

April 24, 2025

City of Northwood Finance Committee Meeting Minutes

CALL TO ORDER

The meeting of the Northwood Finance Committee was called to order by Louis Fahrbach at 06:30 PM on April 24, 2025 in the Council Chambers and via Live Stream.

ROLL CALL

The roll was called by and those in attendance were as follows: Louis Fahrbach, Pat Huntermark, City Administrator Kevin Laughlin and Finance Director Ken Yant.

APPROVAL OF MINUTES

February 13, 2025 meeting minutes

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

TOPICS/ISSUES

ORDINANCE 2025-XX AN ORDINANCE PROVIDING FOR THE COMPENSATION OF NON-UNION PERSONNEL OF THE CITY OF NORTHWOOD; AND DECLARING AN EMERGENCY

- A proposed 4.5% across-the-board wage increase for non-bargaining unit employees was presented.
- The percentage was determined in consultation with the Mayor and Finance Director, as a mid-point between various collective bargaining agreements previously negotiated.
- The ordinance would maintain the historical effective date of **July 1**, though there was discussion on the potential to shift the implementation date to **January 1** in future years to better align with budget planning.
- Council members discussed the idea of separating management-level raises from general non-union increases, due to differing responsibilities and compensation structures. This could be addressed in a future ordinance or budget cycle.
- No objections were raised to the proposed percentage increase.
- No motion was taken at this meeting, as it will be subject to three readings in Council.

NEW BUSINESS

- Revenue as of March was reported to be approximately 1% above projections.
- April revenues are currently showing a 2% decrease compared to April of the previous year (approximately \$46,000 short), but this is expected to normalize after full reconciliation post-April 15 tax filings.
- A clearer picture will emerge in May after revenue reconciliation.

OLD BUSINESS

City Administrator Laughlin followed-up on a prior discussion on long-term fiscal planning.

ADDITIONAL COSTS TO THE 2025 BUDGET

3 Full-Time Fire Paramedics	\$ 331,657
NCC Operating Loss	255,945
Total	\$ 587,602

General Fund Overall Budget Shortfall = \$719,000

Amount covered by changing Income Tax Allocation from 70% to 80% = \$700,000

- Various revenue enhancement options were explored and briefly discussed.

ADDITIONAL SOURCES OF FUNDING TO BE AWARE OF:

INCOME TAX: ¼% increase would generate \$1,166,900

Total income tax collected by residents = \$392,806

Eliminating 100% reciprocity = \$400,000

Allowing 50% reciprocity = \$200,000

LEVY MILLAGE 1 mill = \$192,118

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Fire Dept 1.73 mills = \$332,364
NCC Operating 1.33 mills = \$255,517

INCREASE HOTEL-MOTEL TAX
Currently 3% = \$15,000
Increase to 6% = \$30,000

- These figures were presented for **informational purposes only**
- Committee members emphasized the importance of evaluating spending efficiency before considering any tax increases.

ADJOURNMENT

06:42 PM

ATTEST:

Council Clerk

APPROVED:

Mayor