THE SCHOOL DISTRICT OF PHILADELPHIA

BOARD OF EDUCATION
PUBLIC HEARING MEETING
AGENDA
APRIL 20, 2023; 3:00 PM

Call to Order - Reginald L. Streater, Esq., President

Roll Call - Lynn Rauch, General Counsel

Presentations - Budget Updates, Michael Herbstman, Chief Financial Officer

- Fiscal Year 2024 Operating Budget Presentation

Registered Speakers

- Speaker:
  Topic: General Speakers List

Adjourned

Board of Education Meeting Date: 4/20/2023

ATTACHMENTS:

Description	Type
Fiscal Year 2024 Operating Budget Presentation	Supporting Document



THE SCHOOL DISTRICT OF PHILADELPHIA

Fiscal Year 2024 Operating Budget

Board of Education Budget Hearing

April 20, 2023

Tony B. Watlington, Sr. Ed.D.
Superintendent

Mike Herbstman
Chief Financial Officer

Superintendent Fiscal Year 2024 Budget Summary

The Fiscal Year 2024 Budget will focus on three priority areas:

Strengthening School Safety ○ Invest in physical, social/ emotional, and environmental safety at schools. ○ Invest in additional staff resources in high-needs schools.	**Guardrail #1**
Partnering with Parents and Community ○ Invest in family and staff resources to increase attendance and reduce dropouts. ○ Invest in a two-way communication system and customer service training.	**Guardrail #1 and Guardrail #3** **Goals #1-#5**
Accelerating Academic Achievement ○ Invest in research-based, standards aligned core curricula and high impact tutoring. ○ Invest in increased and equitable CTE and Dual Enrollment opportunities.	**Guardrail #4** **Goal #1, Goal #2, Goal #3**

Fiscal Year 2024 Budgeted Revenue and Expenditures

(Operating Fund and Federal Recovery Funds)

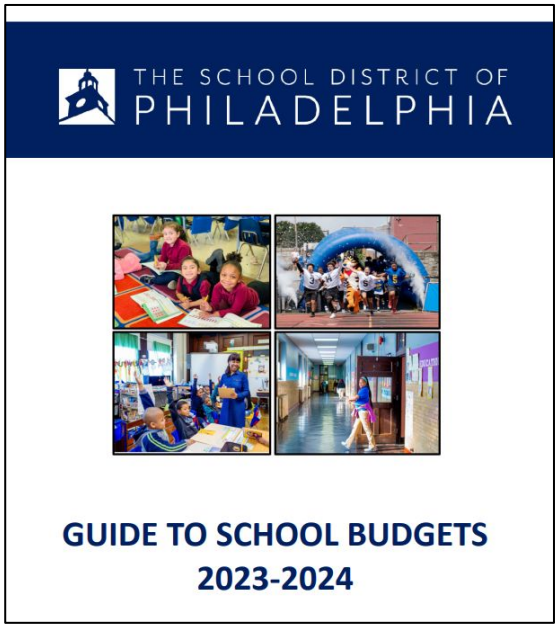
Revenues ($ in Thousands)	FY 2023 Projected	FY 2024 Projected	% Change
Local Revenue	$1,824,182	$1,863,389	2.1%
State Revenue	$1,981,548	$2,073,797	4.7%
Federal Revenue	$16,403	$16,246	(1.0%)
Federal Recovery Funds	$420,812	$528,400	25.6%
Other Financing Sources	$13,309	$15,069	13.2%
Total Revenues & Other Financing Sources	**$4,256,253**	**$4,496,901**	**5.7%**

Expenditures ($ in Thousands)	FY 2023 Revised Adopted	FY 2024 Projected	% Change
District-Operated Schools	$2,241,925	$2,412,203	7.6%
Non-District Operated Schools	$1,286,205	$1,502,886	19.0%
Administration, Debt Service, Undistributed Budget Adjustments and Net Transfers	$538,618	$532,391	(1.1%)
Total Expenses and Other Financing Sources	**$4,040,815**	**$4,444,671**	**10.0%**

Note on Non-District Operated School Change

- Rate Setting: Greater than 90% of this FY 2024 increase is driven by changes in District expenditures between FY 2022 and FY 2023 (as Charter School rates are based on expenditures one year in arrears).
- Federal Recovery Grants: In FY 2023 (compared to FY 2022) the District spent more in federal COVID-19 grants (not included in Charter rate formula) and less in operating funds (included in Charter rate formulas).
- Other Key Factors: Overall District expenditures increased in FY 2023 due to expense associated with negotiated labor contracts, inflation and other areas.

FY 2024 School Budgets



All documents are now available at:
www.philasd.org/budget/

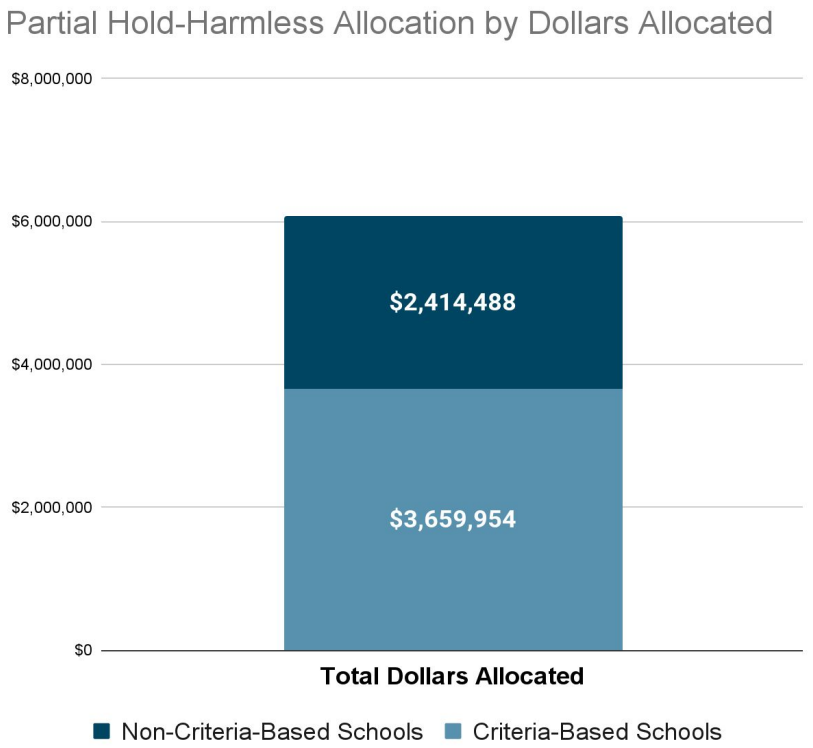
	FY 2023	FY 2024 Projected	% Change (FY 2024 - FY 2023)
Enrollment	113,739	113,220	-0.5%
Economically Disadvantaged Percentage	76.6%	76.6%	0.1%

Position/Expenditure	FY 2023	FY 2024 Projected	% Change (FY 2024 - FY 2023)
Principals/Assistant Principals	486.5	491.5	1.0%
Teachers - General Education	6,817.2	6,924.6	1.6%
Teachers - Special Education	1,726.0	1,765.0	2.3%
Classroom Assistants/Teacher Assistants	2,577.0	2,602.0	1.0%
Counselors, Climate & Behavioral Specialists, and Student/Community Supports	1,122.6	1,152.0	2.6%
Nurses/Health Services	231.0	236.0	2.2%
Secretaries	268.0	268.0	0.0%
Student Climate Staff and Support Services Assistants	1,472.0	1,510.0	2.6%
Other	74.0	88.0	18.9%
Total Positions	**14,774.3**	**15,037.1**	**1.8%**
Total Positions ($)	**$1,633,741,517**	**$1,687,970,168**	**3.3%**
Contracts/Supplies/Equipment/Part-Time/ Centrally-Managed Supports	**$783,262,964**	**$845,772,022**	**8.0%**
Total School Budget	**$2,417,004,481**	**$2,533,742,190**	**4.8%**
Per Pupil Budget	**$21,250**	**$22,379**	**5.3%**

Partial Hold-Harmless for Declining-Enrollment Schools

$6.1 Million Investment in School Stabilization

- District allocated $6.1 million to help stabilize 25 schools with significant formulaic general operating fund reductions from the prior school year.
- This capped year-over-year general operating reductions at $400,000 for schools projected to lose significant enrollment.
- Principals had considerable discretion over the use of these funds (in alignment with the regular school budget process).



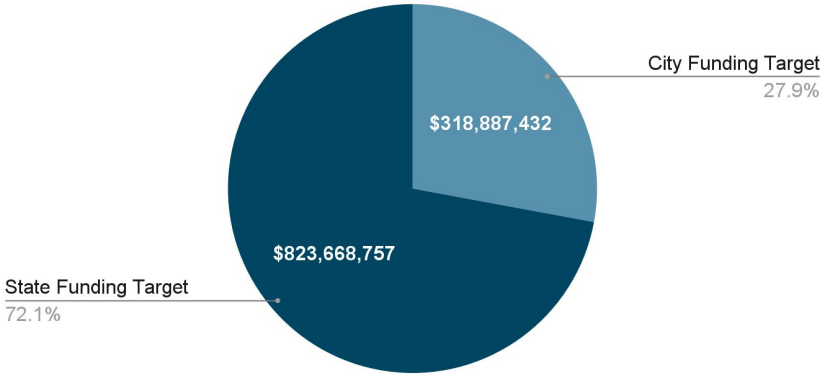
The Future of the School District

A Call to Advocacy

Unfair and Inadequate State Funding System

- On February 7, 2023, Commonwealth Court President Judge Cohn Jubelirer ruled that the current system does not adequately or equitably fund schools.
- Judge Cohn Jubelirer called on the Legislature and Executive Branch to appropriately address the issue.
- According to The Education Law Center - PA and the Public Interest Law Center fair funding would require an additional $4,976 per Philadelphia student.

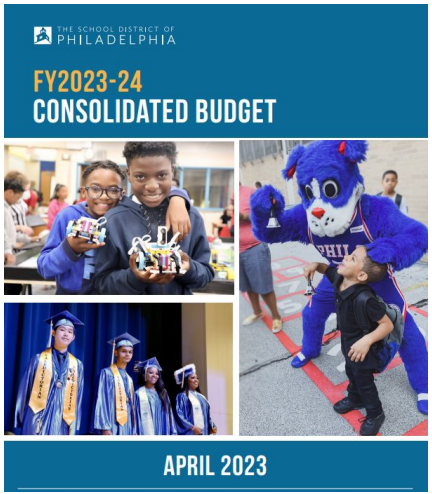
Total Annual Funding Inadequacy for the School District of Philadelphia

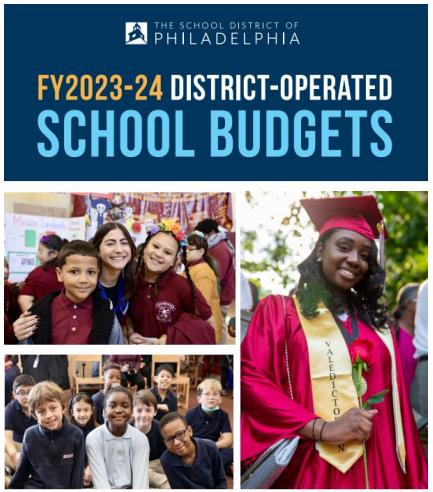


Source: May 1, 2021, Expert Testimony to the Commonwealth Court from Dr. Matthew Kelly, Professor at Penn State's College of Education.



Operating Budget Documents and Process



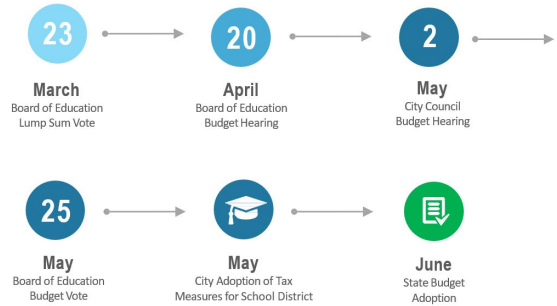


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Budget Detail Reports

- FY 2024 Consolidated Budget Book: Outlines the full revenue and expenditure budget for all funds and delineates budgeted personnel and non-personnel costs for each department.
- FY 2024 School Budget Book:
  Provides the full position and budget detail at each individual district-managed school.
- Understanding the District's Budget:
  Outlines key elements of the budget for the public.

Budget Timeline





THE SCHOOL DISTRICT OF PHILADELPHIA

Board of Education Meeting Date: 4/20/2023

ATTACHMENTS:

Description	Type
General Speakers List	Supporting Document

THE SCHOOL DISTRICT OF PHILADELPHIA
BOARD OF EDUCATION
BUDGET HEARING
SPEAKERS LIST
APRIL 20, 2023

Registered Speakers

1. Karel Kilimnik, APPS
   Topic: Budget

2. Ruqayyah Rashad, Community Member
   Topic: Yondr as a Certified Vendor in SDP

3. Lisa Haver, APPS
   Topic: Budget Priorities

4. Claire Wan, Community Member
   Topic: Tax Abatement Impact on School Budget

5. Krstin Luebbert, District Staff Member
   Topic: Budget Priorities

6. Mama Gail Clouden, Community Member
   Topic: Community Engagement

7. Constance Jones, Parent/Guardian
   Topic: Autism Awareness Protest

8. Kirstin Britt, Community Member
   Topic: Reopening of Indoor Pools

9. Dawn Chavous, Community Member
   Topic: Black Led Charter Schools

10. Ngozi Onyenaka, Community Member
    Topic: Yondr Being Approved as a District Vendor

11. Leah Clouden, Community Member
    Topic: Community Engagement