

## FUNDING RPS OPERATIONS (Draft 9.14.16)

### The Proposal:

The citizens of Richmond have asked for increased funding of Richmond Public Schools (RPS), while simultaneously providing other important City services effectively and efficiently.

To this end, it is proposed that City Council appropriate annually for RPS operations \_\_\_% of property and other local tax receipts levied by the City of Richmond<sup>1</sup>.

With this appropriation, plus state, federal and other RPS resources, RPS will be responsible for funding—

- all of its operations and obligations, with the sole exception of those services provided by the City listed on the Attachment, and
- 100% of the debt service associated with RPS projects<sup>2</sup>.

The citizens of Richmond aspire to have healthy inclusive public schools, in which RPS students together—regardless of race, income or neighborhood—meet or exceed the academic expectations for all VA students. This is likely to require resources beyond the City's current capacity.

The City's ability to increase tax receipts is severely constrained by (a) current high tax rates, (b) the large amount of tax-exempt state and other property, (c) the large proportion of families and students living in concentrated poverty, and (d) the City's inability to annex contiguous revenue generating areas.

To fulfill our aspirations, Richmond City leaders will have to pursue additional state and federal funding.

### The Pro-forma Effect

Year	Actual Funding	Formula Funding
2008		
2009		
2010		
2011		

<sup>1</sup> This totals \$440.2 million in the City's 2017 budget.

<sup>2</sup> This totals \$17.3 million, according to Davenport's June 27, 2016 report.

2012		
2013		
2014		
2015		
2016		
2017	\$154.5 million—operations funding <u>17.3 million—debt service funding</u> \$171.8 million—total	At 39%—\$171.8 million At 40%—\$176.1 million

### Projected Effect

Year	Formula Funding
2018	
2019	
2020	
2021	
2022	