

Delores A. Brown
Acting Chief Financial Officer/Executive Director
Division of Finance
Fisher Building
3011 W. Grand Boulevard
11th Floor, Suite 1101
Detroit, MI 48202
Main: 313.873.4040
Fax: 313.876-6466
Email: delores.brown@detroitk12.org

DETROIT PUBLIC SCHOOLS
Division of Finance
Office of the Acting Chief Financial
Officer/Executive Director

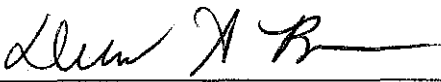
August 15, 2015

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/Executive Director

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:

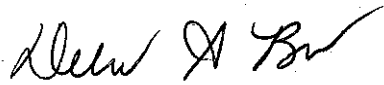
DOES NOT REQUIRE the establishment of new Set Aside Requirements

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]

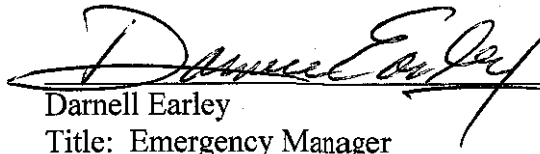
This 15th day of August, 2015

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



Delores A. Brown

Title: Acting Chief Financial Officer/Executive Director



Darnell Earley

Title: Emergency Manager

Detroit Public Schools
General Fund Estimated Cash Flow (In Thousands)
July 2015 - June 2016

\$ in thousands	2015						2016						FY 16 Total
	July	August	September	October	November	December	January	February	March	April	May	June	
	Actuals	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
Cash Receipts													
State Aid	\$ 29,479	\$ 26,199	\$ -	\$ 27,715	\$ 28,457	\$ 28,457	\$ 28,457	\$ 28,457	\$ 28,457	\$ 27,384	\$ 28,457	\$ 28,457	\$ 309,974
MPSERS (State Funded)	2,616	2,600	-	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	38,966
Property Tax (Gross)	17,472	28,231	7,729	9,853	29,416	2,782	4,246	30,471	9,362	8,561	5,914	-	154,037
Grants	30,697	5,010	9,000	13,500	9,000	19,000	9,000	19,000	11,000	15,500	16,000	11,000	167,707
State Aid Note Proceeds	-	-	117,250	-	-	-	-	-	-	-	-	-	117,250
WCRESA	-	-	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	29,000
Food Service Reimbursement	3,166	782	1,100	1,100	1,000	3,700	3,700	3,700	3,700	3,700	3,700	6,500	35,848
Miscellaneous	2,983	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,983
Total Cash Receipts	86,617	64,823	139,979	60,818	76,523	62,588	54,053	90,278	61,169	63,795	62,721	54,607	877,970
Cash Disbursements													
State Aid Recapture	\$ -	\$ -	\$ -	\$ (2,500)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,500)
MPSERS (Pass through)	(2,595)	(2,616)	(2,600)	-	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)	(37,812)
Payroll Direct Deposit	(19,891)	(14,597)	(14,467)	(21,403)	(13,955)	(13,955)	(12,778)	(13,497)	(14,057)	(21,273)	(13,955)	(13,455)	(187,284)
Taxes	(7,965)	(6,253)	(6,510)	(6,425)	(6,346)	(6,280)	(8,890)	(6,074)	(6,326)	(6,350)	(6,363)	(6,280)	(80,061)
FICA	(2,181)	(1,668)	(1,736)	(1,713)	(1,692)	(1,675)	(2,371)	(1,620)	(1,687)	(1,693)	(1,697)	(1,675)	(21,407)
Accounts Payable	(16,074)	(36,865)	(23,665)	(16,896)	(13,396)	(16,762)	(13,762)	(12,396)	(10,396)	(10,031)	(10,396)	(9,396)	(190,034)
Pension (employee portion)	(2,621)	(2,061)	(2,055)	(3,010)	(1,981)	(1,960)	(1,877)	(1,795)	(1,997)	(2,958)	(1,986)	(1,960)	(26,260)
Pension (employer portion)	-	(6,384)	(6,363)	(9,327)	(6,141)	(6,078)	(5,829)	(5,579)	(6,189)	(9,171)	(6,156)	(6,078)	(73,295)
Health	(7,678)	(4,630)	(4,450)	(4,750)	(4,450)	(4,450)	(4,600)	(4,450)	(4,450)	(4,600)	(4,450)	(4,450)	(57,408)
Fringe Benefits	(1,764)	(1,311)	(8,944)	(1,252)	(914)	(911)	(975)	(881)	(917)	(1,243)	(914)	(888)	(20,914)
Debt Service Bonds	-	-	-	(6,625)	(6,625)	(6,625)	(6,625)	(6,625)	(6,625)	(6,625)	(6,625)	-	(53,002)
Debt Service SAN	-	-	-	(14,800)	(14,800)	(14,800)	(14,800)	(18,967)	(18,967)	(18,068)	(18,972)	(25,287)	(159,461)
Property Tax Transfer	(234)	(17,555)	(16,374)	(4,483)	(5,715)	(17,061)	(1,613)	(2,463)	(17,673)	(5,430)	(4,965)	(3,430)	(96,997)
Food Service	(2,582)	(2,000)	(1,000)	(1,000)	(2,400)	(2,900)	(2,900)	(2,900)	(2,900)	(2,900)	(2,900)	(2,900)	(29,282)
Other	(2,376)	(1,567)	(350)	(350)	(350)	(350)	(350)	(350)	(350)	(350)	(350)	(350)	(7,442)
Total Cash Disbursements	(65,962)	(97,505)	(88,514)	(94,534)	(82,515)	(97,557)	(81,120)	(81,346)	(96,284)	(94,442)	(83,481)	(79,899)	(1,043,160)
Beginning Cash Balance	47,415	68,070	35,388	86,853	53,137	47,144	12,175	(14,891)	(5,960)	(41,075)	(71,722)	(92,482)	47,415
Net Cash Flow	20,655	(32,682)	51,465	(33,716)	(5,993)	(34,968)	(27,067)	8,931	(35,115)	(30,647)	(20,760)	(25,293)	(165,190)
Ending Cash Balance	\$ 68,070	\$ 35,388	\$ 86,853	\$ 53,137	\$ 47,144	\$ 12,175	\$ (14,891)	\$ (5,960)	\$ (41,075)	\$ (71,722)	\$ (92,482)	\$ (117,775)	\$ (117,775)
Subtotal planned deferrals and adjustments													
FY16 ER pension deferral	-	6,384	12,747	22,075	28,215	34,293	40,122	45,701	51,890	61,061	67,217	73,295	73,295
Less interest only payment	-	-	-	(1,000)	(2,000)	(3,000)	(4,000)	(5,000)	(6,000)	(7,000)	(8,000)	(9,000)	(9,000)
Adjusted Ending Cash Balance	\$ 68,070	\$ 41,771	\$ 99,600	\$ 74,211	\$ 73,359	\$ 43,469	\$ 21,231	\$ 34,741	\$ 4,816	\$ (17,661)	\$ (33,265)	\$ (53,479)	\$ (53,479)