February 1, 2024

Minneapolis schools need investment, not managed decline!
Read the full report here: www.mft59.org

MPS leaders are projecting fiscal insolvency for the district by 2026, suggesting that cuts to classroom educators or even school closures will be needed to keep the district solvent. However, a closer examination of the district's finances reveals that there is still room for investment in students and educators, and that the district's spending patterns are out of step with those of surrounding districts, and out of sync with MPS' stated values.

A new research report commissioned by MFT59 shows that:

- Since 2018, MPS' financial projections have predicted annual deficits of millions in the general fund, resulting in steep declines in the general fund balance. And yet, actual year-end financial results included general fund surpluses and a growing general fund balance. The MPS general fund grew by $81 million between 2018 and 2023, and stood at $143 million at the start of this fiscal year.

- Spending on instruction has decreased by 5% since 2018, while spending on district support and administration have gone up by 19% each.

- Purchased services make up 16% of MPS overall budget—much higher than the average 11% that peer districts spend. St. Paul, a district of comparable size, spent 86 million, or 12% of its budget, on purchased services. Over five years, MPS spending on purchased services has gone up by 50%, while spending on staff salaries and benefits went down by 1%.

- MPS added 82 more administrator positions in 2023, costing at least $7.4 million in additional salaries.

- The average teacher salary in MPS is 6% lower than the average pay of peer districts, St. Paul, St. Paul, Anoka-Hennepin, Rosemount-Apple Valley-Eagan, and Osseo. St. Paul teachers make $11,000 more than MPS teachers.

- 20% of licensed staff left MPS between 2022 and 2023. One-third of those departing left for other districts. St. Paul only saw 13% of licensed staff leave its district.

- One third of MFT teachers have five or fewer years of experience. One in five licensed staff in MPS are new to the profession, which is three times the average of peer districts. For example, in St. Paul, only 2% of licensed staff are new.

- More than half of MPS' ESPs have been working in their position for less than five years and over a quarter of MPS' ESPs have worked in their positions for less than one year.

If MPS' spending on purchased services had been in line with peer districts in 2023, that would have freed up an additional **$31.5 million.**

If MPS cut additional administrative positions added between 2018 and 2023, it would save **$7.4 million.**

If MPS' spending on district support services had been in line with peer districts in 2023, that would have freed up **$13 million**.

That's millions of dollars per year that could immediately go toward stabilizing schools by investing in the educators who work with students every day.