MAYOR ERIC GARCETTI CITY OF LOS ANGELES

SOCIAL MEDIA CHANNELS

Facebook: <u>facebook.com/garcetti</u> Twitter: <u>@MayorOfLA</u> Instagram: <u>@MayorOfLA</u> Snapchat: @MayorOfLA Media Archive: <u>lamayor.org/photos</u>

FOR IMMEDIATE RELEASE

February 9, 2017

MAYOR GARCETTI SIGNS EXECUTIVE DIRECTIVE TO PROTECT WORKER SAFETY AND MAKE THE CITY LESS VULNERABLE TO RISK

LOS ANGELES — Mayor Eric Garcetti has signed a new Executive Directive aimed at reducing the City's vulnerability to risk and improving workplace safety for City employees.

Executive Directive 18 (ED 18) outlines a rigorous standard for managing risks throughout the City by creating increased accountability. It sets forth a series of specific instructions to improve the way City departments report, analyze, and strategically reduce risks through data analytics and improved technology infrastructure.

"Our City workers keep Los Angeles running every day, and they deserve a working environment that is as safe and healthy as possible," said Mayor Garcetti. "At the same time, we owe it to everyone to do a better job managing risk, so that we can put our tax dollars where they belong — into critical City services for Angelenos. That's what this Executive Directive is about."

The City currently spends approximately \$220 million a year on workers' compensation claims, and is projected to spend \$140 million on litigation claims this year. These growing costs impose an unsustainable burden on the City's budget, undermining the City's ability to provide superior public service and to achieve fiscal and operational sustainability.

ED 18 will not only enable the City to reduce workplace injuries more effectively — it will also help reduce its exposure to ongoing liability, and make it less susceptible to risk.

"Over the last couple of years, we've seen fairly dramatic increases in the City's liability payouts," said Councilmember Paul Krekorian, chair of the Budget and Finance Committee. "Going forward, we need to do a more accurate job estimating what the city's liability is going to be, and, more importantly, find ways to reduce it. I'm glad the Mayor is working with my office and the City Attorney to set up a comprehensive process that will help tackle this issue head on."

ED 18 builds on the aggressive efforts Mayor Garcetti has undertaken to reduce City risk and ensure the City is well-run and sustainable. It establishes the Mayor's Risk Reduction Cabinet, which will be focused on strict accountability measures to ensure senior managers adhere to their directives consistently. It also invites the City Council President and the City Attorney or their designees to participate.

"It's imperative that all City leaders join together to reduce risk in Los Angeles," said Los Angeles City Attorney Mike Feuer. "This directive builds on the City's ongoing efforts to make our communities safer, while directing scarce taxpayer dollars to delivering needed services rather than lawsuit payouts."

Leadership from across the city has shown support for this effort.

"The safety and wellness of our City workforce is critical to our ability to serve the residents of Los Angeles," said Councilmember David Ryu, Chair of the Health, Mental Health and Education Committee. "Reducing workforce injuries and lowering workers' compensation claims will allow more funds to be directed to neighborhood improvements. Additionally, this executive directive will increase the productivity and overall quality of life of our city employees."

"I believe that this is an important step in developing a comprehensive risk management program for the City," said Controller Ron Galperin. "For the first time, the City will be taking a proactive approach in managing our risk. By the creation of a risk reduction cabinet, department representatives will be held accountable for driving costs down. The City will be using data to drive budgetary decisions regarding the allocation of resources in order to mitigate our exposure to risk."

In 2015, Mayor Garcetti established an Operations Innovation Team (O-Team) — a program of the Mayor's Fund for Los Angeles in partnership with the Los Angeles Coalition for the Economy and Jobs and a number of private funders to drive operational efficiency and innovation throughout the City. Over the last two years, the O-Team has leveraged technology and data, engaged a variety of City stakeholders, and studied best practices in both the public and private sectors, to transform inefficient systems in City government.

###