Our Kids, Our Future

GRPS Virtual Town Hall Meeting
June 22, 2020
Revenue Update

Economic outlook is grim
Dramatic economic impact from COVID-19

![Graph showing GDP growth rates from 2019 to 2022](image.png)

Source: U.S. Bureau of Economic Analysis
School Funding attached to sales and income taxes

School Aid Fund Revenue Sources - FY2018

- Sales and Use Tax, 43%
- Federal Funds, 11%
- Property Tax, 14%
- Income Tax, 19%
- Lottery, 6%
- Other, 7%
$1.25 billion shortfall for public schools

Michigan School Aid Fund - 2019-20

Jan. '20 Net Revenue Estimate (before COVID-19 pandemic)

May '20 Net Revenue Estimate (during COVID-19 pandemic)
Revenue drops **2X** larger than Great Recession

**General and School Aid Funds**

January to May Revenue Revisions

<table>
<thead>
<tr>
<th>Year</th>
<th>Change</th>
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</thead>
<tbody>
<tr>
<td>2009</td>
<td>-$3 billion</td>
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<tr>
<td>2020</td>
<td>-$6.3 billion</td>
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School Budget

Scarce resources, added costs
Bottom line on budget for 2019-20

$650

shortfall per student

= $10.6 Million Cut to GRPS
Additional health and safety costs for schools

$490 per student
Federal Action
Relief from federal government
One percent of CARES Act for public schools

CARES Act significantly smaller than ARRA

Public School Funding Allocations (in billions)
Coronavirus Relief Fund

$3.1 billion allocated to Michigan for COVID-19 prevention and response
States seeking flexibility with already allocated federal funds and providing additional funds.

US House passed HEROES Act - $60 billion for schools

US Senator McConnell signals more dollars coming, including for schools
Advocacy
How you can help
Action steps so far...

- **Op-eds**
  - ...from *school community* to elected officials

- **Video Messages**
  - ...by *state lawmakers* on their support for public schools

- **Letters**
  - ...between state lawmakers and members of *Congress*

- **Informational Resources**
  - ...for *parents* and *community members* on the funding crisis
27,000+ signed the petition!
We need your support!

- **Sign**... our online petition
- **Share**... messages through social media
- **Write**... your local representatives
- **Educate**... yourself on the funding crisis