



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


December 15, 2012


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 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]

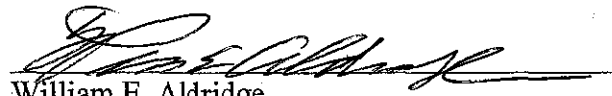
This 15th day of **December**, 2012

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



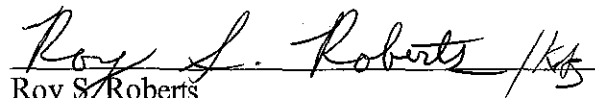
Delores A. Brown

Title: Deputy CFO and Chief Accounting Officer



William E. Aldridge

Title: Chief Financial Officer



Roy S. Roberts

Title: Emergency Financial Manager

DETROIT PUBLIC SCHOOLS
General Fund Estimated Cash Flow (In Thousands)
July 2012 - June 2013

	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
Beginning Balance	\$61,944	\$49,573	\$88,608	\$26,414	\$41,610	\$20,276	\$21,267	\$26,174	\$33,498	\$20,718	\$12,239	\$2,166	\$61,944
Cash Receipts													
State Aid	42,992	44,040	-	46,917	33,972	31,917	31,917	31,917	31,917	31,917	31,917	31,917	391,341
Property Taxes	-	48,254	(12,311)	1,251	967	(6,454)	10,357	15,952	-	1,886	-	15,276	75,177
Grants	17,909	18,665	14,456	14,790	1,638	38,099	12,400	12,629	16,400	12,997	17,189	18,133	195,306
State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
2012B State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
EAA- 2012A SAN Note Proceeds	-	-	5,912	-	-	-	-	-	-	-	-	-	5,912
EAA - Note Repayment	-	-	-	-	-	3,147	3,007	-	-	-	-	-	6,154
Other Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
WCRESA -Net	-	1,328	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	26,128
Food Service-Reimbursement	-	-	-	-	3,636	-	4,951	3,299	4,189	4,662	5,075	4,516	30,328
-Deposits	2	-	42	206	139	121	295	211	232	207	438	79	1,974
-RD	-	-	49	-	-	-	-	-	-	-	-	-	49
RD-Other	1,008	3,534	1,229	1,723	2,577	1,650	111	-	1,582	1,025	5,643	2,297	22,379
Interest	-	6	3	-	4	4	7	12	13	5	4	5	62
Miscellaneous	179	375	354	327	2,282	1,614	1,717	1,890	1,807	2,993	651	2,309	16,498
E-Rate reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-
Outreach Medicaid	1,074	1,074	1,074	1,074	1,074	1,074	1,074	1,074	1,074	1,074	307	819	11,867
Fee for Service Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-
EAA Receipts	-	-	-	238	128	-	-	-	-	-	-	-	366
Total Cash Receipts	63,165	117,276	13,288	69,006	48,896	73,654	68,315	69,465	59,693	59,247	63,705	77,830	783,541
Total Available Funds	125,109	166,849	101,896	95,419	90,506	93,929	89,582	95,639	93,191	79,965	75,944	79,996	845,485
Cash Disbursements													
Payroll	(28,846)	(31,684)	(26,214)	(26,425)	(28,999)	(29,352)	(23,172)	(22,847)	(27,926)	(23,456)	(29,692)	(23,511)	(322,123)
FICA	(2,245)	(2,022)	(2,353)	(2,133)	(2,895)	(2,395)	(1,866)	(1,839)	(2,249)	(1,890)	(2,390)	(1,894)	(26,171)
Retirement	(10,689)	(9,568)	(8,211)	(7,357)	(12,976)	(9,773)	(6,911)	(5,213)	(5,826)	(7,963)	(6,170)	(7,203)	(97,863)
TIP Payment	-	-	(4,500)	-	-	-	-	-	-	-	-	-	(4,500)
Non-Payroll Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	(912)	(214)	(165)	(374)	(1,171)	(788)	(433)	(313)	(872)	(455)	(632)	(742)	(7,070)
Fringe Benefits-Wired	(6,312)	(6,279)	(5,835)	(5,554)	(5,461)	(6,131)	(6,250)	(6,250)	(4,917)	(5,502)	(4,599)	(4,435)	(67,525)
Account Payable	(26,531)	(24,557)	(21,822)	(5,798)	(10,095)	(16,598)	(15,145)	(15,754)	(18,369)	(17,173)	(17,094)	(17,786)	(206,722)
Additional Account Payable	-	-	(470)	(2,405)	-	-	-	-	-	-	-	-	(2,876)
Food Service Transfer	-	(3,917)	-	-	-	-	-	(3,299)	(4,189)	(4,662)	(5,075)	(4,516)	(25,659)
Capital Leases	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult Education	-	-	-	2,873	-	-	-	-	(1,500)	-	(1,500)	(2,500)	(2,627)
EAA Advance	-	-	(5,912)	-	-	-	-	-	-	-	-	-	(5,912)
Set Aside Payments on Debt	-	-	-	-	-	-	-	-	-	-	-	-	-
2012 Bonds- Principal	-	-	-	(1,884)	(1,884)	(1,884)	(1,884)	(1,884)	(1,884)	(1,884)	(1,884)	-	(15,075)
2012 Bonds - Interest	-	-	-	(709)	(709)	(709)	(709)	(709)	(709)	(709)	(709)	-	(5,669)
2011 Bonds - Principal	-	-	-	(2,656)	(2,656)	(2,656)	(2,656)	(2,656)	(2,656)	(2,656)	(2,656)	-	(21,246)
2011 Bonds - Interest	-	-	-	(1,377)	(1,377)	(1,377)	(1,377)	(1,377)	(1,377)	(1,377)	(1,377)	-	(11,013)
2012B Notes - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
2012B Notes - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
2012A EAA Note Payments	-	-	-	(12)	(2,008)	(1,000)	(3,007)	-	-	-	-	-	(6,026)
Total Set-Aside Payments	-	-	-	(6,637)	(8,633)	(7,625)	(9,632)	(6,625)	(6,625)	(6,625)	(6,625)	-	(59,029)
Total Cash Disbursements	(75,536)	(78,242)	(75,482)	(53,810)	(70,230)	(72,663)	(63,408)	(62,141)	(72,473)	(67,727)	(73,778)	(62,587)	(828,076)
Ending Balance	\$49,573	\$88,608	\$26,414	\$41,610	\$20,276	\$21,267	\$26,174	\$33,498	\$20,718	\$12,239	\$2,166	\$17,409	\$17,409

* Future cash flow projections are subject to change

* The projected cash flows do not account for the possibility of Federal Sequestration, which would have an adverse impact on the District's projected cash flows.