

NLS

Zero Tax-Increase

BIG BENEFITS

New London-Spicer 2026 Operating Levy

NEW LONDON-SPICER SCHOOL DISTRICT

2026 OPERATING LEVY GUIDE
Vote on or Before November 3



"This is an opportunity to keep more state education dollars working here at home, supporting local students, teachers, and classrooms, without placing an additional burden on year-round homeowners, businesses, or seasonal property owners."

State Representative, Dave Baker

STAYING INVESTED IN OUR

Future.

Information: www.nls.k12.mn.us/2026Referendum

AT NLS, WE'RE PROUD OF OUR STRONG SCHOOLS AND THE COMMUNITIES THEY STRENGTHEN



NLS Preschool is **4-Star ParentAware** rated for over a decade! The highest rating awarded!



NLS High School celebrates **93.2% graduation rate**. Compared to the state average 85%.



NLS elementary students score **10% higher** in reading on the MCAs compared to the State average.



NLS Students have **22 Activities** options in Grades 7-12.

"The Levy for Learning helps protect classrooms, student programs, and the educational experience that makes New London-Spicer a district of choice."

West Central Tribune



Dear New London-Spicer Community,

This brochure details what makes our schools great, our challenges, and what we can do to stay invested in our future.

Financial Challenges

The 2021 Operating Levy, approved by voters, was a positive investment that helped achieve most of our goals. It did not stabilize funding for as long as expected due to a variety of factors (the main factor being state revenues do not keep pace with inflation).

Zero Tax Increase, Big Benefits

November 3, 2026 is the day district voters will be asked to consider an operating levy that will protect student programs, maintain stable class sizes, and reduce future budget cuts. If approved, the levy would generate approximately \$1 million annually beginning in 2027 while maintaining the current school district tax rate for local property owners. It reduces the need for future cuts and helps New London-Spicer remain a district of choice in the region. Because of a change in state law, we have an opportunity to increase revenue for the school district without impacting the taxpayer.

Please read this brochure to learn factual information about the referendum and make an informed decision at the polls. Please vote on or before November 3. See page 9 for early voting dates, times, and location.

Thank you for your continued support of New London-Spicer Schools.

Sincerely,

New London-Spicer School Board of Education

Kristi Barber, Del Brouwer, Darryl Nelson, Karen Nelson,
Margo Wookey, Laura Nelson, and Mark Peterson



FINANCIAL CHALLENGES AS STATE REVENUE INCREASES DON'T KEEP PACE WITH INFLATION

New London-Spicer faces challenges that heavily affect students and classrooms. Rising costs outpace state funding increases. Enrollment declines in younger grades reduce revenue. Staffing adjustments have already been made, and programs have been trimmed. Even after significant reductions, the district still faces gaps that make future cuts likely.

NLS has reduced its budget by nearly \$750,000 over the last three years

Staffing: \$653,420

3 Teacher FTE Reductions	(\$295,100)
At-Will Contracts Restructure and Reductions	(\$162,550)
Teacher Attrition	(\$70,400)
Early Retirement Incentive	(\$60,000)
Paraprofessional Attrition	(\$46,000)
Administration Attrition	(\$18,420)
Event Worker Reductions	(\$950)

Student programs and services: \$46,450

Reduction of SouthWest West Central Cooperative Services	(\$30,000)
Grade 7 Courage Retreat Canceled	(\$3,800)
Grade 9 Respect Retreat Canceled	(\$3,650)
Reduced Hockey Shuttle Bus	(\$5,000)
Reduced Special Ed Van Route	(\$4,000)

Operations, contracts, and fees: \$40,950

Software Non-renewal	(\$13,200)
Reductions in Building Operations Budgets	(\$10,000)
Canceled Educational Online Subscriptions	(\$10,000)
Raised Parking Lot Fees	(\$5,050)
Surface Salt Rebid	(\$1,500)
Garbage Rebid	(\$1,200)

"In 2021, voters approved an operating referendum to help fund priorities and add to the district's fund balance (savings account). It helped our bottom line for a few years, but unfunded state mandates continue to drive up our costs and create budget deficits. Today, we are one unanticipated expense away from a negative fund balance."

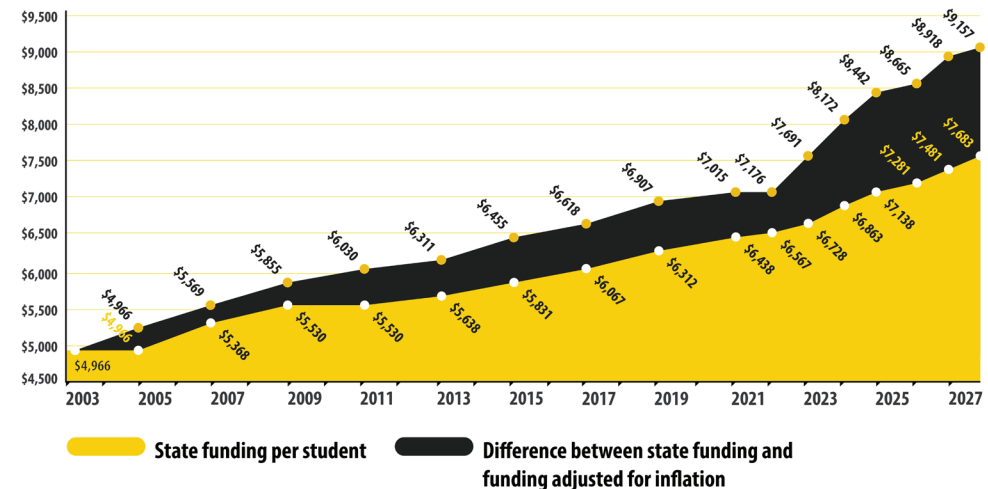
Jamie Boelter, Superintendent



Money is Tight in NLS Today

1. State funding has not kept pace with inflation.
2. Costs continue to increase faster than revenues, including fuel, unfunded mandates, supplies, and contracted services.
3. Special education program costs continue to rise and transportation funding is being pulled back.
4. Due to many factors (see list on left), we have made nearly \$750,000 in budget cuts. More cuts are on the horizon.

State Revenue Increases Don't Keep Pace With Inflation



Had state revenue increased by the rate of inflation each year since 2003, the 2027 allowance per pupil would be \$9,157. The difference between this year's state revenue per pupil and the inflation adjusted potential revenue is \$1,474 or 19.2%.

WHAT IS THE PLAN?

New London-Spicer is asking voters to approve an operating levy this November that **won't raise current tax rates** and would bring in about **\$1,000,000 a year** starting in 2027.

How is that possible?

A new Minnesota law expands the tax base for local operating referendums, which brings a permanent increase in state aid.

What the levy does

- **Protects what's working:** classroom instruction, staffing, academic programs, student activities, and school security
- **Adds nothing new:** no new programs and no new facilities
- **Provides stability:** after years of rising costs, enrollment shifts, and nearly \$750,000 in budget reductions, the district needs steady, predictable revenue
- **Reduces future cuts:** it helps protect the programs families count on every day

What it means for your taxes

- **Year-round property owners:** based on current tax calculations, \$0 in additional dollars for this referendum
- **Seasonal and recreational properties:** about 25% of our tax base, and now able to contribute to local operating levies for the first time
- **No change to the tax formula:** beginning in 2027, a portion of their existing tax dollars will be redirected to eligible districts with voter-approved operating referendums

The bottom line

This law corrects a long-standing funding imbalance. It means meaningful property tax relief for year-round homeowners and businesses while strengthening opportunities for students, and it keeps New London-Spicer a strong district in a vibrant community.

WHAT WILL IT COST ME? Zero. Zilch. Zip. Nada.

BIG BENEFIT #1

PROTECT STUDENT PROGRAMS

BIG BENEFIT #2

MAINTAIN STABLE CLASS SIZES

BIG BENEFIT #3

REDUCE FUTURE BUDGET CUTS

Why no tax increase?

For years, the State of Minnesota has collected property taxes on seasonal and recreational properties with the money going to the state's general fund. Property taxes for other property categories, such as residential and commercial-industrial, are treated differently. That revenue has gone to the state and other taxing authorities such as local schools. A new state law now sends state funding to school districts that have seasonal-recreational property. About 25% of New London Spicer's tax base is seasonal-recreational property, so the state aid is significant. The new law means taxes for residential and commercial-industrial property would decrease. The district is asking permission from voters to close its revenue gap by increasing the operating levy by the amount of the reduction in taxes from this law. Zero tax-increase, big benefits.

SEASONAL TAX BASE REPLACEMENT AID

EXPLAINED

A NEW STATE PROGRAM PROVIDES ADDITIONAL AID TO DISTRICTS LIKE NLS WITH A HIGH SHARE OF CABINS AND SEASONAL PROPERTY.

HOW DOES IT WORK?

1

Current funding flow:

Homes to State and Local school districts; Cabins to State ONLY.



2

Money into school districts

from local residents and businesses; NOT cabins.



Over Two Decades...

3

2026 State Legislative Action

Legislative action causes formula change. Portions of Seasonal Rec (cabins) taxes are redirected to local school districts.



4

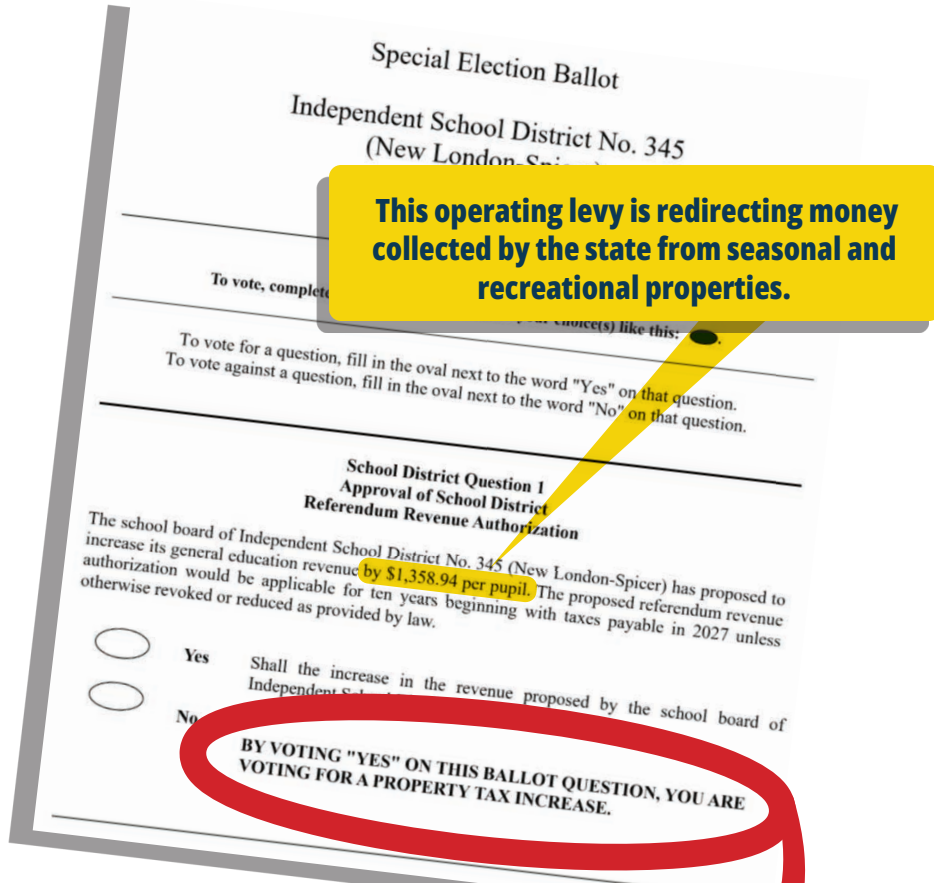
Starting January 2027

New funding flow: Homes and Cabins to State and Local school districts.



**NO NEW TAXES
FOR NLS RESIDENTS**

BALLOT QUESTION



STATE LAW REQUIRES THE BALLOT TO INCLUDE:
"BY VOTING "YES" ON THIS BALLOT QUESTION,
YOU ARE VOTING FOR A PROPERTY TAX INCREASE."

WHY NO TAX INCREASE?

For the first time, seasonal and recreational properties can help support local school operating levies. The state is sending the taxes already collected in the form of aid based on NLS's high percentage of seasonal and recreational property.

IMPORTANT NOTE:
NO TAX INCREASE FOR NLS!

WHERE AND WHEN DO I VOTE?

VOTE TUESDAY, NOVEMBER 3.
POLLS ARE OPEN 7 A.M. - 8 P.M.

VOTERS CAN PARTICIPATE IN THE ELECTION THROUGH ABSENTEE BALLOT, VOTING EARLY IN-PERSON OR ON ELECTION DAY, TUESDAY, NOVEMBER 3.

How Do I Vote Early and/or Vote from Home (Absentee Ballot)?

You can vote early with an absentee ballot through November 3, 2026. Apply for an absentee ballot.

How Do I Vote on Election Day?



Election Day is November 3, 2026.
 Polls will be open from
 7:00 a.m. to 8:00 p.m.
 To find your polling place,
 visit pollfinder.sos.mn.gov.

Location: Kandiyohi County Office Building,
 400 Benson Ave SW, Willmar MN 56201

Hours: Mon-Fri 8:00 a.m.-4:30 p.m.

Extended hours:

9:00 a.m.-3:00 p.m.	October 24 (Sat)
Open until 7:00 p.m.	October 27 (Tue)
9:00 a.m.-3:00 p.m.	October 31 (Sat)
9:00 a.m.-3:00 p.m.	November 1 (Sun)
Open until 5:00 p.m.	November 2 (Mon)



PLEASE VOTE
 Constitutional
 Amendment
 Learn More
www.mnpsfamendment.org

Another Ballot Question

Minnesota voters will also see a Constitutional Amendment on the November 3 ballot. It proposes increasing the Permanent School Fund's annual distribution to ALL Minnesota schools to up to 4.5% of its three-year average value, effective FY 2028. **If it passes, it could mean an infusion of about \$30,000 for NLS.** While appreciated, this amendment has a very minimal impact on New London-Spicer's financial challenges and does not replace the need for the operating levy. Use the QR code for more information.



Q. Why does NLS have to ask voters for an operating levy? Why doesn't the new law just send the cabin tax money back to the school?

A. Under the new state law, a school district can only receive the new aid if it has an operating levy approved by voters. People who own lake cabins pay property taxes. Since 2001, that money has gone to the state instead of to local schools. As a result, when a school district passes an operating levy, other property owners in the district pay the full cost. In 2026, the state created a new aid for school districts with a lot of cabin property. The state sends a portion of this money to qualifying districts, and it is used to lower the amount local property owners pay for the operating levy. NLS is asking for an increase in the operating levy because it cannot cover its expenses with current revenues and because this is an opportunity to increase revenue at no additional cost to the taxpayer.

Q. You have a 10-year plan and you're only 6 years into it. Why do you need more funding right now?

A. Three things have changed since we built the plan:

Unfunded mandates. The state and federal government keep adding requirements without fully paying for them. More than 65 new education requirements were added in the 2023 legislative session alone. Most of our budget is already committed, so each new cost comes out of the classroom.

Reduced funding. Some money we counted on has shrunk. For example, state special education funding doesn't cover the real cost, so districts cover the gap from general education dollars. Minnesota districts together face a shortfall of more than \$280 million.

Inflation. Costs for heating, buses, salaries, and supplies have risen faster than school funding. If the state's funding formula had kept pace with inflation over the past 23 years, it would be about \$1,420 more per student today.

Our plan was built on the best information we had six years ago. The plan didn't fail. The situation it was built on has changed, and this funding keeps us on solid footing.

Q. Don't we have to replace the turf soon, and we'll be taxed again?

A. We've maintained the turf and kept it in great condition. Our Buildings and Grounds Department estimates that it won't need to be replaced for another 10 years or more. By law, the operating levy referendum cannot pay for capital improvements.

Q. Does increasing funding for schools have any effect on academic outcomes?

A. The most rigorous research shows that, as scholars C. Kirabo Jacson and Claudia Persico put it, "there is a strong causal relationship between increased school spending and student achievement." To read the scholars' review of that research, please visit <https://onlinelibrary.wiley.com/doi/epdf/10.1002/pam.22520>

Q. What happens if the levy is not approved?

A. Without additional operating revenue, the district would need to consider further budget reductions in future years. Property taxes would decrease by \$6/month on a \$300,000 home.

Q. What happens if the levy passes?

A. Taxes will stay the same. Current taxpayers pay no more than they do today. The school will receive about \$1,000,000 more per year for the classrooms.



Q. How do students benefit?

Strong Academics - Protect classroom learning and educational opportunities.

Student Activities - Maintain athletics, arts, clubs, activities, and leadership programs.

Student Support - Help provide staffing and services that support student success.

Q. Why does the ballot mention a property tax increase?

A. Minnesota law requires all operating levy ballot questions to include this statement. For New London Spicer, additional state funding is expected to offset the local tax impact, resulting in no projected increase to school district taxes for local property owners.



New London-Spicer School District
101 4th Ave SW
New London, MN 56273

"New London-Spicer is proposing an operating levy to reinforce its commitment to strong schools, which are essential for building strong futures. Please learn about our referendum question and vote on or before November 3."

MARK PETERSON, School Board Chair



VOTE NOVEMBER 3 | Be An Informed Voter.
Information at www.nls.k12.mn.us/2026Referendum

Prepared and paid for by Independent School District No.345
(New London-Spicer School District), 101 4th Ave SW New London MN 56273