



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 240978

Submitted Department/Preparer: Law

Revised 6/10/24

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in [Administrative Regulation \(AR\) 4-1](#).

Executive Summary

This ordinance will adjust the amounts of settlements which can be made by the City Attorney and the Risk Management Committee from up to \$25,000 and \$50,000 respectively to \$75,000 and \$150,000 respectively.

Discussion

Currently, the City Attorney may settle claims and litigation up to \$25,000. The Risk Management Committee may authorize settlement of claims by the City Attorney up to \$50,000. This ordinance will increase those limits from \$25,000 to \$75,000 and from \$50,000 to \$150,000. All settlements above \$150,000 will continue to be sent to the City Council for its consideration. The last time these thresholds were reviewed by the Council was in 2014 (10 years ago).

This proposed increase will apply to all claims, not just workers' compensation claims. However, the impact of this adjustment is more significant in the workers' compensation realm.

Based on a review of the Clerk's filings, this Council has considered 71 settlement items since it was seated, broken down as follows: 32 workers' compensation matters, 26 traditional litigation matters, 10 pre-litigation claims, and 3 administrative charges.

Had this change been in effect on 8/1/2023, this Council would have had 20 items come before it, broken down as follows: 6 workers' compensation matters, 11 traditional litigation matters, 3 pre-litigation claims.

By increasing the City Attorney's authority to \$75,000, this will give Blue KC (the City's third-party administrator of our workers' compensation program) more flexibility to process claims. This will allow quicker resolution of cases, reducing the cost of processing cases. All of these cases are still reviewed by the City Attorney's Office when settlements are presented to a Missouri administrative law judge for approval.

Additionally, this ordinance proposes to clarify resolution thresholds and responsibilities between claims against the City from claims owed to the City, on the latter item, reserving the Council's time to consider truly "high profile" matters (e.g. opioids) where there may be attendant policy matters to consider and avoid less mundane administrative matters (e.g. subrogation, bankruptcy recovery and negotiation, affirmative litigation).

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No
2. What is the funding source?
N/A
3. How does the legislation affect the current fiscal year?
N/A
4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.
N/A
5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
N/A

Office of Management and Budget Review

(OMB Staff will complete this section.)

1. This legislation is supported by the general fund. Yes No
2. This fund has a structural imbalance. Yes No
3. Account string has been verified/confirmed. Yes No

Additional Discussion (if needed)

Click or tap here to enter text.

Citywide Business Plan (CWBP) Impact

1. View the [Adopted 2025-2029 Citywide Business Plan](#)
2. Which CWBP goal is most impacted by this legislation?

Finance and Governance (Press tab after selecting.)

3. Which objectives are impacted by this legislation (select all that apply):

- Ensure the resiliency of a responsive, representative, engaged, and transparent City government.
- Engage in workforce planning including employee recruitment, development, retention, and engagement.
- Foster a solutions-oriented, welcoming culture for employees and City Partners.
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Prior Legislation

Admin. Code 1967, §§ A5.63 and A9.113; Ord. No. 32371, 2-3-67; Ord. No. 37510, 1-9-70; Ord. No. 47208, 11-10-76; Ord. No. 53679, 2-12-82; Ord. No. 58037, 6-20-85; Ord. No. 910623, 6-6-91; Ord. No. 000336, 3-22-00; Ord. No. 031116, § 1, 10-16-03; Ord. No. 140578, § 1, 7-31-14; Ord. No. 140976, 12-11-14; Ord. No. 160823, 11-10-16; Ord. Nos. 190971, § 1, 12-12-19

Service Level Impacts

No appreciable service level impacts are anticipated.

Other Impacts

1. What will be the potential health impacts to any affected groups?
N/A
2. How have those groups been engaged and involved in the development of this ordinance?
N/A
3. How does this legislation contribute to a sustainable Kansas City?
Not in a direct appreciable way.
4. Does this legislation create or preserve new housing units?
No (Press tab after selecting)

Click or tap here to enter text.

Click or tap here to enter text.

5. Department staff certifies the submission of any application Affirmative Action Plans or Certificates of Compliance, Contractor Utilization Plans (CUPs), and Letters of Intent to Subcontract (LOIs) to CREO prior to, or simultaneously with, the legislation entry request in Legistar.

No - CREO's review is not applicable (Press tab after selecting)

Please provide reasoning why not:

N/A

6. Does this legislation seek to approve a contract resulting from an Invitation for Bid?

No(Press tab after selecting)

Click or tap here to enter text.

7. Does this legislation seek to approve a contract resulting from a Request for Proposal/Qualification (RFP/Q)?

No(Press tab after selecting)