

November 7, 2024

City of Northwood Finance Committee Meeting Minutes

CALL TO ORDER

The meeting of the Northwood Finance Committee was called to order by Councilor Stoner at 06:00 PM on November 7, 2024 in the Council Chambers and via Live Stream.

ROLL CALL

The roll was called and those in attendance were as follows: Mark Stoner, Randy Kozina, City Administrator Kevin Laughlin, Finance Director Ken Yant and Emily Popovitch.

APPROVAL OF MINUTES

September 12, 2024 Meeting Minutes

MOTION: Councilor Kozina made a motion to **approve**; seconded by Councilor Stoner. **ROLL CALL:** **Yes:** Councilor Stoner, Councilor Kozina; **No:** None; **Abstain:** None
Result: Passed

TOPICS/ISSUES

Health insurance proposals

Finance Director Yant presented a rate comparison of our current insurance provider, Medical Mutual, and 2 alternative options, from Aetna. Medical Mutual is requesting a 19.9% increase for renewal, while Aetna Alternate 1 came in 18% lower than current premiums and Alternate 2 12% higher than current. The committee discussed potential savings by offering the two alternate options since Alternate 1 is so much lower while still factoring in \$2,000 city contribution to those who chose the HSA plan. The numbers presented were within the budget and would be a one-year contract.

Finance Director Yant requested approval to offer the two alternative options through Aetna and a \$2000 contribution for employees who choose the HSA option.

MOTION: Councilor Kozina made a motion to **approve the recommendation and refer to council**; seconded by Councilor Stoner. **ROLL CALL:** **Yes:** Councilor Stoner, Councilor Kozina; **No:** None; **Abstain:** None
Result: Passed

2025 Budget changes

Discussed the list of changes from "Original Budget"	
Re-allocation of Income Tax 80% General Fund	\$ 700,000.00
Capital Replacements paid from General Fund balance	456,000.00
Contract dispatch with Wood Co. Sheriff	(230,000.00)
*** PD staff and additional requests if dispatch is contracted with WC are not in the budget	
Reduce NCC front desk staff by 33%	(47,300.00)
Deduct health insurance for Law Director	(22,825.00)
Deduct Cardinal Staffing "park mowing"	(10,000.00)
Savings on RITA correction of commission	(13,000.00)
Cancel Walleye game in January	(3,890.00)
Hirzel lease payment (Enclave 10 acres)	(4,500.00)
Capital Improvements cut from Original Budget	(716,850.00)
Capital Replacements cut from Original Budget	(624,543.00)

Councilor Stoner stated that we should consider how the recent announcement from Stellantis may affect at least two of the largest accounts in Northwood and prepare a plan for the potential loss. Finance Director Yant suggested that we could leave things status quo, monitor as we go and take from the fund balance or make additional cuts to the budget. Other options were discussed, such as delaying road projects and reallocating the money from capital improvements to the general fund. Councilors Stoner and Kozina requested each department cut their budget by 5% and provide a list of the cuts for council to make the final decision on if needed.

Additional points of discussion

- Details of the current fund balance - Front desk coverage at the community center; the budget was reduced, thinking 2 people were at the desk at all times. Upon further discussion, it was determined there are few times when shifts overlap, and we may need to add back to that line item.
- Savings for contracting Dispatch with the sheriff. The Sheriff agreed to take 2 of our current dispatchers, however there is no formal agreement outlining the cost and terms. It was also noted that these additional requests are not reflected in the budget.
 - Police Chief Zahradnik presented the additional costs/needs for the police department should dispatch be contracted to the sheriff. He requested 2 full-time positions of Records Clerk and Administrative Assistant estimated at \$143,300, along with the cost of

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materials, contracts, and the records system. Estimated savings of \$80,000 after factoring in requests. The Committee suggested reducing the request to one full-time and one part-time position.

- Chief Zahradnik explained the current level of service provided by our dispatchers and what the services could look like if contracted to the sheriff.
- Request to review the capital improvement fund; revenue vs expenditures.

NEW BUSINESS

None.

OLD BUSINESS

None.

ADJOURNMENT

06:52 PM

ATTEST:

Council Clerk

APPROVED:

Mayor