

CITIZENS LEAGUE REPORT

No. 29

**Proposed Increase of 6 Mills
For Minneapolis Board of Education**

September 1954

29

7/17/54

CITIZENS LEAGUE OF GREATER MINNEAPOLIS
601 Syndicate Building

LI 0791

To: Board of Directors

From: Taxation and Finance Committee, John Windhorst, Chairman

Subject: Report on Proposed Increase of Six Mills in Authorized Property Levy for Minneapolis Board of Education

Background

On September 15, 1954, the Board of Directors of the Citizens League submitted the following questions to the Taxation and Finance Committee:

Assuming the School Board's imminent need for additional revenue approaching that produced by six additional mills of property tax, make a recommendation to the Board of Directors on the League's stand on the six-mill amendment, taking into account these factors among others:

1. The impact of such an additional levy on the city's fiscal structure.
2. The impact on business development in the community.
3. The wisdom and practicability of following authorization of the additional six mills with new tax measures which would reduce property tax levies for other local purposes.

The committee has been working on a proposed statement of taxation and borrowing policies for the City of Minneapolis. This statement is not ready for submission to the Board of Directors or to the public, but is in sufficiently definite form to provide a guide to the general content of the report which ultimately will be submitted. There is attached to this report as Exhibit A. a copy of this preliminary draft which, it is believed, will be of some assistance to the board in evaluating the general conclusions which the committee has reached on the specific questions set forth above. Also attached as Exhibit B is a table bearing on the impact of the proposed amendment on the fiscal structure of the city.

Conclusion and Recommendation

As stated in its proposed statement of tax policy, the committee believes that taxes on business in Minneapolis are already at a point where they place Minneapolis business at a competitive disadvantage with similar businesses outside the city. The committee believes that any increases in taxes on business generally in Minneapolis, including the property tax, will tend to heighten this competitive disadvantage.

However, the committee has learned the tentative conclusions of the Education Section of the League regarding the need for additional revenue for 1955 up to four mills for the Board of Education, and the committee is persuaded of the urgency of additional revenue for the schools beyond that available under its present taxing powers.

The committee therefore concludes that:

Taxation and Finance Committee Report - 2

1. A permanent increase in the property tax with no revision of the tax structure will adversely affect the continuance and development of business in Minneapolis.

2. The immediate need for increased school revenue is sufficiently great so that the committee believes that the proposed six mill increase should be supported by the League.

3. The League should publicly advise the citizens and public officials of Minneapolis that in its opinion no further increase in the property tax under existing circumstances is desirable and that requests for additional revenue in the future must be anticipated sufficiently to enable the requesting body to obtain some other revenue source.

4. The Board of Education should restrict the additional levy in 1954 to no more than four mills, and in future years should use only such part of its taxing authority as is clearly necessary.

Adopted by the committee at its meeting of September 24, 1954,
by a vote of 15 to one.

September 24, 1954

Operation of Plant:

Janitors and Engineers.....	\$ 1,816,825	\$ 1,987,847	\$ 2,022,364
Architects Department.....	29,845	28,112	34,656
	<u>\$ 1,846,670</u>	<u>\$ 2,015,959</u>	<u>\$ 2,057,020</u>
Total Personal Service.....	14,991,537	16,006,868	17,015,285

Other Than Personal Service:

Operating Supplies and Service.....	\$ 1,550,762	\$ 1,620,089	\$ 1,737,425
Repairs to Bldgs., Grounds & Equip.....	1,450,715	1,692,968	1,150,000
Equipment Outlay.....	130,174	226,097	188,290
	<u>\$ 3,131,651</u>	<u>\$ 3,539,152</u>	<u>\$ 3,075,715</u>
Total Other Than Personal Service.....	\$ 3,131,651	\$ 3,539,152	\$ 3,075,715
Total Expenditures.....	\$18,123,188	\$19,546,020	\$20,091,000
Balance, December 31.....	\$ 117	\$ 542,287	\$ 4,287

PUBLIC EDUCATION AND RECREATION COMMITTEE 20

EDUCATION SECTION 8

Some Comparative Data on Public School Funds

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Oct - 1954

C I T I Z E N S L E A G U E O F G R E A T E R M I N N E A P O L I S

SOME COMPARATIVE DATA ON PUBLIC SCHOOL FUNDS

Introduction

In 1954 Minneapolis will spend an estimated \$19,871,000 for the operation of its public school system under the direction of the Board of Education. This is equivalent to \$286 per pupil. In November the voters of Minneapolis will be asked to vote on a referendum authorizing an increase of up to 6 mills (6.75 after homestead adjustment) in city taxes so as to provide additional funds for the public schools of up to \$2,369,935 in 1955. This report seeks to provide some pertinent data so as to assist in determining whether these additional funds are necessary.

1. Enrollment

During the past fifteen years there has been a significant shift in the trend of public school enrollment in Minneapolis. The 1936 enrollment was 82,355 pupils (Table I, page). This dropped to 62,349 in 1949 and since this date has steadily risen. Enrollment in 1954 is given as 69,700 pupils and it is expected that by 1960 this will rise to 74,000. This increase in enrollment is important to keep in mind since it is one of the primary pressures tending to increase the costs of public education.

2. Source of Revenue

a. City vs State Revenue

The total revenue from all sources for the School General Fund was slightly over \$8,000,000 in 1936. By 1954 this had increased almost $2\frac{1}{2}$ times. The major sources of revenue since 1941 are shown in Table II, page . It is apparent that tax revenue from the City of Minneapolis has increased steadily. However, in 1941 revenue from city taxes made up 80% of the School General Fund while the state contributed 18%. By 1952, the city was contributing 63% and the state 33%. Revenue from the state has assumed an increasing importance in the financing of city schools.

b. Ratio of School Tax to Total City Tax

In 1936 23 mills out of a total city tax rate of 73.56 mills or 31.3% went to the operation of public schools (Table III, page). By 1954 the ratio was 34.74 mills out of 110.94 mills or 31.4%. As shown by Table III, the ratio of school tax to total city tax has been almost constant, except for a slight dip in 1946 - 1949, which was also the period of minimum enrollment.

3. Historical Trend of Expenditures

One criteria for evaluating how much we should spend on education is a comparison of what we are spending today versus what we have spent over the past several years. Two variables must, however, be considered, the effect of inflation and the change in number of pupils.

a. Expenditures vs. Inflation

In order to just keep pace with the inflation of the past fifteen years, it is necessary to spend more dollars each year on education. To isolate the effect of inflation we can adjust expenditures for a base year by the Consumer's Price Index of the U. S. Department of Labor. We must recognize, however, that any one index cannot fully reflect cost increases of a specific program, but is just a rough approximation. Still, such an adjustment would show that if we spent the same amount for education in 1954 as we did in 1940 but had to pay for this in 1954 dollars we would be spending \$15,000,000 or almost \$5,000,000 less than what will probably be spent (Table IV, page 14). This difference approximates the additional funds available in 1954 over and above those needed to meet today's increased costs.

b. Per Capita Expenditures

As mentioned earlier, we have been experiencing a changing trend of public school enrollment. As the number of students increase, the cost of education would be expected to increase also. The trend of per pupil expenditures (based on total enrollment) is shown in Table V, page 15 (i.e., Expenditures of Table IV divided by the enrollment of Table I). However, again, an adjustment must be made for the changing value of the dollar. Table V shows that expenditures per pupil have risen from \$201 to \$286 or over 40% since 1940 even after adjusting for increased costs. It should be noted that expenditures per pupil between 1938 and 1942 remained almost constant.

At this point one obvious question arises: Are the pupils getting a better education as a result of this increase in expenditure?

c. Trend of Teacher Salaries

Since about 68% of the School General Fund is spent on Instruction, an examination of the trend of average teachers is in order. This trend is shown in Table XI, page 21, which indicates that the average teacher salary in 1953 was more than double that of 1941. To determine whether or not this change is comparable with changes in salaries of other groups, three other salary indices are provided in Table XI, page 21. Compared to hourly workers in manufacturing and to

engineers, the increase in teachers salaries has been lower but compared to lawyers, the trend in teachers salaries has been almost parallel.

Another comparison can be made with the trend of cost of living. From 1941 to 1953 the Consumer Price Index went up 82%. If average teachers salaries are adjusted for net salaries after income tax, using no tax in 1941 and an average \$600 tax in 1953, then the net salaries of teachers would go up 83%. This increase is coincidentally close, however, it does provide a basis for concluding that average teacher salaries, after income tax, have kept pace with the increase in cost of living since 1941.

The above comparison of trends in no way attempts to evaluate the relative position of teachers salaries compared to other groups or professions. For comparative purposes the average salary of Minneapolis teachers, for a 38-week year, is given as \$4740 in 1952 while salaries for hourly workers in manufacturing was \$3550 in 1952, engineers was \$8400 in 1952 and non-salaried lawyers was \$8900 in 1951. Here again a more realistic comparison would be net income after taxes if such figures were available.

4. Changing Trend in Type of Expenditure

School General Fund expenditures are divided into several categories. The most important is that spent for instruction. There has been a decided shift in the amount spent for instruction versus the amount spent for operation, maintenance and equipment. In 1941, 74% of public school expenditures were spent for instruction, by 1952 this had dropped to 68% (Table VI, page 16). On the other hand, operation, maintenance and equipment went from 19% to 23% during this same period.

5. Trend of Capital Expenditures

With an increase in enrollment since 1949, it would be expected that expenditures for capital equipment, buildings, improvements, etc., (Permanent Improvement Fund) would increase. This has been the case as Table VII, page 17, shows. Increase in plant and facility requires an increase in total operating and maintenance costs. As new schools are built to meet shifting population trends, annual expenditures would be expected to increase also so as to operate and maintain the new facilities.

6. Comparison with Other Cities

Another criteria for determining how much should be spent on education is a comparison with other cities. Any such comparison, however, has certain limitations. Because of the difficulty in collecting data, current information is not always available. Accounting systems and services such as library, free books, playgrounds, etc., may differ between cities. Differences in area wage level, climate, condition of buildings, etc., will also affect the comparison. The U. S.

Office of Education cautions that, "comparative figures for various city school systems should generally serve only as a point of departure for further analysis and investigation. They should not be construed as conclusive evidence regarding quality of program, circumstances of operation or efficiency of management."

a. Comparison of Total Expenditures

The most recent comparative figures on expenditures for public schools is contained in a report by the U. S. Department of Health, Education and Welfare, Office of Education for the school year 1952 - 53. This report shows per pupil expenditure for major cities broken down into type of expenditure. Table VIII, page 18, shows the per pupil expenditures for all cities with population over 300,000 except Baltimore, for which data was not supplied. Since the population of Minneapolis is about 521,000, it is felt that a valid comparison can best be made with cities about the same size. Hence, Group B of Table VIII lists the 25 cities with populations from 300,000 to 750,000 in descending order of per pupil expenditures. It is apparent that Minneapolis ranks fourth in amount spent per pupil for public schools compared to cities of approximately the same size. Compared to all cities with populations over 300,000 Minneapolis ranks seventh. Minneapolis has held a position among the first 10 for years.

Removing fixed charges and auxiliary school services, which figures by their wide variation tend to confirm the dangers of making intercity comparisons, Minneapolis ranks eighth among the 32 cities over 300,000 in per pupil school expenditures.

It should be noted that the per pupil expenditure figure for Minneapolis is \$328 is higher than used elsewhere in this report (see Table V, page 15). This is the result of the inclusion of fixed charges such as pension and retirement funds by the Office of Education in their figures and the use of average daily attendance instead of the higher total enrollment in order to calculate the "per pupil" figures. Both of these factors cause the "per pupil" figures to be larger. Another factor making it difficult to reconcile the figures is the use of the school year rather than the calendar year.

b. Comparison of Instruction and Operation Expenditures

Table IX, page 19, shows the relative position of Minneapolis with respect to cities with populations of 300,000 to 750,000 for selected types of public school expenditures. In the year 1952-53, Minneapolis spent \$177 per pupil for teacher salaries. This is above the median of \$169 and puts Minneapolis as the fifth highest city in its group for this type of expenditure.

For "Operation of Plant Salaries", Minneapolis moves up to third position. If the larger cities of Group A, Table VIII, page 18, are included in the comparison, Minneapolis (\$31) ranks fourth and is exceeded only by Chicago (\$35), Pittsburgh (\$32) and Buffalo (\$32).

c. Comparison of Distribution of Expenditures

An examination of the distribution of expenditures for Public Schools (Table X, page 20) shows that Minneapolis spends less on instruction than other cities, but more on Operation, Maintenance and Equipment. These figures are not comparable with the figures shown on Table VI, page 16, because of differences in account definition, the inclusion of fixed charges and the use of the school year. However, they do show the relative position of Minneapolis with respect to other cities.

d. Comparison of Administration Expenditure

An examination of administration expenditures for 1952-53 for 32 cities over 300,000 population shows Minneapolis as 19th in per capita expenditures and 24th to 27th in comparison with the other 32 as to per cent of total expenditures spent for administration. (Tables XIIa and b, pages 22 and 23.

c. Teachers Salaries -- Comparison of Maxima and Minima as of September 1954 for Cities Over 200,000 Population. See Tables XIIIa and b, pages 24 and 25, for full comparison.

B A degree

1. On starting salaries, Minneapolis ranks 23rd to 27th out of 48 with Kansas City, San Antonio and St. Paul also paying \$3300. The cities from 16th to 22nd pay \$3400. Long Beach and Detroit lead paying \$3876 and \$3862 respectively.
2. On maximum salaries, Minneapolis ranks 16th to 18th out of 48 with Chicago and Cincinnati also paying \$5500. The leaders are New York, Newark and Detroit, paying \$6,750, \$6700 and \$6020 respectively. St. Paul pays \$5300. The time taken to reach the maximum varies from 8 to 18 years with 12.08 years being the average. Minneapolis requires 11 years.

Masters degree

3. On maximum salaries, Minneapolis ranks 16th to 19th out of 47 with Dayton, Philadelphia and St. Louis also paying \$5800. The leaders are Newark, New York and San Francisco with \$7000, \$6950 and \$6590 respectively. St. Paul pays \$5600.

Highest Teacher Maximum (Some require MA, some PhD, some MA +)

4. On maximum salaries for teachers, Minneapolis ranks 15th to 16th out of 47 with Kansas City also paying \$6100. St. Paul pays \$5900. The leaders are Newark, Long Beach and San Francisco with \$7300, \$7278 and \$7125 respectively.

7. Teacher Turnover and Supply

Do teachers leave the Minneapolis schools for other jobs? In response to this question the school administration states:

"Teacher turnover in Minneapolis schools is rather low. Most of the teachers who are in the schools like the system and want to remain. While there is a fairly heavy loss of teachers in the first few years of service, most of the resignations are due to personal and family situations which have little relationship to satisfaction with employment.

Nevertheless, about 10% of the resignations from the school system, other than retirements, are due to acceptance of other teaching positions or to the person leaving teaching altogether. The fact that the beginning salary in Minneapolis is somewhat low in comparison with many other cities and in comparison with many other lines of work, is, in all probability, a factor."

Teacher turnover was 9% for Minneapolis for 1953-54, with most of it accounted for by separation or resignation of probationary teachers. (Those with three years or less in the system.) The adequacy of the Minneapolis teacher's retirement plan is undoubtedly a factor in the low rate of turnovers.

Nothing very positive as to Minneapolis' success in procuring teachers has been developed. 1631 teachers applied for positions starting in September 1955. 382 were employed and 66 declined contracts that were offered them, but only half of them gave any reasons. It is not possible to conclude much from this. Minneapolis does receive applications from as far away as California and New York, but the bulk of applicants and of teachers employed are from Minnesota, Wisconsin and Iowa.

In general, the critical national shortage of teachers and of college students going into education should warn us of the need to keep Minneapolis in a favorable competitive position if we want to obtain and keep good teachers. In recent years Minneapolis has been in a favorable competitive position. The previous sections of this report confirm the statement of the administration that our relative position among the larger cities is not as good as it has been in recent years.

8. Comparison With Other City Departments and with the Community Pattern

No comparison of teachers pay with pay in other city departments or with a "community pattern" will be attempted because of the impossibility of finding sufficiently similar jobs.

In the Civil Service categories of employment comparisons with other city departments and with the "community pattern" may have some validity. Early in 1954 the Board of Education asked the City Council's Citizen Salary Survey Committee to include Board of Education Civil Service employees in its survey. The Committee declined to do so, so the degree to which the Committee's conclusions are applicable to Board of Education salaries is a matter for conjecture.

The Committee's general conclusion was that city pay scales were ahead of community scales below the \$400 a month level and behind them, about the \$400 level. Since the Board of Education had followed the Council's wage pattern for a number of years the conclusion probably has some validity as to the Board of Education pay scales.

More recently the Board of Education and some other boards, have stopped following the Council lead in setting certain pay scales and have been paying more than the City Council. For example, until this month, the City Council scale for new Junior Clerks and Junior Stenographers is \$193 to \$265 per month with the maximum reached in six years. Board of Education (and other boards) pay \$213 to \$273 with the maximum reached in seven years. (City Council had paid higher scale but cut back to \$193 to try to save money. It has had trouble hiring people at that figure since the applicants naturally preferred jobs with other city agencies. In September the Council raised its scale to \$.

The Board of Education is paying all its trades employees at the 1954 Associated General Contractors scale while City Council has divided its employees between permanent and permit employees paying the former only the 1953 AGC scale on the grounds that they have additional benefits over outside workers. Permit employees get the 1954 AGC scale. Board of Education did not attempt such a distinction though the logic of doing so appears to be equally applicable and would result in considerable saving.

Janitor comparisons are difficult because of different duties, but a listing of the scales may be helpful and informative.

Board of Education

Janitor (cleaning)	\$299.50 to \$329.50
Ass't. Janitor - Engineer (cleaning & firing)	\$299.50 to \$329.50
Ass't. Janitor - Engineer * in elementary school	\$342.00
Ass't. Janitor - Engineer * Jr. or Sr. High School (depending on size and type of school)	\$352.00 to \$407.00

Welfare Board

Janitor (Relief Bldg.)	\$286.00 to \$316.00
Janitor-Engineer **	\$359.00
Janitor-Engineer special LP license	\$312.00 to \$343.00
Janitor-Engineer 4th cl. license	\$297.00 to \$328.00
Hospital Janitor	
Custodial worker	\$263.00 to \$278.00
Hospital Janitor	\$286.00 to \$316.00

* Must be licensed Engineer

** Must have second class license

Board of Education scales for janitors probably should be above the community pattern and above other departments because of the janitors contacts with children, but it appears that they are well above now leaving a question as to whether they should be raised further as proposed.

9. Civil Service Employee Supply and Turnover

We are advised by the Civil Service Commission Office that no particular difficulty is being encountered in recruiting personnel for Board of Education Civil Service jobs.

10. Economies Effected in Recent Years

In response to a request for illustrations of economies effected in recent years, the school administration reports:

- "a. Fuel. Greater efficiency in heating due to the rehabilitation of heating plants and changes in operator procedures has resulted in a reduction of fuel costs of 23 per cent. This figure takes into account the number of degree days in 1949 and 1953, and the increased space required to be heated in 1953. There was an actual reduction of \$73,000 in the amount spent for fuel in spite of the new buildings and classroom additions.

	<u>Published Budget Cost of Fuels</u>	<u>Degree Days</u>
1949	\$ 406,500.00	7644
1950	396,500.00	8855
1951	364,700.00	8734
1952	350,700.00	7696
1953	333,400.00	7343

- b. Maintenance. It is difficult to compare the value received from each dollar spent for maintenance in 1953 with any prior year, because of the lack of a unit of measurement which is applicable to this type of work. The persons responsible for the program are unanimous in agreement that we get more value for each dollar spent now than at the beginning of the rehabilitation program. Mr. Kent has stated that in spite of a wage increase averaging 25 per cent or more for craftsmen from 1950 to 1954 and an increase of 10 - 12 per cent for materials used in the electrical, heating and ventilating program, it costs no more to rehabilitate a building now than it did to do comparable work in a building of similar size in 1950. Furthermore, he has stated that the basis for estimating rehabilitation jobs are the same as in 1950, and at the end of the first half of 1954, the actual cost of the program was \$654,000 as compared with estimates of \$700,000.

- c. Lunchrooms. The major part of the cost of operating school lunchrooms is paid by lunchroom sales. A part of the cost is paid out of the general fund. The net cost to the school system of operating the lunchroom was \$103,946 in 1950-51, \$89,081 in 1952-53 and \$49,637 in 1954-54. A part of the decrease in net cost is due to a larger contribution to the cost of school lunches by the federal and state governments."

SCHOOL LUNCHROOM OPERATIONS

	Gross Profit	General Fund Expense	Net Lunch-room Cost	Government Subsidy
1950-51	\$ 7,331.20	\$111,273.90	\$103,945.80	\$ 72,958.51
1951-52	24,576.40	108,516.55	83,940.15	64,469.98
1952-53	24,110.53	113,191.52	89,080.99	95,270.72
1953-54	66,787.17	116,438.22	49,657.05	113,555.48

- b. Athletic Program. Through centralized purchasing of supplies and equipment and closer control over the athletic budgets of individual schools, a substantial saving has been made. For the school year 1953-54, the difference between the school wholesale price and the prices received on bids was \$7,536.16. This has made it possible to provide better equipment to the smaller schools and those with the least financial resources, as well as to save some money for the Board of Education.

The revenue from gate receipts has been increased. This places less of a burden on the general school budget. Receipts from the inter-school athletic program for the past three years have been as follows:

1951-52	\$74,788.69
1952-53	84,828.08
1953-54	90,604.54

(Information from Mr. O'Dell, Director of Inter-School Athletics)

Dr. Rufus Putnam, Superintendent of Schools, has orally reported other economies, particularly in the health education field, where a number of positions have been eliminated and the full time services of a doctor and a dentist have been dispensed with.

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ENROLLMENT IN MINNEAPOLIS PUBLIC SCHOOLS

<u>Year</u>	<u>No. of Pupils</u>	<u>Year</u>	<u>No. of Pupils</u>
1936	82,355	1949	62,349
1937	81,118	1950	62,943
1938	79,196	1951	64,440
1939	77,009	1952	66,510
1940	74,445	1953	68,191
1941	71,284	1954	69,700
1942	68,625		Estimated
1943	66,352	1955	70,800
1944	65,142	1956	71,600
1945	64,471	1957	72,500
1946	63,784	1958	73,300
1947	62,803	1959	73,700
1948	62,435	1960	74,000

TABLE II

SCHOOL GENERAL FUND 19

SOURCES OF REVENUE
(^{"000"} omitted)

<u>Year</u>	<u>City Taxes</u>	<u>State</u>	<u>Other</u>	<u>Bonds</u>	<u>Total</u>
1941	\$6,266	\$1,384	\$ 92	\$	\$7,742
	6,426				
1942	6,426	1,497	528		8,451
1943	6,557	1,438	693		8,698
1944	6,375	1,947	420		8,842
1945	6,400	2,201	401		9,042
1946	6,559	2,288	528	.	9,375
1947	6,784	2,850	963	1,300	11,797
1948	7,114	3,979	841	2,000	13,934
1949	7,784	4,093	857	2,000	14,734
1950	10,165	4,782	805		15,752
1951	10,516	5,497	751		16,763
1952	11,472	5,931	720		18,123
1953					20,088
1954					19,555

Source: 1) 1941 - 1952 Annual reports of the Public Examiner.

2) 1953 - 1954 Budget Estimate for 1955 as prepared by the Board of Estimate and Taxation

TABLE III

TREND OF CITY AND SCHOOL TAX RATE

<u>Year</u>	<u>Total City Tax Rate (Mills)</u>	<u>School Tax Rate (Mills)</u>	<u>School Tax as Percent of Total</u>
1936	73.56	23.0	31.3%
1937	70.28	23.0	32.7%
1938	77.82	25.10	32.4%
1939	77.18	25.15	32.7%
1940	76.90	25.33	33.0%
1941	78.05	25.45	32.6%
1942	79.43	25.63	32.4%
1943	79.21	25.71	32.5%
1944	82.91	25.74	31.0%
1945	83.30	25.80	30.9%
1946	94.60	25.86	27.4%
1947	94.95	25.88	27.2%
1948	97.15	25.81	26.6%
1949	102.82	25.73	25.0%
1950	110.905	33.25	30.0%
1951	108.96	33.31	30.5%
1952	107.855	34.73	32.1%
1953	108.45	34.71	32.0%
1954	110.94	34.74	31.4%

Source: Annual budget estimates as issued by
the Board of Estimate and Taxation

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TABLE IV

TREND OF EXPENDITURES ON PUBLIC SCHOOLS 34
COMPARED TO INCREASED COSTS

<u>Year</u>	<u>School General Fund Expenditures</u> (^{"000"} omitted)	<u>Cost Index</u>	<u>1940 Expenditures Adjust for Inflat:</u> (^{"000"} omitted)
1940	\$7,807	100	\$7,807
1941	7,716	105	8,200
1942	8,418	116	9,010
1943	8,218	123	9,600
1944	8,760	125	9,750
1945	8,819	128	9,800
1946	10,118	139	10,810
1947	11,642	159	12,400
1948	13,822	172	13,400
1949	14,916	170	13,250
1950	15,264	172	13,400
1951	17,444	184	14,350
1952	18,119	189	14,750
1953	19,546	191	14,900
1954	19,871	192	15,000

Source: 1) Annual Reports of the Public Examiner
 2) Annual budget estimates as issued by the
 Board of Estimate and Taxation
 3) Cost Index based on Consumer's Price Index,
 Monthly Labor Review, July 1954, Page 838,
 (1947 = 49 = 100).

TABLE V

TREND OF PER PUPIL EXPENDITURES 30
FOR PUBLIC SCHOOL EDUCATION

<u>Year</u>	<u>Per Pupil Expenditures (Actual)</u>	<u>Per Pupil Expenditures (in 1954 \$)</u>
1940	\$105	\$201
1941	108	198
1942	123	201
1943	124	193
1944	134	209
1945	137	205
1946	158	218
1947	186	223
1948	221	245
1949	240	268
1950	242	267
1951	270	280
1952	272	275
1953	287	287
1954	286	286

Source: See Table I (enrollment) and Table IV (expenditures)

Note: Number of pupils is based on total enrollment

TABLE VI

DISTRIBUTION OF EXPENDITURES SCHOOL GENERAL FUND 4 ←
 ("000" omitted)

<u>Function</u>	<u>1941</u>		<u>1947</u>		<u>1952</u>	
	\$	%	\$	%	\$	%
Instruction	\$5,733	74%	\$8,030	69%	\$12,266	68%
Opera. Maint. * Equip.	1,421	19	2,249	20	4,159	23
Administration	198	3	383	3	577	3
Aux. Services	345	4	977	8	1,088	6
Other	<u>21</u>	<u> </u>	<u>3</u>	<u> </u>	<u>29</u>	<u> </u>
Total Expend.	\$7,716	100%	\$11,642	100%	\$18,119	100%

Source: Annual Reports of the Public Examiner

TABLE VII

TREND OF CAPITAL EXPENDITURES FOR PUBLIC SCHOOLS ^{4A}

Sub-Division of the Permanent Improvement Fund

<u>Year</u>	<u>Expenditures</u> (^{"000"} omitted)
1941	\$ 58
1942	123
1943	17
1944	20
1945	55
1946	79
1947	66
1948	306
1949	673
1950	2,628
1951	1,503
1952	3,284

Source: Annual Reports of the Public Examiner

TABLE VIII

PER PUPIL EXPENDITURE FOR PUBLIC SCHOOLS

COMPARISON BETWEEN MAJOR CITIES

1952 - 1953

(Expenditure per pupil in average daily attendance)

Group A - Population 750,000 and over *

San Francisco	\$ 375
New York	365
Boston	335
Chicago	315
Los Angeles	315
Cleveland	309
Philadelphia	300
Detroit	297
St. Louis	290
Washington, D. C.	286
Average	319

*No data supplied for
Baltimore

Group B - Population 300,000 to 750,000

Newark	\$326
Rochester, N. Y.	354
Buffalo	328
MINNEAPOLIS	328
Pittsburgh	321
Denver	299
Cincinnati	287
Milwaukee	285
Portland	279
San Diego	279
Oakland	277
Kansas City, Mo.	270
Toledo	270
St. Paul	268
Indianapolis	261
Louisville	249
Seattle	248
Columbus	246
Houston	231
New Orleans	224
Dallas	220
San Antonio	188
Atlanta	184
Birmingham	158
Memphis	133
Average	263

NOTE: Per pupil figures are higher than shown in Table V because Fixed Charges are included in daily average attendance rather than total enrollment is used.

Source: "Current Expenditures per Pupil in Public School Systems of Large Cities 1952 - 53, Circular # 391, U. S. Dept. of Health, Education and Welfare.

TABLE IX

RELATIVE POSITION OF MINNEAPOLIS WITH RESPECT TO MAJOR
CITIES ON SELECTED EXPENDITURE ACCOUNTS FOR PUBLIC SCHOOLS

1952 - 1953

	<u>Instruction</u>		<u>Operating & Maint.</u>	
	<u>Teacher Salaries</u>	<u>Total Expense</u>	<u>Op. of Plant Salaries</u>	<u>Total Expense</u>
Per Pupil Expenditure* For Minneapolis	\$177	\$212	\$81	\$63
Median per Pupil Expenditure* for Major Cities (Population 300,000 - 750,000)	169	199	18	45
Relative Position of Minneapolis (Highest per Pupil expenditures equals 1)	5th	5th	3rd	3rd

*Expenditure per pupil in average daily attendance.

Sources: "Current Expenditures per Pupil in Public School Systems"
Large Cities 1952 - 53, Circular # 391, U. S. Department
of Health, Education and Welfare.

NOTE: Per Pupil figures are higher than shown in Table V because
Fixed Charges are included and average daily attendance
rather than total enrollment is used.

TABLE X

DISTRIBUTION OF EXPENDITURES FOR PUBLIC SCHOOLS
MINNEAPOLIS VS MAJOR CITIES

<u>Function</u>	<u>Minneapolis</u>	<u>Cities with Popula- tion over 100,000</u>
Instruction	64.7%	72.0%
Operation, Maintenance and Equipment	19.4	14.8
Administration	2.4	3.2
Auxiliary Services	2.6	3.1
Fixed Charges	10.9	6.9

Sources: "Current Expenditures per Pupil in Public School Systems"
Large Cities 1952 - 53, Circular #391, U. S. Department
of Health, Education and Welfare.

NOTE: This distribution is different from that shown in Table VI
because of differences in account definition, the inclusion
of Fixed Charges and the use of the school year rather than
the calendar year.

TABLE XI

TREND OF AVERAGE TEACHER SALARIES³⁾
COMPARED TO OTHER INDICES

	Aver. Teacher Salary (1) (\$)	Teacher Salary (Index)	Engineer and Other Prof. Serv. (Index) (2)	Non-salaried and Major Indep. Lawyers (Index) (3)	Hourly Earning for Manufacturing (Index) (4)
1941	\$ 2058	100	100	100	100
1942	2426	118	158	115	114
1943	2519	122	104	124	127
1944	2501	122	95	136	135
1945	2651	129	102	143	138
1946	2802	136	142	145	150
1947	3250	158	146	156	171
1948	3853	187	165	169	186
1949	3987	194	168	171	194
1950	4069	198	196	182	194
1951	4494	218	202	186	217
1952	4726	230	224		229
1953	4890	238			

- Source: (1) Average Teacher Salaries as reported by Minneapolis School Adm., Sept. 1954
- (2) The Economic Almanac 1953 - 1954, The Conference Board Business Fact Book, National Industrial Conference Board (for Engineers salary).
- (3) Survey of Current Business, U. S. Department of Commerce (for lawyers salary)
- (4) Bureau of Labor Statistics, U. S. Department of Labor (for hourly earnings - manufacturing).

ANNUAL PUPIL EXPENDITURES IN SIX MAJOR ACCOUNTS - (Cities over 300,000 population) 1952-53

From Circul. No. 391 of the U.S. Dept. of Health, Education and Welfare, Office of Ed. Administra.	Opera. Phys. plant	Phys. plant	Auxiliary school services	Fixed Charges	Total Annual Cost per pupil	Less F.C. and A.S.S.		
New York	\$10.98 (7)	\$256.64 (2)	\$26.92	\$ 6.32	\$13.10 (5)	\$50.63 (1)	\$354.59 (3)	\$300.86 (5)
Chicago	12.37 (3)	219.35 (8)	43.28 (3)	15.81	7.16	17.61	315.58	290.81 (7)
Philadelphia	9.76 (14)	211.50 (9)	34.11	17.42	9.23 (12)	16.46	298.88	273.19 (10)
Los Angeles	10.76 (9)	219.41 (7)	25.40	17.11	11.81 (7)	31.13	315.62	272.68 (11)
Detroit								
Baltimore	7.69	203.20	38.40	26.36 (3)	11.20 (8)	21.41	308.26	275.65 (9)
Cleveland	10.97 (8)	191.73	29.56	22.66 (7)	20.31 (2)	15.13	290.36	254.92
St. Louis	8.59 (18)	195.68	37.82	15.62	3.60	25.41	286.72	257.71
Washington, D.C.	16.93 (1)	234.29 (6)	33.77	34.66 (1)	13.40 (4)	2.34	335.39 (5)	319.65 (3)
Boston								
San Francisco	9.78 (13)	256.52 (3)	28.35	23.76 (6)	15.82 (3)	40.95 (2)	375.18 (2)	318.41 (4)
Pittsburgh								
Milwaukee	6.84	211.34 (11)	27.29	24.72 (4)	8.75 (10)	6.56	285.60	270.29 (12)
Houston	6.19	194.07	14.74	7.64	8.00	1.05	231.89	222.64
Buffalo	5.66	236.14 (5)	44.45 (2)	11.33	1.92	28.00	327.50	297.58
New Orleans	10.04 (11)	161.52	15.70	14.71	5.35	17.83	225.15	201.97
MINNEAPOLIS	7.86 (19)	211.63 (10)	43.18 (4)	20.20 (8)	8.39 (11)	35.77 (3)	327.03 (6)	282.87 (8)
Cincinnati	8.27 (16)	206.14	33.21	13.72	4.94	20.63	287.91	262.34 (13)
Seattle	5.79	180.92	26.35	26.45 (2)	6.07	3.03	248.61	239.51
Kansas City	7.22	201.15	26.59	15.90	3.05	16.32	270.23	250.86
Newark	16.16 (2)	289.58 (1)	34.52	17.91	37.53 (1)	5.66	395.48 (1)	352.29 (1)
Dallas	9.20 (17)	176.41	18.50	8.64	3.95	.96	219.68	214.75
Indianapolis	6.16	203.23	28.81	7.50	7.36	8.68	261.76	247.72
Denver	9.95 (12)	210.69 (12)	24.53	13.22	11.04 (10)	29.45	298.88	248.39
San Antonio	6.32	155.55	16.47	7.95	1.84	.20	188.33	186.29
Memphis	2.02	107.35	10.36	7.31	.49	6.34	133.94	127.11
Oakland	10.14 (10)	210.18 (13)	24.85	13.35	9.89 (11)	7.23	276.64	258.52
Columbus	55.82	181.53	29.75	8.06	5.10	16.36	246.61	225.15
Portland, Ore.	11.37 (5)	198.89	26.71	18.96	11.20 (9)	12.34	279.47	255.93
Louisville	7.72	195.99	26.11	14.39	1.65	2.56	248.42	244.21
Rochester	11.24 (6)	242.81 (4)	44.80 (1)	24.18 (5)	2.97	26.54	352.54 (4)	323.03 (2)
Atlanta	4.37	149.26	14.31	9.33	5.21	1.24	183.72	176.27
San Diego	11.56 (4)	200.83	25.52	18.48	12.75 (6)	10.11	279.25	256.39
St. Paul	9.69 (15)	193.83	33.35	14.15	7.87	9.35	268.24	251.02
Toledo	7.14	193.69	32.65	15.32	2.51	19.07	270.38	255.80

TABLE XII a

ANNUAL PER PUPIL EXPENDITURES IN SIX MAJOR ACCOUNTS - (Cities over 300,000 pop.) 1952-53
CENT OF TOTAL

	Administration	Instruction	Operation of the physical plant	Main. of physical plant	Auxiliary school services	Fixed charges
New York	3.0 (18)	70.4 (23)	7.4	1.7	3.6	13.9
Chicago	3.9 (7)	69.5	13.7	5.0	2.3	5.6
Philadelphia	3.3 (13)	70.9 (22)	11.4	5.8	3.1	5.5
Los Angeles, Calif.	3.4 (11)	69.5	8.1	5.4	3.7	9.9
Detroit, Michigan	2.6 (22)	73.1 (10)	11.3	4.8	3.9	4.3
Baltimore						
Cleveland	2.5 (23)	65.9	12.5	8.6	3.6	6.9
St. Louis	3.8 (8)	66.0	10.2	7.8	7.0	5.2
Washington, D. C.	3.0 (16)	68.2	13.2	5.4	1.3	8.9
Boston	5.0 (1)	69.9 (25)	10.1	10.3	4.0	.7
San Francisco						
Pittsburgh	2.6	68.4	7.6	6.3	4.2	10.9
Milwaukee	2.4 (24)	74.0 (11)	9.5	8.7	3.1	2.3
Houston	2.7 (19)	83.8 (1)	3.4	3.3	3.4	.4
Buffalo	1.7	72.1 (14)	13.6	3.5	.6	8.5
New Orleans						
MINNEAPOLIS	4.5 (2)	71.7 (20)	7.0	6.5	2.4	7.9
Cincinnati	2.4 (26)	64.7	13.2	6.2	2.6	10.9
Seattle	3.2 (14)	71.6 (18)	11.5	4.8	1.7	7.2
Kansas City	2.3	72.8 (13)	10.6	10.6	2.5	1.2
	2.7 (20)	74.5 (9)	9.8	5.9	1.1	6.0
Newark						
Dallas	4.1 (4)	71.8 (17)	8.7	4.5	9.5	1.4
Indianapolis	4.2 (3)	81.2 (3)	8.4	3.9	1.8	.5
Denver	2.4 (26)	77.6 (7)	11.0	2.9	2.8	3.3
San Antonio	3.3 (14)	70.5 (24)	8.2	4.4	3.7	9.9
	3.4 (12)	82.6 (2)	8.7	4.2	1.0	.1
Memphis						
Oakland	1.6	80.1 (5)	7.7	5.5	.4	4.7
Columbus	3.7 (9)	76.3 (8)	9.0	4.8	3.6	2.6
Portland, Oregon	2.3	73.6 (12)	12.1	3.3	2.1	6.6
Louisville	4.1 (5)	71.2 (21)	9.5	6.8	4.0	4.4
	3.1 (17)	78.9 (6)	10.5	5.8	.7	1.0
Rochester						
Atlanta	3.2 (15)	68.9	12.7	6.9	.8	7.6
San Diego	2.4 (27)	81.2 (4)	7.8	5.1	2.8	.7
St. Paul	4.1 (6)	71.9 (16)	9.2	6.6	4.6	3.6
Toledo	3.6 (10)	72.3 (15)	12.4	5.3	2.9	3.5
	2.6 (21)	71.6 (19)	12.1	5.7	.9	7.1

TABLE XIII a

MILWAUKEE PUBLIC SCHOOLS
OFFICE OF THE SUPERINTENDENT

Cities over 200,000 Ranked by Minimum Salary for Bachelor Degree
Qualified Teachers, September 1964

City	1960 Population	A.B. Minimum	A.B. Maximum	Years From Min. to Max.
1. Long Beach	250,767	\$3876	\$5766 (6)	10
2. Detroit	1,849,568	3862	6020 (3)	8
3. Los Angeles	1,970,358	3830	5510 (13)	13
4. Cleveland	905,636	3800	5600 (4)	9
5. Newark	438,776	3700	6700 (2)	9
6. San Diego	334,387	3700	5600 (11)	12
7. San Francisco	775,357	3620	6000 (4)	14
8. Milwaukee	637,392	3527	5627 (9)	10
9. Boston (h.s.)		3504	5508 (15)	
10. Indianapolis	427,173	3500	5250	18
11. Boston (elem)		3492	4932	
12. Seattle		3492	5022	
13. Denver	415,786	3450	5625 (10)	10
14. New York	7,891,951	3450	6750 (1)	15
15. Washington, D.C.	802,178	3440	5204	15
16. Chicago	3,620,962	3400	5500 (16)	10
17. Dallas	614,799	3400	5100	16
18. Dayton	243,108	3400	5600 (12)	14
19. Houston	596,163	3400	5400	15
20. Portland, Ore.	373,628	3400	5600 (13)	13
21. Toledo	303,616	3400	5800 (5)	12
22. Akron		3400	5650 (8)	
23. Kansas City	129,553	3300	5200	12
24. Minneapolis	521,718	3300	5500 (17)	11
25. San Antonio	476,000	3300	4850	17
26. St. Paul	311,349	3300	5300	12
27. Fort Worth	278,778	3252	5052	18
28. Miami (Dade Co.)	495,084	3250	4350	11
29. Omaha	251,115	3250	5050	13
30. Grand Rapids	176,515	3225	5100	12
31. Baltimore	949,708	3200	5200	10
32. Cincinnati	500,510	3200	5500 (18)	12
33. Columbus	375,900	3200	5075	15
34. Pittsburgh	676,806	3200	5400	11
35. St. Louis	856,796	3200	5600 (14)	13
36. Syracuse	220,583	3200	5400	15
37. Jersey City	321,597	3100	5700 (7)	13
38. Rochester	322,488	3100	5310	16
39. Buffalo	580,132	3000	5400	12
40. Philadelphia	2,071,605	3000	5400	12
41. Louisville	367,359	2900	4400	13
42. Providence		2775	5175	
43. Richmond	230,310	2650	4150	11
44. Memphis	396,000	2600	3934	12
45. Oklahoma City	243,504	2600	4400	18
46. Norfolk	213,513	2500	4150	11
47. Birmingham	326,097	2400	4000	9
48. Atlanta	450,000	2100	3900	17

TABLE XIII B

MILWAUKEE PUBLIC SCHOOLS
OFFICE OF THE SUPERINTENDENT

CITIES OVER 200,000 RANKED BY HIGHEST TEACHER MAXIMUM, SEPTEMBER 1964

City	Master's Degree Maximum	Highest Teacher Maximum	Training Required
1. Newark	\$7000 (1)	\$7300	M.A. plus 32 hours
2. San Francisco	6590 (3)	7125	B.A. plus 80 units
3. Los Angeles	5830 (14)	7000	Min. req. plus 98 points & Ph. D.
4. New York	6950 (2)	6950	B.A. plus 30 hours or M.A.
5. San Diego	6050 (9)	6750	M.A. plus 2 years or Ph. D.
6. Jersey City	6100 (7)	6500	M.A. plus 32 points
7. Washington, D.C.	5791	6491	M.A. plus 30 hours
8. Long Beach	6333 (4)	7278	Ph. D.
9. Milwaukee	5927 (13)	6327	M.A. or equiv. plus 32 units
10. Denver	6075 (8)	6300	M.A. plus 45 atr. credits
11. Detroit	6260 (5)	6260	M.A.
12. Chicago	5600 (elem)	5600 (elem)	M.A.
	6150 (h.s.) (6)	6250 (h.s.)	M.A. plus 36 hours
13. Buffalo	5600	6200	Ph. D.
14. Indianapolis	5700	6200	Ph. D.
15. Minneapolis	5800 (16)	6100	Ph. D.
16. Kansas City	5600	6100	Ph. D.
17. Cleveland	6000 (10)	6000	M.A.
18. Portland, Ore.	6000 (11)	6000	M.A.
19. Toledo	6000 (12)	6000	M.A.
20. Akron	5850 (15)	6000	Ph. D.
21. Providence	5375	5775	Ph. D.
22. St. Paul	5600	5900	Ph. D.
23. Rochester	5610	5810	M.A. plus 1 year
24. Baltimore	5400	5800	198 credits
25. Dayton	5800 (17)	5800	M.A.
26. Philadelphia	5800 (18)	5800	M.A.
27. St. Louis	5800 (19)	5800	M.A.
28. Syracuse	5600	5800	M.A. plus 30 hours
29. Cincinnati	5700	5700	M.A.
30. Seattle	5222	5622	5 yrs. and 30 qtrs. credit
31. Boston (h.s.)	5616	5616	M.A.
32. Houston	5600	5600	M.A.
33. Pittsburgh	5600	5600	M.A.
34. Miami (Dade Co.)	4950	5550	Ph. D.
35. Fort Worth	5252	5452	Ph. D.
36. Columbus	5325	5450	M.A. plus 1 year
37. Dallas	5400	5400	M.A.
38. Omaha	5350	5350	M.A.
39. San Antonio	5200	5200	M.A.
40. Boston (elem)		4932	A.B.
41. Oklahoma City	4600	4800	Ph. D.
42. Louisville	4700	4700	M.A.
43. Norfolk	4350	4350	M.A.
44. Richmond	4350	4650	Ph. D.
45. Atlanta	4400	4400	M.A.
46. Birmingham	4200	4200	M.A.
47. Memphis	4015	4015	M.A.

TABLE XIV

CHANGES IN TEACHERS' SALARY SCHEDULE SINCE 1941^{u1}

	BACHELOR'S		MASTER'S		DOCTOR'S	
	Min.	Max.	Min.	Max.	Min.	Max.
Jan. 1942	\$1200	\$2800	No differential for advanced education			
Jan. 1944	1350	2850	(Cost of living adjustment).			
July 1944	1350	2950	(Cost of living adjustment).			
Jan. 1946	1600	3000				
Jan. 1947	2000	3600	First step toward new schedule.			
Jan. 1948	2000	4200	\$2200	\$4400	\$2400	\$4600
March 1948	2400	4400	2600	4600	2800	4800
Jan. 1950	2500	4500	2700	4700	2900	4900
Jan. 1951	2700	4900	2900	5100	3100	5300
July 1951	2900	5100	* 3200	5400	* 3500	5700
July 1952	3100	5300	3400	5600	3700	5900
July 1953	3300	5500	3600	5800	3900	6100
July 1954	No Change					
PROPOSED SCHEDULE						
Jan. 1955	3600	6000	4000	6400	4400	6800

* Intermediate lanes, between bachelor's, master's and doctor's degree established July 1951.

11. Estimated fiscal picture in 1955 assuming continuation of present level of services and salaries, except for reduction of elementary school class size from 34 to 32 pupils starting in September 1955. *

Estimated balance, December 31, 1954	\$ 343,344
Revenue receipts, 1955	20,266,749
Total receipts and balance	\$20,610,093
Expenditures 1955:	
Personal services	\$17,334,277
Other than personal	3,373,590
Total expenditures	\$20,707,867
Excess of expenditures over receipts & balance	\$ 97,774

* Estimated to cost about \$80,000 in 1958.

Comment

In a \$20,000,000 budget savings of one or two hundred thousand dollars may quite readily be effected by careful operation, a warm winter, elimination of lunchroom deficit, etc. On the other hand, unexpected contingencies may develop which will offset the savings.

In short, our review of the estimates for 1955 leads us to believe that the school system can be operated on existing salary schedules, at present class size and without added behind-the-wheel-driver training within the presently estimated revenues.

This will not be true of 1956 and succeeding years because of increased enrollment. The additional state aid resulting from increased enrollment pays for only one-third of the cost of educating the additional students. Increased assessed valuation will not cover the cost either, so serious deficits for 1956 and 1957 will be estimated even at present salaries and class size.

12. Comments on Policy Decisions

The Superintendent and Board of Education have announced the basis for their request for additional millage authorization as follows:

a. To meet anticipated deficit for 1955	\$ 97,774
b. To improve salary schedules for teachers	902,100
c. To improve salary schedules and ratio of salaries for principals, assistant principals, consultants and directors	132,360
d. To improve salary schedules of assistant superintendents	6,000
e. To improve salary schedules of civil service personnel	246,000

- f. To provide behind-the-wheel-driver training \$ 150,000
- g. To reduce teacher load in the elementary schools
from 34 pupils on the average to 32 -- annual cost 200,000

The figures at the top of page 26 for 1955 include \$80,000 for reducing class size effective in September 1955, so no figure is given here.

These total for 1955	\$1,534,234
Estimated revenue from six mills before homestead adjustment and with 100% collection	2,104,800
Estimated revenue from six mills levy with homestead adjustment (becomes 6.75 mills) and 100% collections	2,367,935
Estimated revenue from $4\frac{1}{4}$ mills at 100% collections	1,490,922

Comments

The matter of the anticipated deficit for 1955 has already been discussed. It may be as high as \$100,000 or avoided all together

The proposed teacher's salary schedule increase would be granted as follows:

Across-the-board increase of \$300, add a thirteenth step to each lane of the schedule of \$200, and increase the difference between degrees to \$400 instead of the present \$300 difference. The same proportionate increase to be granted assistant librarians, long call substitutes and counselors.

The proposed increases will result in at least half of the teachers getting \$500 increases and many will receive more than this. These increases will still not put Minneapolis up to the national leaders in teachers salaries. The proposed increase in the A B Minimum would have brought us from 23rd to 8th place among cities over 200,000 in starting salaries this September. The increase in the A B Maximum would have taken us from 17th to 4th place, for the M A Maximum from 16th to 4th and for the highest teacher maximum from 15th to 6th.

The proposed increase would be the largest general increase granted the Minneapolis teachers in the past 20 years, previous increases being granted as shown in Table XIV.

We favor keeping Minneapolis in a favorable competitive position salarywise and in paying enough to get and keep good teachers, but we question the wisdom of granting such a large increase at a time when the cost of living has leveled off and in view of the other information as to teachers salaries developed in previous sections.

The proposed salary increases for principals, assistant principals, consultants, directors and assistant superintendents is to establish a better pay ratio for these jobs compared to teachers' pay to provide additional incentive to teachers to take these jobs. The proposed ratios are in keeping with the national pattern.

We favor a revision of these ratios because of the importance of attracting top teachers into supervisory positions.

We recommend that pay raises totaling about \$700,000 be granted to instructional personnel if the amendment passes, instead of the \$1,040,460 proposed.

The proposed salary schedule changes for Civil Service personnel would be granted as follows:

The janitorial staff will receive an increase of \$30 per month across the board and further increases of \$5 per month to \$25 per month in the upper classifications. These increases will cost approximately \$196,000 for 1955.

Adjustments in the upper classifications of cafeteria employees, secretaries and other civil service groups will cost approximately \$50,000 for 1955.

Before any pay raises are granted to this group we believe that the Board of Education should have a survey made to determine how their salary scales compare with the University, St. Paul schools and where possible with the community pattern for similar work.

As a group the Civil Service personnel has not received a salary increase since January 1, 1953, but the individuals have been receiving the increments which go with length of service and promotions so that they have not been without increases. Cost of living has gone up relatively little since January 1, 1953, and the time may be passing when across the board raises can be expected every year or two.

What evidence we have indicates that the Civil Service personnel is receiving salaries which are at or above the community pattern.

As to the inauguration of behind-the-wheel-driver training for all students at about the 9th grade at a cost of approximately \$150,000, the committee members are divided. A majority of the members favor the addition of this training to the school curriculum. The cost estimate is probably as conservative as possible. It is for instruction only based on the assumption that the training cars and equipment will be donated.

Driving instruction totalling 30 hours is already being given in the classroom in the 9th grade.

As to reduction of teacher load in the elementary schools from 34 pupils on the average to 32 pupils at a cost of approximately \$200,000 for 1955, the reduction of teacher load is considered a matter of first priority by the committee. Not only because of the difference between 34 and 32, but to bring the totals in some classes of 38 and 40 down to manageable size. An average of about 30 in the elementary schools with highs of not over 35 is considered the upper limit for a satisfactory teaching situation by the experts. We are advised that the present plans for this reduction would make it effective in Sept. 1955.*

Unfortunately physical facilities are not yet available to reduce class size in some of the most crowded schools, but we are told that there are sufficient classrooms in the system to make the proposed reduction effective.

CONCLUSIONS

Fundamental to an evaluation of how much should be spent on public school education is an evaluation of the effectiveness of public education in meeting the needs of the community. Such an evaluation is beyond the scope of our Committee. Lacking it, we must rely on other indices and guides for help in deciding how much to spend. Some of these are presented in this report and our conclusions from them are as follows:

1. Historical -- After allowing for inflation and increased enrollment, we are spending more per year today on public school education than we have annually over the past 15 years.

* If this is so, the cost estimate for 1955 is \$80,000 as against \$200,000 for the year

-- Salaries of Minneapolis teachers have risen the same relative amount as other professional groups since 1941, but less than the salaries of hourly manufacturing employees.

-- The amount now spent for instruction is proportionately less than the amount spent for operation, maintenance and equipment.

2. Comparisons with Other Cities -- Compared to other cities, Minneapolis has regularly ranked high on the amount spent for public schools.

-- Minneapolis spends more for maintenance and operation and less for instruction and administration than the average of the other cities over 300,000 population. In particular, the expense of salaries for those operating the physical plant is high.

-- Minneapolis ranks slightly above the middle as to starting and maximum teachers' salaries paid by cities of 200,000 population and above.

3. Teacher Turnover and Supply -- Minneapolis is not losing many teachers from the system to other school systems or to private industry.

-- Minneapolis should maintain a favorable competitive position in procuring teachers, and particularly so when the supply is so short.

4. Comparison with Other City Departments and with the Community Pattern

Civil Service employees of the school board receiving less than \$400 are probably at or above the community pattern. Those receiving more than \$400 are probably at or below the community pattern.

The school board, and some of the other boards and commissions, are paying more for certain job classifications than City Council. This is true in the trades and has been true in some clerical classifications.

5. Civil Service Employee Supply -- The Civil Service Commission reports no shortage of applicants for most school board Civil Service jobs nor is the turnover because of employees taking other jobs excessive.
6. Economies -- Some economies have been and are being effected by the school administration.
7. Funds Available for 1955 -- Minneapolis public schools can be operated at present salary scales, teacher load and without adding driver training for close to the available funds. A possible deficit of \$100,000 to is forecast. The deficits for 1956 and 1957 would be sizeable and certain.

RECOMMENDATIONS

We recommend that the amendment be supported because it appears there is and will be a need over the next few years for the additional funds provided thereby.

We recommend that the Board have a survey made of how its salary schedules for Civil Service employees compare with other related schedules.

We recommend the reduction of teacher load in the elementary schools from 34 to 32 if the amendment is adopted.

We recommend the use of \$700,000 for instructional salary schedule increases in 1955 if the amendment is adopted.

We are divided as to the use of funds for behind-the-wheel-driver training. If it is included, total cost of our recommendations for 1955 is \$930,000 plus the amounts needed to meet the possible deficit. Income from 3.5 mills at \$350,000,000 assessed value -- \$1,225,000. of \$97,000.

The Board of Education is urged to limit its use of the additional taxing power, if it is granted, to the minimum required for the operation of a good city public school system. We believe it is promising to do this by its resolution setting the 1955 use of the power to a levy of not to exceed 4 mills.

BOARD OF EDUCATION

School General Fund

	Statement for 1952	Statement for 1953	Estimate for 1954
Balance, January 1	\$ 43	\$ 117	\$ 542,287
Receipts:			
Tax Collections and Gross Earnings.....	\$11,184,954	\$11,828,898	\$11,735,600
Bank Excise Tax.....	161,968	113,516	100,000
Sale of Delinquent Real Estate.....	60,314	64,094	40,000
Money and Credits Tax--Delinquent.....	94	33	100
Grain Tax.....	13,049	12,808	12,800
Penalties on Delinquent Taxes.....	5,214	3,319	3,000
Mortgage Registration Tax.....	47,342	44,029	40,000
State Income Tax.....	666,875	689,325	712,100
State, County and Federal Aid.....	5,378,097	6,744,956	6,419,400
High School Tuition.....	345,216	309,839	270,000
Veterans' Education.....	85,829	70,498	40,000
Miscellaneous.....	174,510	206,875	180,000
Total Receipts.....	\$18,123,262	\$20,088,190	\$19,553,000
Total Available Funds.....	\$18,123,305	\$20,088,307	\$20,095,287
EXPENDITURES:			
Personal Service:			
General Control:			
General Supervision.....	\$ 186,221	\$ 192,417	\$ 211,824
Attendance and Census.....	43,859	48,459	49,068
Financial Supervision.....	148,616	164,861	173,881
Buildings and Grounds Supervision.....	31,340	45,283	41,516
	\$ 410,036	\$ 451,020	\$ 476,289
Instructional Service:			
Consultants and their Clerks.....	\$ 254,834	\$ 333,443	\$ 376,618
Regular Day School Principals.....	583,493	628,764	651,838
Regular Day School Teachers.....	9,481,623	10,044,174	10,778,008
Regular Day School Clerks.....	359,955	391,132	423,881
Vocational Schools.....	575,762	531,917	545,381
Special Education.....	512,977	627,426	664,758
Adult Education.....	205,109	208,542	215,000
Veterans' Education.....	108,526	74,336	76,000
Summer Schools.....	18,405	29,450	32,609
	\$12,100,684	\$12,869,184	\$13,764,093
Auxillary Service.....	\$ 634,148	\$ 670,705	\$ 717,883