



# SEE IT BELIEVE IT

## DETROIT PUBLIC SCHOOLS

**DIVISION OF FINANCE**  
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## DETROIT PUBLIC SCHOOLS

### Division of Finance

### Office of the Chief Financial Officer

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June 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  
Acting Chief Financial Officer and Deputy CFO

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:

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]

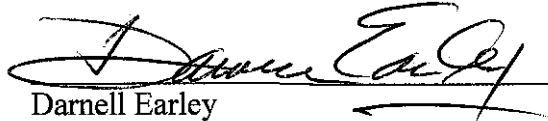
This 15th day of June, 2015

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



Delores A. Brown

Title: Acting Chief Financial Officer and Deputy CFO



Darnell Earley

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 | \$85,719  | \$19,854 | \$12,254 | \$37,103 | \$42,990 | \$20,334 | \$32,640 | \$29,817 | \$24,437 | \$29,832 | \$25,495  |
| <b>Cash Receipts</b>                 |          |          |           |          |          |          |          |          |          |          |          |          |           |
| State Aid                            | 29,763   | 29,897   | -         | 37,781   | 31,175   | 27,576   | 29,170   | 31,203   | 26,330   | 30,041   | 30,130   | 28,162   | 331,227   |
| MPSERS UAAI Rate Stabilization       | 1,528    | 1,530    | -         | -        | 5,191    | 2,595    | 2,595    | 2,595    | 2,595    | 2,595    | 2,595    | 2,595    | 26,415    |
| Property Taxes                       | 414      | 27,707   | 7,050     | 6,531    | 29,190   | 2,167    | 3,303    | 28,546   | 8,336    | 7,693    | 5,000    | -        | 125,936   |
| Property Tax transfer to other Funds | -        | (3,159)  | (23,710)  | (18,914) | (544)    | (4,560)  | (13,171) | (9,345)  | (6,380)  | (11,090) | (3)      | -        | (90,877)  |
| Grants                               | 18,271   | 20,277   | 2,277     | 15,523   | 15,634   | 18,841   | 12,789   | 15,483   | 16,449   | 18,824   | 19,365   | 15,535   | 189,267   |
| State Aid Note Proceeds              | -        | -        | -         | -        | -        | -        | -        | -        | -        | -        | -        | -        | -         |
| 2014 State Aid Note Draw             | -        | 41,440   | 23,887    | 41,862   | -        | -        | -        | -        | -        | -        | -        | -        | 107,189   |
| <b>Other Receipts</b>                |          |          |           |          |          |          |          |          |          |          |          |          |           |
| WCR SA -Net Act 18 Funds             | -        | -        | 2,900     | 2,900    | 2,900    | 2,900    | 2,900    | 2,900    | 3,087    | 3,087    | 3,087    | 3,087    | 29,748    |
| Food Service-Reimbursement           | 683      | 3,436    | 1,054     | 270      | 3,630    | 4,872    | 3,737    | 3,554    | 4,102    | 373      | 6,525    | 3,843    | 36,080    |
| Deposits                             | 7        | 10       | 57        | 96       | 84       | 54       | 57       | 44       | 76       | 60       | 59       | 20       | 624       |
| Deposits - DPS                       | 1,003    | 1,372    | 568       | 1,286    | 505      | 269      | -        | 1,245    | 447      | 709      | 335      | 239      | 7,979     |
| Interest                             | 1        | 2        | -         | 5        | 0        | -        | 1        | -        | -        | 0        | 0        | -        | 9         |
| Capital Asset Sales                  | -        | 7,390    | 600       | 40       | 130      | -        | 499      | 0        | -        | -        | -        | -        | 8,659     |
| Miscellaneous                        | 1,807    | 323      | 33        | 330      | (3,428)  | 3,996    | 302      | 414      | 373      | 210      | 252      | 200      | 4,812     |
| Outreach Medicaid                    | -        | -        | -         | -        | -        | -        | -        | -        | -        | -        | -        | -        | -         |
| EAA Receipts                         | 140      | 6,376    | -         | 129      | 129      | 328      | 349      | -        | 15       | 15       | 15       | 108      | 7,604     |
| Total Cash Receipts                  | 53,616   | 136,601  | 14,717    | 87,839   | 84,596   | 59,039   | 42,531   | 76,638   | 55,428   | 52,517   | 67,360   | 53,790   | 784,671   |
| Total Available Funds                | 79,111   | 149,518  | 100,435   | 107,693  | 96,851   | 96,142   | 85,520   | 96,972   | 88,068   | 82,333   | 91,797   | 83,621   | 810,166   |
| <b>Cash Disbursements</b>            |          |          |           |          |          |          |          |          |          |          |          |          |           |
| Payroll                              | (24,444) | (23,800) | (19,113)  | (25,027) | (21,373) | (20,208) | (27,106) | (19,962) | (20,480) | (21,119) | (24,118) | (20,810) | (267,562) |
| FICA                                 | (2,064)  | (1,543)  | (1,437)   | (2,670)  | (1,760)  | (1,711)  | (1,630)  | (1,725)  | (1,678)  | (1,767)  | (2,648)  | (1,744)  | (22,378)  |
| Retirement                           | (2,371)  | (2,313)  | (6,816)   | (10,643) | (8,404)  | -        | (3,992)  | (1,913)  | (2,031)  | (2,999)  | (3,010)  | (2,072)  | (46,564)  |
| MPSERS UAAI Rate Stabilization       | (1,575)  | (1,528)  | (1,530)   | -        | -        | (5,191)  | (3,426)  | (2,595)  | (2,595)  | (2,595)  | (2,595)  | (2,595)  | (26,226)  |
| Past Due Retirement Payments         | -        | -        | (22,306)  | (6,366)  | -        | -        | -        | -        | -        | -        | -        | -        | (28,673)  |
| <b>Non-Payroll Expenditures</b>      |          |          |           |          |          |          |          |          |          |          |          |          |           |
| Fringe Benefits                      | (1,459)  | (788)    | (614)     | (1,315)  | (991)    | (923)    | (1,053)  | (900)    | (915)    | (894)    | (1,006)  | (1,326)  | (12,184)  |
| Fringe Benefits-Wired                | (417)    | (4,642)  | (8,049)   | (2,124)  | (92)     | (3,699)  | (8,348)  | (4,052)  | (4,032)  | (123)    | (4,019)  | (4,551)  | (51,196)  |
| Account Payable                      | (11,231) | (5,149)  | (9,257)   | (21,733) | (14,652) | (12,197) | (11,137) | (12,878) | (9,144)  | (9,829)  | (14,379) | (24,053) | (155,640) |
| Additional Account Payable           | -        | -        | (10,459)  | (10,885) | -        | -        | -        | -        | -        | -        | -        | -        | (21,344)  |
| Deferred Accounts Payable            | -        | -        | -         | -        | -        | -        | -        | -        | -        | -        | -        | -        | -         |
| Food Service Transfer                | (1,500)  | (3,500)  | (1,000)   | (1,050)  | (5,850)  | (2,500)  | (1,868)  | (3,335)  | (1,000)  | (2,195)  | (3,563)  | (1,584)  | (28,945)  |
| Other Financing Uses                 | -        | -        | -         | -        | -        | (97)     | -        | -        | -        | -        | -        | (667)    | (764)     |
| Adult Education                      | -        | -        | -         | -        | -        | -        | -        | (593)    | -        | -        | -        | -        | (593)     |
| State Aid Trustee Fee                | -        | -        | -         | -        | -        | -        | -        | (3)      | -        | -        | -        | -        | (3)       |
| 2014 State Aid Cost of Issuance      | -        | -        | -         | -        | -        | -        | -        | -        | -        | -        | -        | -        | -         |
| 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               | -        | -        | -         | -        | -        | -        | -        | (9,750)  | (9,750)  | (9,750)  | -        | -        | (29,250)  |
| 2014 Notes - Interest                | -        | -        | -         | -        | -        | -        | -        | -        | -        | -        | -        | -        | -         |
| Total Set-Aside Payments             | (21,133) | (20,531) | -         | (6,626)  | (6,626)  | (6,626)  | (6,626)  | (16,376) | (16,376) | (16,376) | (6,626)  | -        | (123,919) |
| Total Cash Disbursements             | (66,194) | (63,799) | (80,582)  | (95,438) | (59,748) | (53,152) | (65,186) | (64,332) | (58,252) | (57,896) | (61,965) | (59,443) | (785,988) |
| Ending Balance                       | \$12,917 | \$85,719 | \$19,854  | \$12,254 | \$37,103 | \$42,990 | \$20,334 | \$32,640 | \$29,817 | \$24,437 | \$29,832 | \$24,178 | \$24,178  |
| Balance without Note Proceeds        | (3,667)  | 44,279   | (45,473)  | (94,935) | (70,086) | (64,199) | (86,855) | (64,799) | (57,872) | (53,502) | (48,107) | (53,761) | (53,761)  |
| Balance without Deferred APs         | \$12,917 | \$85,719 | \$19,854  | \$12,254 | \$37,103 | \$42,990 | \$20,334 | \$32,640 | \$29,817 | \$24,437 | \$29,832 | \$24,178 | \$24,178  |