

# Sumner’s Bond Cost Ad Explained

Part of the 2020 Bond Report  
From The School Data Project  
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## Summary

Problems with Sumner’s advertisement:

1. The district is comparing all local school tax rates between just 2 years: 2020 and 2021. All local school taxes include Prev Debt, Tech Levy, Operations Levy, and the 2020 Bond. That is how they calculated the 45 cents per \$1,000 assessed value. See Fig 1 and Fig 3. They designed their own AV growth projections for 2021 and beyond to give the appearance of a flat tax rate for 2021 through 2028.
2. The tax rate for just the 2020 bond is never 45 cents per \$1,000 AV. See Fig 4.
3. The district failed to mention the 3+% AV growth each year they are assuming through 2042 which is how long taxpayers are expected to be paying for this one bond. A constant tax rate applied to increasing home values results in higher taxes that taxpayers must pay.

# Bond cost to taxpayers as represented by the school district



**What will the bond cost?**

Approval of this Capital Projects Bond will result in an estimated voter tax rate of \$0.45 per \$1,000 assessed value over 21 years. For a property owner with an assessed valuation of \$300,000, this equals approximately \$135 a year, or \$11.25 a month.

	<b>\$135</b> per year
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	<b>\$11.25</b> per month

**Bonds are for Building**

Capital construction bonds fund construction of new or remodeled schools, system upgrades, safety and security, and acquisition of land for schools.

Fig 1

# Bond cost to taxpayers as calculated by the authors

Sumner: Projected school tax collection for the 2020 bond  
On a home with an assessed value of \$300,000 as of 2020

Total: \$9,505

Average per year: \$432 for 22 years

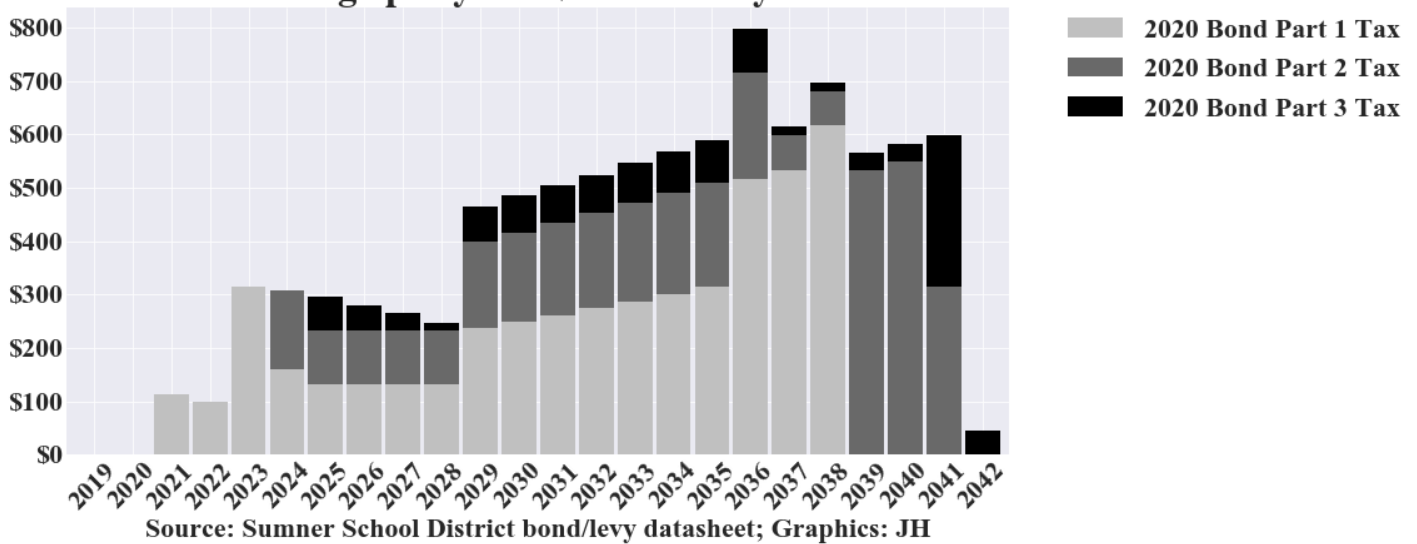


Fig 2

# Historical and projected tax rates for local school taxes

Projected Local School Tax Rate Sumner SD

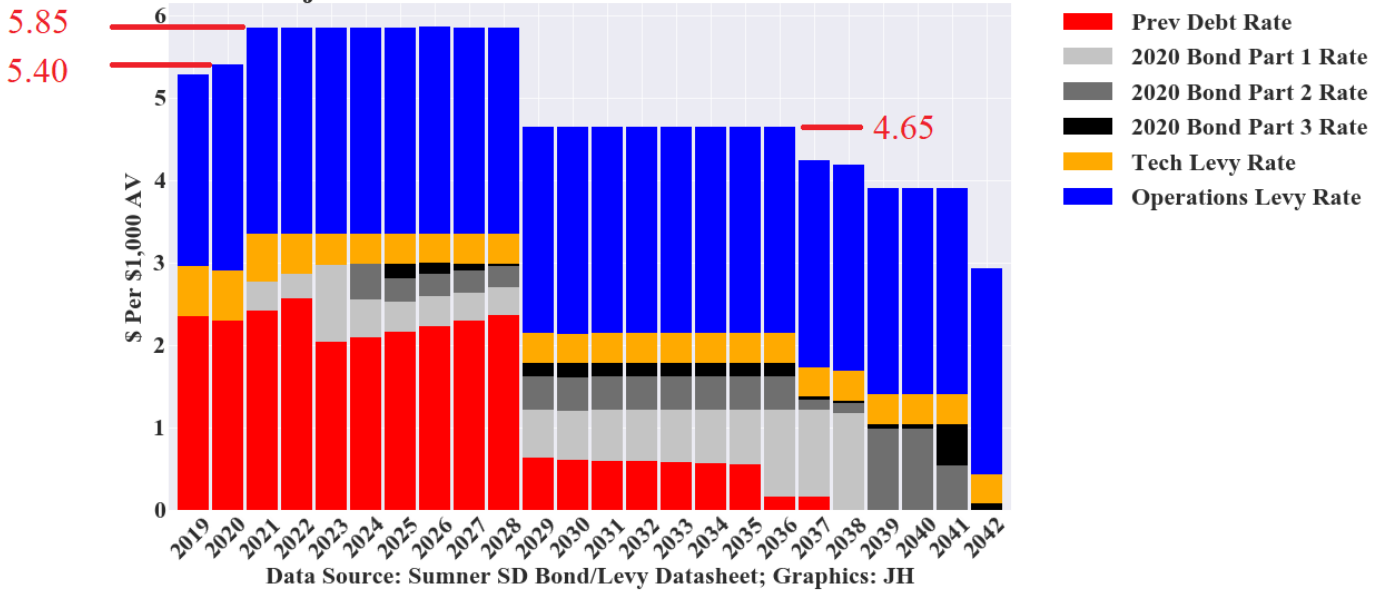


Fig 3

## Projected tax rate for the 2020 bond

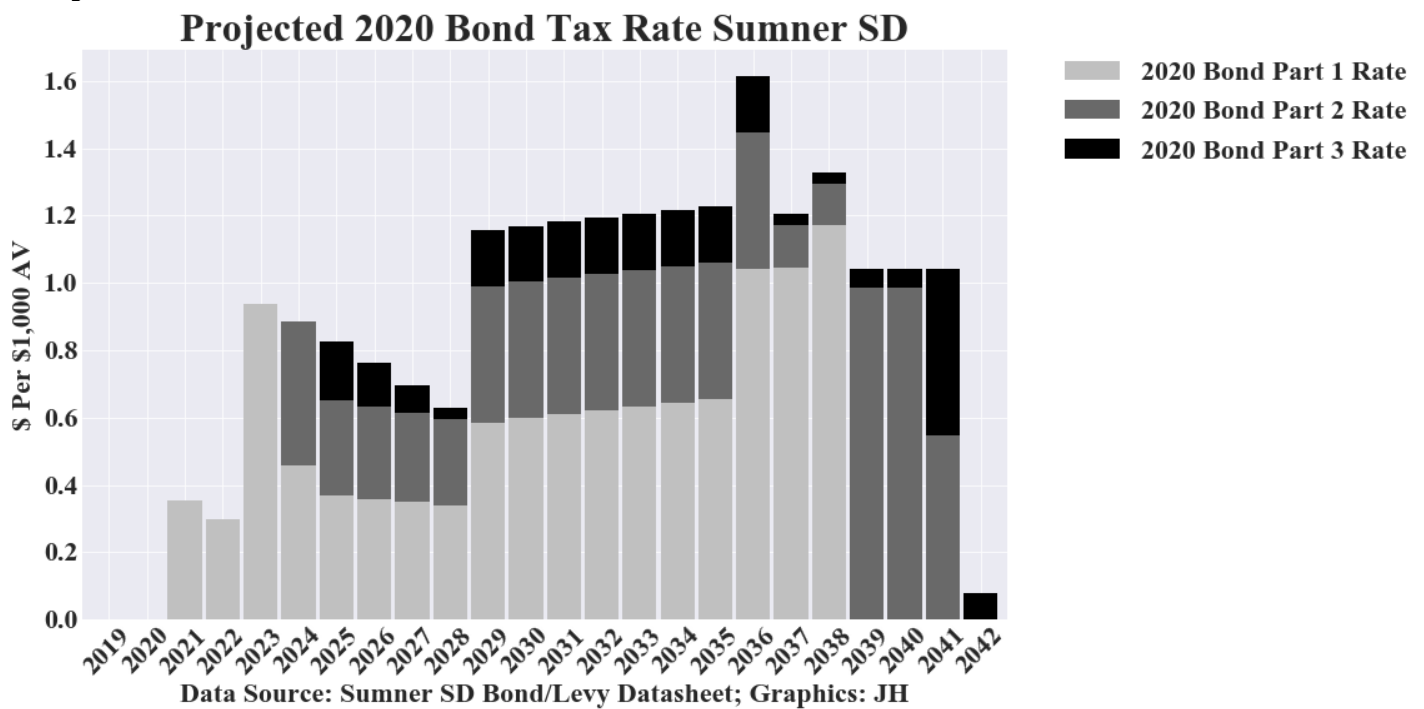


Fig 4

## Projected AV growth by the district

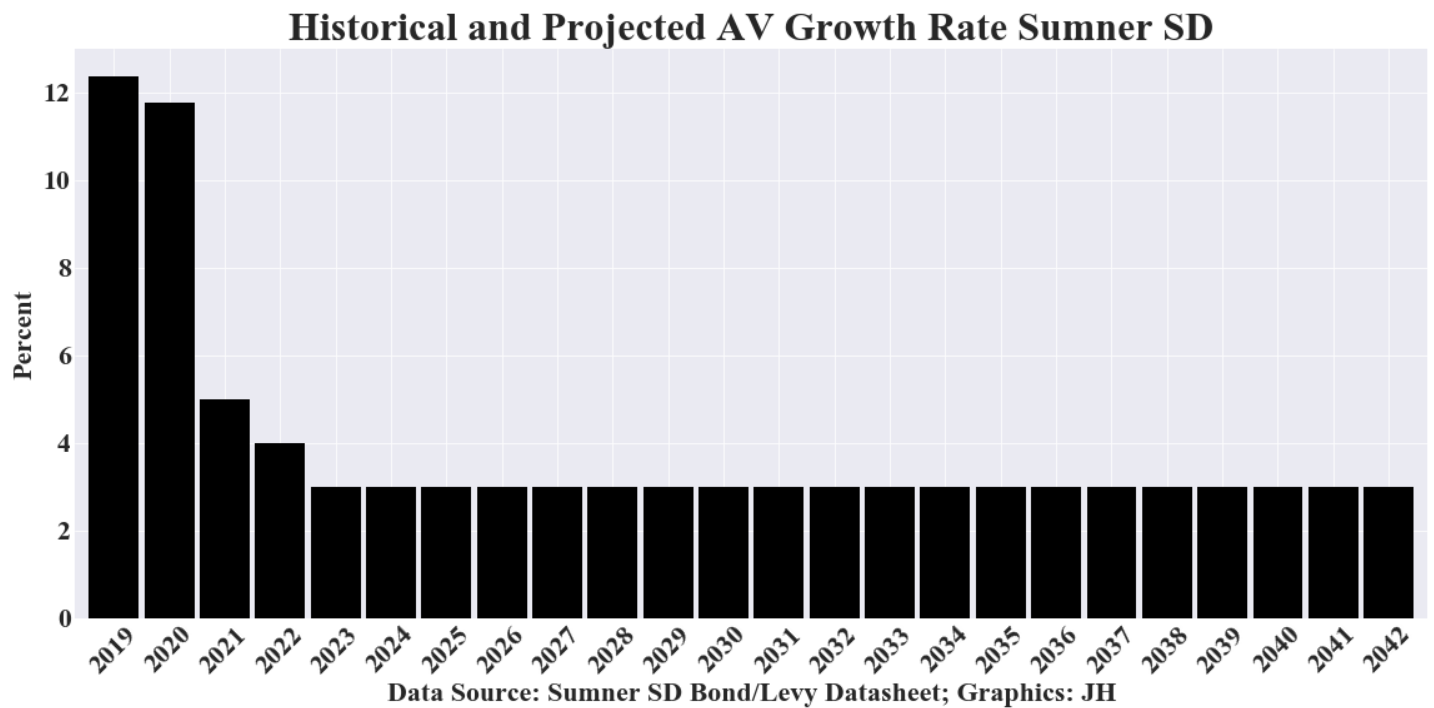


Fig 5