



WHERE COMMUNITY AND SPIRIT MEET®

WORK SESSION MINUTES

A special work session of the Kirkwood City Council was held on January 25, 2024 at 4:30 p.m. at Kirkwood City Hall, 139 S. Kirkwood Road, Kirkwood, Missouri. Present Mayor Griffin, Council Members Duwe, Gibbons, Wurtz and Zimmer. Council Member Luetzow participated via the phone. Also in attendance were Chief Administrative Officer Russell Hawes, Assistant Chief Administrative Officer David Weidler, City Clerk Laurie Asche, Director of Public Services Chris Krueger, Fire Chief Jim Silvernail, and Director of Planning & Development Services Jonathan Raiche.

BUDGET DISCUSSION

Chief Administrative Officer Russell Hawes presented Fiscal Year 2024-2025 Operational Budget Overview to the Council. Some of the information presented and discussed is as follows:

The City's proposed FY25 budget continues Kirkwood's focus on improving the conditions and safety of our streets. The projected unrestricted General Fund Balance is \$16,130,000, representing 52% of revenues. The City was able to add \$3,295,000 of its unrestricted cash on hand in the General Fund for FY23. Telecommunications revenues are decreasing. Sales taxes continue to be the City's primary revenue source, accounted for 34% of fiscal 2023 General Fund revenues, followed by gross receipts taxes at 14%.

Approximately \$1.9 million American Rescue Plan Act (ARPA) Funds is allocated in FY25 Budget for the Community Center project. \$25 million in COPs renovation, Fire Department aerial platform truck, Water Pump Station No.1, and Public Works relocation. The City is conducting a review of employee compensation and benefits, the results will inform management's benefit and pay recommendations. This budget includes a projected 2.5% merit pay adjustment in April 2024, and a 1.5% CPI adjustment in January 2025. The proposed budget also includes an increase of 16% to employee health insurance, with no increase to employee dental insurance. Workers' compensation insurance premium will see an increase of 5% in the FY25 budget.

The train station will undergo a major renovation that will impact operations in the coming year. While under construction, passenger functions will be relocated across Kirkwood Road to a temporary facility. The City received Federal and State grants to provide \$4 million of the over \$5 million to complete renovation and restoration. Construction for the full train station restoration project is slated to begin as soon as the temporary building is functional in early FY25.

Transition is underway for new ERP system, funded through \$2.4 million allocation of the American Rescue Plan Act (ARPA) for the Management Information Services. Capital Expenditure for the Police Department includes new Patrol vehicles totaling \$367,500 and Motorcycle's totaling \$29,000. FBI Leadership training for 14 officers and command staff totaling \$11,130 and Axon body cameras totaling \$60,000. Capital Expenditure for the Fire Department includes new Firefighter Protective Turnout Gear totaling \$330,000. Upstairs furnishings for all three Firehouses totaling \$64,800. Thermal Imagers totaling \$95,000 and Pick-up with Plow totaling \$71,000.

This is the 8th year of the Street Restoration Program. A modeled and calibrated Citywide PCI level is 81 with 1.0 million allocated to restoration. Capital Expenditure for



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Engineering totaling \$8.4 million. FY25 Contraction projects and Design project include South Geyer Resurfacing, North Kirkwood Road, Lindeman Road, and West Essex Avenue. The Streets Division will continue to refresh, maintain and install pavement striping including high visibility pedestrian crosswalk throughout the City. This the goals of both the City's Pedestrian and Bicycle Plan, and Vision Zero Plan.

The Community Center Renovation Project totaling \$16 million. There are three phases of construction planned to minimize renter and user disruption. FY25 operational impact is between \$50,000 to \$70,000. The Aquatic Center Maintenance Plan for Lazy River and Leisure pool sandblasting and painting is \$190,000. \$60,000 is allocated for leak repairs. The City received a grant for Mitchell Park totaling \$575,000. The Kirkwood Performing Arts Center is maturing into a Regional Brand. Over 62,000 ticketed persons visited during FY24. Concerts are in two new Series; Strauss Studio Series and Coffee Concert Series. STAGES St. Louis experienced the highest attendance in its history.

In the Sanitation department, operations are stable. Though truck parts sourcing and availability caused service delays at times in FY24. Landfill costs will increase by 7%. Also, allocated \$125,000 for a new Grapple Truck. In the Water Fund, water main replacement is \$1,425,600. Park Number 1 Pump Station design work totaling \$280,000. Tank Management totaling \$400,000. Budget includes a 20% rate adjustment to provide long-term operational stability. Low-level users would see about \$10 increase per month. The average increase of \$12 per month.

In the Electric Fund, winding down the intense Circuit Upgrade program with Sugar Creek Substation. The substation will constructed and placed into service in May 2025. The department will be able to scale back its capital expenditures and properly focus on replenishing and strengthening the fund's cash balance. The Line Clearance and Tree Trimming totaling \$310,000.

Fiscal Year 2025 may not produce a net positive margin/contribution to the fund balance, and concern was raised regarding the growth of expenses versus the growth of revenues. The number of full-time positions is unchanged from Fiscal Year 2024.

A discussion took place. There will possibly be an additional special work session scheduled in late February for continuation of budget discussion.

There being no further matters to come before the council, the meeting was adjourned.

Laurie Asche
City Clerk