THE SCHOOL DISTRICT OF

Superintendent Opening Remarks

Tony B. Watlington, Sr., Ed. D. Superintendent December 7, 2023

Overview



- District Recognition
- Ongoing Priorities
- Swing Space Plan
- FY 2025 Budget Development Kickoff

• Q&A



District Recognition

Happy Holidays

Happy Hanukkah!

Hanukkah is a Jewish holiday honoring the Maccabees's victory over King Antiochus, who forbade Jews to practice their religion.

PHILADELPHIA

* MERRY ** CHRISTMAS

District schools will be closed from Dec 25th - Jan. 2nd

THE SCHOOL DISTRICT OF



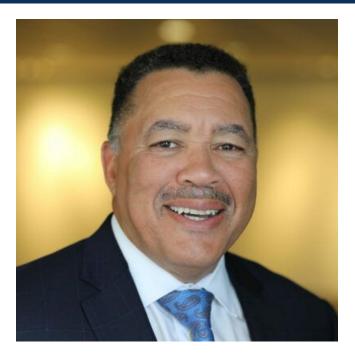
Heri za

Kwanzaa!

During the week of Kwanzaa, families, and communities come together to share a feast, honor their ancestors, affirm the bonds between them, and celebrate African and African American culture.

PHILADELPHIA

District Leadership Update



Kevin Bethel Chief of School Safety

- Mayor-elect Parker announced the appointment of Chief Bethel as the incoming Police Commissioner for the Philadelphia Police Department.
- Under Chief Bethel's Leadership the District:
 - Became the only school district in the state accredited as a provider of PA Act 67 School Security Personnel training.
 - Expanded the Safe Paths program
 - Launched the replacement of 150 analog security cameras systems with modern systems.
- Craig Johnson, the Deputy Chief of School Safety will serve as the District's Interim Chief Safety Officer, pending permanent search.

Office of Communication PRSA Award



PEPPERPOT AWARDS 2023

PRSA PHILADELPHIA CHAPTER | EST. 1968



Public Service Award Winner for the District's Back-to-School Campaign and Bus Tour

The PRSA Pepperpot Awards recognize organizations for outstanding communications campaigns and tactics.

Ongoing Priorities

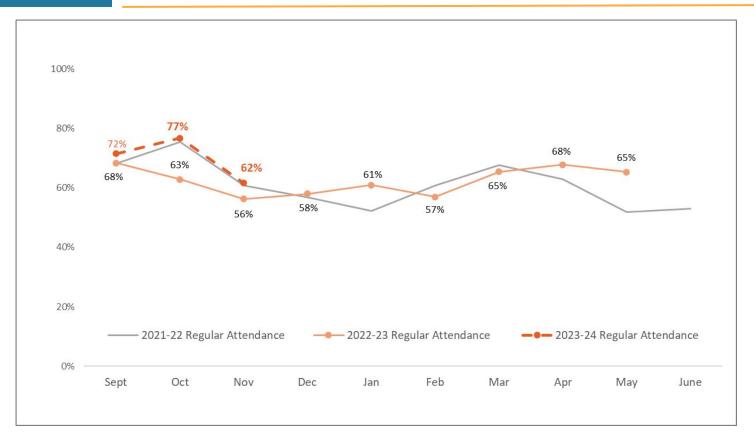
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Increase School Safety

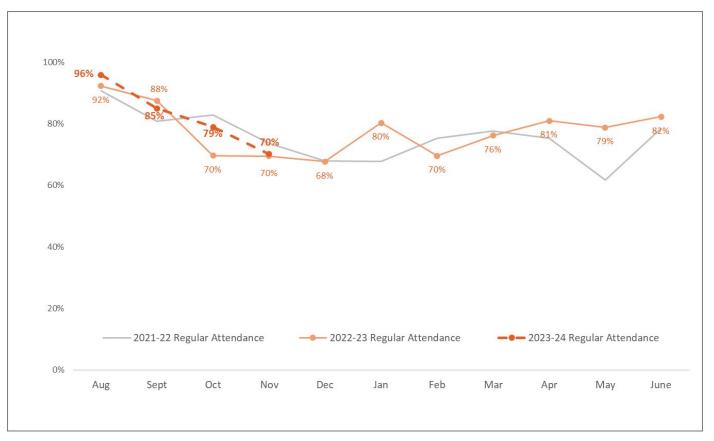
- Increase Student Attendance
- Increase Teacher Attendance
- Decrease Dropouts

District-Wide Student Attendance Within Month: 2021-22 through 2023-24



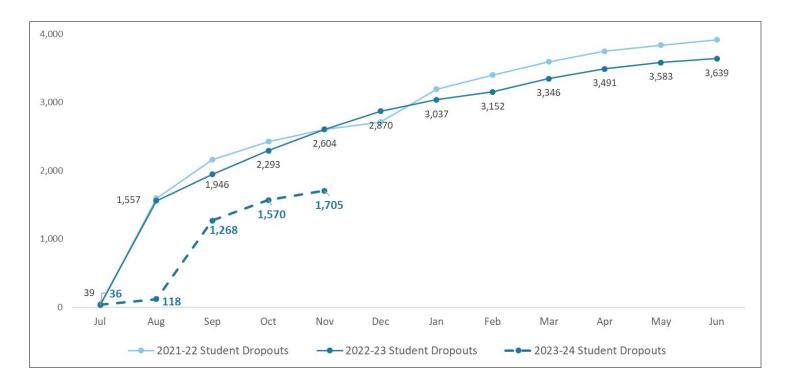
Source: Qlik Climate Matters, 12/6/2023. SDP Office of Evaluation, Research, and Accountability.

District-Wide Teacher Attendance Within Month: 2021-22 through 2023-24



Source: Qlik School Employee Attendance, 12/4/2023. SDP Office of Evaluation, Research, and Accountability.

District-Wide Dropouts Cumulative: Grades 7-12, Three Year Trend Data



The cumulative by month dropout number includes students in grades 7-12, consistent with the Pennsylvania Department of Education (PDE) "event" dropout rates reported annually. Unlike the annual PDE rate, SDP uses actual enrollment within month, as opposed to the October 1 snapshot enrollment at the end of the year. Students are attributed to the last location they were enrolled. These calculations include students in District, alternative and non-public placements. Students counted as dropouts are tracked on a rolling bases, so monthly totals may change throughout the year.

Source: Qlik App - Dropouts Monitoring, refreshed 12/4/2023. SDP Office of Evaluation, Research, and Accountability.



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Facility Update

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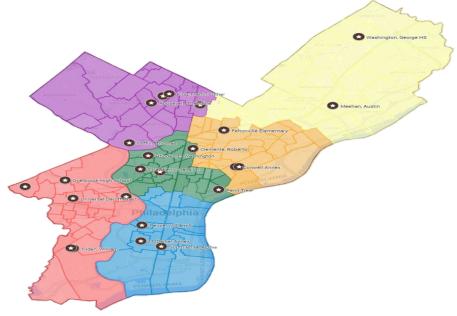
Swing Space Regional Map

The process to identify swing space is driven by:

• Plan to address long term facility improvements (Strategic Actions 1.1 & 1.2)

Currently, there are **24 prospective** swing spaces within the District regions. We are currently evaluating swing space availability relative to enrollment in each region.

Purple (5), Yellow (2), Orange (3), Green (5), Blue (3), Red (6)



Region	Prospective Swing Spaces				
Purple	Ada Lewis, CCP NW Campus, Mifflin, MLK HS, Roosevelt				
Yellow	Meehan Washington HS				
Orange	Conwell Annex Feltonville Elementary Mastbaum HS				
Green	Clemente, E.W. Rhodes Penn Treaty, Pratt, Strawberry Mansion				
Blue	South Phila HS W. S. Pierce McDaniel Annex				
Red	Bartram HS, Daroff, Lamberton, McMichael, Overbrook HS, Tilden MS				
Total	24 Swing Spaces				

Swing Space Interactive Map

FY 2025 Budget Development Kickoff



FY 2024 - FY 2028 Five-Year Plan Impacts

Historical Budget Context

FY 2022 Budget Development

- + Decades of Inadequate and Inequitable Funding
- + No State Appropriation Growth FY 2021 or FY 2022
- + Early Effects of the Pandemic on Tax Revenues
- + Emerging Student and Employee Needs
- = Projected FY 2022 Deficit > \$300 Million

Effective and Efficient Use of Pandemic Funding

- Lower Levels of Student Learning Loss than Other Large Urban Districts (Based on NAEP)
- Meaningful Recent Academic Advancement Towards Achieving the Board's Goals & Guardrails
- Balanced Operating Budgets, Improved Financial Rating Outlooks Financial Reporting and Internal Control Excellence

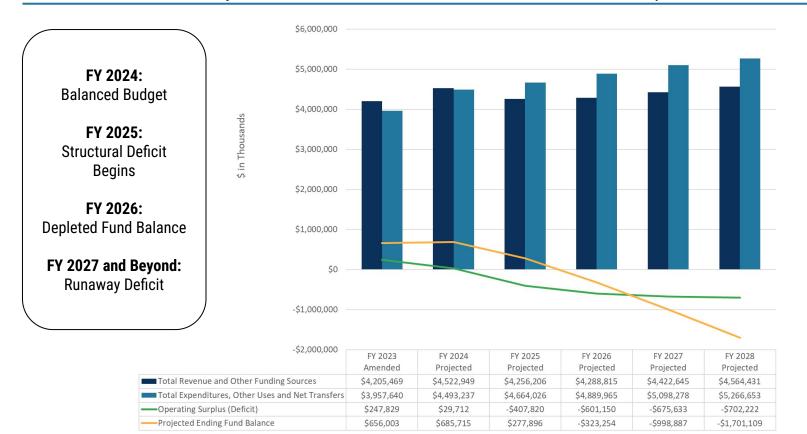
Fiscal Year 2024 - 2028 Five-Year Plan Impacts

December 2023 Considerations and Projection Updates



Fiscal Year 2024 - 2028 Five-Year Plan Impacts

Projections with December 2023 Considerations and Updates



Note: Includes Operating Funds and Federal Recovery Funds. Also includes 4.9% State revenue growth (aligned to FY 2024 percentage Growth) and projections from City-provided data.

From Structural Deficit to Fiscal Sustainability

Additional Revenue Requirements to Close Budget Deficit

(\$ in Millions)		FY 2026	FY 2027	FY 2028
Annual Budget Deficit (Assuming no State or City Revenue Growth)	-\$581.2	-\$917.8	-\$1,128.0	-\$1,294.8
State Revenue Growth Based on Same Percentage Increase as FY 2024	\$101.2	\$207.4	\$318.8	\$435.6
City Revenue Growth Based on City-Provided Assumptions		\$109.2	\$133.6	\$157.0
Annual Budget Deficit (With Normal State/City Increases)	-\$407.8	-\$601.1	-\$675.6	-\$702.2
Savings from Contingency Reduction and Strategic Fund Alignments	\$86.0	\$51.0	\$51.0	\$51.0
Savings from Central Office Vacant Position Analysis, Non-Personnel Budget Reviews, Modified ZBB and Data-Driven Program Analysis	\$47.0	\$56.0	\$60.0	\$60.0
Private/Foundation Funding Additional Expectations	\$12.0	\$14.0	\$16.0	\$18.0
Annual Budget Deficit (Before Use of Fund Balance)	-\$262.8	-\$480.1	-\$548.6	-\$573.2
Multi-Year Commitment to Draw Down Fund Balance	\$125.0	\$175.0	\$100.0	\$25.0
Revenue Needed to Close Budget Deficit (Above Standard Increases)	\$137.8	\$305.1	\$448.6	\$548.2
Annual Incremental Revenue Needed to Close Budget Deficit (Above Standard Increases)	\$137.8	\$167.3	\$143.5	\$99.6

From Structural Deficit to Fiscal Sustainability

Dynamic Uncertainty: Three Paths Forward

Paths to...

...Accelerated Prosperity

...Insufficient Continuity

...Compounding Deficiency

From Structural Deficit to Fiscal Sustainability

Responsible Funding Requests and Expected Outcomes

Insufficient Accelerated Compounding Deficiency Continuity **Prosperity** State/City Funding at Standard State/City Funding Increases State/City Funding Increases Annual Growth Level to Address Deficit Only to Move Towards Adequacy FY 2025 State/City Funding FY 2025 State/City Funding FY 2025 State/City Funding State Growth to Balance: \$209M State Standard Growth: \$101M State Growth to Prosper: \$357M City Growth to Balance: \$102M City Growth to Prosper: \$144M City Standard Growth: \$72M Increased Inadequacy of Funding. · Continued Insufficiency of Funding. • Statewide Funding Adequacy In 4 Years. Current Inadequate Educational Vastly Improved Educational and Substantial Reductions in Educational and and Other Service Levels to Students. Other Service Levels to Students. Other Services to Students. Short-Term Fiscal Stability. • Perpetual Fiscal Sustainability. Over-Commitment of Fund Balance. • Runaway Deficit.

A prioritized list of initiatives will be presented this winter.

FY 2025 Budget Development Process Changes

Transformative Engagement

Stakeholder Group	November/ December	January	February	March	April/May
Students	Group-Specific Translated Survey (Budget Priorities)	Discussions with Student Board Members And Student Advisory Group		Group-Specific Translated Survey (Reactions to Lump Sum)	BOE Budget Hearing City Budget Hearing
Parents/Guardians (Families)	Group-Specific Translated Survey (Budget Priorities)	PCAC Focus Group	Parent and Guardian Advisory Group Discussions	Group-Specific Translated Survey (Reactions to Lump Sum)	BOE Budget Hearing City Budget Hearing
Teachers	Group-Specific Survey (Budget Priorities)	Teacher Advisory Group Discussions	Teacher Advisory Group Discussions	Group-Specific Survey (Reactions to Lump Sum)	BOE Budget Hearing City Budget Hearing
Principals	Group-Specific Survey (Budget Priorities)	Principal Advisory Group Discussions	Principal Advisory Group Discussions	Group-Specific Survey (Reactions to Lump Sum)	BOE Budget Hearing City Budget Hearing
Support and Administrative Employees	Group-Specific Survey (Budget Priorities)	Support Employee and School Administrator Focus Groups	Central Office Staff Focus Groups	Group-Specific Survey (Reactions to Lump Sum)	BOE Budget Hearing City Budget Hearing
External, Community and Faith-Based Partners	General Translated Survey (Budget Priorities)	Discussions with Specific Partners/Advocates including Mayor's Commissions	Discussions with Specific Partners/Advocates including Mayor's Commissions	General Translated Survey (Reactions to Lump Sum)	BOE Budget Hearing City Budget Hearing
Labor Partners (Unions)	Labor Partner Meetings Priority Discussions	Labor Partner Meetings Priority Discussions		Lump Sum Budget Preview	BOE Budget Hearing City Budget Hearing
City Government Partners/Funders	Financial Discussions with City Finance, Finance/Priority Discussions with Ed.Committee, City Gov. Leadership and Transition Team	Financial Discussions with City Finance, Finance/Priority Discussions with City Government and Council Leaders	Financial Discussions with City Finance, Finance/Priority Discussions with Education Committee	Financial Discussions with City Finance, Lump Sum Budget Preview	City Budget Hearing
State Partners/Funders	Delegation Meeting	Governor's Administration Discussions	Legislative Leader Discussions	Lump Sum Budget Preview	
Other Community Members	General Survey (Budget Priorities)			General Survey (Reactions to Lump Sum)	BOE Budget Hearing City Budget Hearing

THE SCHOOL DISTRICT OF PHILADELPHIA

Thank you and Questions