



**SEE IT  
BELIEVE IT**  
DETROIT PUBLIC SCHOOLS

**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**

---

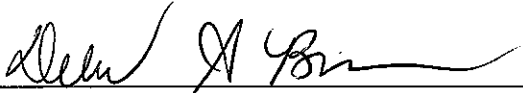
September 15, 2015

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]

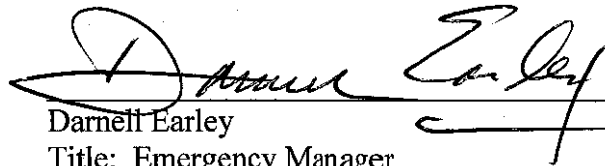
This 15th day of September, 2015

[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**  
**PROJECTED GENERAL FUND CASH FLOWS (In Thousands)**  
**July 2015 - June 2016**

	July	August	September	October	November	December	January	February	March	April	May	June
Beginning Balance	\$47,415	\$58,171	\$56,835	\$131,170	\$105,475	\$94,115	\$80,579	\$58,934	\$58,048	\$42,199	\$22,338	\$10,249
<b>Cash Receipts</b>												
State Aid [1]	32,095	32,912	-	28,965	32,207	32,207	32,207	32,207	32,207	31,134	32,207	32,207
Property Taxes [2]	7,338	14,539	3,055	3,894	11,626	1,099	1,678	12,043	3,700	3,383	2,337	-
Grants	30,697	10,810	8,569	12,853	8,569	18,089	8,569	18,089	10,473	14,757	15,233	11,000
State Aid Note Proceeds [3]	-	-	121,200	-	-	-	-	-	-	-	-	80,000
Wayne County RESA (Act 18 Funds)	-	-	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900
Food Service-Reimbursement	3,166	200	1,125	1,125	1,023	3,785	3,785	3,785	3,785	3,785	3,785	6,500
Other Receipts	3,187	2,164	1,982	1,982	1,982	1,982	1,982	1,982	1,982	1,982	1,982	2,000
<b>Total Cash Receipts</b>	<b>76,483</b>	<b>60,625</b>	<b>138,830</b>	<b>51,719</b>	<b>58,306</b>	<b>60,062</b>	<b>51,120</b>	<b>71,006</b>	<b>55,047</b>	<b>57,942</b>	<b>58,444</b>	<b>134,607</b>
<b>Total Available Funds</b>	<b>123,898</b>	<b>118,796</b>	<b>195,665</b>	<b>182,889</b>	<b>163,782</b>	<b>154,177</b>	<b>131,699</b>	<b>129,940</b>	<b>113,094</b>	<b>100,141</b>	<b>80,782</b>	<b>144,856</b>
<b>Cash Disbursements</b>												
Payroll / Benefits	(39,480)	(24,775)	(36,595)	(36,024)	(27,728)	(27,639)	(30,014)	(26,880)	(27,808)	(35,635)	(27,750)	(26,748)
MPERS pass through & employee portion	(5,216)	(5,027)	(4,621)	(2,988)	(5,689)	(5,669)	(5,587)	(5,505)	(5,705)	(6,659)	(5,695)	(5,710)
MPERS employer portion [4]	-	-	-	(750)	(750)	(750)	(750)	(750)	(750)	(750)	(750)	(750)
Account Payable	(16,074)	(31,519)	(24,656)	(17,603)	(13,957)	(17,463)	(14,338)	(12,915)	(10,831)	(10,451)	(10,831)	(9,396)
Food Service Transfer	(2,582)	(530)	(1,067)	(1,067)	(2,562)	(3,096)	(3,096)	(3,096)	(3,096)	(3,096)	(3,096)	(2,900)
Other Disbursements	(2,376)	(110)	(512)	(512)	(512)	(512)	(512)	(512)	(512)	(512)	(512)	(350)
Personnel & benefits savings [5]	-	-	-	-	-	-	-	904	946	1,569	1,244	1,219
Deferrals, revenue enhancements, and savings	-	-	2,956	2,956	2,956	2,956	2,956	2,956	2,956	2,956	2,956	-
Set Aside Payments on State Aid Debt												
2011 Bonds	-	-	-	(4,032)	(4,032)	(4,032)	(4,032)	(4,032)	(4,032)	(4,032)	(4,032)	-
2012 Bonds	-	-	-	(2,593)	(2,593)	(2,593)	(2,593)	(2,593)	(2,593)	(2,593)	(2,593)	-
SAN 2014 Restatement	-	-	-	(14,800)	(14,800)	(14,800)	(14,800)	(6,900)	(6,900)	(6,900)	(6,964)	-
SAN 2015	-	-	-	-	-	-	-	(12,570)	(12,570)	(11,700)	(12,510)	(26,090)
<b>Total Set-Aside Payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(21,425)</b>	<b>(21,425)</b>	<b>(21,425)</b>	<b>(21,425)</b>	<b>(26,095)</b>	<b>(26,095)</b>	<b>(25,225)</b>	<b>(26,099)</b>	<b>(26,090)</b>
<b>Total Cash Disbursements</b>	<b>(65,727)</b>	<b>(61,961)</b>	<b>(64,495)</b>	<b>(77,413)</b>	<b>(69,667)</b>	<b>(73,598)</b>	<b>(72,765)</b>	<b>(71,893)</b>	<b>(70,895)</b>	<b>(77,803)</b>	<b>(70,533)</b>	<b>(70,726)</b>
<b>Ending Balance</b>	<b>\$58,171</b>	<b>\$56,835</b>	<b>\$131,170</b>	<b>\$105,475</b>	<b>\$94,115</b>	<b>\$80,579</b>	<b>\$58,934</b>	<b>\$58,048</b>	<b>\$42,199</b>	<b>\$22,338</b>	<b>\$10,249</b>	<b>\$74,130</b>
<i>Total Debt Service Coverage</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>1.35</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.23</i>	<i>1.23</i>	<i>1.23</i>	<i>1.23</i>	<i>1.23</i>

- [1] Public school districts in the State of Michigan do not receive state aid payments in the month of September.  
[2] Reflects collections net of transfers made to other funds; i.e. funds permitted to be used for operational expenses.  
[3] SAN issuance in June 2016 is preliminary estimate; actual amount and timing is subject to change.  
[4] Represents monthly amount of the employer portion of MPERS contribution that the district has committed to pay to ORS.  
[5] Based on preliminary estimates of personnel and benefits savings; subject to change.

**FORWARD LOOKING STATEMENTS:**

This information contains statements relating to future results that are "forward looking statements." Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward looking statements. Any forecast is subject to such uncertainties. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.