

UPDATED FY27 Budget Proposal

Presentation to the Richmond City School Board

Presented by: Jason Kamras, Superintendent

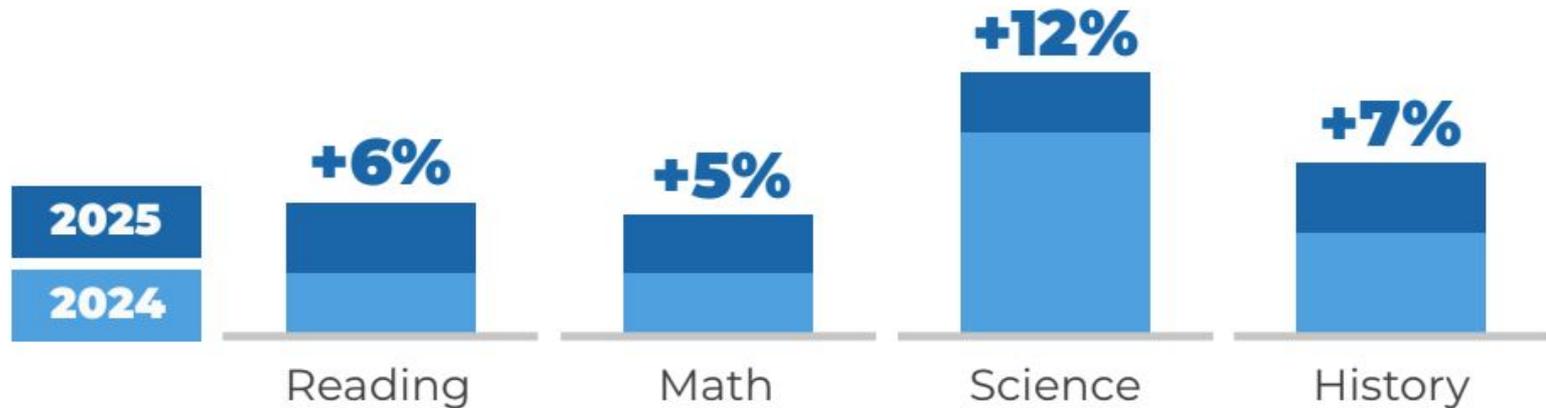
Venue: Special Meeting of the Richmond City School Board

Date: March 2, 2026

Section 1

Impact of RPS Investments

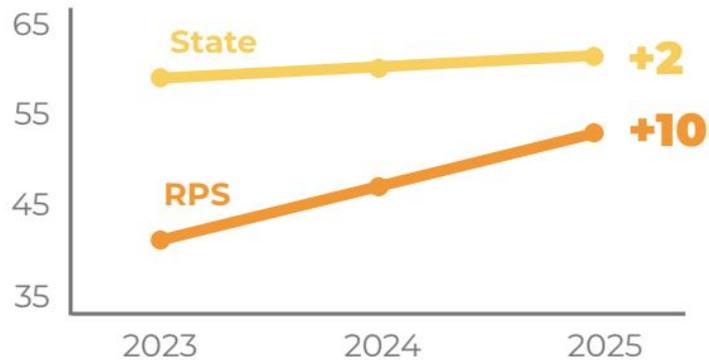
Back-to-Back Years of Growth on SOLs



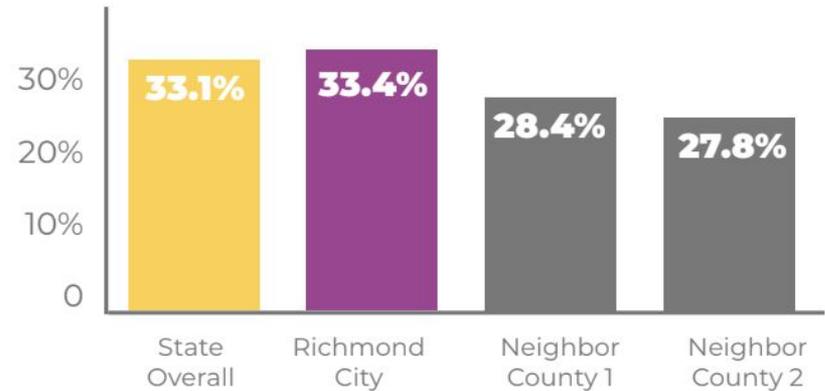
Rapid Improvement in Reading

While we have a long way to go, our **economically disadvantaged students** are improving in reading **FIVE TIMES** as fast as their peers across the state. And, our **multilingual learners** are outperforming those across the state and in the surrounding counties.

READING PASS RATE FOR ECONOMICALLY DISADVANTAGED STUDENTS

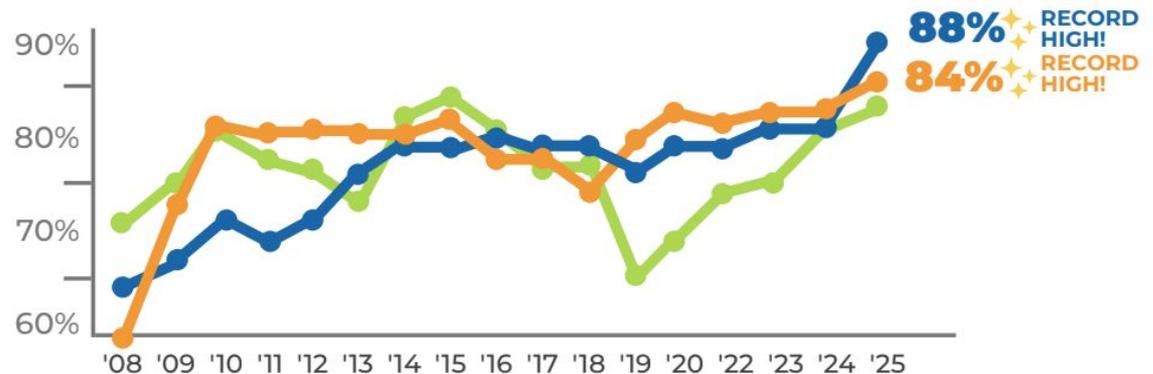


READING PASS RATE FOR MULTILINGUAL LEARNERS



Record Graduation Rates

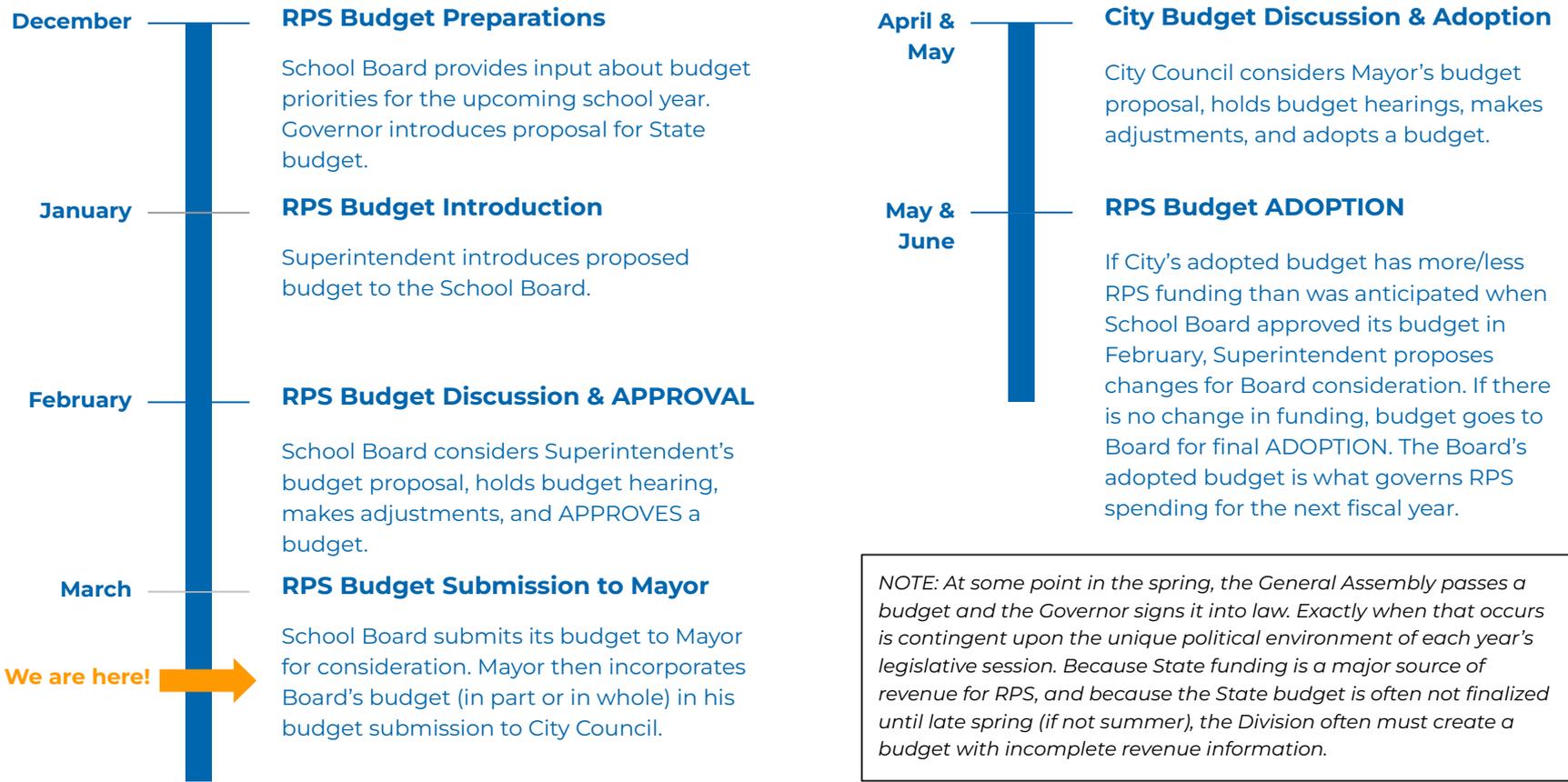
The RPS Class of 2025 had the **HIGHEST** graduation rate in **eight years** — **80.1 percent!** This milestone was driven by increases in our graduation rates for **Black students (88%)**, **economically disadvantaged students (84%)**, and **students with disabilities (83%)**.



Section 2

RPS Budget Background

Budget Process



Fiscal Year

- The RPS fiscal year runs from **July 1 through June 30**. Thus, the current fiscal year (referred to as FY26), runs from July 1, 2025 through June 30, 2026.
- The budget proposal in this document is for next fiscal year – FY27 – which will run from July 1, 2026 through June 30, 2027.

FY27

July 1, 2026 – June 30, 2027

Our Three Budgets

- **Operating Budget** – Covers all the day-to-day costs of running the school division: teacher salaries, transportation, books, science equipment, and so on
- **Capital Improvement Plan (CIP) Budget** – Covers major facility expenses: everything from new HVAC systems to new roofs
- **New School Construction Budget** – Covers the building or renovation of entire schools



Operating Budget



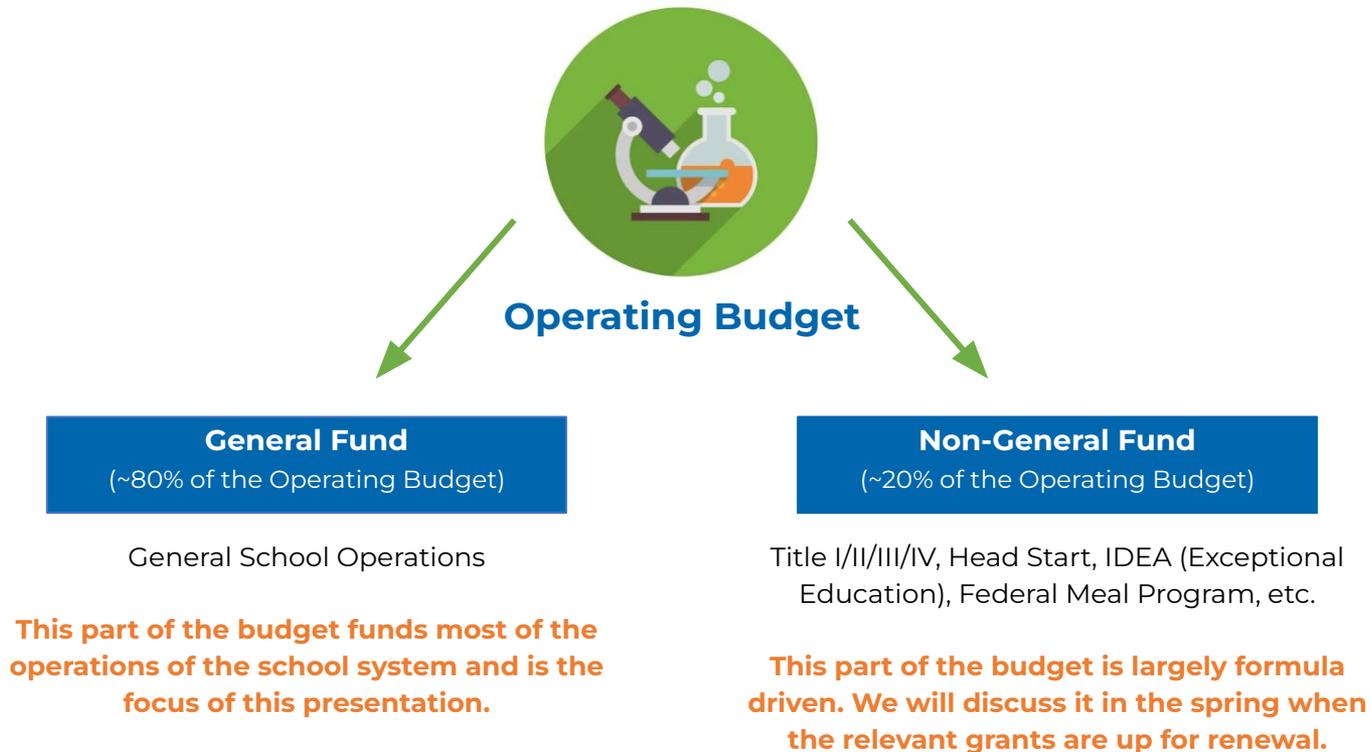
CIP Budget



New Construction Budget

The 2 Parts of the Operating Budget

- **Operating Budget** – The Operating Budget has two parts: the **General Fund** and **Non-General Fund**.



How Virginia Pays for Public Education

Average Daily Membership (ADM) → How much is funded

- This is used to calculate teacher positions, support staff, and per-pupil funding allocations.
- Data lags and funding often reflects prior-year enrollment.

Standards of Quality (SOQ) → What must be funded

- In many areas, RPS employs more staff than required by the SOQs.
- The division does not receive state matching funds for these positions above the SOQ requirements and must fund them 100% with local funds.

Local Composite Index (LCI) → Who pays what share

- Local divisions must fund their required share to receive full state aid. Richmond regularly funds significantly more than what is required.
- For FY24, Richmond's actual local expenditures were **134% above the required local effort**. We were one of 33 Virginia divisions exceeding 100%. (Source: [VDOE Report](#))

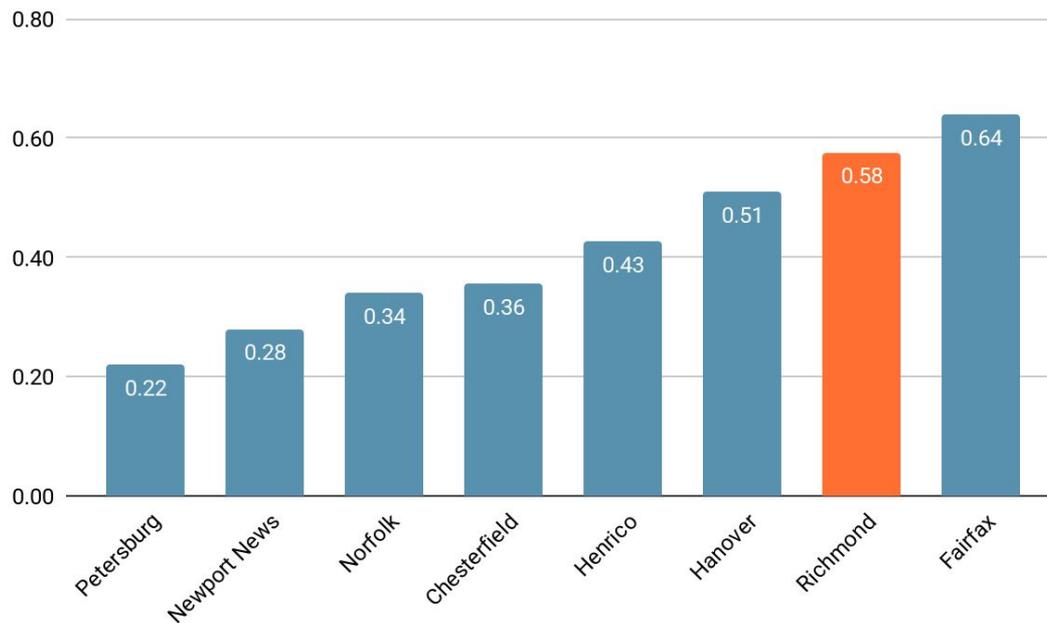
Note: Even when operating costs go up (utilities, transportation, staffing), ADM-driven funding can decrease. That gap becomes a local responsibility.

How Does the LCI Work?

- The Local Composite Index is the **state's formula to measure localities' ability to pay for public education**. Localities with a higher LCI will receive less state aid per student and must cover a larger share of SOQ costs. It is based on:
 - **Property Values** → primary driver of recent increases, +67% between 20-22 and 26-28
 - **Adjusted Gross Income** → recent increases likely driven by high-income in-migration and remote worker income reporting
 - **Taxable Retail Sales** → recent increases reflect post-COVID consumer demand + inflation
 - **Average Daily Membership** compared to Total Population
 - In Richmond, the most damaging variable of the LCI is our Average Daily Membership.
 - In past bienniums, our ADM has decreased while our population has stayed mostly flat.
 - This increases the LCI because the wealth is divided by fewer students.
- Virginia's funding model assumes a **statewide baseline that 55% of costs are paid by the state** and 45% are paid by local governments. This is the starting point before the Local Composite Index (LCI) is applied.
 - The LCI adjusts the 45% local share up or down based on a division's perceived ability to pay.
 - High-LCI divisions → local share well above 45%
 - Low-LCI divisions → local share below 45%

Richmond's LCI Is Nearly As High As Fairfax's!

- As the chart below illustrates, **Richmond's LCI is higher than that in the surrounding counties**, meaning the State estimates the City of Richmond has a greater ability to pay for public education than do Hanover, Henrico, and Chesterfield.
- Even more remarkable, Richmond's LCI is approaching Fairfax's, one of the wealthiest counties in the country.



JLARC's 2023 Report on Virginia's K-12 Funding Formula

Key Findings

- Virginia's K-12 funding formula understates the true cost of providing a quality education by over \$3 billion/year.
- The LCI methodology generally measures ability to pay but creates volatility and inequities.
- Staffing ratios and cost assumptions are outdated.

What the General Assembly Has Already Done

- Increased state funding overall, especially through:
 - Compensation supplements
 - Targeted add-ons (at-risk, special education, English learner teachers)
 - Elimination of the support staff cap
- Made incremental technical fixes, but:
 - Did not fully modernize SOQ staffing ratios
 - Did not overhaul LCI or adopt a student-based formula
- Continued reliance on non-SOQ programs to address gaps identified by JLARC

What's Next

- Phased SOQ updates → ratios, salaries, and cost assumptions
- Continued expansion of add-ons → at-risk, special education, compensation supplements
- LCI → smoothing (multi-year averaging) or replacement (revenue capacity model)
- Student-based funding model → would require largest investment, likely \$1 billion+ annually

State Funding Formula Is Insufficient for High Needs Students

*“The **SOQ** formula does not adequately account for higher needs students. State funding for at-risk students, special education students, and English learner students is less than the level of funding determined necessary to educate them in cost studies performed in other states.”*



City's Property Tax Freeze Will Impact RPS Funding

Summary

- In an effort to better align the property tax assessment process with the budgeting process, the City will be freezing property tax assessments this coming fiscal year.
- This means, for example, if the City assessed your house at \$250,000 this year, it will remain assessed at \$250,000 next year, regardless of increases in market value.
- Two years from now, the freeze will be lifted and Richmond residents will pay taxes on the actual assessed value of their properties. (This means taxpayers will experience two years of increases all at once.)

Impact for RPS

- RPS funding from the City is closely tied to property tax revenue, as this is the largest source of discretionary income for Richmond.
- Next year, because of the assessment freeze, the only increase in property tax revenue will come from new construction. This means that the increase in property tax revenue next year will be quite small.
- **As a result, RPS should expect a very modest increase in City funding.**

Other Factors Impacting the City

In addition to the city property tax freeze, the following may contribute to a lean budget year for Richmond City:

- **Structural gap between spending and revenue** – City projections showed spending rising at nearly twice the pace of revenues (about 6% vs. 3% annually), contributing to an expected long-term deficit that city administrators have warned is unsustainable.
- **Large projected long-term deficits** – The City reported a projected \$149 million budget gap by 2030, which was later revised to as high as \$319 million, underscoring the need to rein in spending.
- **Past rapid spending growth outpaced sustainable revenue** – Over recent years the general fund expanded substantially – driven in part by rising property values and rents – but without corresponding revenue increases this cycle, leaders are forced to prioritize and limit new expenditures.
- **Opportunity (and imperative) to “live within means”** – Because the major revenue source isn’t growing this year, city leadership frames the 2026 budget as a chance to tighten spending and re-evaluate priorities rather than expand programs.

Source: [The Richmonder](#)

Section 3

Overview of **UPDATED** Proposal

Key Updates

- This version of the FY27 Operating Budget **includes**:
 - All existing **collective bargaining commitments**
 - A **2% raise** for all units currently in negotiations (including teachers)
 - A **75%/25% split** on the increase in health insurance costs (replacing the 50%/50% split)
 - Full funding of our **mental health and wraparound support** contracts
 - Full funding of **summer school**
 - **Elimination of furlough** for directors, executive directors, and chiefs
- All of the **other reductions** outlined in the original proposal are **still cut** in this proposal (e.g., the 46 Central Office FTEs, Richmond Virtual Academy, etc.).
- This budget assumes a **\$20 million increase in State funding** per the House's recently released budget. The Senate's budget is less advantageous for RPS, as it includes a smaller increase of \$16 million. Important caveat: About \$7 million of the new State funding is one-time money. Unless replaced with other funding, using these dollars for recurring costs (like raises) will create a shortfall in FY28.
- To fully cover the items listed above, this version of the budget also assumes a **\$9 million increase in City funding**. If we ultimately receive less than \$9 million from the City, we will need to revisit some of the items listed above.

Key Updates (Continued)

- The Administration would like to **publicly thank the General Assembly** for its proposed investments, which more than double those in Governor Youngkin’s budget. In particular, we would like to thank the Richmond delegation: **Senator Bagby, Senator Jones, Delegate Carr, Delegate Cousins, and Delegate Schmidt.**



Senator Lamont Bagby
District 14



Senator Michael Jones
District 15



Delegate Betsy Carr
District 78



Delegate Rae Cousins
District 79



Delegate Charles Schmidt, Jr.
District 77

Thank you!

Next Steps

- **March 11** – The Mayor will present his budget to the City Council. This is when we will find out how much the City is planning to allocate to RPS.
- **May 31** – This is the deadline for the City to adopt its final budget for next year. At this point, we will know for certain how much RPS will be receiving from the City.
- **Sometime this spring** – The General Assembly will pass a final budget and send it to the Governor for her approval. This is when we will know for certain how much RPS will be receiving from the Commonwealth.
- **June 1** – The School Board will hold its last Work Session before adopting a final budget for next year.
- **June 2** – The School Board will vote to adopt a final budget. This is the end of the budget process!
- **July 1** – The new fiscal year begins and the new budget goes into effect.

Overview of FY27 Budget Pressures: \$40M

FY27 Budget Pressures	
Source	Amount
Priority 1: Academics (Example: Higher Cost of Exceptional Education Services)	\$7,345,750
Priority 2: Talent (Example: Higher Cost of Collective Bargaining Agreements)	\$24,181,107
Priority 3: Wellness (Example: Higher Cost of Nursing Services)	\$112,000
Priority 4: Engagement (Example: Higher Cost of Attendance Initiatives)	\$139,800
Priority 5: Operations (Example: Higher Cost of Transportation and Fuel)	\$2,890,055
Other (Example: Expiration of Special Revenue Funds)	\$5,478,961
TOTAL	\$40,147,673

Overview of Anticipated FY27 Revenue Increase: +\$25M

FY27 Anticipated Revenue Increase	
Source	Amount
City	+\$9,151,020
State	+\$20,120,655
Other	+\$195,376
One-time Fox Historic Tax Credit Used in FY26 (experienced as revenue loss in FY27)	-\$3,000,000
One-time Fund Balance Used in FY26 (experienced as revenue loss in FY27)	-\$1,168,564
TOTAL	+\$25,298,487

Note: The expected allocation from the State has been increased by about \$20 million based on the House's proposed budget (which is more advantageous to RPS than the Senate budget). The remainder of the necessary revenue increase has been allocated to the City.

Overview of Proposed FY27 Budget Reductions: -\$15M

FY27 Budget Reductions	
Item	Amount
Priority 1: Academics (Example: Closure of Richmond Virtual Academy)	-\$5,090,733
Priority 2: Talent (Example: Central Office RIF)	-\$8,953,532
Priority 3: Wellness (Example: Reduction of Stipends and Uniforms)	-\$28,700
Priority 4: Engagement (Example: Elimination of Summer Fest)	-\$123,500
Priority 5: Operations (Example: Reduction of Supplies and Contracts)	-\$633,271
Other (Example: Reduction of Travel)	-\$19,450
TOTAL	-\$14,849,186

Section 4

FY27 Budget Pressure Details

Priority 1: **Academics** – Budget Pressures

Item	Amount
Armstrong Renaming (New)	\$100,000
Exceptional Education: Interpreting Services (Previously covered by a grant)	\$330,000
Exceptional Education: Required Teacher Professional Development (Previously covered by a grant)	\$144,500
Exceptional Education: Therapy Services for Exceptional Education (Previously covered by a grant)	\$866,000
Exceptional Education: Tuition per Comprehensive Services Act (Reflects actual spend)	\$1,442,988
Extended Day (Previously covered by a grant)	\$150,000
Four Testing Coordinators for High Schools (New)	\$400,000
Graduation Ceremony (Reflects actual spend)	\$26,480
In-kind Services for After-School Partners (Transportation and security)	\$707,331
Instructional Equipment (Previously covered by a grant)	\$25,000
Local Travel (Reflects actual spend)	\$20,000
NWEA Reading Test Platform (Previously covered by a grant)	\$58,150
Regional Schools: Increase in ARGS Tuition by 3% (Contractual increase)	\$10,250
Regional Schools: Increase in MLWGS Tuition by 4% (Contractual increase)	\$123,834
Regional Schools: Increase in CodeRVA Tuition by 11% (Contractual increase)	\$19,887
Regional Schools: Cost of Lunch for 35 RPS Students at MLWGS (New)	\$61,250
Regional Schools: Cost of Lunch for 10 RPS Students at ARGS (New)	\$17,500
Tableau license (Contractual increase)	\$8,080
VDOE-required Math Textbook Adoption (New)	\$734,500
Summer School	\$2,100,000
TOTAL	\$7,345,750

Priority 2: **Talent** – Budget Pressures

Item	Amount
1.0% Raise and 1.17% Step for Facilities Personnel & Custodians	\$338,500
1.0% Raise and 1.17% Step for Principals, APs & Directors	\$567,729
\$1,000 Supplement for Novice Principal Mentors (Estimate of 5)	\$5,000
Vacation Leave Payout for Excess Accumulation	\$85,689
1.5% Raise and 1.17% Step for School-Based Bilingual Office Associates	\$7,260
1.5% Raise and 1.17% Step for School-Based Office Associates I	\$6,567
5.0% Raise and 1.17% Step for Central Office (All other personnel + ASL)	\$1,232,198
2.0 % Raise and 1.17% Step for Coordinators and Managers	\$278,325
7.0% Raise and 1.17% for Transportation Personnel	\$1,293,200
8.0% Raise and 1.17% for School-Based Office Associates	\$781,600
9.0% Raise and 1.17% Step for Central Office - Office Associates I, II, III, Administrative & Executive OAs	\$348,900
12.0% Raise and 1.17% Step for Family Liaisons	\$445,300
2.0% raise and 1.17% Step for Licensed Personnel (Teacher pay schedule & support positions requiring a license)	\$7,557,049
2.0% raise and 1.17 % Step for Care and Safety Supervisors and EMT Coordinator	\$22,303
2.0% raise and 1.17% Step for Care and Safety Associates	\$177,727
2.0% raise and 1.17% Step for Instructional Assistants	\$553,524
TOTAL	\$13,700,871

Note: The 2.0% raise in the last four lines of the chart above is for the bargaining units that are currently in negotiations. The listed amounts reflect the local share of the State's proposed 2% raise.

Priority 2: **Talent** – Budget Pressures (Continued)

Item	Amount
Cost of Annual Subs (Reflects actual spend)	\$4,475,440
Cost of Background Checks, TB Testing, and Fingerprinting (Reflects actual spend)	\$10,000
Cost of Day-to-Day Subs (Reflects actual spend)	\$1,500,000
Cost of Fee for USI Consulting for Cigna Healthcare (Contractual increase)	\$5,300
Cost of Various Talent Office Contracts (Contractual increase)	\$31,500
Deferred Annuity Employer Match (Contractual increase)	\$50,000
Health Saving Account Employer Share (Contractual increase)	\$80,000
Increase in Healthcare Insurance (Contractual increase)	\$4,265,278
State-mandated New Minimum Wage of \$12.77 for hourly positions (e.g., lunch monitors)	\$62,718
TOTAL	\$10,480,236

Priority 3: **Wellness** – Budget Pressures

Item	Amount
1:1 Nursing Contractual Services (Contractual increase)	\$50,000
Nursing Services SNAP Software (Previously covered by a grant)	\$57,000
Required Professional Training (Previously covered by a grant)	\$5,000
TOTAL	\$112,000

Priority 4: **Engagement** – Budget Pressures

Item	Amount
Advertising, Printing & Travel (Reflects actual spend)	\$7,400
Webmaster Stipends, Interns, and OurBlock Software	\$65,200
Family Engagement Supplies, Hub Support & EverydayPro (Previously covered by a grant)	\$43,900
Meals for Superintendent's Advisory Groups, Task Force meetings, etc.	\$23,300
TOTAL	\$139,800

Priority 5: **Operations** – Budget Pressures

Item	Amount
Batteries for Transportation (Reflects actual spend)	\$15,000
Bus Compound Lease (Contractual increase)	\$3,000
Cost of Insurance (Contractual increase)	\$17,500
Cost of Various Technology Platforms (Contractual increase)	\$16,400
Expenses Related to Grant-Funded Trips (Reflects actual spend)	\$250,000
Fees for Fleet Vision, Tyler Tech, Geotab, TraVersa, and Radios (Contractual increase)	\$195,000
Fuel for Buses & Other Non-bus Fleet Vehicles (Reflects actual spend)	\$265,000
Overtime, CBA, and Part-time Hourly Costs for Bus Drivers and Monitors (Reflects actual spend)	\$1,101,155
Printing, Incentives Awards, Repairs & Towing (New)	\$24,000
Specialized Transportation (Reflects actual spend)	\$1,000,000
Supplies (First Aid, Janitorial, Office, Repair and Maintenance, Student Safety & Tools) (New)	\$3,000
TOTAL	\$2,890,055

Other – Budget Pressures

Item	Amount
External Audit Services for ACFR & Single Audit (Contractual increase)	\$35,750
One-time ALL-In State Funds Used to Cover 8 Teacher FTEs	\$921,000
One-time Special Revenue Funds Used for Comprehensive Services Act Costs	\$1,237,311
One-time Special Revenue Funds Used for Increase in Cost of 1:1 Nursing Services	\$343,000
One-time Special Revenue Funds Used to Cover Mental Health & Wraparound Support Contracts	\$2,299,500
Required Contractual Increases for Grant Matching	\$639,850
School Board VSBA Annual Fee Increase 25% (Contractual increase)	\$2,550
TOTAL	\$5,478,961

Section 5

FY27 Budget Reduction Details

Priority 1: **Academics** – Reductions

Item	Amount
Close Richmond Virtual Academy	-\$3,210,541
Close One Element of Secondary Success Center & Reallocate Resources to Penn Foster and Tableau	-\$55,325
Eliminate Elementary and Middle School Summer School	NO LONGER CUT
Eliminate In-kind Services to After-School Providers (Transportation and security)	-\$707,331
Not Move Forward with Four Testing Coordinators for High School (New)	-\$400,000
Reduce Assessment Contracts	-\$65,000
Reduce Athletic Trainer Contract	-\$24,200
Reduce Costs for Medicaid Billing Platform	-\$71,988
Reduce Grant Transfers	-\$400,000
Reduce Professional Development Contracts and Supplies	-\$85,290
Reduce Stipends	-\$69,178
Reduce Travel Costs	-\$1,880
TOTAL	-\$5,090,733

Priority 2: **Talent** – Reductions

Item	Amount
Pause the 1.0% Raise for Facilities Personnel & Custodians	NO LONGER CUT
Pause the 1.0% Raise for Principals, APs & Directors	NO LONGER CUT
Pause the \$1,000 Supplement for Novice Principal Mentors (Estimate of 5)	NO LONGER CUT
Pause the Vacation Leave Payout for Excess Accumulation	NO LONGER CUT
Pause the 1.5% Raise for School-Based Bilingual Office Associates	NO LONGER CUT
Pause the 1.5% Raise for School-Based Office Associates I	NO LONGER CUT
Pause the 5.0% Raise for Central Office (All other personnel + ASL)	NO LONGER CUT
Pause the 1.0% Raise for Coordinators and Managers	NO LONGER CUT
Pause the 7.0% Raise for Transportation Personnel	NO LONGER CUT
Pause the 8.0% Raise for School-Based Office Associates	NO LONGER CUT
Pause the 9.0% Raise for Central Office - Office Associates I, II, III, Administrative & Executive OAs	NO LONGER CUT
Pause the 12.0% Raise for Family Liaisons	NO LONGER CUT
Reduce Other CBA Payments for Licensed Personnel by 50%	NO LONGER CUT
TOTAL	-\$0

Priority 2: **Talent** – Reductions (Continued)

Item	Amount
Adjust Substitute Contracts from 8 to 7 Hours	-\$1,846,968
Change Employer Funded Vision Insurance to Be Paid For by Employees	-\$740,000
Furlough Directors, Executive Directors, and Chiefs for 2 Days	NO LONGER CUT
Furlough Superintendent for 5 Days	-\$5,693
Reduce Flexible Spending Account Administrative Fees and Retirement Awards	-\$70,580
Reduce Supplies	-\$7,000
Reduce Central Office by 46 FTEs (see next slide for the full list of positions)	-\$4,861,531
Share the Increase in Cost of Health Insurance 75%/25% with Employees	-\$1,421,760
TOTAL	-\$8,953,532

Priority 2: **Talent** – Reductions (Continued)

List of 46 FTE Reductions

Academics Office

- CTE Academic Advisor (1)
- Specialist Academic Systems (1)
- Specialist Instructional Secondary Pathways* (1)
- Principal Special Projects and Assignments (1)
- Transition Mentor Teacher (4)
- Coordinator School Support and Improvement (2)
- Office Associate III 201 Days Central Office (1)
- Office Associate III 260 Days Schools (1)
- Assistant Principal Richmond Technical Center (1)
- Instructional Specialist Career and Technical Education (1)
- Future Center Navigators (5)
- Behavioral Specialist (1)

Chief of Staff Office

- Director, Enrollment, Placement, and Planning* (1)
- Budget & Finance - Staff Accountant (3)

Engagement Office

- Administrative Office Associate 260 Days Central Office (1)

Operations Office

- Director Construction* (1)
- Facilities Planner (1)
- Manager Custodial Services (1)
- Supervisor Custodial Services (3)
- Assistant Supervisor Transportation (1)
- Radio Dispatcher (1)
- Transportation Management Specialist (Router)* (1)

Talent Office

- Executive Office Associate I* (1)
- Talent Associate (2)

Wellness Office

- Bilingual Family Liaison* (1)
- Instructional Specialist (1)
- Office Associate III Social Work Services* (1)
- Student Support Specialist (4)
- Administrative Office Associate 260 Days Central Office (1)
- Administrative Office Associate School Nutrition Services (1)

*Vacant

Priority 3: **Wellness** – Reductions

Item	Amount
Reduce Mental Health and Wraparound Support Contracts by 25%	NO LONGER CUT
Reduce Printing and Travel Costs	-\$5,400
Reduce Stipends and Uniform Costs	-\$23,300
TOTAL	-\$28,700

Priority 4: **Engagement** – Reductions

Item	Amount
Eliminate Summer Fest	-\$35,000
Reduce Meals for Superintendent's Advisory Groups and Task Force Meetings	-\$23,300
Reduce Webmaster and Intern Stipends and Eliminate OurBlock Software	-\$65,200
TOTAL	-\$123,500

Priority 5: **Operations** – Reductions

Item	Amount
Reduce Printing and Incentive Awards	-\$24,000
Reduce Membership Fees	-\$10,125
Reduce Supplies for First Aid and Janitorial Services	-\$12,000
Reduce Learning Trailer Rentals	-\$316,862
Sunset Various Operations Contracts	-\$270,284
TOTAL	-\$633,271

Other – Reductions

Item	Amount
Reduce Attendance at Conferences	-\$19,450
TOTAL	-\$19,450

Section 6

FY27 Budget Snapshot

FY27 General Fund Revenue

**RICHMOND PUBLIC SCHOOLS
2026-27 BUDGET REPORT
GENERAL FUND OPERATING BUDGET REVENUE**

SOURCE	ACTUAL FY25	BUDGET FY25	BUDGET FY26	BUDGET FY27	\$ Change	% Change
Prior Year Fund Balance	-	11,213,816	1,168,564	195,376	(973,188)	-83.3%
City Revenue	239,280,792	239,280,792	248,880,792	258,031,812	9,151,020	3.7%
State Revenue	168,238,134	163,222,334	175,191,787	195,312,442	20,120,655	11.5%
Other Revenue	747,159	615,500	3,702,100	762,100	(2,940,000)	-79.4%
Federal Revenue	576,291	660,000	660,000	600,000	(60,000)	-9.1%
Total Revenue	408,842,376	414,992,442	429,603,243	454,901,730	25,298,487	5.9%

Source: Page 16 in FY27 Budget Book (3-2-26 Update)

FY27 **General Fund** Expenditures by Personnel/Non-Personnel

**RICHMOND PUBLIC SCHOOLS
2026-27 BUDGET
EXPENDITURES BY OBJECT GROUP - GENERAL FUND**

OBJECT GROUP	FTE FY27	ACTUAL FY25	BUDGET FY25	BUDGET FY26	BUDGET FY27	\$ CHANGE	% CHANGE
Salaries	3,585.7	249,369,259	246,558,572	254,766,797	269,370,652	14,603,855	5.7%
Benefits	-	96,726,624	99,558,273	111,505,960	111,488,020	(17,940)	0.0%
Non-Personnel	-	68,462,222	68,875,597	63,330,486	74,043,058	10,712,572	16.9%
TOTAL	3,585.7	414,558,105	414,992,442	429,603,243	454,901,730	25,298,487	5.9%

Source: Page 30 in FY27 Budget Book (3-2-26 Update)

FY27 **General Fund** Expenditures by State Function Code

**RICHMOND PUBLIC SCHOOLS
2026-27 BUDGET
FUNCTION SUMMARY - GENERAL FUND**

FUNCTION GROUP	FTE FY27	ACTUAL FY25	BUDGET FY25	BUDGET FY26	BUDGET FY27	\$ CHANGE	% CHANGE
Instruction	2,750.8	293,575,384	293,950,717	301,384,056	321,244,175	19,860,119	6.6%
Admin/Attendance & Health	240.4	31,184,965	29,728,004	34,525,177	35,402,221	877,044	2.5%
Pupil Transportation	242.0	26,856,716	24,233,074	25,097,212	28,719,664	3,622,452	14.4%
Operations & Maintenance	312.0	43,062,386	43,216,593	46,621,685	45,870,388	(751,297)	-1.6%
School Nutrition Services	-	-	-	-	-	-	0.0%
Facilities	4.0	814,342	856,665	945,084	691,372	(253,712)	-26.8%
Debt Service & Fund Transfers	-	8,641,519	12,040,440	9,282,405	11,439,207	2,156,802	23.2%
Technology	36.5	10,422,793	10,966,949	11,747,624	11,534,703	(212,921)	-1.8%
TOTAL	3,585.7	414,558,105	414,992,442	429,603,243	454,901,730	25,298,487	5.9%

Source: Page 34 in FY27 Budget Book (3-2-26 Update)

State Function Codes Explained

Instruction – Principals, Assistant Principals, Teachers, Counselors, Social Workers, Library Media Specialists, Homebound Instructors, Instructional Assistants, Professional Learning, Curriculum, Textbooks, Other Instructional Materials

Administration, Attendance & Health – School Board, Superintendent, Executive Administration, Human Resources, Budget & Finance, Procurement, Attendance Personnel, School Nurses, Psychologists, Speech/Audiology Personnel

Pupil Transportation – School Buses, Fuel, Parts, Repair, and Maintenance

Operations & Maintenance – Utilities, Personnel and Supplies for Routine Maintenance of School Buildings, Security, and Non-Student Vehicle Services

School Food Services – School Breakfast, Lunch, and Other Meal Services

Facilities – Non Debt-Funded Capital Expenditures

Debt Service & Fund Transfers – Notes Payable and Transfers to Support Programs and Grants (e.g., Governor's School Tuition, Patrick Henry School of Science & Arts)

Technology – Student & Staff Laptops, Phone and Internet Service, Cybersecurity

FY27 ALL Funds Revenue

**RICHMOND PUBLIC SCHOOLS
2026-27 BUDGET REPORT
REVENUE SUMMARY - ALL FUNDS**

SOURCE	ACTUAL FY25	BUDGET FY25	BUDGET FY26	BUDGET FY27	\$ CHANGE	% CHANGE
PY Fund Balance	-	11,213,816	1,168,564	195,376	(973,188)	-83.3%
City Revenue	239,280,792	239,280,792	248,880,792	258,031,812	9,151,020	3.7%
State Revenue	191,429,980	185,703,207	191,614,440	208,037,863	16,423,423	8.6%
Other Local Revenue	17,032,061	16,631,212	19,143,467	17,008,416	(2,135,051)	-11.2%
Federal Revenue	79,155,870	59,584,206	63,325,035	63,440,719	115,684	0.2%
TOTAL	526,898,703	512,413,233	524,132,298	546,714,186	22,581,888	4.3%

Source: Page 128 in FY27 Budget Book (3-2-26 Update)

FY27 **ALL Funds** Expenditures by Personnel/Non-Personnel

**RICHMOND PUBLIC SCHOOLS
2026-27 BUDGET
EXPENDITURES BY OBJECT GROUP - ALL FUNDS**

OBJECT GROUP	FTE FY27	ACTUAL FY25	BUDGET FY25	BUDGET FY26	BUDGET FY27	\$ CHANGE	% CHANGE
Salaries	4,225.4	296,756,055	287,104,044	297,165,124	310,707,752	13,542,628	4.6%
Benefits		114,921,199	117,113,711	129,490,840	130,379,430	888,590	0.7%
Non-Personnel		125,360,213	108,195,478	97,476,334	105,627,004	8,150,670	8.4%
TOTAL	4,225.4	537,037,467	512,413,233	524,132,298	546,714,186	22,581,888	4.3%

Source: Page 129 in FY27 Budget Book (3-2-26 Update)

FY27 **ALL Funds** Expenditures by State Function Code

**RICHMOND PUBLIC SCHOOLS
2026-27 BUDGET
FUNCTION SUMMARY-ALL FUNDS**

FUNCTION GROUP	FTE FY27	ACTUAL FY25	BUDGET FY25	BUDGET FY26	BUDGET FY27	\$ CHANGE	% CHANGE
Instruction	3,215.0	377,799,809	366,620,540	370,019,729	385,448,249	15,428,520	4.2%
Admin/Attendance & Health	262.4	34,190,786	31,949,385	36,137,499	38,239,496	2,101,997	5.8%
Pupil Transportation	243.0	27,581,026	24,233,074	25,422,212	29,044,203	3,621,991	14.2%
Operations & Maintenance	322.0	47,034,937	44,567,023	48,067,460	47,390,976	(676,484)	-1.4%
School Nutrition Services	142.0	18,642,465	21,112,169	22,439,001	22,850,586	411,585	1.8%
Facilities	4.0	10,474,082	856,665	945,084	691,372	(253,712)	-26.8%
Debt Service & Fund Transfers	-	8,641,519	12,040,440	9,282,405	11,439,207	2,156,802	23.2%
Technology	37.0	12,672,843	11,033,937	11,818,908	11,610,097	(208,811)	-1.8%
TOTAL	4,225.4	537,037,467	512,413,233	524,132,298	546,714,186	22,581,888	4.3%

Source: Page 130 in FY27 Budget Book (3-2-26 Update)

Section 7

UPDATED FY27 CIP Budget

FY27 CIP Budget

Category	School/Location	Projects	Amount
Electrical	G.H. Reid ES	Replace emergency egress lighting	\$ 100,000
Electrical	Thomas C. Boushall MS	Replace generator	\$ 80,000
		TOTAL ELECTRICAL	\$ 180,000
Category	School/Location	Projects	Amount
Fire Safety	G.H. Reid ES	Replace fire alarm panel; add pull stations, smoke detectors & strobes	\$ 60,000
Fire Safety	Oak Grove ES	Replace fire alarm panel	\$ 25,000
Fire Safety	Transportation	Install fire alarm panel & devices	\$ 60,000
Fire Safety	Transportation Hut	Install fire alarm panel & devices	\$ 23,000
		TOTAL FIRE SAFETY	\$ 168,000
Category	School/Location	Projects	Amount
HVAC	Albert Hill MS	Replace pneumatic control to DDC control	\$ 270,000
HVAC	Barack Obama ES	Replace pneumatic control to DDC control	\$ 350,000
HVAC	Broad Rock ES	A&E to replace heat pump units & improve controls	\$ 100,000
HVAC	Chimborazo ES	Replace supply & air handler return	\$ 1,100,000
HVAC	Chimborazo ES	Replace cooling tower	\$ 350,000
HVAC	Elizabeth D. Redd ES	Replace auditorium humidity control	\$ 100,000
HVAC	Huguenot HS	Overhaul chillers	\$ 100,000
HVAC	Mary Munford ES	Replace condensate return tank	\$ 275,000
HVAC	Oak Grove ES	A&E to replace heat pump units & improve controls	\$ 100,000
HVAC	Thomas Jefferson HS	Replace boilers	\$ 440,000
		TOTAL HVAC	\$ 3,185,000

FY27 CIP Budget (Continued)

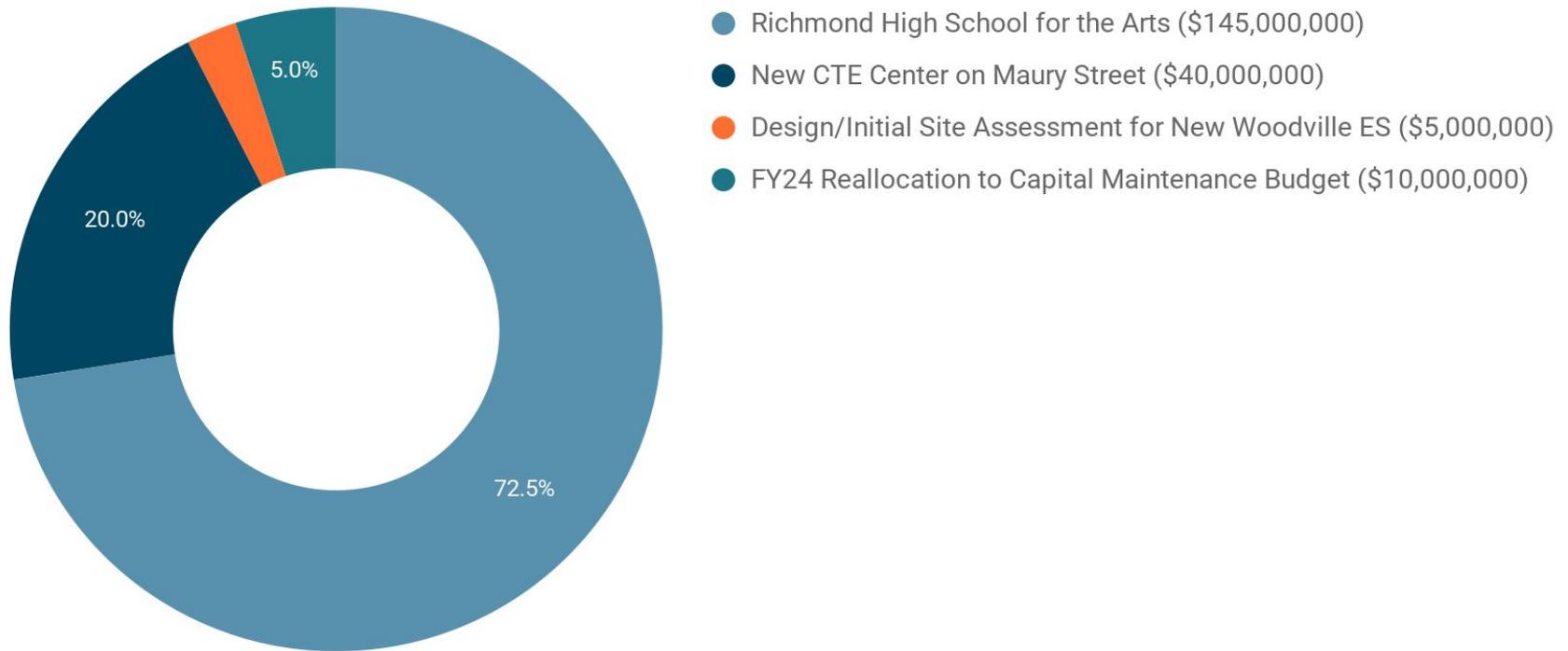
Category	School/Location	Projects	Amount
Plumbing	Albert Hill MS	Replace galvanized water supply & waste drains	\$ 310,000
Plumbing	Elizabeth D. Redd ES	Replace galvanized water supply	\$ 300,000
Plumbing	G.H. Reid ES	Replace galvanized water supply	\$ 275,000
		TOTAL PLUMBING	\$ 885,000
Category	School/Location	Projects	Amount
Roofs	Swansboro ES	Replace upper roof	\$ 600,000
		TOTAL ROOFS	\$ 600,000
Category	School/Location	Projects	Amount
Structural	Albert Hill MS	Replace windows	\$ 1,900,000
Structural	Bellevue ES	Replace windows	\$ 1,900,000
Structural	Richmond Success Acad	Replace doors and locks	\$ 200,000
Structural	Thomas C. Boushall MS	Replace locks	\$ 300,000
Structural	Westover Hills ES	Parking lot and student drop-off area	\$ 1,000,000
		TOTAL STRUCTURAL	\$ 5,300,000
Total			\$ 10,318,000

Note: This version of the FY27 CIP Budget includes **an additional \$1 million for Westover Hills ES** for a new parking lot and student drop-off area in conjunction with the City’s planned upgrades to Jahnke Road.

Section 8

New Construction Budget

Current Tranche of \$200M from the City for New Construction



Additional State Funding for New Construction

RPS has applied for and received funding from the Commonwealth's **State Construction Assistance Program (SCAP)**.

New CTE Center on Maury Street: \$20M in SCAP Funding

- With the \$40M from the City's new construction fund (see previous slide), this project has about \$60M in total funding. We are nearing the completion of a feasibility study, which will give us a clear picture of what the total project cost will be.

New Woodville ES: \$12.4M in SCAP Funding

- The new Woodville ES will cost approximately \$50M for construction (design is already complete). The \$12.4M in SCAP funding is the only funding currently available for this project.

Section 9

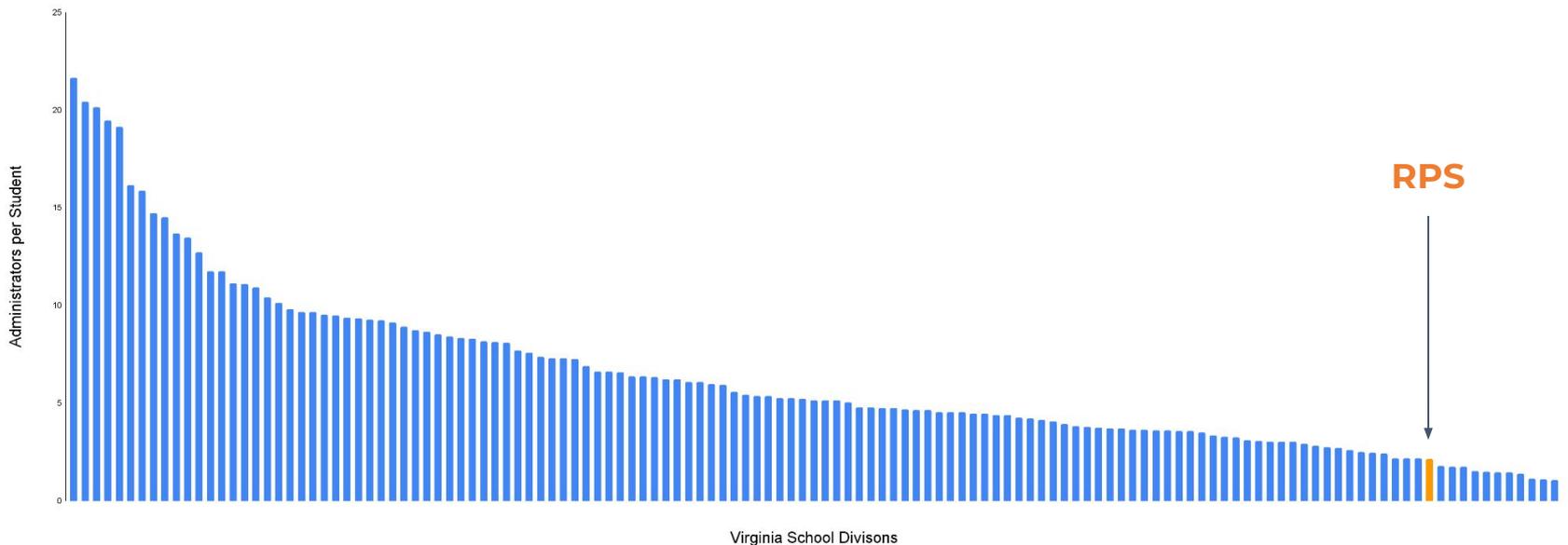
Additional Information

Number of Administrative Staff

Does RPS have an unusually high number of administrative staff relative to its student enrollment?

No. According to the latest data from the Virginia Department of Education, RPS ranks **120th out of 131 school divisions** in its ratio of administrative staff to students (the orange bar in the chart below).

2023-24 Administrators per 1,000 Students



FTE Reductions

The budget book initially showed a reduction of 42 FTEs, not 46 FTEs. Why?

When we created the initial budget book, we did not want to list the individual FTE reductions to protect the privacy of the individuals losing their positions. That is why there was no reference to a reduction of 46 FTEs. The 42 number came from:

- Reduction of 22 teachers at the Richmond Virtual Academy from the General Fund (-22)
- Reduction of 7 other staff at the Richmond Virtual Academy from the General Fund (-7)
- Reduction of 29 vacancies from the Non-General Fund (-29)
- Addition of 3.2 positions to the General Fund (+3.2)*
- Addition of 13.2 positions to the Non-General Fund (+13.2)**

Thus, there were a total of 58 reductions and 16.4 additions, resulting in **41.6 net reductions, rounded to 42.**

*2 teachers & funding to bring 1.2 FTEs into the General Fund from expiring grants

**11.2 teachers & 2 other positions (one transportation and one literacy) funded by grants

The **proposed reductions of 46 FTEs in FY27 is IN ADDITION to the 42 listed above.** They have now been included in an updated version of the budget book for maximum clarity.

Thus, **the total number of reductions from ALL fund sources (General Fund and Non-General Fund) is 88.**

- 4,313.00 (FY26) minus 4,225.4 (FY27) = 87.6, rounded to 88

Did RPS reduce FTEs last year?

Yes. We eliminated 33 vacancies last year.

FTE Reductions

Will remaining staff have a larger workload given budget reductions?

To the extent possible, we are aiming to avoid that by pausing or eliminating some workstreams.

How will employees impacted by the proposed reduction be supported during this time?

Impacted staff are being provided with the following support and resources, per an [Employee Transition and Support Guide](#) each staff member received:

- Priority application status for internal vacancies through the end of their contract term
- 15-month vacancy notifications
- Access to weekly office hours hosted by the Talent Office to provide resume review and interview coaching
- Counseling and financial planning through the Employee Assistance Program (EAP)
- Personalized support by a member of the Talent Acquisition team through the duration of the transition period

Are any impacted employees eligible for displacement (“bumping”)?

Yes. In accordance with our Administrative Procedures, a subset of employees in designated roles are eligible to exercise “bumping rights.” This allows a staff member to move into a position in the next lower salary grade within their functional unit (for example, their department or team), provided the role is currently held by an employee with less seniority. To exercise these rights, the employee must meet the minimum qualifications for the new position. Eligible employees have been notified.

Do “bumped” employees have the right to then “bump” someone else with less seniority?

No. Bumping rights only apply for employees who are subject to the initial reduction in force or position elimination.

FTE Reductions (Continued)

How will “bumped” employees be supported?

Bumped employees will be provided the same supports and resources provided to other impacted employees (outlined in the previous slide).

Will furloughed staff (Directors, Chiefs, and Superintendent) decide when they take furlough days?

No. All furloughed staff will absorb the reductions at the same time. The Administration will seek input from the affected personnel as to the most desirable point in the year to absorb the furlough days.

Health Insurance

What does it mean that employees would take on 75% of the increase in the cost of health insurance?

Each year, health insurance becomes more expensive. Since 2018, RPS has held employees harmless, meaning the school division has paid 100% of the annual increase. For example, if in Year 1, an employee's health insurance was \$1,000 and it went up 10% (to \$1,100) the following year, RPS paid all of the extra \$100.

Will the proposed sharing of health insurance costs erase the salary gains that teachers have made over the past several years.

No. The salary gains of the last eight years far exceed the amount that teachers would absorb under the proposal. Please see the charts on the following slides for details on this.

If the proposed cost-sharing proposal is approved, will I be able to change my plan before the new fiscal year?

Yes. RPS will host a new open enrollment window for employees to consider their options and make any changes before the new fiscal year. Additional details will be shared directly with employees in the coming weeks.

What will be the cost of vision insurance for employees?

As vision insurance is currently coupled with health insurance for all employees, we are not able right now to isolate the cost of the vision benefit. That said, we are working with our insurance company to determine exactly what that cost would be and will communicate the information as soon as it is available.

Health Insurance (Continued)

Example: First Year Teacher with a High Deductible (Note: This data is for a 50/50 split. The newly proposed 75/25 split would cut the employee costs listed below in half.)

- With the 50/50 split for the increase in the cost of health insurance, this employee’s premium would go up **\$10.66 per pay period for an annual total increase of \$255.84**. Of note, this is without the health assessment, which could lower the employee’s insurance costs. At the same time, with the 1.17% step increase, this **employee’s pay would increase by \$729** next year.
- Over the last eight fiscal years, this employee’s insurance costs would have increased by **\$274.80** while their salary would have increased by **\$18,125**.

First Year Teacher with a High Deductible



Health Insurance (Continued)

Example: Experienced Teacher with Classic Plan, Employee & Child (Note: This data is for a 50/50 split. The newly proposed 75/25 split would cut the employee costs listed below in half.)

- With the 50/50 split for the increase in the cost of health insurance, this employee’s premium would go up **\$12.39 per pay period for an annual total increase of \$297.36**. Of note, this is without the health assessment, which could lower the employee’s insurance costs. At the same time, with the 1.17% step increase, this **employee’s pay would increase by \$820** next year.
- Over the last eight fiscal years, this employee’s insurance costs would have increased by **\$482.64** while their salary would have increased by **\$20,546**.

Experienced Teacher with Classic Plan, Employee & Child



Health Insurance (Continued)

Example: Veteran Teacher with Premier Family Plan (Note: This data is for a 50/50 split. The newly proposed 75/25 split would cut the employee costs listed below in half.)

- With the 50/50 split for the increase in the cost of health insurance, this employee’s premium would go up **\$20.09 per pay period for an annual total increase of \$486.16**. Of note, this is without the health assessment, which could lower the employee’s insurance costs. At the same time, with the 1.17% step increase, this **employee’s pay would increase by \$920** next year.
- Over the last eight fiscal years, this employee’s insurance costs would have increased by **\$847.20** while their salary would have increased by **\$23,093**.

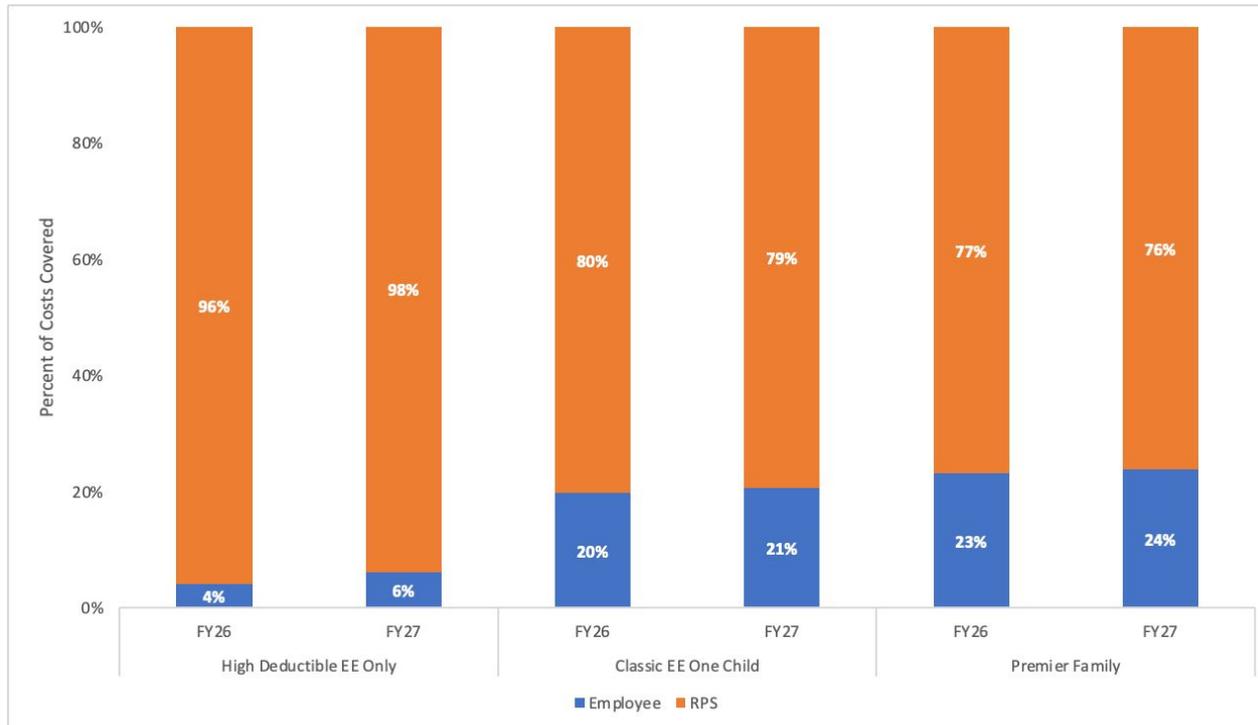
Veteran Teacher with Premier Family Plan



Health Insurance (Continued)

Impact of Proposed Budget on OVERALL Percentage of Health Insurance Costs Covered by Employee

As the graph below illustrates, the proposed budget will shift a very small percentage of the OVERALL health insurance costs to our employees. In the examples below (which cover the overwhelming majority of our employees), we see a shift of 1%-2% of total costs.

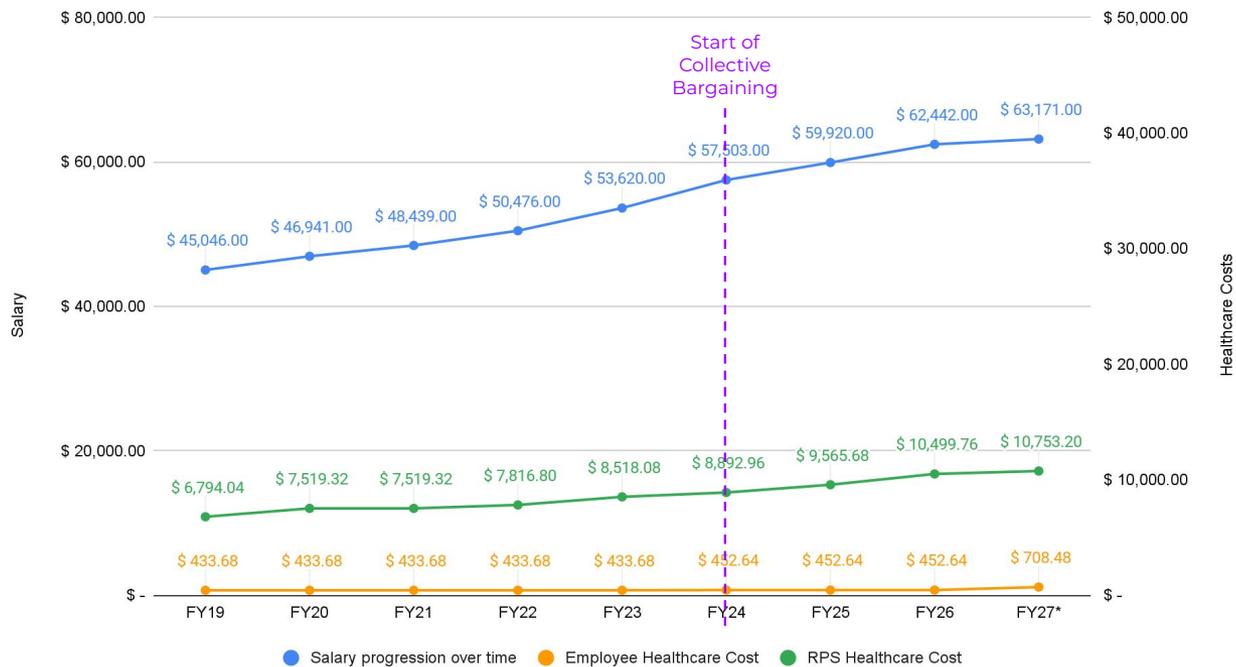


Health Insurance (Continued)

Did teacher raises and flat health insurance costs start with the advent of collective bargaining?

No. RPS provided raises and kept health insurance costs flat for many years before the start of collective bargaining.

First Year Teacher with a High Deductible



Richmond Virtual Academy

Why was RVA recommended for closure?

RVA was created in the wake of the pandemic with COVID-era funding. Those funds are no longer available, and so the school is no longer financially sustainable.

What will happen to RVA staff given the closure?

In addition to the support provided via the Transition Guide referenced earlier, all RVA staff with a valid Virginia teaching license will be guaranteed a position in RPS. For all other employees, every effort will be made to support them in finding new employment in the division if they so choose.

What options are available to families whose children currently attend RVA?

All RVA families have been invited to an RVA-only Transition Fair that will support them with:

- Information about transferring to their child's zone school
- In-person application support to out-of-zone schools through open enrollment or selective admission schools
- Connections to specialized services through representatives from Exceptional Education, Multilingual Learners, Culture, Climate & Student Services, and Health Services

Application deadlines for open enrollment and selective admission schools have been extended to guarantee that RVA families have adequate time and access to school applications for next year. Furthermore, throughout the spring, each family will be provided with personalized support tailored to their unique plans for next school year.

Richmond Virtual Academy (Continued)

What options are available for families who wish to keep their student enrolled in virtual learning?

Families interested in virtual learning are encouraged to explore options that meet their needs, and will be provided with additional information at the RVA-only Transition Fair and over the coming weeks and months as they determine plans for the next year.

- **High School Students** – RVA rising 9th-12th graders may continue instruction via Virtual Virginia (VVA), with tuition fees covered by the division. While students will remain connected to their home RPS school for record-keeping, please note that typical school-based supports—such as Counselors, Instructional Compliance Coordinators, and specific interventions—will be limited and not directly provided through the Virtual Virginia (VVA) platform.
- **All Other Students** – Families of rising 1st-8th graders interested in continuing virtual learning may enroll in VVA. However, any associated tuition fees and related costs will be the responsibility of the family, as was the practice before RVA. Additionally, families will need to withdraw from RPS and register as a home instruction student.

Note that if a family of a child with an IEP elects to continue virtual learning, regardless of the chosen program, their child's Individualized Education Program (IEP) will need to be reviewed to fit the virtual learning environment.

Will homebound & home-based instruction still continue?

Yes. Students and families will still follow the procedures for enrolling in homebound and home-based instruction based on their individual circumstances.

Richmond Virtual Academy (Continued)

How many students are enrolled in RVA?

The chart below lists the number of students by grade enrolled in RVA as of the official Fall Membership count for the current year and the two prior years. About 90% of students enter through open enrollment, and about 10% through the administrative placement process. As with every administrative placement, we will review each one at the end of the year and identify the best location for the student, which may include VVA.

Grade Level	SY2023-24	SY2024-25	SY2025-26
K	6	1	1
1	1	7	1
2	12	2	7
3	21	7	4
4	35	17	7
5	21	24	16
6	20	23	22
7	17	15	21
8	16	14	23
9	12	8	17
10	3	10	13
11	10	1	20
12	9	7	1