

City Council Meeting Agenda

September 01, 2026 at 5:30 PM

St. James City Hall – Council Chambers

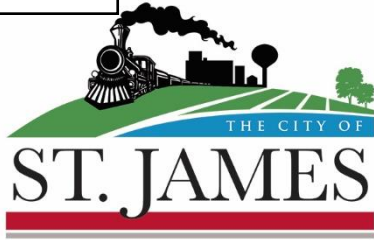
1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL:** Mayor Christopher Whitehead, Councilpersons: Susan Craig, Kathleen Hanson, Paul Harris, Stephen Lindee, Mary Shupe
4. **DETERMINATION OF QUORUM**
5. **APPROVAL OF MINUTES**
 - [A.](#) Consideration to Approve Minutes – 08.18.2026 Council Meeting
6. **CONSENT ITEMS**
 - A.** Payment of Claims and ACH Payments
7. **SCHEDULED BID LETTING**
8. **SCHEDULED PUBLIC HEARINGS**
9. **ADMINISTRATIVE APPEALS**
10. **FINANCIAL REPORTS**
11. **LICENSES AND PERMITS**
 - [A.](#) Consideration to Approve Special Event Permit - Watonwan County Relay for Life
12. **OLD BUSINESS**
13. **NEW BUSINESS**
 - [A.](#) Consideration to Review 2027 Preliminary Budget
14. **REPORT OF BOARDS, COMMISSIONS AND DEPARTMENT HEADS**
15. **ADJOURNMENT**

September 1, 2026

ITEM: Approval of Minutes – 08.18.2026 Council Minutes

BACKGROUND: The Minutes of August 18, 2026, City Council Meeting are attached for review and approval.

STAFF RECOMMENDATION: Approve/Deny Minutes.



City Council Meeting Minutes

August 18, 2026 at 5:30 PM

St. James City Hall – Council Chambers

1. CALL TO ORDER

Meeting called to order at 5:30 p.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL: Mayor Christopher Whitehead, Councilpersons: Susan Craig, Kathleen Hanson, Paul Harris, Stephen Lindee, Mary Shupe

PRESENT: Mayor Christopher Whitehead, Councilpersons Sue Craig, Kathleen Hanson, Paul Harris, Stephen Lindee, Mary Shupe

STAFF PRESENT: City Manager Amanda Knoll, City Clerk-Treasurer Kris Hurley, City Attorney Mike Kircher

4. DETERMINATION OF QUORUM

5. APPROVAL OF MINUTES

A. Consideration to Approve Minutes – 08.05.2026 Council Meeting

Motion made by Lindee, Seconded by Hanson.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Upon voice vote, it was unanimously approved.

6. CONSENT ITEMS

A. Payment of Claims and ACH Payments

Payment of Claims totaling \$114,762.38 is as follows: Check No. 706996 - 7070662 as listed in the check register.

7. SCHEDULED BID LETTING

8. SCHEDULED PUBLIC HEARINGS

9. ADMINISTRATIVE APPEALS

10. FINANCIAL REPORTS

11. LICENSES AND PERMITS

12. OLD BUSINESS

13. NEW BUSINESS

A. 2026 City Visit Presentation - Darrin Lee, Coalition of Greater MN Cities

2026 City Visit Presentation given by Darrin Lee, representing the Coalition of Greater MN Cities.

B. Consideration to Approve Resolution 08.26.04 - Amending By-Laws of the St. James Firefighter's Relief Association

Resolution 08.26.04 amends the by-laws of the St. James Firefighter's Relief Association. If approved, this increases the annual amount by \$100, hoping to improve recruitment and retention.

Motion made by Hanson, Seconded by Harris.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Whereupon Mayor Christopher Whitehead declared Resolution 08.26.04 duly passed 5-0.

C. Consideration to Approve Resolution 08.26.05 - Appointing Housing Redevelopment Authority Board Vacancy

Resolution 08.26.05 appoints Annelle Schofield as the tenant board member to serve on the Housing Redevelopment Authority Board of Directors. This is a 5 year term.

Motion made by Hanson, Seconded by Craig.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Whereupon Mayor Christopher Whitehead declared Resolution Resolution 08.26.05 duly passed 5-0.

D. Consideration to Approve Resolution 08.26.06 - Authorizing the Transfer of the 2019 Ford F-350 from the Electric Fund to the General Fund for the Fire Department

Resolution 08.26.06 - Authorizes the Transfer of the 2019 Ford F-350 from the Electric Fund to the General Fund for the Fire Department

Motion made by Craig, Seconded by Lindee.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Whereupon Mayor Christopher Whitehead declared Resolution 08.26.06 duly passed 5-0.

E. Consideration to Approve Resolution 08.26.07 - Declaring Abandoned and Surplus Property and Ordering the Disposal

Resolution 08.26.07 - Declares Abandoned and Surplus Property and Ordering the Disposal of a 2013 Ford Taurus and a large commercial Hobart mixer.

Motion made by Lindee, Seconded by Harris.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Whereupon Mayor Christopher Whitehead declared Resolution 08.26.07 duly passed 5-0.

F. Consideration to Approve Resolution 08.26.08 - Authorizing the City Manager to Enter into the Temporary Construction Easement Agreement with Fleet and Farm Supply, Inc. for the 12th Avenue South Highway District Expansion

Resolution 08.26.08 - Authorizes the City Manager to Enter into the Temporary Construction Easement Agreement with Fleet and Farm Supply, Inc. for the 12th Avenue South Highway District Expansion

Motion made by Harris, Seconded by Shupe.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Whereupon Mayor Christopher Whitehead declared Resolution 08.26.08 duly passed 5-0.

14. REPORT OF BOARDS, COMMISSIONS AND DEPARTMENT HEADS

15. ADJOURNMENT

Motion made by Craig, Seconded by Harris.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

All Yea - motion carried. The meeting adjourned at 5:53 p.m.

September 1, 2026

ITEM: Licenses and Permits – Special Event Permit: Watonwan County Relay for Life

BACKGROUND: A special event application has been submitted to request a special event permit.

Event Name: Watonwan County Relay for Life

Date and Time: September 19, 2026, from 4:00 to 9:00 PM

Location: Deer Park

Type of Event: Community charitable fundraising and awareness event

Purpose of Event: To raise funds and awareness

Anticipated Attendance: 200

Contact Person: Tracy Hurley and Shirley Anderson

Event Description: Relay for Life is a charitable fundraising and awareness event that supports the American Cancer Society while celebrating cancer survivors, recognizing caregivers, and remembering those who have lost their lives to cancer. The event will include a survivor walk, team walk, and pie eating contest.

Parking Plan: First Lutheran Church lots and street parking.

Street Closure: Portions of 6th Avenue South and 8th Street South adjacent to Deer Park.

Equipment Request: Barricade, no parking signs, road closed sign, and picnic tables.

STAFF RECOMMENDATION: Approve/Deny Permit.

September 1, 2026

ITEM: New Business – 2027 Preliminary Budget Presentation

BACKGROUND: The attached 2027 Preliminary Budget Presentation will provide an overview of projected revenues and expenditures for the coming year. The presentation highlights the budget approval timeline, budget allocations, proposed budget compared, breakdown of General Fund revenues and expenditures, capital expenses, preliminary budget amounts compared, proposed tax levy compared, and staffing considerations.

STAFF RECOMMENDATION: No action.



2027 PRELIMINARY BUDGET

2027 BUDGET

BUDGET PROCESS

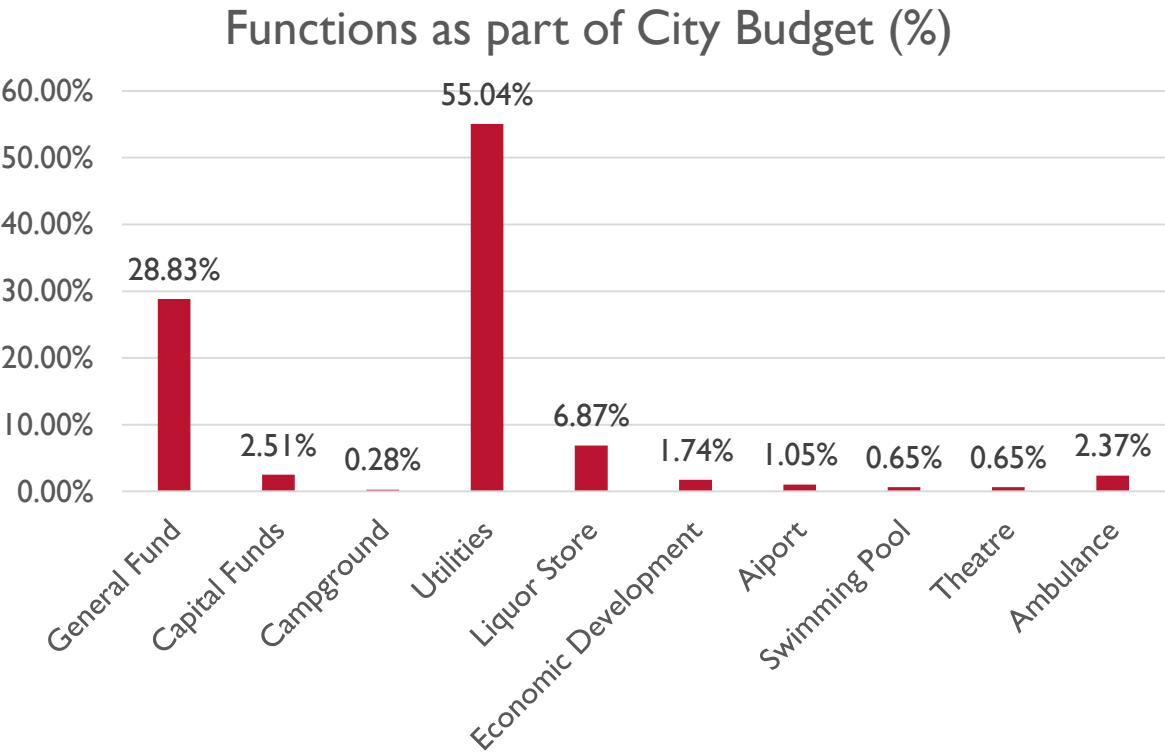
- September 1, 2026
- September 15, 2026
- December 1, 2026
- December 15, 2026

2027 Preliminary Budget Presentation
Approve 2027 Preliminary Levy
Set Truth and Taxation Hearing
Truth and Taxation Hearing
Approve 2027 Final Levy and Budget

2027 PRELIMINARY BUDGET

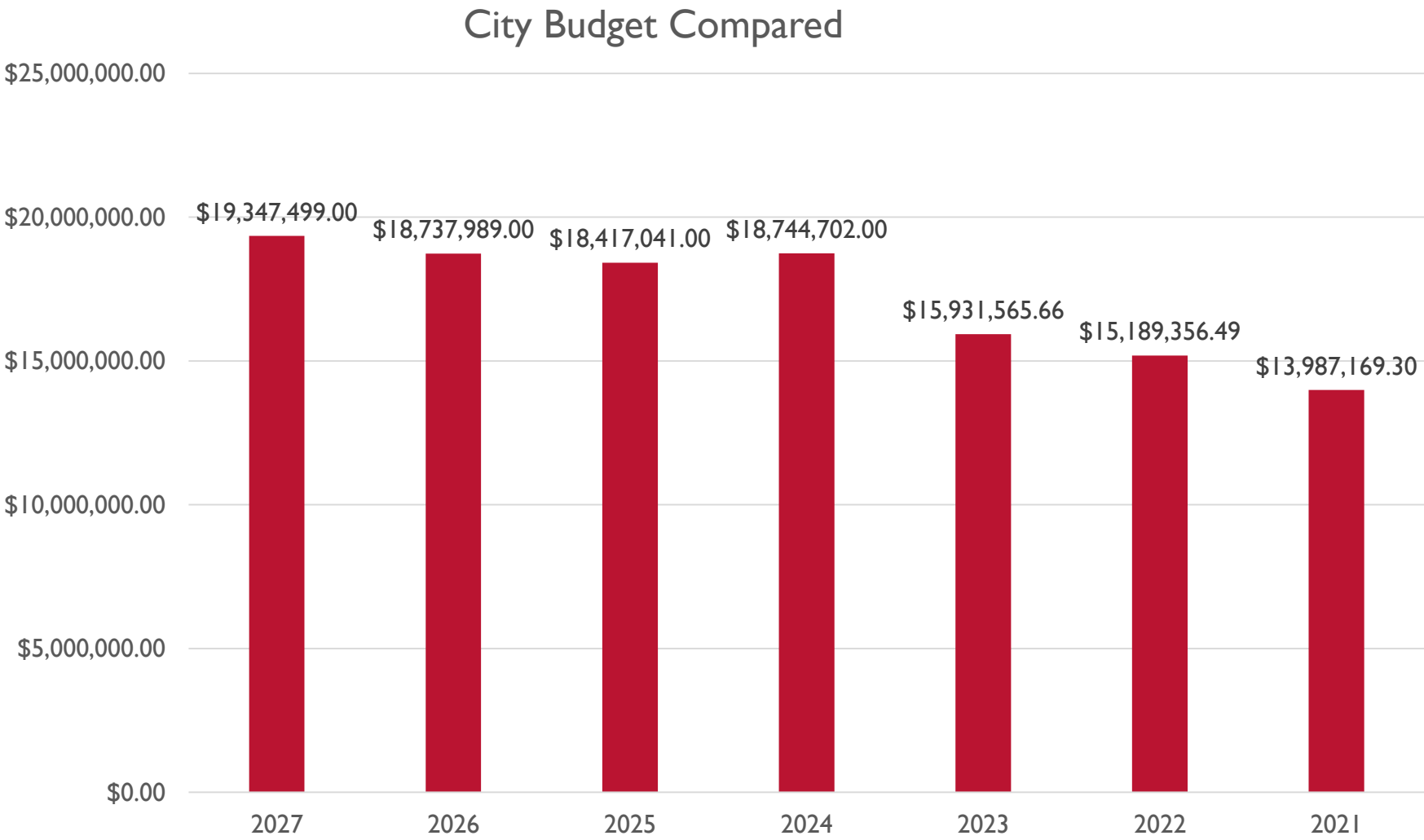
TOTAL BUDGET ALLOCATION

General Fund	\$5,577,215.00
Capital Funds	\$486,500.00
Campground	\$54,300.00
Utilities	\$10,648,694.00
Liquor Store	\$1,329,980.00
Economic Development	\$337,490.00
Airport	\$202,750.00
Swimming Pool	\$126,700.00
Theatre	\$125,995.00
Ambulance	\$457,875.00
TOTAL 2027 BUDGET	\$19,347,499.00



2027 PRELIMINARY BUDGET

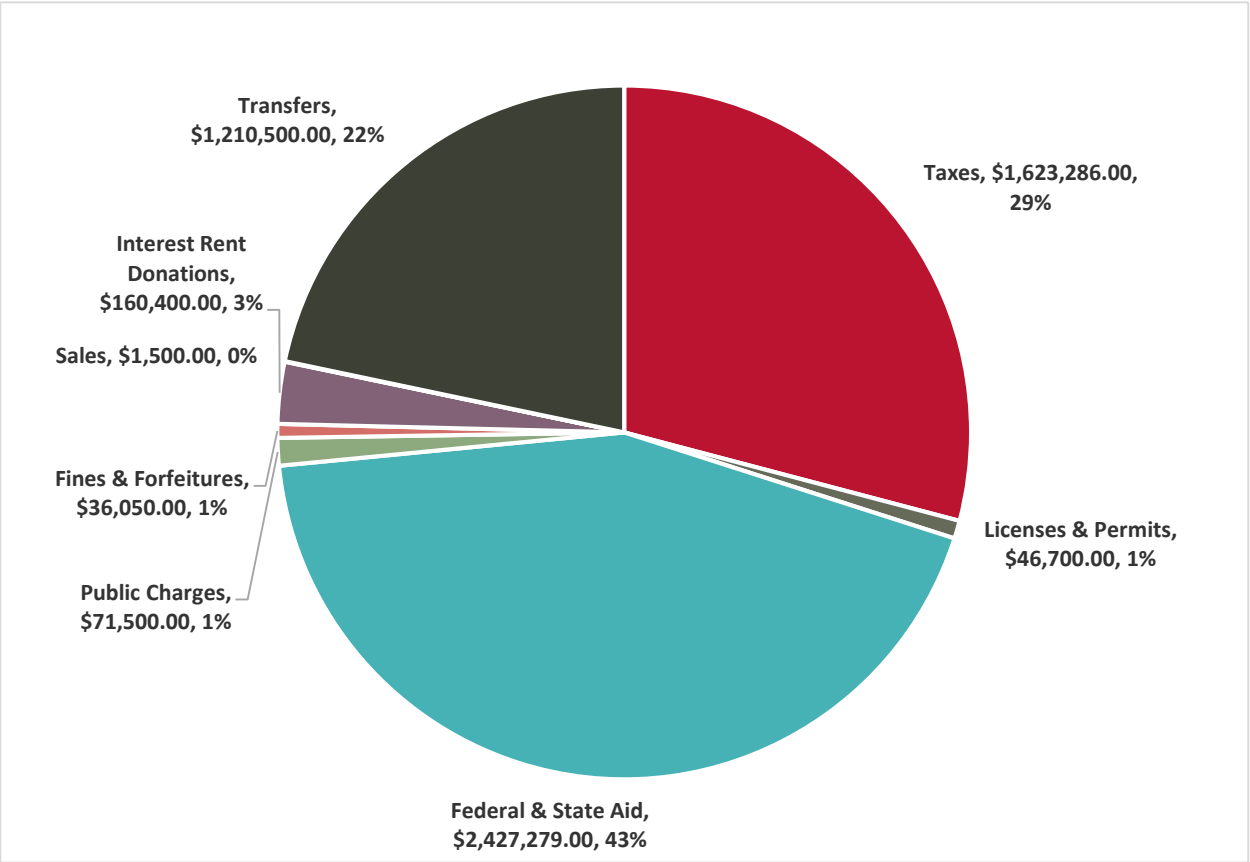
TOTAL PROPOSED 2027 BUDGET: \$19,347,499.00



2027 PRELIMINARY BUDGET

TOTAL PROPOSED GENERAL FUND REVENUE: \$5,577,215.00

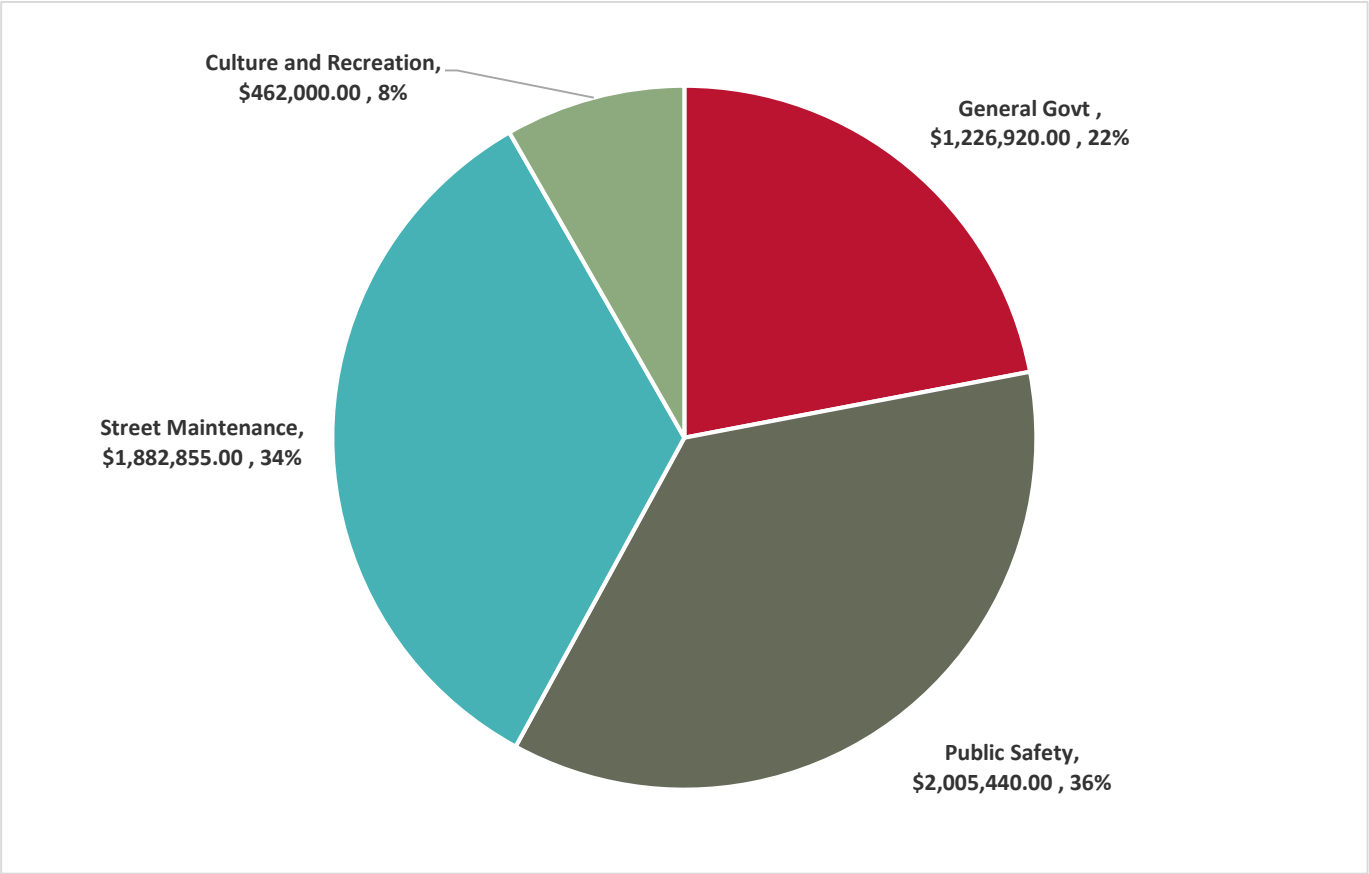
Revenue	2027
Taxes	\$1,623,286.00
Licenses & Permits	\$46,700.00
Federal & State Aid	\$2,427,279.00
Public Charges	\$71,500.00
Fines & Forfeitures	\$36,050.00
Interest Rent Donations	\$160,400.00
Sales	\$1,500.00
Transfers	\$1,210,500.00
TOTAL	\$5,577,215.00



2027 PRELIMINARY BUDGET

TOTAL PROPOSED GENERAL FUND EXPENSES: \$5,577,215.00

Expenses	2027
General Government	\$1,226,920.00
Public Safety	\$2,005,440.00
Street Maintenance	\$1,882,855.00
Culture and Recreation	\$462,000.00
TOTAL	\$5,577,215.00



2027 PRELIMINARY BUDGET

GENERAL FUND CAPITAL EXPENSES: \$486,500.00

- Equipment Purchases
 - Street Department: 1/2 Motor Grader Cost
 - Park Department Tractor
- Vehicle Purchases
 - Utility Truck for Water Department
 - Fire Truck for Fire Department
- Transfer to EDA Admin Fund

2027 PRELIMINARY BUDGET

STAFFING CONSIDERATIONS

- 12% increase to health insurance (\$146,765 impact)
- COLA increase
 - Negotiation Year: AFSCME Union
 - Negotiation Year: LELS Union

2027 PRELIMINARY BUDGET

GENERAL FUND OPERATIONS

• \$5,577,215.00	2027 Preliminary Amount	+6.06%
• \$5,258,412.00	2026 Budgeted Amount	-0.71%
• \$5,296,274.00	2025 Budgeted Amount	+5.65%
• \$5,013,258.00	2024 Budgeted Amount	+10.98%
• \$4,517,396.61	2023 Budgeted Amount	+15.86%
• \$3,899,099.87	2022 Budgeted Amount	+2.05%
• \$3,820,915.10	2021 Budgeted Amount	-3.89%
• \$3,975,669.00	2020 Budgeted Amount	+4.88%
• \$3,790,809.00	2019 Budgeted Amount	-2.42%
• \$3,884,835.00	2018 Budgeted Amount	+7.70%
• \$3,607,121.00	2017 Budgeted Amount	+20.72%

2027 PRELIMINARY BUDGET

CITY TAX LEVY: \$1,729,350.00

Proposed Tax Levy	2026	2027
General Fund	\$1,407,758.00	\$1,548,586.00
Debt Service – 2022A	\$62,850.00	\$65,764.00
Swimming Pool	\$20,995.00	\$0.00
Airport	\$75,000.00	\$75,000.00
Capital Expense	\$25,000.00	\$20,000.00
Housing Demolition	\$20,000.00	\$20,000.00
TOTAL	\$1,606,603.00	\$1,729,350.00

2027 PRELIMINARY BUDGET

TOTAL PROPOSED 2027 TAX LEVY - \$1,729,350.00

- \$1,548,586.00 General Fund Operations (10.00% ↑) 89.55% of the levy
- \$115,000.00 Special Revenue Funds (15.44% ↓) 6.65% of the levy
- \$65,764.00 Debt Service Levy (4.64% ↑) 3.80% of the levy

Debt Service Levy:

<i>Issuance</i>	<i>Maturity</i>	<i>2027 Levy</i>
2022A 2 nd Ave S Improvement	2042	\$65,764.00
Total 2026 Debt Levy		\$65,764.00

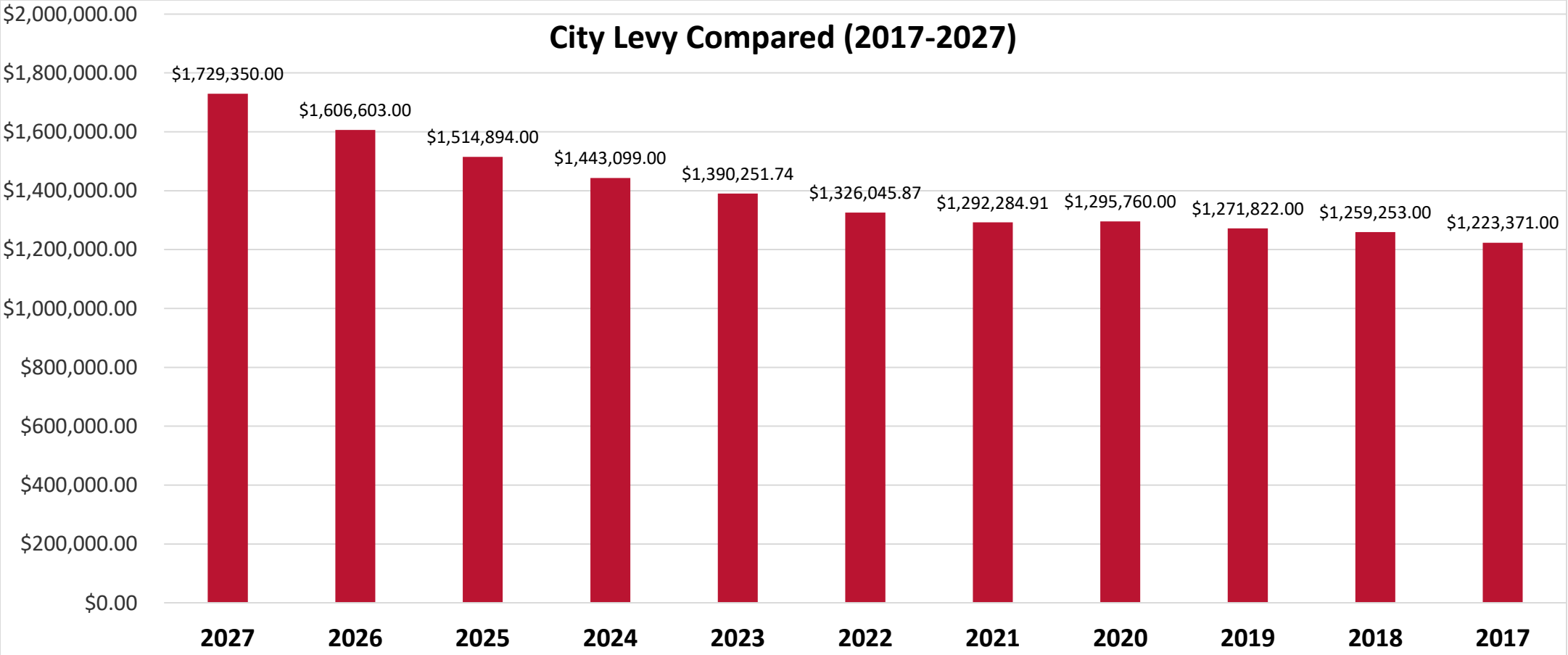
2027 PRELIMINARY BUDGET

TAX LEVY COMPARED

• \$1,729,350.00	2027 Proposed Levy Amount	+7.64%
• \$1,606,603.00	2026 Levy Amount	+6.05%
• \$1,514,894.00	2025 Levy Amount	+4.98%
• \$1,443,099.00	2024 Levy Amount	+3.80%
• \$1,390,251.74	2023 Levy Amount	+4.84%
• \$1,326,045.87	2022 Levy Amount	+2.61%
• \$1,292,284.91	2021 Levy Amount	-.27%
• \$1,295,760.00	2020 Levy Amount	+1.85%
• \$1,271,822.00	2019 Levy Amount	+.99%
• \$1,259,253.00	2018 Levy Amount	+2.85%
• \$1,223,371.00	2017 Levy Amount	+5.57%
• \$1,155,220.00	2016 Levy Amount	+1.75%

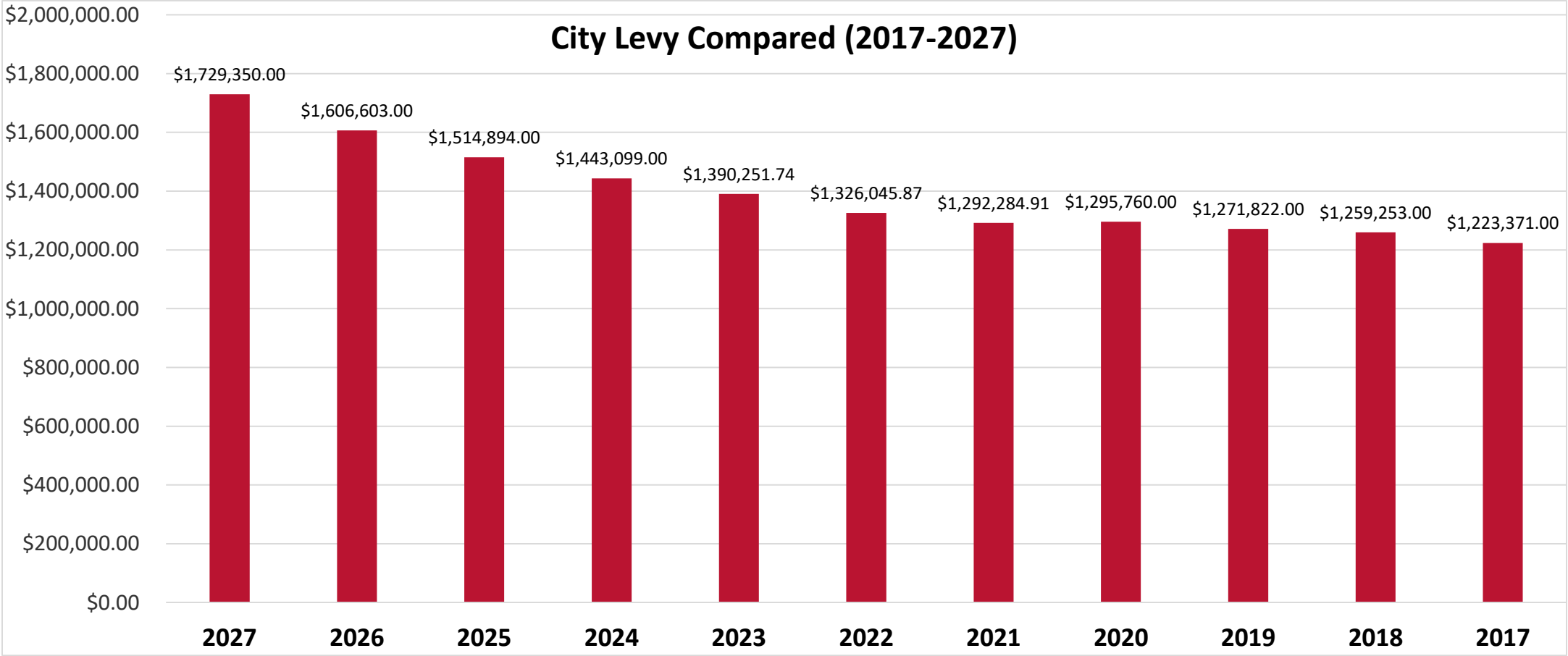
2027 PRELIMINARY BUDGET

TOTAL PROPOSED 2027 TAX LEVY: \$1,729,350.00



2027 PRELIMINARY BUDGET

TOTAL PROPOSED 2027 TAX LEVY: 7.64% INCREASE



THANK YOU

QUESTIONS AND COMMENTS WELCOME