



C O M P L E T E *Coverage*

LANDSCAPE CONTRACTORS INSURANCE SERVICES, INC. NEWSLETTER

JANUARY 2012



KIM AYALA
President/CEO

PRESIDENT'S MESSAGE

Great Growth Anticipated for 2012

You probably have received your rebate check by now and I am excited to announce that LCIS distributed nearly \$800,000 in rebates this year. Over the last 22 years LCIS has paid close to **\$40 Million Dollars** in rebates.

LCIS continues to be the largest broker writing landscape contractors, tree trimmers and nurseries in the Western United States. All of us at LCIS are looking forward to some very exciting changes 2012 will bring. We will continue

Over the last 22 years LCIS has paid close to \$40 Million in rebates.

to provide quality insurance products and very competitive prices, along with our commitment to excellent customer services. Our insurance programs access leading insurance companies to get you the best rates available for our programs. It is because of our large volume of insureds that we are able to negotiate very competitive rates and comprehensive insurance products.

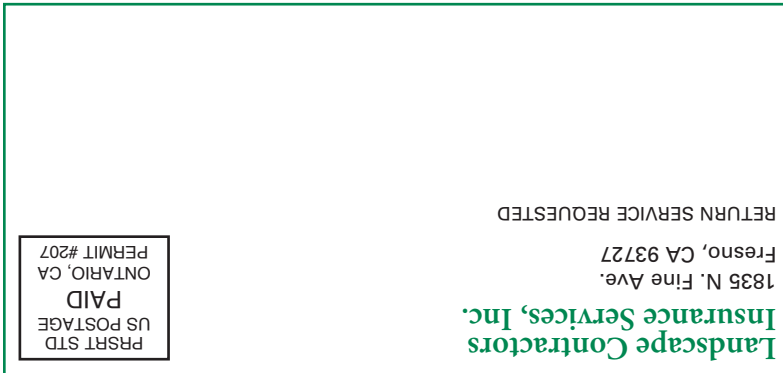
LCIS will help make sure you've got the coverages you need, because protecting everything you work for is not a job that should be turned over to the lowest bidder.

I anticipate great growth in 2012 and if you are currently insured with LCIS that means additional benefit to you by way of Golden Oak equity and an increased pool for future rebates.

As we begin 2012, I would like to wish everyone a prosperous New Year! **We appreciate your business.**

Kim Ayala
President/CEO

LCIS would like to congratulate all the 2011 CLCA Landscape Award winners!



In Memory of Jon Alsdorf

Jon Alsdorf passed away Saturday afternoon, November 26th, 2011. As you may already know, Jon suffered a workplace accident back in July and has been struggling to recover ever since. He was a native Fresnan and the owner of JRA Landscape Inc., located in Fresno, CA, and we at LCIS knew him well. He was a long-time insured, Golden Oak/LCIS Board member and CLCA past president. He was the recipient of the prestigious Allegiance Award and of over 50 state, regional, and local landscape awards. He was incredibly supportive of LCIS and he will be sorely missed.

Please join us in offering his family and friends our sincerest condolences during this sad time.

Third & Fourth Quarters 2011 'Thanks a Million' Contest Winners Announced!

How the contest works: When you return your renewal information by the date noted on your renewal information packet and you return your "Thanks a Million" bill with your business name and phone number, you are entered in our "Thanks a Million" drawing. The prize is a \$50.00 gift card and there are five winners chosen each quarter.

LCIS would like to congratulate the winners.

Third Quarter 2011 winners:

- Old World Landscape – La Mesa, CA
- FormLA Landscaping, Inc. – Tujunga, CA
- Mueller Landscape Inc. – Santee, CA
- Takendo Aarii – San Diego, CA
- Special Gardens, Inc. – Redwood City, CA

Fourth Quarter 2011 winners:

- Green Dreams Inc. – Vacaville, CA
- Craftsman Landscapes – Redwood City, CA
- Granite Hills Landscape, Inc. – Clovis, CA
- Cal Landscape Co. – Fullerton, CA
- TomaScapes, Inc. – Atascadero, CA

Making a Difference! LCIS Employee Recognition Program

If one of our employees has made a positive difference by providing outstanding service and deserves recognition, please let us know.

E-mail your comments to:

**Debbie Kirby, Administrative Manager –
dkirby@lcisinc.com, or call us at (800) 628-8735**

MISSION STATEMENT

"To provide quality insurance products at competitive prices, along with superior service through our commitment of excellence to our customers and employees."

Happy Anniversary to the Following Employees:

JUNE

Kim Ayala	22 years
Gil Gonzales	7 years
Serena Savala	new
Carol Strum	10 years

JULY

Victoria Anderson	1 year
David Bloodgood	1 year
Connie Bringetto	8 years
Jamison Luther	new
Kim Saenz	8 years

AUGUST

Connie Carpenter	10 years
Ashley Long	4 years
Elizabeth Ngo	4 years
Claudette Stockbridge	6 years

SEPTEMBER

Fran Barker	8 years
Mike Dunn	14 years
Vivian Garcia	16 years
Debbie Kirby	3 years
Terry Mahlman	11 years
Stacy Manning	8 years

OCTOBER

Janet Schoenfeld	6 years
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NOVEMBER

Sharon Barroca	7 years
Debbie Cerkueira	19 years
Benita Hall	5 years
John Ramon Simpson	3 years

Contact Us

Toll-Free	(800) 628-8735
	Extension #
Kim Ayala, President/CEO	511
Terry Mahlman, Vice President – Business Development	580
David Bloodgood, Sales Manager	545
Debbie Kirby, Administrative Manager	514
Sharon Barroca, Program Operations Manager	572
Janet Schoenfeld, Assistant Vice President of Accounting	513
Connie Carpenter, Services Manager	552

Certificate Request Fax	(800) 440-2378
LCIS Website	www.lcisinc.com

Are You an Unwilling, Unknowing, or Uninvolved Landscaping Risk Taker? See If You Qualify....

By Don Kansteiner, LS Training System

1. Do you put off training until after there is an accident?
2. Do you put new hires in the field without training them on every piece of equipment they will be using? (OSHA Required)
3. Do you put new hires in the field without proper PPE? (OSHA Required)
4. Does your supervisor hand out tailgate topic sheets for signatures, barely reviewing the topic at all? (Because we have to get to the job!!)
5. Do your foremen run the crew "Their" way?
6. Is there an inconsistent message about safety and training being delivered to the crews?
7. Are you without a functional IIPP in place? (OSHA Required)
8. Are you without a designated safety officer? (OSHA Required)
9. Do you keep up to date records of all training? (OSHA Required)
10. Did you forget that lowering your MOD Rate a few points through effective training can save you thousands?
11. Do you think, "We haven't had any issues, we're ok..."?

Due Diligence: The care that a reasonable person exercises to avoid harm to other persons or their property. (Merriam-Webster Dictionary)



In reports quoted by OSHA, new hires have a higher rate of accidents and injuries than more experienced workers. So if ignorance of job hazards and proper work practices are to blame for this higher rate, then proper training is money well spent.

One way to ensure that the message of safety and training is consistent is to follow basic guidelines set in place with an IIPP Plan, proper equipment training, and a safety officer whose primary purpose is to ensure all workers in the field receive the company's standards of safety, training and education. Random tailgate meetings under pressure rarely do the intended job, and worse, the lack of effort and commitment show the workforce that safety and training are not important. Keeping proper records of all safety and training provide evidence of the employer's good faith and compliance with OSHA standards. If you haven't had an issue yet, will you be prepared when an accident

investigator asks you: "Was the injured employee trained to do the job?"

Sometimes taking a realistic look at our methods and procedures can initiate great improvements, but those improvements only come with positive action, commitment and consistency. The results will be a safer environment for crews, better performance, and fewer injuries, less equipment damage, less down time, lower insurance rates, and an improved bottom line. Isn't that what we all work for?

Don Kansteiner is Account Manager for LS Training System, an online Landscape Training program in English and Spanish.

You can email Don at don@landscapesafety.com.



Don Kansteiner

Safety Tips Wanted!

Do you have some safety tips that have made a difference for your company? Send them to LCIS at the address below, ATTN: Editor, and they might appear as future Safety Tips of the Month to share with your fellow CLCA members.

 **LANDSCAPE CONTRACTORS INSURANCE SERVICES, INC.**

1835 N. Fine Ave., Fresno, CA 93727
(559) 650-3555 ph / (559) 650-3558 fx
Website: www.lcisinc.com

¿Es usted dentro de la industria del paisajismo un tomador de riesgos sin querer, sin saber o sin involucrarse? *Vea si usted califica dentro del grupo...*

Por Don Kansteiner, LS Training System

1. ¿Usted entrena a las personas luego de que un accidente ocurre?
2. ¿Usted pone en el campo personal Nuevo sin entrenarlos? ¿Y los entrena en cada equipo que ellos estarán usando? (OSHA Obligatorio)
3. ¿Usted envía a trabajar a esos empleados nuevos sin equipo de protección personal? (OSHA Obligatorio)
4. ¿Su supervisor simplemente da la hoja de entrenamiento de seguridad y pasa la planilla para que sea firmada, y lo hace sin poner tiempo para hablar sobre seguridad? (¡Porque tenemos que ir al trabajo!!!)
5. ¿Deja que su jefe de cuadrilla maneje al grupo a "su manera"?
6. ¿Hay algún mensaje inconsistente acerca seguridad y entrenamiento que esta siendo transmitido al personal?
7. ¿Esta su compañía sin un IIPP funcional vigente? (OSHA Obligatorio)
8. ¿Esta su compañía sin un Oficial de Seguridad designado? (OSHA Obligatorio)
9. ¿Mantiene usted al día todos los registros de entrenamiento? (OSHA Obligatorio)
10. ¿Se ha olvidado que la reducción de su tasa de MOD algunos puntos a través de una formación eficaz puede ahorrarle miles?
11. ¿Usted piensa de que por que no tenemos ningún problema, estamos ok...?"

La expresión en inglés "Due Diligence": se refiere la atención que una persona ejerce razonablemente para evitar daño a otras personas o a sus bienes (*Merriam-Webster Dictionary*).

En los reportes basados en datos aportados por OSHA, los empleados nuevos tienen una mayor tasa de accidentes y lesiones que los trabajadores más experimentados. Así que si la ignorancia de los riesgos del trabajo y prácticas de trabajo son los culpables de ésta tasa más alta, entonces el entrenamiento adecuado es un dinero bien gastado.

Una forma de asegurarse que el mensaje de la seguridad y la formación constante se llevan a práctica es seguir las directrices básicas establecidas en el lugar de trabajo con un Plan de IIPP (Programa de Prevención de Lastimaduras y Enfermedades), entrenamiento adecuado sobre el uso del equipo; y un oficial de seguridad, cuyo principal propósito es asegurar que todos los trabajadores del campo reciben los estándares de seguridad de la compañía, a través de formación y educación. Reuniones organizadas al azar bajo la presión rara vez hacen el trabajo previsto, y peor aún, la falta de esfuerzo y compromiso muestran a la fuerza de trabajo que la seguridad y la formación no son importantes. Mantener un registro adecuado de todos los entrenamientos de seguridad y la formación es la evidencia de la

buena fe por parte del empleador en el cumplimiento de las normas de OSHA. Si usted no ha tenido un problema todavía, de todas maneras, va a estar preparado para cuando un investigador de accidentes le pregunte: "¿Fue

el empleado lesionado capacitado antes hacer el trabajo?"

Muchas veces a través de tomar una mirada realista a nuestros métodos y procedimientos se pueden iniciar grandes mejoras, pero las mejoras son

fruto de la acción positiva, compromiso y consistencia. Los resultados serán un entorno más seguro para grupo, un mejor rendimiento y menos lesiones, menos daño al equipo, menos tiempo perdido por lesiones, bajar los costos de seguro y una mejor gestión. ¿No es eso por lo que todos trabajamos?

Don Kansteiner es Gerente de Cuentas de LS Training, un programa de formación en línea para el paisajismo conducido en inglés y en español.

Puedes enviarle un correo electrónico a Don en don@landscapesafety.com.

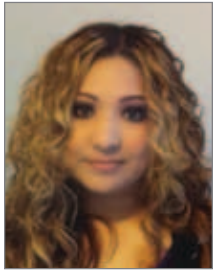


Don Kansteiner

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Employee Spotlight



Serena Savala, Assistant Account Manager. I joined LCIS in June 2011 as an Assistant Account Manager. I started working in insurance in 2002 for a Wholesale Insurance Brokerage. I've worked as a Receptionist, Technical Assistant

"It's terrific to be part of a company that is so team oriented."

and an Underwriting Assistant. I have my Property & Casualty license as well as Life, Accident & Health. Working at LCIS has been wonderful! Everyone here has been so helpful and great at making me feel welcomed. It's terrific to be part of a company that is so team oriented. I look forward to building strong relationships with our clients and giving them the best service that I have to offer. Outside of work, I love spending time with my husband of 12 years and our three sons. We enjoy playing Monopoly, UNO, Yahtzee, having movie nights and watching football...GO 49ERS!!!!

David Bloodgood, Sales Manager.

I joined LCIS in July of 2010 as the new Sales Manager and I am a Certified Insurance Counselor (CIC) with over 15 years of insurance industry experience. Prior to joining LCIS, I worked for a large national insurance carrier and within the middle market retail insurance arena in both sales and sales



"I am a Certified Insurance Counselor (CIC) with over 15 years of insurance industry experience."

management. I currently split my time between Fresno and Southern California where I live with my childhood sweetheart of almost 30 years and our two teenage daughters.



TERRY MAHLMAN
VP Business Development

What's in store for 2012? WC rates slowly increased throughout 2011. Construction class rates (including landscaping) were somewhat higher than other classes, and we have typically seen increases up to 10%.

In November 2011, California Insurance Commissioner David Jones, approved a 3% "decrease" in WC advisory rates.

Most insurance companies utilize these advisory rates for establishing their own individual rates. Sounds great doesn't it? Unfortunately, the Commissioner utilized a new benchmarking methodology for his analysis and

while the "average" advisory rate will decrease from \$2.37 to \$2.30, rates for individual class codes are a different story. Construction class codes take the biggest hit in the approved advisory rates. The advisory rate for the landscape gardening class code (0042) for example increases nearly 52% from \$4.77 to \$7.24. So you can probably perceive that the WC and employer communities are buzzing about what the approved rates really mean – it's billed as a decrease, but for many CA employers, it's an increase.

Most carriers have begun filing their 2012 rates with the CA Department of Insurance. In arriving at their individual rates, carriers take into consideration their 2011 rates, the profitability of their WC book of business, projected claims and claim expenses, and their growth plans for WC in California and other states.

WC GURU

Let's Catch You Up on California Workers' Comp

2012 Workers' Compensation Rates

2012 rate filings have been all over the board. Carriers with already-high rates in 2011 have taken some modest increases in 2012. State Fund, for example, has filed for a 10% rate increase in 2012, but then their landscape rate was already 50-70% higher than standard carrier rates. On the flipside, several notable carriers have filed for sizable increases including Insurance Company of the West (32%), Security National (33%) and Sparta (35%).

...regardless of what the insurance marketplace does with WC rates in 2012 and beyond, you as an employer can help control your individual rates.

So what's in store for our LCIS Workers' Compensation customers? We anticipate that our customers will see reasonable increases this year. Tower Select, our primary WC partner in CA, is committed to

remaining competitive in WC and very importantly, the LCIS book of business with Tower has performed well. Given the overall results of our program and our large volume of business (which equates to buying power for our customers), we are comfortable that our customers will see reasonable rate increases in 2012. We also maintain relationships with other carriers and can obtain quotes from them as well. This is a good time to be an LCIS WC customer!

With all this in mind, I'd like to re-emphasize that regardless of what the insurance marketplace does with WC rates in 2012 and beyond, you as an employer can help control your individual rates.

You do this by making your company "attractive" – you want insurance carriers to want to do business with you because you will be a profitable account for them.

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For additional information, visit the LCIS Website:

www.lcisinc.com

Let's Catch You Up on California Workers' Comp continued from Page 3

This means:

Pay your premiums on time. Customers with histories of late payments and repeated cancellations and reinstatements send up "red flags" to the carrier.

Provide a safe work place for your employees and follow through on any loss control recommendations by the carrier.

Most importantly, the lower number of claims and lower cost of claims generally results in better available rates. The first thing every carrier's underwriter looks at, to determine if it is an account they are interested in insuring, is the past claim results for the prior 3-5 years. Past WC claims/results are indicative of future results. Your focus should be on preventing injuries.

The actions you **take now** impact your rates in years to come. Key areas for you to consider include:

- **Hiring the right people.** If you don't hire the right people with solid experience, references, training and of good character, achieving solid WC results (and thus rates) is a roll of the dice. I can't tell you how many times I have heard an employer tell me, "I never should have hired that guy - I knew he was bad news" in referring to an injured worker with an expensive claim.
- **Follow all the WC laws and regulations,** including new-hire procedures, posting notices and most importantly, **implementing the MPN process** for your carrier. Identify the medical facilities you will use for work-injuries before an injury occurs.

- **Provide quality new-hire training** to all new employees (who are injured more frequently than long-term employees), but don't forget the regular training needed for all employees to maintain an awareness and focus on working safely. Accident prevention is your best opportunity to control WC costs; after an injury occurs, the claim outcome can be impacted by "players" and events that are outside of your control (attorneys/doctors/motives of the employee). Dust off your Injury and Illness Prevention Program and put it to work for you,
- If you do have an injured employee, make sure you get him to your chosen MPN medical facility right away, **report the claim to the insurance company immediately** (24 hours would be preferred), and conduct an appropriate internal accident investigation geared towards determining the root cause of the accident. Focus on how to prevent future accidents.
- **Maintain communications** with the injured employee and the Claims Examiner throughout the claim, until you know for certain that the claim has been resolved. Act as an advocate for the employee to make sure he receives all benefits to which he is entitled, but also work with the Claims Examiner to make sure employees do not receive more than what they are entitled to. You would be surprised at how many employees and their attorneys try to take advantage of a WC claim (LOL).
- **Provide modified or alternative work** - if at possible.

If you have questions about these strategies, please contact Terry Mahlman, Judi Smith or your LCIS Account Executive/Manager.

LCIS Sponsors Keynote Speakers at 2011 CLCA Convention in Hawaii



KEYNOTER Loren Lasher (center), who spoke on "Strategies for Success," is welcomed by his LCIS sponsors, Rich Angelo, David Bloodgood, Kim Ayala, Nelson Colvin and Lebo Newman.

COMBATTING Workers' Comp Fraud was the subject of Brett Douglas' informative presentation. Brett is VP at G4S for Compliance & Investigations. He is shown with his LCIS Sponsors Kim Ayala, Nelson Colvin and David Bloodgood.



Donations Made to Jon Alsdorf Memorial Fund

At the tragic passing of Past CLCA State and San Joaquin Valley Chapter President Jon Alsdorf, the Jon Robert Alsdorf Memorial Fund was created to award LEAF scholarships in his name. Two donations to the fund of \$1,000 each were presented at the SJV Chapter Christmas Party to Past Chapter President Michelle Sykes of JRA Landscape. The photo above right shows Incoming CLCA SJV President Mike McKinney presenting a \$1,000 check from the Chapter to Michelle. The photo at right shows LCIS President/CEO Kim Ayala pledging to Michelle to match the donation with \$1,000 from Landscape Contractors Insurance Services. The donations are much appreciated.

