



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

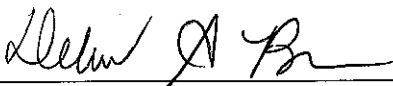
May 16, 2010

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: 

Ricardo Kisner
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 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]

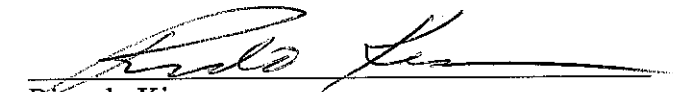
This 16th day of **May**, 2010

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



Delores A. Brown

Title: Deputy CFO and Chief Accounting Officer



Ricardo Kisner

Title: Chief Financial Officer



Robert C. Bobb

Title: Emergency Financial Manager

DETROIT PUBLIC SCHOOLS
General Fund Estimated Cash Flow (In Thousands)
July 2009 - June 2010

	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
Beginning Balance	\$47,021	\$22,458	\$242,012	\$195,522	\$119,865	\$70,158	\$30,139	\$39,249	\$41,771	\$17,221	\$177,395	\$91,061	\$47,021
Cash Receipts													
State Aid	35,423	63,663	-	66,983	64,588	46,415	94,506	53,393	24,148	43,622	41,900	55,400	590,041
Property Taxes	6,648	30,341	21,247	4,589	-	-	19,589	10,144	12,294	(8,528)	-	8,043	104,367
Grants	42,025	32,205	13,884	6,679	10,500	38,528	20,998	28,081	17,189	16,741	12,350	15,000	254,180
State Stabilization Funds - State Aid	31,959	-	-	-	-	-	13,634	-	9,686	1,535	-	-	56,814
State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
2009B State Aid Note Proceeds	-	228,652	-	-	-	-	-	-	-	-	-	-	228,652
2010A State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	255,213	-	-	255,213
Other Receipts													
WCRESA -Net	-	-	7,832	7,832	7,332	7,447	7,332	7,901	7,392	7,832	7,400	7,400	75,700
Food Service-Reimbursement	2,039	-	44	35	1,864	4,236	3,361	1	2,494	3,998	5,827	-	23,899
-Deposits	3	8	56	420	212	146	240	287	244	166	153	51	1,986
-RD	-	-	12	101	113	149	-	6	13	67	1	173	635
RD-Other	43	3	-	14	-	11	-	-	1	74	-	17	163
Interest	7	11	10	33	19	-	13	1	-	5	57	15	170
Miscellaneous	1,739	62	703	2,341	164	2,739	766	5,589	1,194	500	1,175	42	17,014
E-Rate reimbursement	-	-	-	-	-	-	-	-	-	-	520	-	520
Outreach Medicaid	-	448	449	449	938	449	477	449	562	449	-	-	4,670
Fee for Service Medicaid	-	-	-	46	-	-	-	-	-	-	255	-	301
Total Cash Receipts	119,886	355,393	44,237	89,522	85,730	100,120	160,916	105,852	75,217	321,674	69,638	86,141	1,614,326
Total Available Funds	166,907	377,851	286,249	285,044	205,595	170,278	191,055	145,101	116,988	338,895	247,032	177,201	1,661,347
Cash Disbursements													
Payroll	(57,806)	(38,954)	(39,305)	(62,205)	(47,059)	(47,671)	(53,783)	(44,497)	(41,050)	(55,068)	(45,456)	(45,896)	(578,750)
FICA	(4,569)	(3,185)	(3,168)	(4,014)	(3,901)	(3,864)	(5,362)	(3,649)	(3,433)	(3,475)	(3,670)	(3,694)	(45,984)
Retirement	(11,076)	(11,577)	(7,753)	(7,956)	(10,409)	(10,307)	(15,543)	(9,165)	(9,749)	(9,331)	(15,542)	(10,300)	(128,708)
Non-Payroll Expenditures													
Fringe Benefits	(842)	(528)	(597)	(2,182)	(1,521)	(3,380)	(1,007)	(734)	(1,485)	(1,468)	(2,000)	(2,100)	(17,844)
Fringe Benefits-Wired	(15,371)	(16,207)	(12,169)	(15,692)	(12,440)	(3,482)	(13,165)	(16,875)	(6,219)	(10,423)	(12,248)	(12,393)	(146,684)
Account Payable	(9,096)	(21,520)	(27,714)	(24,401)	(10,910)	(15,252)	(23,550)	(16,059)	(11,547)	(26,991)	(24,500)	(25,887)	(237,427)
Additional Accounts Payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Food Service Transfer	(3,189)	(2,039)	(21)	-	(35)	(7,080)	-	(9,248)	(154)	(6,407)	(5,827)	-	(34,000)
Capital Leases	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult Education	-	-	-	-	(430)	(374)	-	(374)	(402)	(1,608)	-	-	(3,188)
Set Aside Payments on Debt													
2005B Bonds- Principal	-	-	-	(1,487)	(1,487)	(1,487)	(1,487)	(1,487)	(1,487)	(1,487)	(1,487)	-	(11,899)
2005B Bonds - Interest	-	-	-	(1,242)	(1,245)	(1,242)	(1,242)	(1,242)	(1,242)	(1,242)	(1,242)	-	(9,935)
2008 Note - Principal	(42,500)	(41,829)	-	-	-	-	-	-	-	-	-	-	(84,329)
2008 Note - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
2009A Note - Principal	-	-	-	(46,000)	(46,000)	(46,000)	(31,000)	-	-	-	-	-	(169,000)
2009A Note - Interest/Fees	-	-	-	-	-	-	(5,667)	-	-	-	-	-	(5,667)
2009B Note - Principal	-	-	-	-	-	-	-	-	(23,000)	(44,000)	(44,000)	(47,000)	(158,000)
2009B Note - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Set-Aside Payments	(42,500)	(41,829)	-	(48,729)	(48,732)	(48,729)	(39,396)	(2,729)	(25,729)	(46,729)	(46,729)	(47,000)	(438,830)
Total Cash Disbursements	(144,449)	(135,839)	(90,727)	(165,179)	(135,437)	(140,139)	(151,806)	(103,330)	(99,768)	(161,500)	(155,972)	(147,270)	(1,631,416)
Ending Balance with Note Proceeds	\$22,458	\$242,012	\$195,522	\$119,865	\$70,158	\$30,139	\$39,249	\$41,771	\$17,221	\$177,395	\$91,061	\$29,931	\$29,931
Balance without Note Proceeds	(186,277)	(152,592)	(199,082)	(228,739)	(232,446)	(226,465)	(189,403)	(186,881)	(188,431)	(239,470)	(281,804)	(295,934)	(295,934)
Debt Service Coverage	0.83	1.52	0.00	1.37	1.33	0.95	2.40	19.57	0.94	0.93	0.90	1.18	1.34

DETROIT PUBLIC SCHOOLS
General Fund Estimated Cash Flow (In Thousands)
July 2010 - June 2011

	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
Beginning Balance	\$29,931	\$9,579	\$217,847	\$187,347	\$120,317	\$73,242	\$57,334	\$25,663	\$9,087	\$220,331	\$154,357	\$100,427	\$29,931
Cash Receipts													
State Aid	55,400	55,400	-	53,801	53,801	53,801	53,801	53,801	53,801	53,801	53,801	53,801	595,012
Property Taxes	6,449	29,431	20,610	4,451	-	9,700	9,301	9,840	11,925	(8,272)	-	7,802	101,236
Grants	39,924	30,595	13,190	6,345	9,975	37,803	18,746	26,677	16,330	15,904	11,733	14,250	241,471
State Stabilization Funds - State Aid	2,231	2,231	-	-	-	-	-	-	-	-	-	-	4,462
State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
2010A State Aid Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
2010B State Aid Note Proceeds	-	211,000	-	-	-	-	-	-	-	-	-	-	211,000
2011A State Aid Note Proceeds	-	-	-	-	-	-	-	-	225,000	-	-	-	225,000
Other Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
WCRESA -Net	-	-	7,832	7,832	7,332	7,447	7,332	7,901	7,392	7,832	7,400	7,400	75,700
Food Service-Reimbursement	2,039	-	44	35	1,864	4,236	3,361	1	2,494	3,998	5,827	-	23,899
-Deposits	3	8	56	420	212	186	200	287	244	166	153	51	1,986
-RD	-	-	12	101	113	149	-	6	13	67	1	173	635
RD-Other	43	3	-	14	-	11	-	-	1	74	-	17	163
Interest	9	46	61	77	40	34	17	8	64	92	52	29	531
Miscellaneous	1,739	62	703	2,341	164	2,747	758	5,589	1,194	500	1,175	42	17,014
E-Rate reimbursement	-	-	-	-	-	-	-	-	-	-	260	-	260
Outreach Medicaid	-	448	449	449	938	449	477	449	562	449	-	-	4,670
Fee for Service Medicaid	-	-	-	46	-	-	-	-	-	-	255	-	301
Total Cash Receipts	107,836	329,224	42,957	75,913	74,439	116,564	93,994	104,559	319,020	74,611	80,657	83,565	1,503,340
Total Available Funds	137,767	338,803	260,804	263,260	194,757	189,806	151,328	130,222	328,107	294,942	235,014	183,992	1,533,271
Cash Disbursements													
Payroll	(46,264)	(31,942)	(32,230)	(51,008)	(38,588)	(48,833)	(34,360)	(36,488)	(33,661)	(45,156)	(37,274)	(37,635)	(473,438)
FICA	(3,725)	(2,571)	(2,594)	(4,107)	(3,106)	(3,930)	(2,767)	(2,937)	(2,710)	(3,635)	(3,001)	(3,030)	(38,113)
Retirement	(8,922)	(8,994)	(6,210)	(6,266)	(9,916)	(7,502)	(9,493)	(6,680)	(7,093)	(6,544)	(8,778)	(7,246)	(93,644)
Non-Payroll Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	(665)	(417)	(472)	(1,724)	(1,202)	(2,670)	(796)	(580)	(1,173)	(1,160)	(1,580)	(1,659)	(14,097)
Fringe Benefits-Wired	(12,297)	(12,966)	(9,735)	(12,554)	(9,952)	(4,338)	(8,979)	(13,500)	(4,975)	(8,338)	(9,798)	(9,914)	(117,348)
Account Payable	(7,277)	(17,216)	(22,171)	(19,521)	(8,728)	(12,860)	(18,182)	(12,847)	(9,238)	(21,593)	(19,600)	(20,710)	(189,942)
Additional Account Payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Food Service Transfer	(2,039)	-	(44)	(35)	(1,864)	(4,236)	(3,361)	(1)	(2,494)	(3,998)	(5,827)	-	(23,899)
Capital Leases	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult Education	-	-	-	-	(430)	(374)	-	(374)	(402)	(1,608)	-	-	(3,188)
Set Aside Payments on Debt	-	-	-	-	-	-	-	-	-	-	-	-	-
2005B Bonds - Principal	-	-	-	(1,675)	(1,675)	(1,675)	(1,675)	(1,675)	(1,675)	(1,675)	(1,675)	-	(13,400)
2005B Bonds - Interest	-	-	-	(1,054)	(1,054)	(1,054)	(1,054)	(1,054)	(1,054)	(1,054)	(1,054)	-	(8,428)
2009B Note - Principal	(47,000)	(25,000)	-	-	-	-	-	-	-	-	-	-	(72,000)
2009B Note - Interest	-	(21,850)	-	-	-	-	-	-	-	-	-	-	(21,850)
2010A Note - Principal	-	-	-	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(31,235)	-	-	-	(256,235)
2010A Note - Interest	-	-	-	-	-	-	-	-	(12,067)	-	-	-	(12,067)
2010B Note - Principal	-	-	-	-	-	-	-	-	-	(30,000)	(46,000)	(48,000)	(124,000)
2010B Note - Interest	-	-	-	-	-	-	-	-	-	(15,825)	-	-	(15,825)
2011A Note - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
2011A Note - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Set-Aside Payments	(47,000)	(46,850)	-	(47,729)	(47,729)	(47,729)	(47,729)	(47,729)	(46,031)	(48,554)	(48,729)	(48,000)	(523,805)
Total Cash Disbursements	(128,189)	(120,956)	(73,456)	(142,943)	(121,514)	(132,472)	(125,665)	(121,135)	(107,777)	(140,585)	(134,587)	(128,194)	(1,477,473)
Ending Balance with Note Proceeds	\$9,579	\$217,847	\$187,347	\$120,317	\$73,242	\$57,334	\$25,663	\$9,087	\$220,331	\$154,357	\$100,427	\$55,798	\$55,798
Balance without Note Proceeds	(269,286)	(224,510)	(255,010)	(277,040)	(279,115)	(250,023)	(212,838)	(184,414)	(154,868)	(211,962)	(219,892)	(216,521)	(216,521)
Debt Service Coverage	1.18	1.18	0.00	1.13	1.13	1.13	1.13	1.13	1.17	1.11	1.10	1.12	1.14