



# SEE IT BELIEVE IT

## DETROIT PUBLIC SCHOOLS

**DIVISION OF FINANCE**  
3011 W. Grand Blvd.  
11<sup>th</sup> Floor, fisher Bldg.  
Detroit, MI 48202  
[www.detroitk12.org](http://www.detroitk12.org)

**WILLIAM E. ALDRIDGE, CPA**  
Chief Financial and Administrative Officer  
(313) 873-4147 (P)  
(313) 873-4478 (F)  
[william.aldridge@detroitk12.org](mailto:william.aldridge@detroitk12.org)

## DETROIT PUBLIC SCHOOLS

### Division of Finance

### Office of the Chief Financial Officer

---

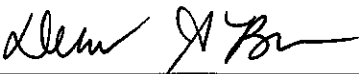
November 15, 2014

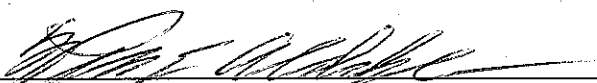
Via Facsimile: (614) 775-5631  
The Bank of New York  
6525 West Campus Oval, Suite 200  
New Albany, OH 43054

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 and Administrative 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 Financial 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:

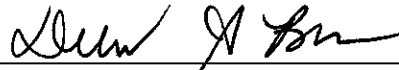
DOES NOT REQUIRE the establishment of new Set Aside Requirements

DOES REQUIRE the establishment of new Set Aside Requirements which, for each Series of Obligations currently Outstanding, are as follows:

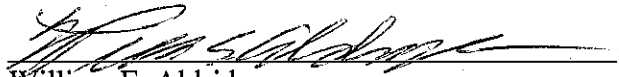
[For each series of Obligations identify new Set Aside Requirements]

This 15th day of November, 2014

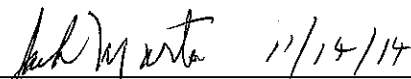
[To be filed monthly 5 days before Funds Transfer Date]



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



William E. Aldridge  
Title: Chief Financial and Administrative Officer



Jack Martin  
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	\$20,161	\$24,307	\$20,467	\$26,000	\$27,358	\$17,579	\$16,966	\$25,495
<b>Cash Receipts</b>													
State Aid	29,763	29,897	-	37,781	29,321	23,270	29,321	29,321	29,321	29,321	29,321	29,321	325,955
MPSERS UAAL Rate Stabilization	1,528	1,530	-	-	2,983	1,492	1,492	1,492	1,492	1,492	1,492	1,492	16,483
Property Taxes	414	27,707	7,050	6,531	27,631	527	2,348	11,025	1,889	2,820	5,951	9,908	103,800
Property Tax transfer to other Funds	-	(3,159)	(23,710)	(18,914)	(17,189)	(3,255)	-	-	-	-	-	-	(66,227)
Grants	18,271	20,277	2,277	15,523	19,317	14,189	16,937	11,591	12,827	11,689	13,331	13,456	169,686
State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
2014 State Aid Note Draw	-	41,440	23,887	41,862	-	-	-	-	-	-	-	-	107,189
Other Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
WCRESA -Net Act 18 Funds	-	-	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	29,001
Food Service-Reimbursement	683	3,436	1,054	270	3,630	6,903	1,509	5,111	5,273	2,874	8,975	3,352	43,071
Deposits	7	10	57	96	40	-	-	-	-	-	-	-	210
Deposits - DPS	1,003	1,372	568	1,286	1,183	268	531	954	1,631	265	817	321	10,199
Interest	1	2	-	5	1	1	2	2	2	2	2	2	21
Capital Asset Sales	-	7,390	600	40	-	-	-	-	-	-	-	-	8,030
Miscellaneous	1,807	323	33	330	789	1,388	1,388	1,388	1,388	1,388	788	394	11,403
Outreach Medicaid	-	-	-	-	-	1,003	1,003	1,003	1,003	1,003	1,003	1,003	7,020
EAA Receipts	140	6,376	-	129	380	246	155	-	108	129	323	108	8,094
Total Cash Receipts	53,616	136,601	14,717	87,839	70,986	48,933	57,585	64,786	57,833	53,882	64,902	62,256	773,936
Total Available Funds	79,111	149,518	100,435	107,693	83,240	69,094	81,892	85,253	83,833	81,240	82,480	79,223	799,431
<b>Cash Disbursements</b>													
Payroll	(24,444)	(23,800)	(19,113)	(25,027)	(20,534)	(19,822)	(27,750)	(19,822)	(19,822)	(19,822)	(21,804)	(19,822)	(261,580)
FICA	(2,064)	(1,543)	(1,437)	(2,670)	(1,727)	(1,684)	(1,684)	(1,684)	(1,684)	(1,684)	(2,526)	(2,323)	(22,710)
Retirement	(2,371)	(2,313)	(6,816)	(10,643)	(8,404)	(7,711)	(7,711)	(7,711)	(7,711)	(11,566)	(7,711)	(7,711)	(82,976)
MPSERS UAAL Rate Stabilization	(1,575)	(1,528)	(1,530)	-	-	(2,983)	(1,492)	(1,492)	(1,492)	(1,492)	(1,492)	(1,492)	(16,566)
Past Due Retirement Payments	-	-	(22,306)	(6,366)	-	-	(9,919)	(10,010)	-	(3,205)	-	-	(51,807)
Non-Payroll Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	(1,459)	(788)	(614)	(1,315)	(889)	(432)	(432)	(432)	(432)	(432)	(432)	(432)	(8,091)
Fringe Benefits-Wired	(417)	(4,649)	(8,049)	(9,124)	(9,100)	(4,756)	(4,756)	(4,756)	(4,756)	(4,756)	(4,756)	(4,756)	(64,631)
Account Payable	(11,231)	(5,149)	(9,257)	(21,733)	(46,384)	(17,634)	(9,542)	(11,662)	(14,312)	(8,225)	(14,881)	(12,515)	(182,526)
Additional Account Payable	-	-	(10,459)	(10,885)	-	-	-	-	-	-	-	-	(21,344)
Deferred Accounts Payable	-	-	-	-	36,434	17,634	9,486	11,662	14,312	8,225	14,881	12,265	124,899
Food Service Transfer	(1,500)	(3,500)	(1,000)	(1,050)	(5,850)	(500)	(500)	(2,143)	(4,204)	(3,662)	(4,251)	(7,650)	(35,809)
Other Financing Uses	-	-	-	-	-	-	-	-	-	(667)	(667)	(667)	(2,000)
Adult Education	-	-	-	-	-	-	(500)	(500)	-	-	-	-	(1,000)
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)	(15,250)	(22,100)	(66,600)
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)	(21,876)	(22,100)	(161,269)
Total Cash Disbursements	(66,194)	(63,799)	(80,582)	(95,438)	(63,079)	(44,787)	(61,425)	(59,253)	(56,476)	(63,661)	(65,514)	(67,202)	(787,410)
Ending Balance	\$12,917	\$85,719	\$19,854	\$12,254	\$20,161	\$24,307	\$20,467	\$26,000	\$27,358	\$17,579	\$16,966	\$12,021	\$12,021
Balance without Note Proceeds	(3,667)	44,279	(45,473)	(94,935)	(87,028)	(82,882)	(86,722)	(71,439)	(60,331)	(60,361)	(45,723)	(28,568)	(28,568)
Balance without Deferred APs	\$12,917	\$85,719	\$19,854	\$12,254	(16,273)	(29,761)	(43,088)	(49,216)	(62,170)	(80,174)	(95,667)	(112,879)	(112,879)