



WHERE COMMUNITY AND SPIRIT MEET®

## **WORK SESSION MINUTES**

A special work session of the Kirkwood City Council was held on February 29, 2024 at 4:30 p.m. at Kirkwood City Hall, 139 S. Kirkwood Road, Kirkwood, Missouri. Present Mayor Griffin, Council Members Duwe, Gibbons, Luetzow, Sears, Wurtz and Zimmer. Also in attendance were Chief Administrative Officer Russell Hawes, Assistant Chief Administrative Officer David Weidler, City Clerk Laurie Asche, Deputy City Clerk Bridget Waters, Finance Director Sandy Stevens, and Public Services Director Chris Krueger.

## **BUDGET DISCUSSION**

Chief Administrative Officer Russ Hawes discussed the Budget with Council. The City received data analysis and position reclassification and schedules from the compensation and benefits study conducted by McGrath Group. The analysis considered rates of pay and benefits through all employment classifications at the City. The City's current policy compensates at the 55<sup>th</sup> percentile. The study confirmed the City's pay overall is consistent, but some outlying positions where starting pay is well above the 55<sup>th</sup> and others where top pay in a classification range falls below the 55<sup>th</sup> percentile. It is evident that there is a need for adjustments to ensure our compensation and benefits remain competitive.

The study revealed that our current levels of compensation place the City at a competitive disadvantage in the St. Louis area municipal labor market. To address concern, staff propose increasing employee's pay to the 65<sup>th</sup> percentile. This adjustment will help retain our existing workforce and also better the City to attract high-caliber professionals. Mr. Hawes also recommends increasing the City's deferred compensation match from the current 2% to 3%. This will provide our employees with greater financial security and incentivize their long-term commitment to Kirkwood. By increasing the deferred compensation match, we demonstrate our commitment to the financial well-being of our workforce. The 1% investment by the City in the future of its employees provides an additional 2% boost to the retirement accounts of our employees who participate with their 1% contribution. These adjustment will have budgetary implications. The additional budgeted cost for fiscal year 2025 associated with these recommendations is estimated to be \$243,100 with 2% merit.

A discussion took place. It was the consensus of the City Council to move forward with staff's recommendations.

## **FY2025 WATER RATE INCREASE**

Chief Administrative Officer Russ Hawes discussed the proposed water rate increase with Council. Some discussion as follows:

- In May 2023, water rates were raised by 15%
- In May, the City hired Waterworth to complete financial models and analyze the cost of service for the Kirkwood Water Department.
- Waterworth studied current capital and operational expenses, revenues from residential and commercial uses
- Also studied the current and future debt services for various pump stations in Kirkwood
- Waterworth recommended a minimum operating threshold of just \$3 million and escalating with the estimated CPI, which follows 75% of operating expenses



WHERE COMMUNITY AND SPIRIT MEET®

- Waterworth and City Staff recommending a 20% increase in water rates in FY25 and 5% in calendar year 2025, 2026, and 2027.

A discussion took place. It was the consensus of the City Council to move forward with staff's recommendations.

### **FIRE DEPARTMENT TECHNOLOGY/TRAINING ROOM**

Chief Administrative Officer Russ Hawes presented to Council that the Fire Department is approval to use 2022 Certificate of Participation funds in the amount of \$19,153.00 to fund upgrades to the Fire Department training room at Station 2. The fund has been allocated for Fire department expenditure and is stipulated for the purchase of Fire Department equipment. The upgrades will include audio/visual improvements, integration upgrades and the ability to conduct virtual meetings/classes. The training room is the primary room for the Fire Department and it is also used for various City meetings and events, like new employee On-Boarding.

A discussion took place. Legislation will be drafted for the March 7, 2024 Council meeting.

### **ARTS COMMISSION**

Chief Administrative Russ Hawes informed the City Council that Zoe Perkins, Chair of the Arts Commission, presented to Council last August a proposal to purchase a signature sculpture that would enhance and distinguish the east entrance of KPAC. The Mensch by Albert DiCrutallo. The Arts Commission has been working with the Kirkwood Arts Foundation and they have indicated the \$15,000 is available to put towards the sculpture. The proposal is to reappropriate the remaining \$14,000 in the KAC 2023 budget toward the purchase of the sculpture. Along with the \$15,000 from the Kirkwood Arts Foundation and the \$9,250 that was requesting from the City in 2023 to put towards the purchase.

A discussion took place. It was the consensus of the City Council to move forward with staff's recommendations.

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

---

Laurie Asche  
City Clerk