



Lavish school buildings throw taxpayers for a loss

Controlling costs is key to property tax relief

Our position: *Schools must be more frugal in their use of taxpayer funds.*

Eleven cents of every dollar of property taxes statewide is spent on repaying debt used to finance lavish athletic fields and other school construction projects. Controlling such costs is key to long-term property tax relief.

Homeowners in Marion County and the rest of Central Indiana know this all too well.

Homeowners in Pike Township bear the brunt of the school district's debt service costs for construction and other purposes, which increased by 19 percent between 2005 and 2006. More debt will come due to George C. Grosskopf Stadium at Pike High School, which opened in August. The 3,500-seat stadium, featuring locker rooms for each sport and an elevator to the press box, was completed at the cost of \$10 million -- more than twice what Franklin Township spent to build its controversial stadium three years ago.

Washington Township homeowners, angered by double-digit increases in tax bills, are fuming about the school district's decision to proceed with the renovation of North Central High School's natatorium, which will now cost \$1 million more than its initial budget. In Boone County, plans by the Zionsville school district to build a \$20 million athletic complex, originally part of an effort to build a second high school, are now on hold, according to Superintendent Scott Robison. But taxpayers are still on the hook for the \$113 million bond issue floated by the district two years ago to fund this and other projects.

Certainly, athletics can help keep kids out of trouble and connected to school. They can also bring pride and prestige to a community. But the costs of such projects are too much of a burden for homeowners already struggling to pay their taxes.

It is also about priorities. The fact that 20 percent of school property taxes are devoted to paying down debt means less money to shore up underfunded teacher pensions. The need to improve academic performance ought to make construction a lower priority. The spending spree also exacerbates the inequities between wealthier and poor school districts, ultimately hurting at-risk students whose schools don't have such amenities.

But stadiums and swimming pools aren't the only elements of school spending in need of scrutiny.

Even with new state guidelines on construction projects, per-square-foot costs remain higher than the national average because of gimmicks such as electronic signage. "You go into some of these schools, they're pretty nice. They don't cut any corners," says Richard Besinger, a member of the state School Property Tax Control Board.

The state's remonstrance process, under which homeowners must duel with school districts to petition neighbors, make it difficult to keep spending in check. By the time projects reach state officials for approval, it's too late to curb expenses.

The state, on average, provides 83 percent of school operating dollars, meaning fewer local tax dollars going to the classroom. Thus, school districts have little reason to exercise discipline. School officials in Brownsburg are looking to alternatives to finance the renovation of an aging stadium. Noblesville has already exploited the sale of naming rights to help pay for new turf. Other school districts should follow their examples. They should also partner with other local government agencies and community groups, such as parks departments, to help defray costs. The state, as part of its expanding role in education policy, already picks up most of the school operating tab. Moving school construction funding to the state level would dovetail nicely with that effort and help reduce property tax bills.

Making local governments less reliant on property taxes, an effort led by Mayor Bart Peterson over the past two years, would be especially helpful. Schools, after all, account for 54 percent of the property tax bill. Rising tax bills are no longer tolerable for struggling homeowners. Schools should do their part in reducing the tab.