



City of Richmond

900 East Broad Street
2nd Floor of City Hall
Richmond, VA 23219
www.rva.gov

Legislation Text

File #: ORD. 2023-364, **Version:** 1

To amend Ord. No. 2023-072, adopted May 8, 2023, which appropriated and provided funds for financing the school budget for the fiscal year commencing Jul. 1, 2023, and ending Jun. 30, 2024, by increasing estimated revenues from certain state programs.

THE CITY OF RICHMOND HEREBY ORDAINS:

I. That Ordinance No. 2023-072, adopted May 8, 2023, be and is hereby amended and reordained as follows:

§ 1. That a sum not exceeding \$254,428,008 is hereby appropriated representing (i) \$32,967,902 in State Shared Sales Tax funds and (ii) \$221,460,106 in funds appropriated from the City's general fund, resulting in a total City contribution to the School Board of \$221,460,106, and, together with the estimated receipts of the School Board from tuition charges and from other anticipated sources of revenue of \$16,244,717, along with revenue from Richmond Public Schools' Anthem healthcare reserve fund of \$0, and with the estimated state and federal receipts of the School Board through the Commonwealth of Virginia of [~~\$276,801,503~~] \$289,478,689 (excluding transfers to special funds and including [~~\$169,394,869~~] \$182,072,055 in state funds and \$107,406,634 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 [~~\$547,474,228~~] \$560,151,414; 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, 2023, and ending June 30, 2024, 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:

(a) 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.

(b) 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.

(c) 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, 2023, and ending June 30, 2024, 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, 2024, and ending June 30, 2025. Such budget target shall be communicated by the Director of Finance to the Superintendent no later than November 30, 2024, 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, 2024, and ending June 30, 2025. 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, 2023, 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.

City of Richmond

Intracity Correspondence

O&R Transmittal

DATE: November 2, 2023

TO: The Honorable Members of City Council

THROUGH: The Honorable Mayor

THROUGH: Lincoln Saunders, Chief Administrative Officer

THROUGH: Sabrina Joy-Hogg, DCAO for Finance and Administration

THROUGH: Sheila White, Director of Finance

FROM: Meghan Brown, Interim Director of Budget and Strategic Planning

RE: To appropriate additional funding to Richmond Public Schools

ORD. OR RES. No.

PURPOSE: To amend Ord. No. 2023-072, adopted May 8, 2023, which adopted the Fiscal Year 2023-2024 School Budget and made appropriations pursuant thereto, by increasing the estimated state receipts of the School Board through the Commonwealth of Virginia from \$169,394,869 to \$182,072,055, an increase of \$12,677,186, and appropriating such amount to Richmond Public Schools (RPS) for the purposes outlined in the General Assembly’s 2023 Amendments to the FY 2024 Budget.

BACKGROUND: The Virginia Department of Education shared HB 6001’s budgetary amendment updates by locality on September 6, 2023, 4 months after the city’s budget was adopted. As the Commonwealth finalizes their local contributions, RPS has agreed to the below allocations that make up the \$12,677,186 increase. The included amendments are:

- Provide additional 2% compensation supplement in FY24 on January 1, 2024 - \$849,001
 - o RPS provided a 6% raise and a 1.17% step for teachers in FY24 which satisfied the state’s intent in this category. The School Board approved, at its October 16th meeting, to use these funds to move FTEs from ESSER III/ARP funding to the operating budget.
- Increase support staffing in basic aid to 24 positions per 1,000 in ADM - \$2,336,165
 - o RPS has met this ratio. The School Board approved, at its October 16th meeting, to use these funds to move FTEs from ESSER III/ARP funding to the operating budget.
- All in per pupil funding distribution in FY24 (one-time funds) - \$9,492,020
 - o These funds are designated by the state for high-dosage tutoring to address pandemic-related unfinished learning. This plan will be presented to the School Board on November 6th.

COMMUNITY ENGAGEMENT: N/A

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: Public Education.

FISCAL IMPACT: Amending the FY 2024 School budget to appropriate an additional \$12,677,186 spending authority from funding received from the state.

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: December 11, 2023

CITY COUNCIL PUBLIC HEARING DATE: January 8, 2024

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Committee waived.

AFFECTED AGENCIES: Budget and Strategic Planning, Finance, Richmond Public Schools

RELATIONSHIP TO EXISTING ORD. OR RES.: 2023-072

ATTACHMENTS: N/A

STAFF: Kiara Jordan, Senior Manager

Lynn Bragga, Executive Director Budget/Finance