



DETROIT PUBLIC SCHOOLS
Division of Finance
3011 W. Grand Blvd.
Fisher Bldg., Suite 1101
Detroit, MI 48202
Phone: (313) 873-4147
Fax: (313) 873-4478

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


February 15, 2014

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 February, 2014

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



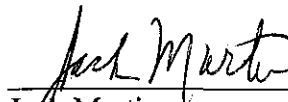
Delores A. Brown

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

	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
Beginning Balance	\$17,781	\$21,695	\$123,397	\$54,412	\$42,018	\$31,890	\$29,658	\$16,623	\$26,985	\$24,245	\$22,368	\$11,983	\$17,781
Cash Receipts													
State Aid	32,530	31,859	-	26,655	36,944	28,183	30,969	29,753	29,753	27,608	29,753	29,753	333,762
Property Taxes	-	45,457	(11,989)	(5,224)	2,046	(1,676)	2,336	16,175	5,954	-	-	10,417	63,497
Grants	20,731	17,588	5,083	12,834	12,537	26,976	13,362	17,372	14,591	13,365	23,816	21,985	200,240
MPSERS UAAL Rate Stabilization	7,402	741	-	-	3,042	1,522	1,521	-	-	-	-	-	14,228
State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
2013 State Aid Note Proceeds	-	92,000	-	-	-	-	-	-	-	-	-	-	92,000
Other Receipts													
WCRESA -Net	-	-	3,062	3,062	3,062	3,062	3,062	3,062	3,062	3,062	3,062	3,062	30,620
Food Service-Reimbursement	4,576	2,007	1,001	87	8,876	394	3,815	2,871	6,266	4,733	9,106	7,104	50,836
-Deposits	4	8	87	148	152	94	41	93	128	161	115	35	1,065
-RD	2	-	-	-	-	-	-	-	-	-	-	211	213
RD-Other	1,364	1,408	953	2,499	2,625	501	990	1,092	185	1,599	766	128	14,110
Interest	-	3	-	4	4	-	5	1	-	2	2	1	21
Miscellaneous	234	335	(641)	220	(2,223)	7,403	927	824	1,208	2,422	704	1,806	13,218
Outreach Medicaid	1,248	1,191	1,089	1,089	1,169	1,089	1,089	1,089	1,089	1,089	1,089	1,089	13,409
Fee for Service Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-
EAA Receipts	2,512	3,391	7	229	223	258	129	-	-	-	-	-	6,747
Total Cash Receipts	70,604	195,988	(1,348)	41,602	68,457	67,806	58,244	72,332	62,237	54,041	68,412	75,590	833,966
Total Available Funds	88,385	217,682	122,049	96,014	110,475	99,696	87,903	88,956	89,222	78,286	90,781	87,572	851,746
Cash Disbursements													
Payroll	(28,617)	(23,709)	(20,975)	(22,838)	(27,639)	(22,038)	(27,866)	(21,409)	(20,428)	(20,062)	(24,342)	(19,728)	(279,651)
FICA	(2,389)	(1,523)	(1,610)	(1,888)	(2,846)	(1,856)	(1,726)	(1,857)	(1,588)	(1,558)	(2,315)	(1,510)	(22,667)
Retirement	(11,419)	(13,616)	(17,221)	(6,892)	(12,725)	(8,908)	(8,761)	(8,241)	(8,786)	(8,257)	(12,068)	(7,985)	(124,879)
MPSERS UAAL Rate Stabilization	-	(7,402)	(741)	-	-	(3,042)	(1,522)	(1,521)	-	-	-	-	(14,228)
Non-Payroll Expenditures													
Fringe Benefits	(1,346)	(1,099)	(1,067)	(570)	(1,614)	(1,042)	(1,182)	(1,265)	(1,300)	(1,301)	(1,701)	(1,300)	(14,786)
Fringe Benefits-Wired	(9,413)	(5,098)	(7,109)	(4,397)	(4,612)	(4,603)	(5,622)	(5,230)	(5,127)	(5,128)	(5,328)	(5,127)	(66,793)
Account Payable	(10,784)	(10,567)	(8,623)	(2,539)	(11,545)	(6,316)	(15,812)	(8,572)	(9,187)	(5,736)	(9,785)	(11,190)	(110,656)
Additional Account Payable	-	(28,741)	(6,128)	(6,974)	(5,689)	(12,179)	-	-	-	-	-	-	(59,711)
Food Service Transfer	(1,576)	(1,978)	(3,827)	(1,273)	(5,286)	(3,427)	(2,162)	-	(4,685)	-	(3,133)	(15,391)	(42,739)
Capital Leases	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult Education	(1,145)	-	(337)	-	-	-	-	(500)	(500)	(500)	(500)	(500)	(3,982)
2013 State Aid Note COI	-	(552)	-	-	-	-	-	-	-	-	-	-	(552)
Set Aside Payments on Debt													
2012 Bonds - Principal	-	-	-	(1,939)	(1,939)	(1,939)	(1,939)	(1,939)	(1,939)	(1,939)	(1,939)	(1,939)	(15,515)
2012 Bonds - Interest	-	-	-	(655)	(655)	(655)	(655)	(655)	(655)	(655)	(655)	(655)	(5,237)
2011 Bonds - Principal	-	-	-	(2,782)	(2,782)	(2,782)	(2,782)	(2,782)	(2,782)	(2,782)	(2,782)	(2,782)	(22,252)
2011 Bonds - Interest	-	-	-	(1,250)	(1,253)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(10,007)
2012A Notes - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
2012A Notes - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
2013 Notes - Principal	-	-	-	-	-	-	-	(6,750)	(6,750)	(6,750)	(13,000)	(19,500)	(52,750)
2013 Notes - Interest	-	-	-	-	-	-	-	-	-	-	-	(1,533)	(1,533)
Total Set-Aside Payments	-	-	-	(6,626)	(6,629)	(6,626)	(6,626)	(13,376)	(13,376)	(13,376)	(19,626)	(21,033)	(107,293)
Total Cash Disbursements	(66,690)	(94,285)	(67,637)	(53,996)	(78,585)	(70,038)	(71,279)	(61,971)	(64,977)	(55,918)	(78,798)	(83,764)	(847,937)
Ending Balance	\$21,695	\$123,397	\$54,412	\$42,018	\$31,890	\$29,658	\$16,623	\$26,985	\$24,245	\$22,368	\$11,983	\$3,809	\$3,809
Balance without Note Proceeds	21,695	31,397	(37,588)	(49,982)	(60,110)	(62,342)	(75,377)	(58,265)	(54,255)	(49,382)	(46,767)	(33,908)	(33,908)

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