

March 13, 2025

City of Northwood Committee of the Whole Meeting Minutes

CALL TO ORDER

The meeting of the Northwood Committee of the Whole was called to order by Randy Kozinal at 06:30 PM on March 13, 2025 in the Council Chambers and via Live Stream.

ROLL CALL

The roll was called by Emily Popovitch and those in attendance were as follows: Louis Fahrbach, Dean Edwards, Randy Kozina, Jim Barton, Michael Melnyk, Pat Huntermark, Mark Stoner and City Administrator Kevin Laughlin.

APPROVAL OF MINUTES

October 10, 2024 Meeting Minutes

MOTION: Councilor Stoner made a motion to **Approve**; seconded by Councilor Melnyk. **ROLL CALL: Yes:** Councilor Fahrbach, Councilor Edwards, Council President Kozina, Councilor Barton, Councilor Melnyk, Councilor Huntermark, Councilor Stoner, City Administrator Laughlin; **No:** None; **Abstain:** None
Result: Passed

TOPICS/ISSUES

Community Center 2024 Actual and 2025 Budget

Community Center Budget was an item brought up during the Finance Committee meeting, and was recommended to bring the discussion to the entirety of Council to review what the city should aim for in regards to its budget deficit.

Councilor Fahrbach stated the community center has over 800 members and has received positive feedback on offerings, however, there is still the question of what the future revenue is going to look like and how far in the red the city is comfortable to run at. The upcoming year we are looking at \$238,000. Popularity of the facility is not a concern, but currently we are getting less than \$80 per person on average, \$80,000 in revenue which is extremely low. **There's concern about how much of a deficit is acceptable and whether the facility can break even or reduce the losses.** Councilor Barton noted that other nearby centers, like those in Rossford and Bowling Green, have been running for over 20 years but still rely on levies to cover their costs. This suggests that the community center might not be able to make a profit soon but could work toward breaking even/ minimizing losses.

Councilor Huntermark stated there are efforts underway to reduce costs, such as working with a Splash Pad company to lower water usage and exploring cheaper alternatives for water supply. Councilor Barton and Huntermark agreed that the Community Center will grow as surrounding areas develop; Councilor Fahrbach shared concerns about the economic balance—if membership increases, will it justify lower prices or will it create additional financial strain?

The committee agreed on the need to review the pricing strategy, particularly for non-residents, to ensure they are competitive with nearby facilities like the YMCA and Rossford. Adjustments may be considered around the one-year anniversary if it makes sense to do so based on that data. The long-term goal is to find a balance that minimizes losses without overburdening residents.

Employee Health Care Contributions

City Administrator Kevin Laughlin stated the current employee contribution for healthcare coverage through Aetna is 6.16%, which aligns with the contributions in the previous 2024 contract with Med Mutual. Councilor Kozina stated he has been consistent with his belief that the bargaining contracts language should be followed as agreed upon, rather than the employee's percentage of contribution being arbitrarily adjusted.

Councilor Fahrbach stated that right now employees are paying just over 6% of the healthcare coverage, and contractually, they can't pay more than 15%. He stated that even if council doesn't want to jump to the 15%, there should be discussion on where to meet. Councilor Stoner suggested leaving it alone for now and revisiting the discussion during contract negotiations. He also asked Finance Director Ken Yant for clarification on the 2025 budget. Finance Director Yant explained there has been a savings of about \$70,000 in the 2025 budget due to employees selecting less expensive healthcare plans. The initial budget for healthcare was \$993,000 compared to the actual projected healthcare cost for 2025 being \$866,000. Councilors Stoner, Huntermark, and Edwards were in agreement to leave the rates alone for the remainder of the year.

Councilor Fahrbach asked if there was any desire to raise the contribution by 1% and gradually increase contributions annually to move closer to the 15%. He stated the increase would set the precedent that the city is not going to continually pick up the rises in healthcare. Council members suggest that any adjustments, if necessary, should be discussed in future contract negotiations, starting around November. Finance Director Yant also mentioned that the labor contract and the health insurance contract do not align in terms of timing. The labor contract, which specifies employee contributions, is separate from the insurance contract with Aetna, and this misalignment complicates when and how changes can be made.

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Councilor Barton asked what is the current deficit. Finance Director Yant stated we are on track as far as revenue goes; income tax is in line with what was budgeted.

Funding for full-time firefighter positions

Discussion on how the city is going to fund the three firefighter's salaries once the grant funds run out with the goal of maintaining those positions and not having to lay off.

City Administrator Laughlin stated there would be an additional \$327,000 needed to cover the salaries of those positions once a three-year timeframe expires with the question whether there's room in the current budget to absorb these costs. Some potential alternative funding options if the current budget could not absorb the costs could include:

- **Cutting within the budget:** The option of reducing spending in other areas to offset the increased fire department costs.
 - **Increasing revenue:** Raising revenue through income tax increases or levies.
 - **TIF Money:** Using money from the Tax Increment Financing (TIF) district, though it can only be used within that district. TIF money could relieve some pressure by covering debt obligations, freeing up funds for other areas.
1. **TIF District Potential:** The TIF district is expected to grow as the Enclave development increases property values. This could provide additional revenue in the future. There's also a discussion about how TIF funds could relieve the capital improvement fund from debt obligations, potentially freeing up around \$600,000 a year.
 2. **Changes to Local Government Fund (LGF):** The county's changes to the local government fund, which will result in a \$230,000 annual loss, will take effect around 2027-2028. This presents a significant financial challenge, but there is time to prepare for it.
 3. **Joint Fire District:** Another potential solution discussed was forming a joint fire district, which could help address financial issues in the long term. While it's still being actively discussed, it could take years to implement. The cooperative model between Waterville and White House Township took 10 years, so it's uncertain how long it will take to establish a similar arrangement here.

NEW BUSINESS

none.

OLD BUSINESS

none.

ADJOURNMENT

06:56 PM

ATTEST:

Council Clerk

APPROVED:

Mayor