



DETROIT PUBLIC SCHOOLS
Division of Finance
3011 W. Grand Blvd., 11th Floor, Fisher Bldg.
Detroit, MI 48202

DETROIT PUBLIC SCHOOLS

Division of Finance

Office of the Chief Financial Officer

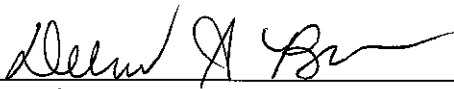
August 15, 2011

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:  8/15/11
Leon Glaster
Interim Chief Financial 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:

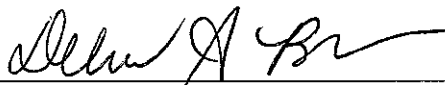
DOES NOT REQUIRE the establishment of new Set Aside Requirements

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**, 2011

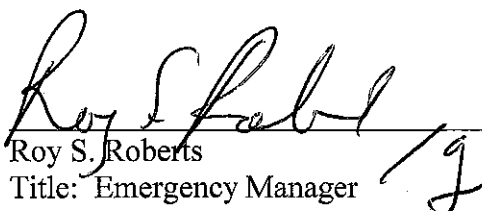
[To be filed monthly 5 days before Funds Transfer Date]



Delores A. Brown
Title: Deputy CFO and Chief Accounting Officer



Leon Glaster
Title: Interim Chief Financial Officer



Roy S. Roberts
Title: Emergency Manager

DETROIT PUBLIC SCHOOLS
All Funds Estimated Cash Flow (In Thousands)
July 2011 - June 2012

Actuals	Revised Budget												TOTAL
	July	August	September	October	November	December	January	February	March	April	May	June	
Beginning Balance	\$38,355	\$31,074	\$53,688	\$42,083	\$46,099	\$47,831	\$37,892	\$46,493	\$55,422	\$49,252	\$45,857	\$46,524	
<u>Cash Receipts</u>													
State Aid	51,062	49,484	-	42,526	42,526	42,526	42,526	42,526	42,526	42,526	42,526	42,526	483,279
Property Taxes	-	24,548	11,127	5,759	1,752	526	10,843	11,553	3,842	3	538	11,190	81,640
Grants	67,337	27,872	35,309	19,369	19,359	21,894	24,028	20,946	28,518	21,673	23,543	23,967	333,815
State Aid Note Proceeds	-	30,000	23,737	-	-	-	-	-	-	-	-	-	53,737
2011A State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Receipts	-	-	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015	60,150
WCRESA -Net	2,518	-	2,171	4,088	3,575	2,361	3,421	2,407	3,822	2,927	3,521	2,420	33,030
Food Service-Reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-
-Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
-RD	-	-	-	-	-	-	-	-	-	-	-	-	-
RD-Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous (incl. Interest)	8,098	2,455	7,437	1,961	4,562	2,880	3,171	4,421	3,518	3,248	6,502	3,930	52,185
E-Rate reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-
Outreach Medicaid	944	13,553	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	28,712
Fee for Service Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts	129,959	147,913	87,218	81,119	79,010	77,623	91,426	89,269	89,661	77,814	84,066	91,469	1,126,548
Total Available Funds	168,315	178,988	140,906	123,202	125,109	125,454	129,317	135,763	145,083	127,066	129,923	137,993	1,164,903
<u>Cash Disbursements</u>													
Payroll	(37,763)	(38,487)	(51,370)	(39,627)	(39,627)	(46,314)	(39,627)	(39,627)	(47,941)	(39,627)	(39,627)	(46,314)	(505,952)
FICA	(3,062)	(3,121)	(4,165)	(3,213)	(3,213)	(3,755)	(3,213)	(3,213)	(3,887)	(3,213)	(3,213)	(3,755)	(41,023)
Retirement	(10,339)	(9,975)	(10,542)	(8,065)	(8,065)	(8,065)	(8,065)	(8,065)	(12,100)	(8,065)	(8,065)	(8,061)	(107,468)
Non-Payroll Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Account Payable	(45,783)	(33,925)	(32,746)	(20,026)	(20,201)	(23,255)	(25,747)	(23,263)	(25,730)	(24,131)	(26,321)	(24,301)	(325,430)
Additional Account Payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Food Service Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Leases	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult Education	-	-	-	-	-	-	-	-	-	-	-	-	-
Set Aside Payments on Debt	-	-	-	-	-	-	-	-	-	-	-	-	-
2005B Bonds - Principal	-	-	-	(1,759)	(1,759)	(1,759)	(1,759)	(1,759)	(1,759)	(1,759)	(1,759)	-	(14,070)
2005B Bonds - Interest	-	-	-	(970)	(970)	(970)	(970)	(970)	(970)	(970)	(970)	-	(7,758)
2010B Notes - Principal	(33,000)	(39,730)	-	-	-	-	-	-	-	-	-	-	(72,730)
2010B Notes - Interest	(7,293)	(61)	-	-	-	-	-	-	-	-	-	-	(7,354)
2011 Bond (Sep) - P&J	-	-	-	(3,444)	(3,444)	(3,444)	(3,444)	(3,444)	(3,444)	(3,444)	(3,444)	(3,444)	(31,000)
Total Set-Aside Payments	(40,293)	(39,791)	-	(6,173)	(6,173)	(6,173)	(6,173)	(6,173)	(6,173)	(6,173)	(6,173)	(3,444)	(132,912)
Total Cash Disbursements	(137,240)	(125,299)	(98,823)	(77,104)	(77,278)	(87,562)	(82,824)	(80,341)	(81,209)	(83,399)	(83,399)	(85,876)	(1,112,786)
Ending Balance with Note Proceeds	\$31,074	\$53,688	\$42,083	\$46,099	\$47,831	\$37,892	\$46,493	\$55,422	\$49,252	\$45,857	\$46,524	\$52,117	\$52,117

Note: Excludes restricted cash balance in funds 13 (Adult Ed) and 25 (Food Service)