

Department Source: Law

To: City Council

From: City Manager & Staff

Council Meeting Date: October 20, 2025

Re: Appropriation of Funds for Risk Management Office Space

Impacted Ward: Citywide

### Executive Summary

The Risk Management Division within the Law Department is moving offices from the 5<sup>th</sup> Floor of the City Hall building to the Gentry Building. An appropriation of funds is required to update and furnish the office space.

### Discussion

For the past year, the City Manager's Office has been working to determine how best to assign office space for the Risk Management staff to be able to conduct its work in a secure confidential environment. The vast majority of the work performed by the Risk Management staff is related to management of the self-insurance program. The self-insurance program manages claims against the city, including litigation and workers compensation claim administration.

With regard to workers compensation claims, the Risk Management employees are required to discuss plans of action for treatment of injured employees and assist with medical appointment scheduling. With regard to claims, the employees engage in claim research and discovery as well as hold discussion regarding the potential liability of the city and causes of action with internal or outside legal counsel. Because of the nature of the work performed, the information received and discussed by the employees in the division is required to be conducted in a secure and confidential environment. The presence of employees who are not directly connected to the tasks performed by the Risk Management compromises the confidentiality of the work conducted by the division.

Risk Management had been located in the Gentry building from 2012 until 2023 when they were moved to the 5<sup>th</sup> Floor into a shared space that also houses the City Treasurer, Assistant Treasurer, Chief Economist, Economic Analyst along with various temporary para-professionals, interns and contract auditors who occupy the space from time to time. In addition, the current space serves as a walk-through for Community Development Department employees to access a break room area on the 5<sup>th</sup> Floor. All but one of the office spaces occupied by the four Risk Management employees is located within the shared open environment making it impossible for the employees to maintain confidentiality of communications in the current environment.

After the Risk Management Division was moved to the Law Department at the beginning of FY25, the potential for breach of confidentiality was discovered and staff began working on a solution. Several options have been evaluated to either relocate within the city hall

building or install space dividers to maintain confidentiality within the existing shared space, with a return to the Gentry building ultimately being the option deemed to be best for the overall organizational space needs of various departments affected.

When Risk Management was previously located within the Gentry Building, there were three employees, two of whom handled the vast majority of the claims and those employees were located in private offices. At that time the Gentry Building space was shared with the Community Foundation of Central Missouri (CFCM), which also occupied a private office within the building (CFCM vacated the space in December 2024). Since that time, the space has been occupied by the Office of Cultural Affairs and has been generally used to house miscellaneous items as storage or temporary use by Parks and Recreation. The furniture and equipment in the space has not been updated in 20 years, with much of it in disrepair. The two employees in Cultural Affairs will be relocated to other space within city hall following the Diversity Breakfast event in January. Parks and Recreation will be moving all of its items located within the space to the other side of the Gentry Building for use and management by its staff.

Risk Management will be salvaging and reusing the items left behind by the Office of Cultural Affairs, but will need to refurnish much of the office space to make it usable for its day to day operations. A mid-year appropriation is required because the Law Department was not aware of the destination until after the start of FY26 so was unable to plan in advance for the additional cost involved with the relocation.

Staff has been working with Inside the Lines to establish a budget for configuration and refurnishing of the office space. The workspace will have 4 private offices, a small conference room, a reception desk, collaboration space, workroom and a breakroom. At this time, the initial estimate to fully complete the work is \$65,000. It is believed cost savings may occur through re-use of some of the existing furnishings, but at this time the reusable furnishings are unknown and an appropriation of funds for the full amount of the estimate is requested to ensure funds are available for contingency and the relocation project may be completed in a timely manner. Adequate funds are available in the self-insurance reserve fund, which has a fund equity balance (assets over liabilities) of nearly \$17M as of the FY25 Financial Management Information Supplement – 9-month report (FMIS – June 30, 2025). Any funds appropriated by this action that are not utilized with return to the self-insurance reserve fund balance.

#### Fiscal Impact

Short-Term Impact: \$65,000

Long-Term Impact: \$0

**Strategic & Comprehensive Plan Impact**Strategic Plan Impacts:

Primary Impact: Organizational Excellence, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

Primary Impact: Inter-Governmental Cooperation, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

**Legislative History**

Date	Action
none	none

**Suggested Council Action**

Approve the appropriation of funds.