

**Detroit Public Schools**

**PA Report – May 16, 2011 through November 16, 2011**

**Debt Management (Loans sought, approved or disapproved with a cumulative value over \$5,000)**

**Issuance of Revenue Bonds (School District of the City of Detroit) Series 2011**

The Michigan Finance authority issued Revenue Bonds Series 2011 in the amount of \$238,100,000 on October 13, 2011. The Bonds are rated A+ by Standard & Poor's and will mature on June 1, 2021. The interest rate of the Bonds is 4.75% per annum. The Michigan Finance Authority then loaned Detroit Public Schools \$244,910,407. The bond has the same maturity date as Revenue Bonds Series 2011. State Aid revenue due to DPS is pledged to repay the bond. The payments will be intercepted from the State school aid payments. The purpose of the revenue bonds is to address the District's continuing deficit and to enter into a multi-year agreement with a lending institution to repay the District's obligation.