MINUTES OF THE COUNCIL BUDGET WORK SESSION

March 16, 2026

CALL TO ORDER & ROLL CALL: Mayor Cavanaugh called the meeting to order at 5:00p.m. in the Clarion Room of the Security Bank Building, 1102 Willis Avenue, Perry Iowa. This meeting was also held electronically via a Zoom virtual meeting, meeting ID 899 1625 2973. This meeting was recorded and public access to the virtual meeting was obtainable, through request to City Hall.

Council members present were: Shelly, Mahler, Wolling, Klein, Andorf
Absent: None
A quorum was present to conduct business.

Staff members present:
City Clerk, Elizabeth Hix
Finance Officer, Susie Moorhead
City Administrator, Sven Peterson
Police Chief, Jim Archer
Public Works Director, Josh Wuebker
Parks and Recreation Director, John Anderson
Library Director, Misty Von Behren
Marketing and Engagement Coordinator, Chris Cohea
Bolton & Menk Engineer, Jacob Ahrens

Motion Andorf Second Shelly to approve the meeting agenda. MCU

NEW BUSINESS:

Discussion on the FY2027 Budget #2: Motion Wolling Second Mahler to open discussion on the FY2027 Budget. Conversation started with an update on health insurance renewals with details being shared on a possible option that could provide for saving within the Benefit Fund. North Risk Partners, Senior Account Manager, Kathryn Polson joined via Zoom and the process for renewals was reviewed. It was stated that additional staff meetings had been scheduled to review the possible change and that if the change were to take place the Council would have to provide notice to Iowa Governmental Health Care Plan, the trust the City is currently with, that they planned to leave, by April 1st. Finance Officer, Susie Moorhead, moved into reviewing the General Fund projections, and detailed the supplied working budget, that had a current overage of $183,314.39. Discussion started with a letter that had been provided by Metro Waste Authority stating that the landfill fees would be increasing substantially effective July 1, 2026, and that to account for this increase garbage fees would need to be reviewed for an increase. Susie stated to account for the estimated $90,000 increase the Council could increase Residential fees by $2.00 a month and Commercial fees on a sliding scale with an estimate of $30,000 and that between the two increases would cover the estimated landfill increase. Discussion was held on garbage fee increases and how the rate had not changed for a very long time. Susie also reviewed the brainstormed options for revenue and expenditure decreases but asked Council for their insight on what they wanted to see. Mayor Cavanaugh asked about the saving from the possible insurance option, and it was stated that those savings would only affect the Benefit Levy and that there was already a slight deficit from prior years that need to be accounted for. Additional discussion was held on franchise fees and the entities that are either exempt or refunded such fees, as was approved by resolution on March 12, 2025. The creation

of an agreement with Guthrie REC for franchise fees was reviewed with details being provided on the struggle staff has had to implement in the territory their cover, being the Industrial Park. Additional discussion was held on the natural gas franchise and the possible increase from JBS being operational for a portion of Fiscal Year 2027. Historical budgets were discussed along with the direct effect property tax reform had and is having on the current budget. Councilmember Mahler brought up the possibility of selling assets or property and additional discussion was held on revenue sources, fire service fees being one of them. It was stated that Sven was still reviewing an option with Red Lion on the possible purchase of solar panel systems to help offset overall electric utilities, and discussion was held around the increase of utilities and fuel in general. Discussion returned to garbage and recycling procedures, along with revenues that were currently being refunded or exempt. It was asked what the overage would look like if instead of $2.00 increase on Residential garbage fees it were $3.00. It was stated that staff would have to estimate it but that with that and few other changes it may clear the overage. Susie asked for an additional meeting to be held to finalize the numbers prior to needed publication and it was determined that a special meeting would be scheduled for March 30th at 1:00pm.

ADJOURNMENT: With no further business to conduct Mayor Cavanaugh adjourned the meeting at 5:54 p.m.

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Dirk Cavanaugh, Mayor

Attest:

_____
Elizabeth Hix, City Clerk

Clerk's Certification

Date Published: March 26, 2026

Certified By: _____
Elizabeth Hix, City Clerk