

CITIZENS LEAGUE REPORT

No. 143

**Minneapolis Public Schools
Proposed 6-mill increase levy**

July 1962

143

Citizens League
545 Mobil Oil Building
Minneapolis 2, Minnesota

APPROVED
BOARD OF DIRECTORS
JUL 24 1962
DATE _____

TO: Board of Directors

FROM: Special Citizens League School Millage Committee

SUBJECT: Statement by the Citizens League of Minneapolis and Hennepin County for Presentation at the Board of Education Public Hearing on Proposed 6-Mill Increase in the General Fund Tax Levy Limit, July 24, 1962.

The Citizens League has often stated its belief that tax savings which jeopardize adequate schools or which discourage the attraction and retention of competent teachers are short sighted economies indeed. The general health of a community can often be judged by an assessment of its schools and one of the most important ingredients of a successful school system is an adequate number of qualified teachers. Therefore, the Citizens League has consistently supported tax increases needed to recruit and retain highly qualified teachers. Although, because of insufficient time for a thorough review of the proposed six-mill increase, we cannot commit the Citizens League to a position on this specific proposal at this time, we are convinced that Minneapolis teacher salaries need to be raised and that additional revenue is needed for this purpose.

The Citizens League is very concerned about the growing number of unfilled teaching positions in the Minneapolis Public Schools. We have been told by the school system's Director of Personnel, Mr. Loren L. Cahlander, that there would be almost 200 unfilled teaching positions in the system at the start of the 1962-63 school year. This is an increase of almost 100% over the 108 unfilled positions at the start of the last school year, and we believe that the necessary steps should be taken which will enable Minneapolis to recruit and retain a sufficient number of qualified teachers to meet the educational needs of the City's children.

Certainly, salaries are a very important factor (probably the most important factor) in the attraction and retention of qualified teachers and, consequently, the Minneapolis salary schedule should be kept competitive with the prevailing salary schedules in nearby districts. Salaries are, however, only one of a number of important factors which influence teacher attraction and retention, and we, therefore, urge the Board of Education to undertake an intensive appraisal of all of these factors, including the teacher recruitment program.

Hopefully, such an appraisal will provide the Board with specific information about the factors which influence qualified teachers to come to Minneapolis and those which persuade them to stay. Such an appraisal would provide a basis for the establishment of salary objectives and for the formulation of a positive policy for the recruitment and retention of qualified teachers. We believe that such a policy is needed to help avoid the possibility of a deterioration in the Minneapolis educational program due to an inability to attract and retain good teachers.

One factor which should be given considerable attention in the formulation of teacher salary objectives is the question of fringe benefits. It has long been the Citizens League's position that the fringe benefits provided for public employees should be considered as a part of their total compensation. We are,

therefore, pleased to note that, in his statement on the proposed 1963 budget, the Superintendent stated the need to consider the value of retirement benefits and other fringe benefits as a part of the total compensation for Minneapolis teachers, and that he also recognized the greater value of Minneapolis teacher retirement benefits as compared to those available to suburban teachers.

However, there is still a need for a clear School Board policy as to how the higher value of Minneapolis fringe benefits is to be considered in comparing Minneapolis teacher salaries with those paid by other school districts and for detailed data which compare the total value of the compensation received by Minneapolis teachers with that granted to teachers in nearby school districts. Not only would such data help clarify the competitive position of Minneapolis salaries relative to suburban salaries, but they would also help the administration explain the value of the Minneapolis fringe benefits to prospective employees.

The Citizens League acknowledges the important progress the School Board made in 1960 by adopting a five-year policy of equalizing the compensation package of its building trades employees with the package received from private industry. We are, however, greatly concerned that the School Board ignored this policy on June 26 when it approved wage increases for the Board's building trades employees which did not consider the value of the school employees' new hospital insurance plan. In our view, this action was a step in the wrong direction.

We consider the proposed change to make teacher salary adjustments on a school year basis a good one. This should tend to reduce much of the present confusion in attempting to compare Minneapolis salaries with those paid by other school districts.

Although we also generally applaud the idea of projecting costs several years into the future, as has been done by the development of the proposed 3-phase salary increase, we do have some questions regarding the wisdom of proposing a concrete salary schedule, and, in effect making promises, for several years into the future, in the absence of established salary objectives. Consequently, we hope that the proposed salary schedules will be considered as a guide for the future, rather than as a commitment.

Also, we believe that the School Board should give careful consideration to the following: First, since it is apparent that both the proposed salary increases and the structure of the proposed salary schedules are based primarily upon the salary schedules of the nearby school districts and, since the proposed salary schedules are extended through the school year 1964-1965, the School Board should carefully compare the proposed salary schedule with estimates of the salary schedules which these other school districts are expected to be using in school years 1963-1964 and 1964-1965, as well as comparing the proposed salary schedules with the present suburban schedules.

Second, while the administration is to be complimented on the general completeness of the information it has presented about the future financial impact of the proposed teacher salary increases, these data indicate that the proposed salary schedules will cost \$640,000 more in 1964 than in 1963 and an additional \$464,500 in 1965. The School Board should state whether or not the additional cost of the proposed salaries in 1965 is likely to require an additional millage increase for that year.

Third, the continuation of the existing ratios between teacher salaries and administrative salaries should be considered by the Board. Before deciding to

continue this policy, the Board should compare the proposed administrative salaries to the administrative salaries (including fringe benefits) paid in other school systems of a comparable size, in order to ascertain if the proposed administrative increases are justified.

The League is pleased by the Board's apparent awareness of the importance of depending less heavily upon the property tax for school revenues, and we applaud the Board of Education's past leadership in attempting to develop other sources of revenue by exploring the possibility of a community-wide or area-wide study of the tax structure and by appearing before the Governor's Tax Committee to emphasize the problem of depending on the property tax and to urge greater state aid to large cities from the state income tax fund. Unfortunately, however, this problem of overdependence on the property tax as a source of local government revenue is still very much with us, and we must repeat the League's long-standing concern over this problem and our consistent plea for action to develop a major alternative to the property tax in Minneapolis by again urging the School Board to continue its cooperation with other public agencies in working for a new tax source.

In closing, we must again repeat our annual request that the School Board give the public considerably more time to consider proposals to raise property tax limits. Five weeks is not enough time for a thorough review of such an important matter.