

INTRODUCED: August 10, 2020

AN ORDINANCE No. 2020-186

To amend Ord. No. 2020-053, adopted May 11, 2020, which appropriated and provided funds for financing the school budget for the fiscal year commencing Jul. 1, 2020, and ending Jun. 30, 2021, by decreasing estimated revenues from various sources.

\_\_\_\_\_  
Patron – Mayor Stoney

\_\_\_\_\_  
Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: SEPT 14 2020 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

I. That Ordinance No. 2020-053, adopted May 11, 2020, be and is hereby amended and reordained as follows:

§ 1. That a sum not exceeding [~~\$211,136,767~~] \$210,165,441 is hereby appropriated representing (i) [~~\$29,442,693~~] \$28,471,367 in State Shared Sales Tax funds and (ii) \$181,694,074 in funds appropriated from the City’s general fund, resulting in a total City contribution to the School Board of \$181,694,074, and, together with the estimated receipts of the School Board from tuition charges and from other anticipated sources of revenue of [~~\$14,477,673~~] \$13,977,071, along with revenue from Richmond Public Schools’ Anthem healthcare reserve fund of \$0, and with the

AYES: 8 NOES: 0 ABSTAIN: \_\_\_\_\_

ADOPTED: SEP 14 2020 REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_

estimated state and federal receipts of the School Board through the Commonwealth of Virginia of [~~\$195,203,063~~] \$191,364,933 (excluding transfers to special funds and including [~~\$134,473,717~~] \$131,311,973 in state funds and [~~\$60,729,346~~] \$60,052,960 in federal funds), may be expended for the operation of the public free schools in the City, including the payment of salaries, wages, debt service, other expenses, acquisition of equipment and supplies and maintenance of the school plant and other capital expenses; provided, however, such expenditures shall not exceed in any event [~~\$420,817,503~~] \$415,507,445; and provided further that, in the event that the actual receipts from or through the Commonwealth of Virginia for the fiscal year commencing July 1, 2020, and ending June 30, 2021, exceed the estimated receipts from such sources, the expenditure of such excess for such purpose must be further authorized and approved by the City Council.

§ 2. That the appropriations for which this ordinance provides over and above the amounts required by state law to be paid are conditioned upon the following:

(i) Richmond Public Schools shall submit to the City's Director of Finance quarterly reports of year-to-date spending and estimated annualized spending of local funding and funding from all general sources. Such reports shall be submitted prior to a request of any subsequent quarterly distribution of local funds. The quarterly reports shall further document the following:

(1) The number of filled/authorized non-teacher instructional positions on staff in the Instruction Category that exceed Standard of Quality guidelines;

(2) The number of filled/authorized administrative type positions on staff in the Administration, Attendance and Health Category that exceed Standard of Quality guidelines;

(3) The increase in federally funded free and reduced meal participation compared in the previous year;

(4) The energy cost spending compared to the same month in the previous year;  
and

(5) The number of “deadhead” (i.e., empty bus) miles compared to the same month in the previous year.

(ii) Richmond Public Schools shall submit to the City Auditor, within 90 days of the effective date of this ordinance, a statement of the cost per pupil of the educational services provided to each pupil along with the methodology used to calculate such cost.

(iii) Richmond Public Schools shall submit to the City Council’s Finance and Economic Development Standing Committee a quarterly financial report no later than 45 days after the end of each quarter in a format to be agreed upon by Richmond Public Schools and such Committee prior to the due date of the first such report.

§ 3. That the payment and settlement of claims of any kind heretofore or hereafter asserted against the School Board or the City itself growing out of the operation of the public schools and final judgments heretofore or hereafter obtained against the School Board or the City on account thereof, together with all costs, interest, fees for legal services and all other fees and expenses incident thereto, shall be paid upon the approval and order of the City Attorney from the funds herein appropriated for defraying the expenses of operating the public schools.

§ 4. That all sums of money derived from the City’s funds which are unexpended in the fiscal year commencing July 1, 2020, and ending June 30, 2021, shall remain a part of the City’s funds for use the next year and shall be returned directly to the City at the close of the fiscal year.

§ 5. That, after the close of the prior fiscal year’s activity and once unexpended City funds from that period are returned to the City, a set target amount of local funds for the Richmond Public Schools budget shall be established by the City Administration for the subsequent fiscal

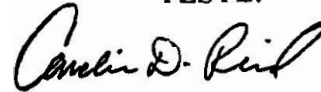
year commencing July 1, 2021, and ending June 30, 2022. Such budget target shall be communicated by the Director of Finance to the Superintendent no later than November 30, 2021, and be utilized by Richmond Public Schools as the maximum amount of local funding for use in compiling the Richmond Public Schools budget for the fiscal year commencing July 1, 2021, and ending June 30, 2022. Any requests for local funding above and beyond such target amount shall be listed separately in the Richmond Public Schools budget document for the respective fiscal year for consideration by the City Administration.

§ 6. This ordinance shall be in force and effect at the first moment of the first day of July, 2020, and shall constitute the school budget appropriation ordinance for the fiscal year commencing on that date.

II. This amendatory ordinance shall be in force and effect upon adoption.

**A TRUE COPY:**

**TESTE:**

A handwritten signature in black ink, appearing to read "Camille D. Reed".

**City Clerk**



# CITY OF RICHMOND

## INTRACITY CORRESPONDENCE

### O&R REQUEST

**DATE:** July 29, 2020 **EDITION:** 1

**TO:** The Honorable Members of City Council

**THROUGH:** The Honorable Levar M. Stoney, Mayor *J.M.S.* 8/7/2020

**THROUGH:** Lenora Reid, Acting Chief Administrative Officer *lgr*

**THROUGH:** John Wack, Director of Finance *JW*

**FROM:** Jay A. Brown, Director of Budget & Strategic Planning *JAB*

**RE:** Amendment to the FY2021 Budget for Richmond Public Schools

**ORD. OR RES. No.** \_\_\_\_\_

**PURPOSE:** To amend the FY2021 Richmond Public Schools (RPS) budget, Ordinance No. 2020-053, by decreasing RPS' total allowable revenue and expense budget in accordance with the Richmond City School Board's FY2021 adopted budget by \$5,310,058. This reduces the total RPS' expenditure limit to \$415,507,445.

**REASON:** Under Ordinance No. 2020-053, which was adopted May 11, 2020, City Council appropriated funds for financing the school budget at a total of \$420,817,503 based on the School Board's FY2021 *approved* budget. However, the FY2021 School Board budget was adopted May 18, 2020 with decreases in State Shared Sales Tax, tuition (other) charges, and state and federal revenue, resulting in a reduced total of \$415,507,445.

**RECOMMENDATION:** The City Administration recommends adoption of this ordinance.

**BACKGROUND:** RPS' FY2021 revenue and expenditure budgets are capped at the appropriation as approved by City Council. RPS' appropriation, adopted May 11, 2020, was based on the School Board's FY2021 *approved* budget which was *adopted* May 18, 2020 with multiple decreases to non-local (City) revenue. As a result, RPS is requesting an adjustment to their total budget to reflect the new, approved allocations from non-local sources. The approved revenue allocations to RPS has resulted in a decrease of \$5,310,058.

- The following allocations have decreased:
- State Shared Sales Tax decreased from \$29,442,693 by \$971,326

- Estimated receipts of tuition charges and other anticipated sources of revenue decreased from \$14,477,673 by \$500,602
- Estimated State receipt funds decreased from \$134,473,717 by \$3,161,744
- Estimated Federal receipt funds decreased from \$60,729,346 by \$676,386

**SOURCE:** (must select all that apply)

- New/increased revenue** (complete the general fund new budget item detail chart)(you must identify the amount of the new revenue or increase in revenue and the reason the new revenue or increase in revenue is available – do this in the Background section above)
- Existing general fund** (complete general fund transfer budget item detail)(you must identify the budget item to be reduced, the amount of the reduction, the reason for the reduction, and an analysis of the impact on each program or subprogram funded by that budget item – do this in the Background and Reason sections above)
- Fund Balance/Reserve/Contingency/Other Funding Source** (you must identify the specific source to be used (eg. Fund balance, reserve, contingency, or other), the amount of that funding source proposed to be used, and the reason for the use of that funding source – do this in the Background section above)

**FISCAL IMPACT/COST** (current FY):

- **If Adopted:** The budget for Richmond Public Schools would change to reflect the reduction in their revenue and expenditure budget from \$420,817,503 to \$415,507,445, a reduction of \$5,310,058.
- **If Not Adopted:** RPS' spending authority will be higher than the School Board's FY2021 adopted budget, allowing RPS to spend more than authorized by the School Board.

**FISCAL IMPLICATIONS** (future FYs): N/A

**BUDGET AMENDMENT NECESSARY:** Yes

**REVENUE TO CITY:** N/A

**DESIRED EFFECTIVE DATE:** Upon adoption

**REQUESTED INTRODUCTION DATE:** August 10, 2020

**CITY COUNCIL PUBLIC HEARING DATE:** September 14, 2020

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** Request a waiver

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** No



Existing Item – You must show the total appropriation for each modified budget item to receive funds, for your agency

**OR**

New Item – You must show the total appropriation for each modified budget item to receive funds, for your agency

<u>TO</u>					
<u>Item #</u>	<u>Title</u>	<u>Program</u> <small>(cost center #)</small>	<u>Subprogram</u> <small>(service code #)</small>	<u>Transfer</u> <u>Amount/New</u> <u>Amount</u>	<u>New Appropriation</u> <u>Amount</u>
<b><u>Grand Total</u></b>					

**\*\*\*Grand total for the New Appropriation Amount MUST match the TOTAL AGENCY budget requested as a result of this ordinance\*\*\***





July 27, 2020

Mayor Levar M. Stoney  
City of Richmond  
900 East Broad Street, Suite 201  
Richmond, Virginia 23219

Dear Mayor Stoney:

Thank you for your unwavering support of Richmond Public Schools.

The FY21 Richmond City Public Schools budget was adopted by the School Board on May 18, 2020, occurring after the adoption of Ordinance No. 2020-053 May 11, 2020. Since the ordinance was written based on revenue projections included in the Board's *approved* budget, I am writing to request that the ordinance be amended to reflect our *adopted* budget. The chart below reflects our adopted revenue:

PY Fund Balance	974,584
City Appropriation	180,719,490
State Sales Tax	28,471,367
State Revenue	131,311,973
Other Local Revenue	13,977,071
Federal Revenue	60,052,960
<b>TOTAL</b>	<b>415,507,445</b>

Attached is a copy of the ordinance reflecting the revised revenue amounts. Please let me know if you need any further information.

Sincerely,

Linda Owen  
School Board Chair