



NEWS FROM

CITY CONTROLLER LAURA CHICK

City Hall East, Room 300, 200 N. Main St., Los Angeles, CA 90012

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CHICK CITES CITY ON RISK MANAGEMENT **Calls million dollar settlements: “Worst Way to Spend** **Taxpayer Dollars”**

Los Angeles – Calling risk management a “hot potato,” City Controller Laura Chick sharply criticized the City’s current efforts as “reactionary and knee jerk.”

The long-awaited Chick report was begun in the public aftermath of the City’s proposed \$2.7 million settlement for LAFD firefighter Tennie Pierce.

“One of the worst ways to spend taxpayer dollars is to waste them on lawsuits, settlements and court judgments. In 2006, the City paid out a whopping \$35 million in liability claims,” said Chick.

“The report I release today shows a City with an embarrassing lack of oversight, coordination and political will to once and for all stem the bleeding and prevent the waste of public resources,” said Chick.

“The City of Los Angeles is overdue to implement bold change and reject the traditional, out-dated and ineffective way we have tried to manage risk. We need to implement enterprise risk management in order to proactively assess, measure, monitor, mitigate and manage organizational risks,” said Chick.

“The Tennie Pierce settlement, and multiple other firefighter cases that resulted in millions of dollars paid out last year, could easily have been avoided. It is time for serious discussion and action by our elected leaders on the proposals I’ve put forward,” said Chick.

To view this audit, please go to the Controller’s web page at www.lacity.org/ctr.

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