



DETROIT PUBLIC SCHOOLS

Division of Finance

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

August 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:

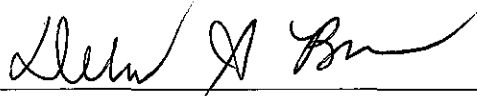
DOES NOT REQUIRE the establishment of new Set Aside Requirements

DOES REQUIRE the establishment of new Set Aside Requirements which, for each Series of Obligations currently Outstanding, are as follows:

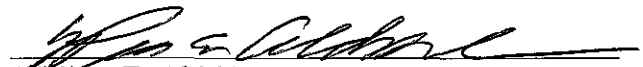
[For each series of Obligations identify new Set Aside Requirements]

This 15th day of August, 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 2014 - June 2015

	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
Beginning Balance	\$25,495	\$12,917	\$10,011	\$18,929	\$10,154	\$15,871	\$14,810	\$17,250	\$18,772	\$18,933	\$14,013	\$10,232	\$25,495
Cash Receipts													
State Aid	29,763	29,897	-	29,321	29,321	29,321	29,321	29,321	29,321	29,321	29,321	29,321	323,546
MPSERS UAAI Rate Stabilization	1,528	1,530	-	1,492	1,492	1,492	1,492	1,492	1,492	1,492	1,492	1,492	16,483
Property Taxes	414	9,592	(7,082)	2,261	293	527	2,348	11,025	1,889	2,820	5,951	9,908	39,945
Enhancement Millage	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants	18,271	16,921	9,181	7,076	14,189	14,189	16,937	11,591	12,827	11,689	13,331	13,456	159,660
State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
2014 State Aid Note Proceeds	-	-	105,000	-	-	-	-	-	-	-	-	-	105,000
Other Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
WCRESA -Net Act 18 Funds	-	-	2,933	2,933	2,933	2,933	2,933	2,933	2,933	2,933	2,933	2,933	29,330
Food Service-Reimbursement	683	3,252	396	1,695	5,684	6,903	1,509	5,111	5,273	2,874	8,975	3,352	45,708
Deposits	7	10	-	-	-	-	-	-	-	-	-	-	17
Deposits - DPS	1,003	570	511	1,339	1,407	268	531	954	1,631	265	817	321	9,617
Interest	1	1	3	1	1	1	1	1	1	1	1	1	15
Capital Asset Sales	-	7,399	-	-	2,052	-	1,437	-	-	-	-	-	10,889
Miscellaneous	1,807	193	1,388	1,388	1,388	1,388	1,388	1,388	1,388	1,388	1,388	394	14,284
Outreach Medicaid	-	-	-	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	9,026
EAA Receipts	140	6,376	275	91	380	246	155	-	108	129	323	108	8,332
Total Cash Receipts	53,616	75,741	112,605	48,600	60,142	58,270	59,054	64,819	57,865	53,915	64,934	62,289	771,851
Total Available Funds	79,111	88,659	122,616	67,529	70,296	74,141	73,864	82,069	76,637	72,848	78,948	72,521	797,346
Cash Disbursements													
Payroll	(24,444)	(29,709)	(20,222)	(22,539)	(18,708)	(18,708)	(24,788)	(18,708)	(18,708)	(18,708)	(21,982)	(18,708)	(255,932)
FICA	(2,064)	(1,724)	(1,638)	(2,217)	(1,432)	(1,432)	(1,432)	(1,432)	(1,432)	(1,432)	(2,148)	(2,071)	(20,454)
Retirement	(2,371)	(2,313)	(2,269)	(12,187)	(7,418)	(7,277)	(7,277)	(7,277)	(7,277)	(10,916)	(7,277)	(7,277)	(81,139)
MPSERS UAAI Rate Stabilization	(1,575)	(1,528)	(1,530)	-	(1,492)	(1,492)	(1,492)	(1,492)	(1,492)	(1,492)	(1,492)	(1,492)	(16,566)
Past Due Retirement Payments	-	-	(48,985)	(3,205)	(3,205)	(3,205)	-	-	-	-	-	-	(58,602)
Non-Payroll Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	(1,459)	(1,448)	(3,131)	(413)	(413)	(413)	(413)	(413)	(413)	(413)	(413)	(413)	(9,756)
Fringe Benefits-Wired	(417)	(10,405)	(4,544)	(4,544)	(4,544)	(4,544)	(4,544)	(4,544)	(4,544)	(4,544)	(4,544)	(4,544)	(56,264)
Account Payable	(11,231)	(20,266)	(6,279)	(10,289)	(10,336)	(17,634)	(9,542)	(11,662)	(14,312)	(8,225)	(14,881)	(12,515)	(147,173)
Additional Account Payable	-	-	(21,343)	-	-	-	-	-	-	-	-	-	(21,343)
Deferred Accounts Payable	-	10,776	7,279	5,144	750	2,500	-	-	10,896	6,350	10,566	12,515	66,776
Food Service Transfer	(1,500)	(1,500)	(500)	(500)	(500)	(500)	(500)	(2,143)	(5,296)	(3,662)	(4,251)	(11,950)	(32,801)
Other Financing Uses	-	-	-	-	-	-	-	-	-	(667)	(667)	(667)	(2,000)
Adult Education	-	-	-	-	(500)	-	-	(500)	-	-	-	-	(1,000)
2014 State Aid Cost of Issuance	-	-	(525)	-	-	-	-	-	-	-	-	-	(525)
Set Aside Payments on Debt	-	-	-	-	-	-	-	-	-	-	-	-	-
2012 Bonds- Principal	-	-	-	(2,036)	(2,036)	(2,036)	(2,036)	(2,036)	(2,036)	(2,036)	(2,036)	-	(16,290)
2012 Bonds - Interest	-	-	-	(557)	(557)	(557)	(557)	(557)	(557)	(557)	(557)	-	(4,458)
2011 Bonds - Principal	-	-	-	(2,914)	(2,914)	(2,914)	(2,914)	(2,914)	(2,914)	(2,914)	(2,914)	-	(23,311)
2011 Bonds - Interest	-	-	-	(1,118)	(1,118)	(1,118)	(1,118)	(1,118)	(1,118)	(1,118)	(1,118)	-	(8,947)
2013 Notes - Principal	(19,600)	(19,650)	-	-	-	-	-	-	-	-	-	-	(39,250)
2013 Notes - Interest	(1,533)	(881)	-	-	-	-	-	-	-	-	-	-	(2,414)
2014 Notes - Principal	-	-	-	-	-	-	-	(8,500)	(8,500)	(8,500)	(15,000)	(23,000)	(63,500)
2014 Notes - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Set-Aside Payments	(21,133)	(20,531)	-	(6,626)	(6,626)	(6,626)	(6,626)	(15,126)	(15,126)	(15,126)	(21,626)	(23,000)	(158,169)
Total Cash Disbursements	(66,194)	(78,647)	(103,687)	(57,375)	(54,425)	(59,331)	(56,614)	(63,297)	(57,704)	(58,834)	(68,715)	(70,122)	(794,947)
Ending Balance	\$12,917	\$10,011	\$18,929	\$10,154	\$15,871	\$14,810	\$17,250	\$18,772	\$18,933	\$14,013	\$10,232	\$2,399	\$2,399
Balance without Note Proceeds	(3,667)	13,958	(86,071)	(94,846)	(89,129)	(90,190)	(87,750)	(77,728)	(69,067)	(65,487)	(54,268)	(39,101)	(39,101)
Balance without Deferred APs	\$12,917	(765)	\$874	(13,046)	(8,079)	(11,640)	(9,200)	(7,678)	(18,413)	(29,682)	(44,029)	(64,378)	(64,378)