



# KICKBACK



A Privately Circulated Newsletter for Employers in the  
NEW YORK LUMBERMEN'S INSURANCE TRUST FUND

NUMBER 4

AUGUST 2009

## The Trust Fund at Six Months

Edward G. Wright, President & CEO

### ROUTE TO:

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Given current forest product industry conditions, not to mention the overall economy, many Members are asking how we're doing.

Firstly, be assured that we make a full financial report to the Trustees monthly, no later than 15 days after the close of each month. Following are highlights from June's year-to-date report.

Perhaps predictably, contributions (premiums) of \$4,709,000 represent a 15% decline from last June. Premium is driven by payroll which is down by 15% through June. The good news is that claim costs are down by 28% from a year ago.

General expenses are up by 13%, the bulk of which is driven by Workers' Compensation Board Assessments, over which we have no control.

New members are also down as we have added only three this year compared to an average of eight through the first half of the previous three years. Total members stand at 304 vs. 310 at the

close of 2008. The number of covered employees is also down to 3,937 compared to 4,383 at the end of 2008.

While our numbers are off, the Trust Fund remains financially sound. With an operating loss of \$62,000 through June, our Members' Equity stands at \$2,941,000.

We remain confident in our future and that of the forest products industry based not least on the belief that people will always want and need wood and wood products, coupled with New York's rich resource and our admirable production capabilities.

Thanks for listening.

### Inside this issue:

- ◆ NYLITF Member on CBS News
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- ◆ NYLITF Area Meetings
- ◆ Calling Workers Back, Hiring & Re-hiring
- ◆ WJCA Staff News

## NYLITF Mission Statement

Our mission is to provide our Members the best value and financial security for workers' compensation and disability benefits with the objective of the utmost protection for the health and safety of our Members' employees. We shall achieve this by rendering unparalleled loss prevention service, vigilant claim handling, risk selection and cost control. We are committed to continuous improvement, achieving and maintaining Member satisfaction with integrity and respect.

### Important Dates to Remember

Friday - Sunday, August 21 - 23, 2009

Visit our booth at the  
New York State Woodsmen's Field Days  
Boonville, NY

Monday, September 7, 2009

W.J. Cox Associates, Inc. office will be closed

October 2009

NYLITF Area Meetings - See inside for more details

Thursday & Friday, November 26 & 27, 2009

W.J. Cox Associates, Inc. office will be closed

Friday, March 19, 2010

NYLITF 29<sup>th</sup> Annual Meeting  
Syracuse, NY

This publication is intended for the educational use of employees and contractors who work for and provide services to members of the New York Lumbermen's Insurance Trust Fund. The techniques suggested herein do not apply to all situations and all work procedures should be discussed with supervisory personnel prior to being applied to your job.



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**NYLITF TRUSTEES**

- Joel I. Bingham**  
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- Joel A. Bowman**  
A. D. Bowman & Son Lumber Co., Inc.  
Castle Creek, NY
- Gregory Fitzpatrick**  
Fitzpatrick & Weller, Inc.  
Ellicottville, NY
- Paul N. Gutchess**  
Paul N. Gutchess Products, Inc.  
Preble, NY
- Michael W. Hanlon**  
Cotton-Hanlon, Inc.  
Cayuta, NY
- Aaron I. Robinson**  
Robinson Saw Mill Works, Inc.  
Barryville, NY
- Steven F. Schaeffer**  
Wagner Millwork, Inc.  
Owego, NY
- Edward G. Wright (Secretary)**  
W. J. Cox Associates, Inc.  
Clarence, NY

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**KICKBACK**  
Issue 4, August 2009

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Kathleen A. Ayala, Kevin P. Brown,  
Michelle C. Conley & Edward G. Wright

The Kickback is published by W. J. Cox Associates, Inc. The publication is a privately circulated newsletter for Employers in the New York Lumbermen's Insurance Trust Fund & Forest Industry Insurance Group.

**NYLITF Member on CBS News**



A July 31 CBS News segment on whether the economy is bouncing back featured our own Clint Binley, President of Pallets, Inc., Fort Edward, NY. Practical economists view industries like pallet manufacturing as a sort of economic barometer. In order for shipping orders to pick up, it will require shipping pallets production to pick up. Binley is quoted as saying her has experienced a 25% drop off in business and has seen only a slight recovery so far. At least it doesn't appear to be continuing in the wrong direction. The segment can be seen online at <http://www.cbsnews.com/video/watch/?id=5203107n&tag=contentMain;contentBody>. Pallets, Inc. has been a Trust Fund Member since 1991.

**NYLITF NEWS**

**Correction:** In the July 2009 Monthly Payroll Report memo, your New York Lumbermen's Insurance Trust Fund Workers' Comp premium payment (check) should be mailed in the "ivory" envelopes and not the "blue" envelopes. These envelopes were provided in the mailing with your payroll reporting forms.

**Please Note:** On July 22, 2009 all Trust Fund members were sent a package of materials, i.e., your August Employee List, Payroll Report forms for July through December, and revised Workers' Compensation and Disability Benefits Manual pages. In the WC/DBL Manual there were **sample** pages of a payroll reporting form and an Employee List showing the Employer Name of "**W J C Logging**". This is only a **sample** page to show you what these forms look like. Your own specific forms with your company name at the top were also enclosed but not as part of the manual.

**Important:** Read your Payroll Reporting Rules included with your payroll report forms. The Maximum Payroll amount has INCREASED effective July 1, 2009.

**W. J. Cox Associates, Inc. Staff News**

Congratulations to Sarah Cedeño & Jan Noreck, both have recently been promoted to Senior Workers' Compensation Claims Examiner.

Also, congratulations to Account Executive Dave Machan who celebrated his fifth anniversary with W. J. Cox on August 9.

**BONDS**

Jeanne M. Schmidt, Vice President



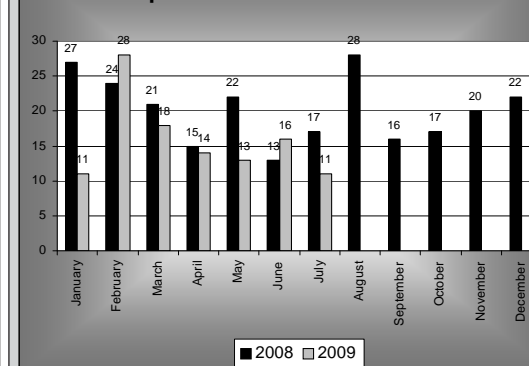
Need a Bond? Many landowners require loggers and sawmills to post a guarantee that the job will be performed as stated in the contract. The guarantee may be in the form of a certified check, letter of credit or a *performance bond*. Many towns require a road permit in order to haul logs over their roads and part of the permit process is a *road bond*. We work with several bond Underwriters and can place both performance and road bonds quickly. The cost is based on the amount of the bond and duration of the contract. We also work with Colonial Surety which allows us to write ERISA (pension plan) bonds online. The application process is simple and ERISA bonds are issued immediately and can be printed from the website. Next time you need a bond, call Jeanne at (716) 759-5102.

**A Note from a  
W. J. Cox Associates, Inc. Customer**

*Thanks for accepting our Co. into your Ins. group over the years. Thanks to Susan Kane & Jeanne Schmidt for all the questions that they have answered for us over the years. I hope to continue coverage with you in the future.*

Fred Bess

**Reported Claims 2008 vs. 2009**



**2009 Reported  
WC Claims Update**

Through July 2009, there have been 111 reported injuries, 28 less than the same period last year. The goal for this year is to have less than 240 reported injuries and at this point, we are on target to come in below that figure.

Please contact your Loss Prevention Consultant with any questions regarding safety programs.

Thank you & keep up the good work!

**Calling Workers Back,  
Hiring & Re-hiring**

Jeffrey L. Worrall, Loss Prevention Consultant

Orienting and re-orienting employees to your workplace will be the topics this fall for employers and safety coordinators prior to the Area Meetings.

Calling back workers or making hiring new employees to meet market improvements and economic recovery is a great opportunity to adjust your workforce. Care should be taken to review needs and abilities to ensure the change in the workforce will improve the staff. It is a good time to update everyone on company policies and procedures and catch those who may have fallen through cracks. Review with your staff subjects such as lockout/tagout, hazard communication, job safety analysis, emergency action, daily inspections and new hire training.

The purpose of the review is to serve as a reminder for those who may have gotten lax about their work practices and refresh memories for workers who rarely experience certain situations. For those away from your company for awhile it will be a beneficial re-training. Remind them that a soft drink bottle with oil in it is not acceptable. Working without steel toed boots when they are required is contrary to policy. Letting regular inspections go because business is picking up is asking for trouble. Failure to promptly report injuries can lead to penalties.

An analogy can be made to baseball spring training where a mixture of new and old players comes in to get training in basic skills and skills specific to their position. Of course, some trainees get weeded out and replacements need re-orientation. Training can lead to continual improvement.

Sign up to attend the Safety Coordinators sessions held prior to the Area Meetings.

**Upcoming Monthly  
Safety Meeting Topics**

August  
Lockout Tagout &  
Electrical Hazards

September  
Hot Work &  
Unloading Hazards

**All 2009 Monthly Safety  
Meeting topics now  
available at  
www.wjcox.com**