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

January 15, 2015

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 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:

X 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 January, 2015
[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

Darnell Earley
Title: Emergency Manager
### DETROIT PUBLIC SCHOOLS
**General Fund Estimated Cash Flow (In Thousands)**
**July 2014 - June 2015**

<table>
<thead>
<tr>
<th>Year</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance</td>
<td>$15,495</td>
<td>$12,917</td>
<td>$85,719</td>
<td>$170,854</td>
<td>$12,254</td>
<td>$57,105</td>
<td>$42,990</td>
<td>$19,246</td>
<td>$21,655</td>
<td>$20,321</td>
<td>$14,780</td>
<td>(0)</td>
<td>$25,405</td>
</tr>
</tbody>
</table>

#### Cash Receipts
- **State Aid**
  - 2014 State Aid
  - 2014 State Aid Note Draw
- **Taxes**
- **Property Tax**
- **Property Tax transfers to other Funds**
- **Grants**
- **Miscellaneous Receipts**
  - EAA Receipts
  - Food Service Reimbursement
  - Fringe Benefits
  - Deposits - DPS
  - Interest
  - Capital Cost Sales
  - Miscellaneous
  - Outreach
  - EAA Receipts

<table>
<thead>
<tr>
<th>Year</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td>1</td>
<td>2</td>
<td>50</td>
<td>4</td>
<td>50</td>
<td>25</td>
<td>199</td>
<td>109</td>
<td>110</td>
<td>110</td>
<td>110</td>
<td>110</td>
<td>110</td>
</tr>
<tr>
<td>Total Cash Receipts</td>
<td>55,615</td>
<td>136,691</td>
<td>14,917</td>
<td>87,839</td>
<td>84,596</td>
<td>15,839</td>
<td>27,092</td>
<td>10,741</td>
<td>12,749</td>
<td>12,749</td>
<td>12,749</td>
<td>12,749</td>
<td>12,749</td>
</tr>
<tr>
<td>Total Available Funds</td>
<td>79,111</td>
<td>149,518</td>
<td>100,635</td>
<td>107,603</td>
<td>96,851</td>
<td>96,142</td>
<td>86,892</td>
<td>83,335</td>
<td>73,201</td>
<td>72,174</td>
<td>72,257</td>
<td>70,898</td>
<td>70,898</td>
</tr>
</tbody>
</table>

#### Cash Disbursements
- **Payroll**
- **FICA**
- **Retirement**
- **MPSERS UAAI Rate Stabilization**
- **Part Due Retirement Payments**
- **Non-Payroll Expenditures**
  - Fringe Benefits
  - Fringe Benefits-Wined
  - Accountable Payable
  - Additional Account Payable
  - Deferred Accounts Payable
  - Food Service Transfer
  - Other Financing Uses
  - Adult Education
  - 2014 State Aid Cost of Issuance
  - Set Aside Payments on Debt
  - 2012 Bonds - Principal
  - 2012 Bonds - Interest
  - 2011 Bonds - Principal
  - 2011 Bonds - Interest
  - 2010 Bonds - Principal
  - 2010 Bonds - Interest
  - 2009 Notes - Principal
  - Non-Bond Notes - Interest
  - 2010 Notes - Interest
  - 2011 Notes - Interest
  - 2012 Notes - Interest
  - Total Set Aside Payments

<table>
<thead>
<tr>
<th>Year</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>FICA</td>
<td>1,530</td>
<td>1,530</td>
<td>-</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>9,182</td>
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<tr>
<td>Retirement</td>
<td>114</td>
<td>27,677</td>
<td>7,050</td>
<td>6,531</td>
<td>20,190</td>
<td>2,167</td>
<td>3,263</td>
<td>2,500</td>
<td>15,000</td>
<td>5,000</td>
<td>20,000</td>
<td>41,362</td>
<td>141,362</td>
</tr>
<tr>
<td>MPSERS UAAI Rate Stabilization</td>
<td>1,530</td>
<td>1,530</td>
<td>-</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>1,530</td>
<td>9,182</td>
</tr>
<tr>
<td>Total Cash Disbursements</td>
<td>(66,194)</td>
<td>(63,799)</td>
<td>(20,592)</td>
<td>(95,815)</td>
<td>(95,748)</td>
<td>(51,152)</td>
<td>(65,840)</td>
<td>(61,092)</td>
<td>(52,068)</td>
<td>(57,384)</td>
<td>(72,257)</td>
<td>(58,559)</td>
<td>(788,941)</td>
</tr>
<tr>
<td>Ending Balance</td>
<td>$12,917</td>
<td>$85,719</td>
<td>$19,854</td>
<td>$12,254</td>
<td>$37,103</td>
<td>$42,990</td>
<td>$19,246</td>
<td>$21,655</td>
<td>$20,321</td>
<td>$14,780</td>
<td>(0)</td>
<td>$25,405</td>
<td>$25,405</td>
</tr>
<tr>
<td>Balance without Notes Proceeds</td>
<td>(6,667)</td>
<td>44,279</td>
<td>(45,473)</td>
<td>(94,935)</td>
<td>(70,686)</td>
<td>(64,199)</td>
<td>(87,943)</td>
<td>(75,776)</td>
<td>(67,268)</td>
<td>(63,159)</td>
<td>(65,089)</td>
<td>(30,592)</td>
<td>(30,592)</td>
</tr>
<tr>
<td>Balance without Deferred APs</td>
<td>$12,917</td>
<td>$85,719</td>
<td>$19,854</td>
<td>$12,254</td>
<td>$37,103</td>
<td>$42,990</td>
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