



# KICKBACK



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

NUMBER 3

JULY 2011

*A Message from the President  
 Edward G. Wright, CPCU*

## The Trust Fund Moving Forward

**ROUTE TO:**

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

As many of you have heard at our meetings or elsewhere, group self-insurance programs like the Trust Fund have been under strict review by New York regulators ever since the failure of a number of groups over the last several years. These failures have resulted in the State developing new security posting requirements in order for groups like ours to continue operating.

The new requirements are being phased in over the next four years and the final formula is still in development.

The first "cut" for groups being authorized to continue is that the group be fully funded for three of the last five years and at least 90% funded for one of the two remaining years. Fully funded simply means the group has more assets than liabilities.

The New York Lumbermen's Insurance Trust Fund has been fully funded for five of the last five years. Obviously, we qualify to continue. On November 1, 2011 we will be required to post as security, (in the form of cash, bonds or government securities) an amount equal to our 2010 outstanding

loss reserves and our assessment reserves.

At this point, this is what we intend to do.

We will also be required to execute a new Trust Agreement with our members, the verbiage of which we don't expect to differ dramatically from your current agreement. We will be in contact with you as soon as the language is approved by the State.

In 2012 and 2013, the security requirement ratchets up and then levels off in 2014.

Again, the method of calculating these numbers is still being worked on by the Workers' Compensation Board. We will keep you posted as we learn what the impact will be on the Trust Fund.

The message to our members is that we intend to continue as a group self-insurance program so long as that model represents the best value to our members for satisfying their workers' compensation requirements. W. J. Cox Associates, Inc. and your Trustees are committed to this purpose.

## 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, August 19 - Sunday, August 21, 2011

*Visit the W. J. Cox Associates, Inc. booth at the NYS Woodsmen's Field Days in Boonville, NY*

Monday, September 5, 2011

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

October 2011

*New York Lumbermen's Insurance Trust Fund Area Meetings - More information inside*

Thursday, November 24 &  
 Friday, November 25, 2011

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

Friday, December 23 &  
 Monday, December 26, 2011

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

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.



New York Lumbermen's  
Insurance Trust Fund

9600 Main Street, Suite Three  
Clarence, NY 14031-2093  
(716) 759-9606 • Fax: (716) 759-9607  
www.wjcox.com

**NYLITF TRUSTEES**

- Joel I. Bingham**  
Double Aught Lumber, Inc.  
Owego, NY
- Joel A. Bowman**  
A. D. Bowman & Son Lumber Co., Inc.  
Castle Creek, NY
- Gregory Fitzpatrick**  
Fitzpatrick & Weller, Inc.  
Ellicottville, NY
- Paul N. Gutches**  
Paul Bunyan 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

**NYLITF EXECUTIVE ADVISORY COMMITTEE**

- Mo Cleaver**  
White's Lumber, Inc.  
Watertown, NY
- Craig Jochum**  
Craig Jochum Logging  
Apalachin, NY
- John S. Levi**  
Levi Lumber Company  
Inlet, NY
- William Millier**  
Brookside Lumber, Inc.  
Moravia, NY
- Paul J. Mitchell**  
Paul J. Mitchell Logging, Inc.  
Tupper Lake, NY
- Edward G. Wright (Secretary)**  
W. J. Cox Associates, Inc.  
Clarence, NY

**KICKBACK**  
Issue 3, July 2011

*Editors:*  
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.



**Understanding the Administrative Referral**

Every small business owner knows that reliable, hard working employees form the backbone of their enterprises. In most cases, these individuals report to work, give their best efforts and play by the rules. Sometimes, however, employees get off track but usually respond well when a supervisor speaks with them about the incident. Situations such as occasional tardiness, improper storage of tools or a bit too much time on the cell phone might fall into this category. But there is a whole classification of workplace offenses that are much more serious. These would include reporting to work smelling of alcohol, blatant disregard for safety rules, bullying, "horseplay," fighting and insubordination. Behaviors of this nature require more than just a few words from a supervisor — they require that the employee really comes to see the seriousness of the offense and develops skills and determination to assure no repeat performances.

One proven method of addressing and correcting serious workplace misbehavior is the Administrative Referral provided by the NYLITF Employee Assistance Program. It is a direct yet humanistic means of being sure that the employee "gets it" and also gains necessary self-awareness and control to avoid future incidents. An Administrative Referral is not punishment — rather, it is a serious opportunity for an offending employee to get back on track and learn from the situation.

If you believe you have an employee who can be helped by an Administrative Referral, the first step is to call the Employee Assistance Program to discuss the situation in complete confidentiality. This is called a "case consultation." EAP counselors can be reached for these discussions at (800) 252-4555 between 8 a.m. and 6 p.m. weekdays. If it is determined that an Administrative Referral is the best way to go, the counselor will provide some coaching on how to speak with the employee about the referral. You will also be apprised of the necessary paperwork that should be Faxed to the EAP. This includes 1) the Administrative Referral Information Sheet and 2) the Release of Information form which you will ask the employee to sign. The release form is limited and allows the EAP to inform you only of the employee's cooperation with the referral.

The good news is that Administrative Referrals are extremely successful! Nearly 70% of all employees referred never have another work-related problem. Please keep this in mind the next time an employee "crosses the line" in terms of workplace rules, behavior or safety compliance.



**Personal Protective Equipment (PPE)**  
*Who Pays for What?*

Employers are required to pay for all protective equipment with explicit exceptions for certain safety shoes, prescription safety eye wear, and logging boots. The employer is not required to pay for non-specialty safety-toe protective footwear (including steel-toe shoes or steel-toe boots) and non-specialty prescription safety eyewear, provided that the employer permits such items to be worn off the job-site.

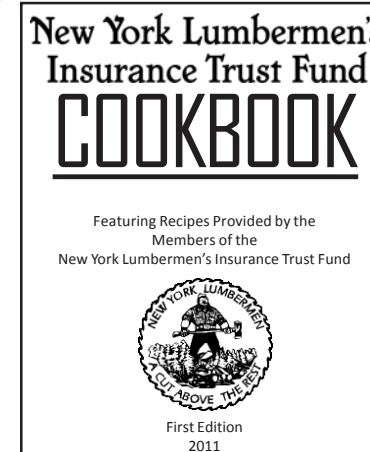
The OSHA standard that applies to PPE can be found at [www.OSHA.gov](http://www.OSHA.gov), Subpart I - Personal Protective Equipment, 1910.132 - .138 including appendix A & B.



If you would like to receive the *Kickback* via e-mail instead of a printed copy, please e-mail us at [mconley@wjcox.com](mailto:mconley@wjcox.com) or call (716) 759-9606.

OSHA requires the use of personal protective equipment (PPE) to reduce employee exposure to hazards when engineering and administrative controls are not feasible or effective in reducing these exposures to acceptable levels. Employers are required to determine if PPE should be used to protect their employees.

It should also be noted that Employee-owned equipment, where employees provide their own protective equipment, the employer shall be responsible to assure its adequacy, including proper maintenance, and sanitation of such equipment.



Be Part of the  
First Edition of the  
New York  
Lumbermen's  
Insurance Trust  
Fund Cookbook

We are still accepting submissions for the First Edition of the New York Lumbermen's Insurance Trust Fund Cookbook. Would you like your favorite recipe included? Then send it in and all submissions will be reviewed by the Cookbook Committee at W. J. Cox Associates, Inc. (All submissions will receive a gift, one gift per person.)

Submit recipes to:  
Michelle C. Conley  
W. J. Cox Associates, Inc.  
9600 Main Street, Suite Three • Clarence, NY 14031-2093  
-or-  
[mconley@wjcox.com](mailto:mconley@wjcox.com)

Quote from Gregory Rutley  
of the NYS DEC  
after attending a  
Foresters & Forest  
Technicians Seminar  
presented by  
W. J. Cox Associates, Inc.  
Loss Prevention Consultant,  
Jeff Worrall

*"I personally feel this is an excellent course that all Foresters and Forest Technicians should be taking, regardless if they are public or privately employed. Safety training is something that everyone should have - the life you save could be your own. It also gets the land managers and those doing the work on the same page, or closer anyhow. I hope I can take any and all courses & become fully logger certified in the future."*

---

# New York Lumbermen's Insurance Trust Fund

## 2011 Area Meetings

---

It is time to register for the New York Lumbermen's Insurance Trust Fund Area Meetings! Plan to attend and meet members of the W. J. Cox Associates, Inc. staff. This is an excellent opportunity to take part in your insurance programs and learn more about the many products and services offered by the New York Lumbermen's Insurance Trust Fund and W. J. Cox Associates, Inc., including the Loss Prevention program, EAP coverage, property casualty insurance and much more.

All meetings will start at 5:45 p.m. with cocktails, followed by dinner at 6:30.

We hope that you will be able to join us, and we are certain that you will enjoy the business and social program.

Please remember that one week cancellation is required or a \$25 cancellation fee will be charged.

**Tupper Lake**  
 Tuesday, October 18, 2011  
 The Park Restaurant  
 320 Park Street  
 Tupper Lake, NY  
 (518) 359-2337

**Lake George**  
 Wednesday, October 19, 2011  
 The Log Jam Restaurant  
 1484 State Route 9  
 Queensbury, NY  
 (518) 798-1155

**Oneonta (New Location)**  
 Thursday, October 20, 2011  
 The Farmhouse at Emmons  
 5649 State Highway 7  
 Oneonta, NY  
 (607) 432-7374

**Ithaca**  
 Wednesday, October 26, 2011  
 Holiday Inn Ithaca  
 222 South Cayuga Street  
 Ithaca, NY  
 (607) 272-1000

**Olean**  
 Thursday, October 27, 2011  
 The Old Library  
 116 South Union Street  
 Olean, NY 14760  
 (716) 372-2226

---

New York Lumbermen's Insurance Trust Fund  
 2011 Area Meetings

Company

Registrant Name	Chicken, Beef or Salmon	Location of Meeting Attending
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Registration Deadline is Friday, October 7, 2011



*Pete Klay & Andrew Boldt*



*Bonnie & Charlie Baldwin and Kevin Brown*



*Patty Riley & Sam Creech*

**Thank You  
to all of the  
New York  
Lumbermen's  
Insurance  
Trust Fund  
Members  
that visited the  
W. J. Cox  
Associates, Inc.  
booth at the  
NELA Expo in  
Hamburg, NY  
this past April!!!**



*Shannon Domes & Doug Domes*



*Peter Sformo & Kevin Brown*



*Joshua Gratto*