

Pipestone, Minnesota
September 25, 2025

Pursuant to due call and notice thereof, a Special Meeting of the Pipestone City Council was duly held in the Municipal Building at 12:00 noon on the 25th day of September 2025. Mayor Dan Delaney called the special meeting to order. Roll call was taken and a quorum was declared. Members present: Dan Delaney, Rodger Smidt, Danielle Thompson, and Scott Swanson. Absent: Verdeen Colbeck. Others present: Kyle Kuphal, Assistant City Administrator / City Clerk Stephanie LaBrune, City Treasurer Jodie Jensen, Public Access Coordinator Steve Moffitt, and City Administrator Deb Nelson.

Mayor Delaney stated the purpose of the special meeting is to review the 2026 budget, consider approval of resolution 2025-61: a resolution establishing the preliminary tax levy payable 2026, and schedule a public hearing on the proposed 2023 Street and Utility Improvements project assessments.

REVIEW 2026 BUDGET AND CONSIDER APPROVAL OF RESOLUTION 2025-61: A RESOLUTION ESTABLISHING THE PRELIMINARY TAX LEVY PAYABLE 2026

Delaney stated, Nelson will present information on the proposed 2026 budget and levy and following discussion, the council will need to consider the approval of Resolution 2025-61 which approves the preliminary levy at a 5.2% increase over the 2025 levy.

Nelson stated the preliminary general-purpose levy is \$1,777,549 and the bond indebtedness levy is \$1,185,096 for a total preliminary levy of \$2,962,645 which is a 5.2% increase over the 2025 levy. She said the County has approved the proposed Sheriff's contract at a cost of \$240/capita and confirmed that their insurance costs are increasing by 11%. She said in the city's budget a 5% COLA (cost of living adjustment) is included and a 0% health insurance increase is reflected. She said there is an additional \$51,000 in the budget for the SRTS project changes that were made and shared that there will be no debt retired until 2027. Nelson added that the HRA and County are both proposing a 3% COLA and said the city can look at 3% instead of 5% and the levy would change to an increase of 4.3%. She said nothing was touched in capital outlay. Swanson replied by saying those could always go down later.

Thompson said her only thought was if employee insurance is staying the same, it may be a good idea to keep the COLA higher in the event that the COLA may need to be reduced next year due to higher insurance costs. She said this may help lessen the impact of having both COLA and insurance increase in one year. Both Smidt and Swanson stated that the COLA is what it is and should not be a chance to get an extra raise.

Motion made by Smidt, seconded by Swanson, and unanimously carried to approve resolution 2025-61: a resolution establishing the preliminary tax levy payable 2026 with the condition that the budget is adjusted if the cost-of-living rate is lowered.

SCHEDULE PUBLIC HEARING ON THE PROPOSED 2023 STREET AND UTILITY IMPROVEMENTS PROJECT ASSESSMENTS

Delaney stated that staff is requesting the council schedule a public hearing on October 20, 2025 at approximately 6:30p.m. during the council's regularly scheduled meeting to allow public comment on the proposed 2023 street and utility improvements project special assessments.

Nelson added that Engineer Winter has the assessment rolls put together with a \$10,000 cap on regular lots and a \$15,000 cap on corner lots. She also shared that Megan DeWitte had send out the letters and Stephanie LaBrune published the notice in the newspaper.

Motion made by Smidt, seconded by Thompson, and unanimously carried to schedule a public hearing on October 20, 2025 at approximately 6:30p.m. during the council's regularly scheduled meeting to allow public comment on the proposed 2023 street and utility improvements project special assessments.

ADJOURNMENT

Motion was made by Thompson, seconded by Swanson and unanimously carried to adjourn the meeting at 12:25 p.m.

Dan Delaney
Mayor

ATTEST:

Stephanie LaBrune
Assistant City Administrator / City Clerk