Administrative Officer



Jack Martin

Title: Emergency Manager

DETROIT PUBLIC SCHOOLS
General Fund Estimated Cash Flow (In Thousands)
July 2013 - June 2014

	Actual July	Actual August	Projection September	Projection October	Projection November	Projection December	Projection January	Projection February	Projection March	Projection April	Projection May	Projection June	Projection TOTAL
Beginning Balance	\$17,781	\$21,695	\$123,397	\$42,920	\$32,538	\$12,079	\$25,708	\$15,192	\$25,714	\$24,678	\$18,938	\$6,248	\$17,781
Cash Receipts													
1 State Aid	32,530	31,859	-	31,766	31,766	31,766	31,766	31,766	31,766	31,766	31,766	31,766	350,285
2 Property Taxes	-	45,457	(18,122)	4,073	3,750	-	-	16,377	6,029	8,642	-	-	66,204
3 Grants	20,731	17,588	6,953	14,738	6,670	27,876	10,840	15,000	14,186	12,993	23,154	21,374	192,104
4 MPERS UAAL Rate Stabilization	7,402	741	-	-	-	-	-	-	-	-	-	-	8,143
7 State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
8 2013 State Aid Note Proceeds	-	92,000	-	-	-	-	-	-	-	-	-	-	92,000
20 Other Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
21 WCRESA - Net	-	-	3,062	3,062	3,062	3,062	3,062	3,062	3,062	3,062	3,062	3,062	30,621
22 Food Service-Reimbursement	4,576	2,007	188	2,535	2,710	9,405	2,597	3,774	6,266	4,753	9,106	7,104	54,801
23 -Deposits	4	8	40	134	98	80	127	81	128	161	115	62	1,037
24 -RD	2	-	-	-	-	-	-	-	-	-	-	211	213
25 RD-Other	1,364	1,408	653	801	1,025	153	104	334	185	1,599	766	128	8,519
26 Interest	-	3	-	2	4	-	4	3	-	2	2	1	21
29 Miscellaneous	234	335	361	914	1,431	1,492	873	1,546	1,208	2,422	704	1,806	13,324
31 Outreach Medicaid	1,248	1,191	1,089	970	970	970	970	970	1,068	970	1,064	970	12,448
32 Fee for Service Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-
33 EAA Receipts	2,512	3,391	-	-	-	-	-	-	-	-	-	-	5,903
35 Total Cash Receipts	70,604	195,988	(5,776)	58,993	51,485	74,803	50,143	72,912	63,897	57,708	69,740	75,125	853,622
37 Total Available Funds	88,385	217,682	117,621	101,913	84,023	86,883	75,851	88,104	89,611	82,387	88,678	81,373	853,403
Cash Disbursements													
39 Payroll	(28,617)	(23,709)	(20,145)	(19,987)	(23,985)	(19,987)	(25,984)	(19,987)	(19,987)	(19,987)	(23,985)	(19,987)	(266,349)
40 FICA	(2,389)	(1,523)	(1,469)	(1,530)	(2,295)	(1,530)	(1,530)	(1,530)	(1,530)	(1,530)	(2,295)	(1,530)	(20,681)
42 Retirement	(11,419)	(13,616)	(17,221)	(7,299)	(9,775)	(6,577)	(6,577)	(6,577)	(6,577)	(6,577)	(9,775)	(6,577)	(108,563)
44 MPERS UAAL Rate Stabilization	-	(7,402)	(741)	-	-	-	-	-	-	-	-	-	(8,143)
46 Non-Payroll Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
47 Fringe Benefits	(1,346)	(1,099)	(1,014)	(1,300)	(1,700)	(1,300)	(1,549)	(1,300)	(1,300)	(1,300)	(1,700)	(1,299)	(16,210)
48 Fringe Benefits-Wired	(9,413)	(5,098)	(7,110)	(5,209)	(5,408)	(5,209)	(5,408)	(5,208)	(5,209)	(5,209)	(5,408)	(5,209)	(69,095)
49 Account Payable	(10,784)	(10,567)	(9,907)	(12,301)	(10,992)	(10,041)	(10,990)	(10,138)	(10,187)	(10,236)	(10,035)	(11,833)	(127,112)
50 Additional Account Payable	(28,741)	(28,741)	(12,564)	(12,088)	(7,954)	(7,954)	(2,397)	(5,774)	(6,266)	(4,733)	(9,106)	(7,104)	(61,347)
53 Food Service Transfer	(1,576)	(1,978)	(4,530)	(2,535)	(2,710)	(9,405)	(2,397)	(5,774)	(6,266)	(4,733)	(9,106)	(7,104)	(56,114)
54 Capital Leases	-	-	-	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(5,646)
55 Adult Education	(1,145)	(552)	-	-	-	-	-	-	-	-	-	-	(552)
56 2013 State Aid Note COI	-	-	-	-	-	-	-	-	-	-	-	-	-
58 Set Aside Payments on Debt	-	-	-	-	-	-	-	-	-	-	-	-	-
59 2012 Bonds- Principal	-	-	-	(1,939)	(1,939)	(1,939)	(1,939)	(1,939)	(1,939)	(1,939)	(1,939)	(1,939)	(15,515)
60 2012 Bonds - Interest	-	-	-	(655)	(655)	(655)	(655)	(655)	(655)	(655)	(655)	(655)	(5,237)
61 2011 Bonds - Principal	-	-	-	(2,782)	(2,782)	(2,782)	(2,782)	(2,782)	(2,782)	(2,782)	(2,782)	(2,782)	(22,252)
62 2011 Bonds - Interest	-	-	-	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(10,004)
63 2012A Notes - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
64 2012A Notes - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
65 2013 Notes - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
66 2013 Notes - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
83 Total Ser-Aside Payments	-	-	-	(6,626)	(6,626)	(6,626)	(6,626)	(6,626)	(6,626)	(6,626)	(6,626)	(6,626)	(67,290)
Total Cash Disbursements	(66,690)	(94,285)	(74,702)	(69,374)	(71,944)	(61,175)	(60,659)	(62,391)	(64,933)	(63,449)	(82,430)	(75,073)	(847,103)
Ending Balance	\$21,695	\$123,397	\$42,920	\$32,538	\$12,079	\$25,708	\$15,192	\$25,714	\$24,678	\$18,938	\$6,248	\$6,300	\$6,300
Balance without Note Proceeds	21,695	31,397	(49,080)	(59,462)	(79,921)	(66,292)	(76,808)	(59,536)	(53,822)	(52,812)	(52,502)	(31,417)	(31,417)

* Future cash flow projections are subject to change
 * The projected cash flows are based on the District's FYE 2014 Budget.

Approved By: 
 Delores A. Brown, Deputy CFO/CAO