



CITY OF COMPTON

OFFICE OF CITY ATTORNEY

August 19, 1987

To Whom it May Concern:

UNDERWOOD LOSS CONTROL

The City of Compton is currently self-administered for its Workers' Compensation and Liability Insurance Program.

In June, 1985 the City of Compton contracted with Underwood Loss Control to provide safety services in an effort to reduce the number of accidents and claims being filed in both Workers' Compensation and Liability.

In 1984, the City of Compton spent approximately Thirty Thousand (\$30,000) dollars on chemical exposure claims. An additional Seventy Thousand (\$70,000) dollars was spent by the City as a result of vehicle accidents.

As a result of the hazardous material training conducted by Underwood Loss Control, our 1985/1986 losses as a result of improper handling and storage of chemicals was reduced fifty percent (50%) The number of vehicle accidents were reduced by seventy five percent (75%).

Our 1986/87 losses as a result of chemical exposures were zero. There were only two vehicle accidents in 1986/87.

The City of Compton was the first city in the United States to totally self-fund its Liability Insurance Program. This was accomplished by selling municipal bonds and using the proceeds to fund our liability insurance pool.

As a result of our comprehensive safety program, the interest accrued on the bond proceeds is paying for the debt service on the bonds.

It is our opinion that the services rendered by Underwood Loss Control has had a direct impact on the City's ability to fund its Liability Claims Program. In my sixteen years in

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the insurance industry, I have yet to see a more effective safety loss prevention program than that administered by Underwood Loss Control.

Charles Evans
CHARLES EVANS
Risk Manager

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