

CITIZENS LEAGUE REPORT

No. 17

**Citizens League Recommendation to
approve the Charter Amendment
permitting the Minneapolis City
Council to levy tax increases as
necessary for efficient & effective
operation of government services.**

October 1953

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
601 Syndicate Building LI 0791

Resolution Adopted October 22, 1953
on Current Expense Millage Limitation
Charter Amendment

Whereas the annual revenues from the tax levy for the current expenses of the city and other revenue useable for current expenses have not increased sufficiently to finance minimum police, fire and sanitation services in the City of Minneapolis at the present time; and

Whereas a charter amendment increasing the charter current expense levy limitation by 3 mills is being submitted to the voters of Minneapolis at a special election on November 10, 1953; and

Whereas the City Council has unanimously declared it to be the policy of the Council to continue a program of net debt bond reduction, to pay salaries based on community patterns as determined by periodic surveys and appraisals, to engage in no deficit financing or borrowing for current expenses, to charge non-tax funds with all costs properly allocable to such funds and to fill vacant positions only after a full showing is made of definite necessity; and

Whereas the City Council has unanimously declared it to be the objective of the Council, at least for 1954, to use the proceeds from the additional three mills as follows:

- To increase personnel strength of the Police Department;
- Replace obsolete equipment in the Fire Department;
- Restore essential public services including garbage collection schedules, street lighting and street maintenance;
- Establish salary schedules in line with prevailing community patterns, as determined by periodic surveys and appraisals;
- Establish budget estimating procedure to avoid deficits, and provide reserves for contingencies and emergencies; and

Whereas by this and other action taken to date the 13 man City Council which took office in July of 1953 has shown more financial responsibility than its recent predecessors by

- a) Holding expenditures within available resources for 1953.
- b) Announcing a policy of basing city wage scales on the community pattern.
- c) Initiating a survey to see how city wage scales compare with the community pattern.
- d) Promising to continue the policy of reducing the city's net bonded debt.
- e) Promising not to borrow for current expenses.
- f) Promising to require a showing of necessity before vacant positions are filled.

and

Whereas careful attention has been given to the many problems posed by this Amendment, including the prospect of a record high tax rate, the lack of a detailed study as to the City's current expense needs, the fact that a study of city wage scales as they compare to private industry is just commencing as this amendment comes to a vote, and the fact that the City Council's commitments as to policies and the use of the funds are binding as moral commitments only.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITIZENS LEAGUE OF GREATER MINNEAPOLIS THAT THE CITIZENS LEAGUE

- A. Believes that effective and efficient democratic government can be obtained only by electing responsible men and women to public office, giving them the authority and the finances to do the job assigned to them, and holding them accountable at the polls for the quality of the job done.
- B. Believes that effective and efficient democratic government cannot be obtained by so limiting and dedicating the funds available that few decisions are left to the elected officials as to the nature and quality of the services rendered.
- C. Believes that public employees salaries and working conditions should be in line with prevailing community salaries and working conditions for comparable work and where not in line should be brought in line.
- D. Believes that police and garbage collection services and fire fighting equipment in Minneapolis are materially below safe standards for a city with the area and population of Minneapolis and will continue so unless the charter amendment is passed.
- E. Believes that the curtailment of personnel in the office of the City Engineer if continued will have serious effects on the City's public works program.
- F. Believes that thus far the record of the 13 man Council justifies the confidence of the community as to what at least a majority of the Council members will do in the way of carrying out the stated policies and objectives of the Council.

AND THEREFORE,

Because of these beliefs, because of the vital need of the community for the restoration and increase of police protection, the replacement of obsolete fire equipment and the restoration of 7 day garbage collection schedules and other essential public services, and because no other source of funds for 1954 appears to be available, the Citizens League hereby declares its support for the proposed charter amendment to be voted on November 10.

It urges its members and all citizens to vote "Yes" on the lavender ballot.

It urges the City Council to levy no more of the 3 mills than is absolutely necessary for 1954 and subsequent years, if the charter amendment is adopted.

It declares it the intent of the Citizens League to follow through and report to the public from time to time on how the additional funds are being used if the additional tax is levied, and also to report on whether or not the policies declared by the Council are being followed.

October 22, 1953

10/53

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

TO: Board of Directors

Subject: Committee recommendations on proposed Charter amendments affecting tax millage and Board of Estimate and Taxation.

The following concerns the principal matter on the agenda for discussion at Wednesday's special meeting.

Background

At the last Board meeting, a staff memorandum was presented on a Charter amendment, proposed by City Council's Ways and Means Committee, designed to increase Council's authorized millage by 5.7 mills, subject to a number of conditions. In view of the fact that the Charter Commission was still considering the proposal, the Board referred the matter to the League's Taxation and Finance Committee for study and recommendation. The Committee met and decided its position.

Subsequently a sub-committee of the Charter Commission was appointed to study the proposal and make recommendations to the Commission. After the sub-committee met, it became known that the sub-committee was going to recommend that the Commission submit a Charter amendment combining an authorized millage increase with changes in the powers of the Board of Estimate and Taxation.

A staff memorandum on the Board of Estimate and Taxation proposal was mailed to you on October 1st.

The League's Forms and Structure of Government Committee, Charles B. Howard, Chairman, and Finance and Taxation Committee, John Windhorst, Chairman, have met in joint session to consider the proposed Charter amendment. Their recommendations are quoted below.

The next regular meeting of the Charter Commission is scheduled for Thursday, October 8, when it is anticipated the Commission will take action on the proposed amendment.

Joint committee recommendation on Board of Estimate and Taxation proposal

Whereas the Minneapolis Charter Commission is considering submission of a Charter amendment to the people which would increase the powers of the Board of Estimate and Taxation over the City's finances and decrease the powers of the City Council, the Park Board and the Library Board:

Now therefore, the Committee on Forms and Structure of Government and the Committee on Taxation and Finance, having considered the proposal at a joint meeting, recommend to the Board of Directors that the Charter Commission be advised that the Citizens League:

1. Opposes the proposed amendment relating to the Board of Estimate and Taxation, for the following reasons:

a. It is likely to further remove City Government from the people by placing financial control in a body in which four out of nine members are not directly elected to that body.

b. It would add to the present confusion of responsibility.

c. It would tend to delay the consideration and submission of other basic and needed reforms affecting city financial controls.

2. Proposes that the Charter Commission consider an amendment to the Charter which would transfer the functions of the Board of Estimate and Taxation to the City Council, centralizing financial policy determination in the City Council and financial administration in a finance department headed by a finance officer directly responsible to the Council, for the following reasons:

a. The City Council should be the central policy-making body of the City with the power to control the City's finances as an essential part of its power.

b. Centralization of financial administration in a department responsible to the Council is necessary to give it the information for determining financial policy and the means for assuring that the policy is properly executed.

3. Proposes that an amendment centralizing financial control in the City Council be submitted to a vote of the people within one year.

Joint committee recommendations on proposal to increase authorized millage of the Current Expense Fund.

Whereas in March 1953 the Citizens League's Board of Directors, on recommendation of the Taxation and Finance Committee, went on record in favor of a proposal to the 1953 Legislature to increase the maximum authorized millage of the City's Current Expense Fund by four mills for the years 1954 and 1955 only, on condition that only such portion of the additional authorized millage be used as was needed, and that there be no change in the present policy of debt reduction; and

Whereas there appears to have been no basic change in the City's financial problem since March 1953; and

Whereas the Minneapolis Charter Commission is now considering the submission of a Charter amendment to increase the authorized millage of the Current Expense fund;

Now therefore, the Committee on Forms and Structure of Government and the Committee on Taxation and Finance, meeting jointly, recommend to the Board of Directors that it support a Charter amendment to increase the authorized millage of the City's Current Expense Fund for the years 1954 and 1955 only, such increase to be in the amount deemed necessary by the Charter Commission but not to exceed four mills.

This action is taken in reliance upon the announced plans of the City Council to continue the present policy of debt reduction.

Both recommendations were approved unanimously by the following members of the joint committee:

Anderson, Edwin F.
Anderson, Robert B.
Andrews, W.R.
Conover, E.S.
Finn, John F., Jr.
Fiterman, Harry
Hamlin, Lehan H.
Howard, Charles

Parker, Mrs. Elsbeth
Pearson, E. L.
Platt, Stanley K.
Preus, David H.
Stennes, Stanley
Vasaly, Thomas
Nelson, William K., acting chairman

October 2, 1953