File #: RES. 2025-R023, **Version:** 2

To request that the Chief Administrative Officer cause to be established a work group to work in collaboration with Richmond Public Schools to develop a funding formula for allocating General Fund revenues annually for school operating expenses and a plan for implementation in the Fiscal Year 2027 General Fund Budget.

WHEREAS, the Mayor and the Council believe that it is in the best interests of the citizens of the City of Richmond that the Council establish a procedure (the "Funding Formula") that provides a predictable and objective methodology for allocating General Fund revenues estimated to be available in any given fiscal year for the operating expenses of the Richmond Public Schools (the "School Operating Expenses"), while providing a balance between the funding requirements for School Operating Expenses and City programs; and

WHEREAS, the Council believes that it is in the best interests of the citizens of the City of Richmond that the Council request that the Chief Administrative Officer cause to be established a work group to work in collaboration with Richmond Public Schools to develop a Funding Formula for allocating General Fund revenues annually for School Operating Expenses and a plan for the implementation of such formula in the fiscal year commencing July 1, 2026, and ending June 30, 2027;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

That the Council hereby requests that the Chief Administrative Officer cause to be established a work group to work in collaboration with Richmond Public Schools to develop a Funding Formula that provides a predictable and objective methodology for allocating General Fund revenues estimated to be available in any given fiscal year for School Operating Expenses, while providing a balance between the funding requirements for School Operating Expenses and City programs.

BE IT FURTHER RESOLVED:

That the workgroup for which this resolution calls shall consist of employees of the City's

Administration, employees of the Council Chief of Staff, employees of Richmond Public Schools, two members of the Council, and two members of the School Board of the City of Richmond.

BE IT FURTHER RESOLVED:

That the work group shall work in collaboration with the administrative leadership of Richmond Public Schools to develop a plan for the implementation of the Funding Formula in the General Fund Budget for the fiscal year commencing July 1, 2026, and ending June 30, 2027.

BE IT FURTHER RESOLVED:

That the Funding Formula should, at the very least, be based on anticipated locally generated General Fund revenues to be received by the City that are not one-time in nature or dedicated by any applicable law to specific purposes.

BE IT FURTHER RESOLVED:

That the work group for which this resolution calls shall provide a report consisting of recommendations to the Mayor, the Council, and the School Board of the City of Richmond concerning a plan for the implementation of the Funding Formula by no later than August 30, 2025.

City of Richmond

Intracity Correspondence

O&R REQUEST

DATE: May 21, 2025 **EDITION:** 2

TO: The Honorable Members of City Council

THROUGH: The Honorable Dr. Danny Avula, Mayor

THROUGH: Sabrina Joy-Hogg, Interim Chief Administrative Officer

THROUGH: Sheila White, Director of Finance

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FROM: Meghan Brown, Director of Budget and Strategic Planning

RE: Development of a Funding Formula for Richmond Public School Funding.

ORD. OR RES. No.

PURPOSE: A resolution to request that the Chief Administrative Officer establish a work group including certain employees in collaboration with the Richmond Public Schools to develop a funding formula for allocating general fund revenues annually for school operating expenses and a plan for implementation in the Fiscal Year 2027 general fund budget.

BACKGROUND: Richmond City Council and the City Administration believes that it is in the best interests of the residents that the Council establish a procedure (the "funding formula") that provides a predictable and objective methodology for allocating General Fund revenues estimated to be available in any given fiscal year for the operating expenses of the Richmond Public Schools, while providing a balance between the funding requirements for school operating expenses and city programs.

STRATEGIC INITATIVES AND OTHER GOVERNMENTAL: Collaboration with Richmond Public Schools and the Richmond City School Board.

FISCAL IMPACT: Currently there is no fiscal impact besides staff time. A working group will be established to develop a funding formula to be used in future fiscal year budgets regarding the funding from the city's general fund to Richmond Public School for operating expenses. Staff time will be used to develop the requested funding formula.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: May 27, 2025

CITY COUNCIL PUBLIC HEARING DATE: May 27, 2025

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE: None. Expedited consideration requested.

AFFECTED AGENCIES: Department of Finance, Department of Budget and Strategic Planning, Richmond Public Schools, and any other department deemed necessary for the work group.

RELATIONSHIP TO EXISTING ORD. OR RES.: None

ATTACHMENTS: None

STAFF: Meghan Brown, Director of Budget and Strategic Planning

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