

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

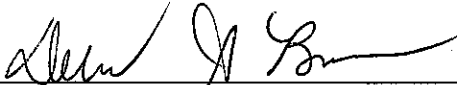
May 15, 2014

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 May, 2014

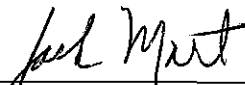
[To be filed monthly 5 days before Funds Transfer Date]



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	\$21,691	\$123,396	\$54,410	\$42,016	\$31,891	\$29,657	\$16,623	\$18,339	\$18,037	\$18,731	\$15,714	\$17,781
Cash Receipts													
State Aid	32,530	31,859	-	26,655	36,944	28,183	30,970	23,934	30,607	25,790	29,055	29,055	325,582
Property Taxes	-	45,457	(11,989)	(5,224)	2,046	(1,676)	2,336	10,966	1,879	2,805	13,450	(2,321)	57,729
Grants	20,730	17,589	5,083	12,835	12,537	26,976	13,362	18,096	17,583	13,776	19,713	13,241	191,522
MPSERS UAAL Rate Stabilization	7,402	741	-	-	3,042	1,522	1,521	1,525	1,522	1,522	1,522	1,522	21,841
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	393	3,814	2,871	206	3,054	3,978	2,104	32,967
-Deposits	4	8	87	148	153	94	41	113	105	105	100	27	985
-RD	2	-	-	-	-	-	-	-	-	-	-	-	2
RD-Other	1,363	1,408	953	2,498	2,626	500	990	1,781	3,043	495	892	278	16,827
Interest	-	3	-	4	4	-	3	1	-	1	2	-	18
Miscellaneous	234	336	(642)	220	(2,222)	7,404	926	802	654	1,097	852	1,804	11,465
Outreach Medicaid	1,248	1,191	1,089	1,089	1,169	1,089	1,089	1,140	1,089	-	-	-	10,193
Fee for Service Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-
EAA Receipts	2,512	3,391	7	229	223	258	129	-	-	-	-	-	6,749
Total Cash Receipts	70,601	195,990	(1,349)	41,603	68,460	67,805	58,243	64,291	59,750	51,707	72,626	48,772	798,499
Total Available Funds	88,382	217,681	122,047	96,013	110,476	99,696	87,900	80,914	78,089	69,744	91,356	64,486	816,280
Cash Disbursements													
Payroll	(28,618)	(23,709)	(20,975)	(22,838)	(27,640)	(22,058)	(27,867)	(21,567)	(22,093)	(22,532)	(26,422)	(22,272)	(288,571)
FICA	(2,390)	(1,523)	(1,610)	(1,888)	(2,846)	(1,856)	(1,726)	(1,836)	(1,849)	(1,882)	(2,711)	(1,704)	(23,821)
Retirement	(11,419)	(13,616)	(17,221)	(6,892)	(12,725)	(8,908)	(8,761)	(8,241)	(2,341)	(2,340)	(3,490)	(2,317)	(98,271)
MPSERS UAAL Rate Stabilization	-	(7,402)	(741)	-	-	(3,042)	(1,522)	(1,521)	(1,525)	(1,522)	(1,522)	(1,522)	(20,319)
Non-Payroll Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	(1,345)	(1,099)	(1,066)	(569)	(1,615)	(1,042)	(1,181)	(1,216)	(1,003)	(1,029)	(1,191)	(2,100)	(14,456)
Fringe Benefits-Wired	(9,413)	(5,098)	(7,109)	(4,397)	(4,611)	(4,604)	(5,621)	(5,048)	(5,982)	(344)	(10,172)	(5,497)	(67,897)
Account Payable	(10,785)	(10,567)	(8,623)	(2,540)	(11,545)	(6,316)	(15,811)	(9,770)	(8,627)	(5,333)	(7,933)	(2,000)	(99,850)
Additional Account Payable	-	(28,741)	(6,128)	(6,974)	(5,688)	(12,180)	-	-	-	-	-	-	(59,711)
Other Transfers	-	-	-	-	-	-	-	-	(1,756)	(856)	(75)	-	(2,687)
Food Service Transfer	(1,576)	(1,978)	(3,827)	(1,273)	(5,286)	(3,427)	(2,162)	-	(1,500)	(1,800)	(2,500)	(2,104)	(27,433)
Capital Leases	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult Education	(1,145)	-	(337)	-	-	-	-	-	-	-	-	(500)	(1,982)
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)	(1,250)	(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	(66,691)	(94,285)	(67,637)	(53,997)	(78,585)	(70,039)	(71,277)	(62,575)	(60,052)	(51,014)	(75,642)	(61,049)	(812,843)
Ending Balance	\$21,691	\$123,396	\$54,410	\$42,016	\$31,891	\$29,657	\$16,623	\$18,339	\$18,037	\$18,731	\$15,714	\$3,437	\$3,437
Balance without Note Proceeds	21,691	31,396	(37,590)	(49,984)	(60,109)	(62,343)	(75,377)	(66,911)	(60,463)	(53,019)	(43,036)	(34,280)	(34,280)

* Future cash flow projections are subject to change

* The projected cash flows are based on the District's FYE 2014 Budget