



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

March 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:

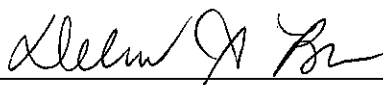
DOES NOT REQUIRE the establishment of new Set Aside Requirements

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 March, 2014

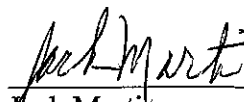
[To be filed monthly 5 days before Funds Transfer Date]



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	\$18,340	\$14,842	\$9,324	\$2,547	\$17,781
Cash Receipts													
State Aid	32,530	31,859	-	26,655	36,944	28,183	30,969	23,934	27,846	25,701	27,846	27,846	320,313
Property Taxes	-	45,457	(11,989)	(5,224)	2,046	(1,676)	2,336	10,966	752	-	-	10,417	53,085
Grants	20,731	17,588	5,083	12,834	12,537	26,976	13,362	18,097	14,909	9,882	23,816	21,985	197,801
MPSERS UAAL Rate Stabilization	7,402	741	-	-	3,042	1,522	1,521	1,525	1,522	1,522	1,522	1,522	21,842
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	206	3,733	3,106	2,104	32,776
-Deposits	4	8	87	148	152	94	41	112	121	161	115	35	1,078
-RD	2	-	-	-	-	-	-	-	-	-	-	211	213
RD-Other	1,364	1,408	953	2,499	2,625	501	990	1,781	142	1,599	766	128	14,755
Interest	-	3	-	4	4	-	3	1	-	1	1	1	17
Miscellaneous	234	335	(641)	220	(2,223)	7,403	927	802	1,037	2,422	704	1,806	13,026
Outreach Medicaid	1,248	1,191	1,089	1,089	1,169	1,089	1,089	1,140	1,089	1,089	1,089	1,089	13,460
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	64,291	50,686	49,172	62,026	70,204	797,733
Total Available Funds	88,385	217,682	122,049	96,014	110,475	99,696	87,903	80,914	69,027	64,014	71,350	72,751	815,514
Cash Disbursements													
Payroll	(28,617)	(23,709)	(20,975)	(22,838)	(27,639)	(22,038)	(27,866)	(21,566)	(20,618)	(21,488)	(26,076)	(21,126)	(284,557)
FICA	(2,389)	(1,523)	(1,610)	(1,888)	(2,846)	(1,856)	(1,726)	(1,836)	(1,691)	(1,644)	(2,480)	(1,616)	(23,106)
Retirement	(11,419)	(13,616)	(17,221)	(6,892)	(12,725)	(8,908)	(8,761)	(8,241)	(2,341)	(2,249)	(6,484)	(8,523)	(107,379)
MPSERS UAAL Rate Stabilization	-	(7,402)	(741)	-	-	(3,042.0)	(1,522.1)	(1,521.4)	(1,524.7)	(1,522)	(1,522)	(1,522)	(20,320)
Non-Payroll Expenditures													
Fringe Benefits	(1,346)	(1,099)	(1,067)	(570)	(1,614)	(1,042)	(1,182)	(1,215)	(1,254)	(1,300)	(1,700)	(1,300)	(14,689)
Fringe Benefits-Wired	(9,413)	(5,098)	(7,109)	(4,397)	(4,612)	(4,603)	(5,622)	(5,048)	(5,097)	(5,127)	(5,327)	(5,128)	(66,581)
Account Payable	(10,784)	(10,567)	(8,623)	(2,539)	(11,545)	(6,316)	(15,812)	(9,770)	(7,784)	(3,750)	(4,035)	(3,999)	(95,523)
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)	-	(500)	(3,733)	(1,553)	(3,053)	(28,369)
Capital Leases	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult Education	(1,145)	-	(337)	-	-	-	-	-	-	(500)	-	(1,000)	(2,982)
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)	-	(15,515)
2012 Bonds - Interest	-	-	-	(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)	-	(22,252)
2011 Bonds - Interest	-	-	-	(1,250)	(1,253)	(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)	(62,574)	(54,185)	(54,690)	(68,803)	(68,302)	(811,064)
Ending Balance	\$21,695	\$123,397	\$54,412	\$42,018	\$31,890	\$29,658	\$16,623	\$18,340	\$14,842	\$9,324	\$2,547	\$4,450	\$4,450
Balance without Note Proceeds	21,695	31,397	(37,588)	(49,982)	(60,110)	(62,342)	(75,377)	(66,910)	(63,658)	(62,426)	(56,203)	(33,267)	(33,267)

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