



APEI MEMBER QUARTERLY NEWSLETTER

INSIDE THIS ISSUE:

<i>Members Receive Loss Control Training & safety Inspections</i>	2
<i>New Features from PreventionLink</i>	2
<i>Inspect Fire Extinguishers</i>	3
<i>From the Desk of the Director</i>	4

PLEASE REPORT ALL KNOWN OR POTENTIAL CLAIMS IMMEDIATELY—IT'S CRITICAL TO HELP MINIMIZE YOUR LOSSES
<http://www.akpei.com/>

Contributors:

- Scott Jordan, APEI Claims Manager
- Mike Lary, APEI Loss Control Coordinator
- Kyle Ashley, PreventionLink Project Manager
- Jeff Bush, APEI Executive Director



APEI & BETHEL WIN JURY TRIAL

From the APEI Claims Desk

Recently APEI received a jury defense verdict in a jury trial out of the City of Bethel. Here is an edited version of an article on the trial posted on August 19, 2009 in The Delta Discovery:



The families admitted the men were to blame, in part, for their drowning because of the men's alcohol consumption, but through their attorneys Michele Power and Sean Brown, they sought to have Faulkner Walsh accept its share of the responsibility for not providing safe access to the Warhorse. The families also sought to have the City accept responsibility for not properly maintaining the seawall. The families argued that together their losses totaled over a million dollars.

Faulkner Walsh attorney Myron Angstman argued that there was no way to fault his client because there were so many possible ways the men could have ended up in the river. He pointed to the difficulty of making a boat safe for an intoxicated person. Bethel's lawyer, Bill Ingaldson, argued that it was unlikely that the seawall had anything to do with the deaths.

Power admitted that no one saw the men fall in, but [unsuccessfully] argued that all of the evidence pointed to only one conclusion: that the men fell as they maneuvered through the tripping hazards on the seawall while trying to board a vessel that lacked any sort of gangway or safe way to board.

Follow up; plaintiffs' attorney Michele Power filed two motions for a new trial; both motions were denied by Judge Hamilton on October 21, 2009.

Bethel jury rules in drowning case

8-21-09

A Bethel jury has ruled against two families that were seeking damages for the drowning deaths of Nick Kameroff, Sr. and Roy Wolkoff, Sr. After a trial lasting more than two weeks, the 12 person jury decided that neither Faulkner Walsh Constructors nor the City of Bethel [APEI Member] were the cause of the drownings.

Both men were found in the Kuskokwim River about 50 feet out from the seawall. There was substantial evidence of alcohol consumption, and each man had a high alcohol level in post mortem tests. The men had been dropped by cab on the seawall near the Faulkner Walsh vessel Warhorse where both worked. They were last seen by a cab driver at 11:30 pm when one of the men grabbed a post on the seawall, gestured to the other to follow and then began to step over to the vessel. No one saw the men enter the water. The next morning, Wolkoff's hat was found close to the edge of the seawall between the vessel and a connected barge. The men's bodies were discovered a few days later by Bethel Search and Rescue volunteers.



Members Take Advantage of APEI Loss Control Training

In the past several months, several APEI members have taken advantage of APEI's many loss control training and inspection services. In August, APEI Loss Control Coordinator Mike Lary spent two days each in Soldotna and Hyaburg for employee training and site inspections. In September, Mike performed site safety inspections at schools in Chevak and Akiachak. In October, APEI had PreventionLink project manager Kyle Ashley come to Alaska, and he joined Mike in visits to Kenai, Soldotna, and Wasilla. Also in October, Mike did a day of training at the City of Palmer.

In November and December, Mike Lary will be doing two days of training and site inspections in Bethel, plus making presentations at the ALASBO conference and the AASB Secretaries Workshop. In addition, APEI Executive Director Jeff Bush will be presenting at ALASBO and the AASB statewide conference.

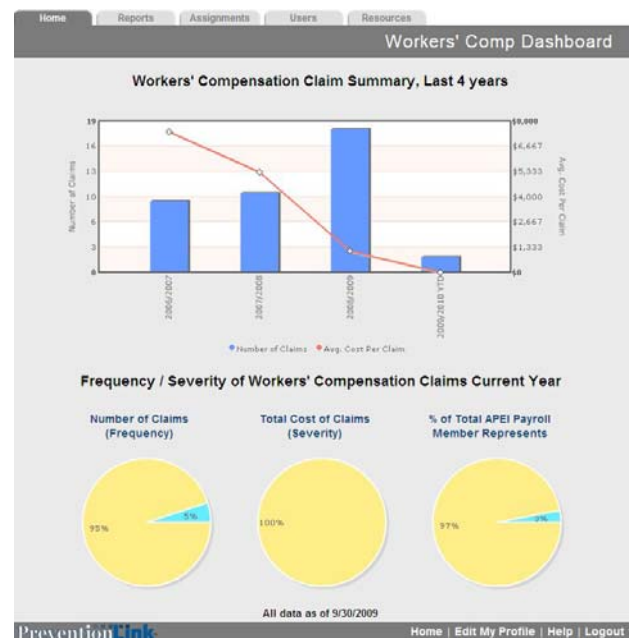
APEI will provide training or safety inspections to any APEI member upon request, at no cost to the member. Many topics are available; please contact Mike at mlary@akpei.com, 877-586-0639 for information on setting up a visit.

MORE GOOD NEWS FROM THE CLAIMS DESK

Recently a check was presented to the Kuspuk School District for the loss of the George Morgan Sr. High School, in Upper Kalskag, destroyed in a fire on January 28, 2009. APEI worked with the school district and the Department of Education to resolve this claim quickly. Total amount payable to the Kuspuk School District was almost \$5 million for structure and contents. The Kuspuk School District agreed with the Department of Education to turn over all insurance proceeds in exchange for State funding, approved during the 2009 legislative session, of approximately \$19 million to rebuild the school. The project to rebuild should start in the spring of 2010.

PreventionLink Provides Easy Access to Claims Information

APEI is pleased to announce the availability of claims information through each member's PreventionLink website. PreventionLink Administrators can now view the number of Workers' Compensation, Automobile, and Liability claims incurred and average cost per claim for the member. Members will also be able to see what percentage of all APEI claims their respective organization represents. PreventionLink Administrators can access these new claims dashboards from the links under the Home tab in their PreventionLink account.



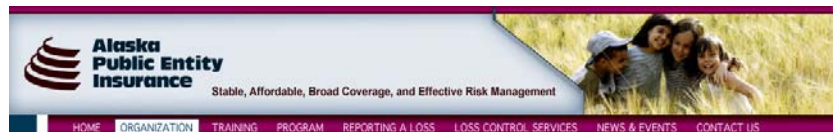
If your organization isn't yet set up with the PreventionLink program and would like to get started, please contact TargetSafety's Kyle Ashley at 800-840-8048x105 or kylea@targetsafety.com.

PICTURES STILL NEEDED

Please send us your favorite hometown pictures. We will include them in our APEI slideshow, which is shown at conventions, post them on our website, and we might even publish them here, in our newsletter.



www.akpei.com
For All Your Loss Control
and Insurance Needs





Fire Extinguishers Inspection and Use

Recent loss control visits with a few APEI members have revealed a worrisome pattern regarding fire extinguishers. In several locations, we found that extinguishers had not been inspected for several years, and we saw no evidence indicating that extinguishers are receiving monthly inspections. These inspections are requirements established by OSHA in 29 CFR 1910.157, under the NFPA 10 standards, and as part of an effective fire protection program. Following is a list of the rules and regulations regarding fire extinguisher inspections:

Monthly. Rules for maintenance of fire extinguishers require they be visually inspected monthly to ensure that:

- They are in their designated places
- There are no obstructions to access or visibility
- Safety seals are not broken or missing
- There is no evidence of physical damage, corrosion, leakage or clogged nozzle
- Pressure gauge readings are in the proper range or position
- Operating instructions are legible and facing outward
- They are full – confirmed by weighing or lifting

Yearly. Each portable fire extinguisher must have an annual test including a thorough examination of the mechanical parts, extinguishing agent and expelling means, performed by an approved extinguisher servicing company.

Every Six Years. Every 6 years, stored pressure fire extinguishers that require a 12-year hydrostatic test (e.g. dry chemical extinguishers) must be emptied and proper maintenance procedures performed

Other Required Maintenance. Every fire extinguisher must be hydrostatically tested periodically depending upon type. Test intervals for some of the most commonly found extinguishers are as follows:

- Pressurized water, carbon dioxide and wet chemical extinguishers – every 5 years
- Dry chemical extinguishers – every 12 years

Additionally you must ensure that there are an adequate number of extinguishers of the appropriate type and size. Personnel who inspect the extinguishers must be adequately trained and keep adequate records.

All of these requirements are in addition to the normal fire extinguisher user training also required.

For help in meeting any of these requirements please contact Mike Lary, APEI Loss Control Coordinator, mlary@akpei.com, 877-586-0639.

Regular Feature

HOW TO SAVE PREMIUM DOLLARS

We've already noted that each APEI member can purchase \$500 in loss control "goodies" and have APEI pay for them. See December 2008 newsletter. As winter approaches, one great way to capitalize on this grant is to buy Yak Trax for your employees and encourage them to be worn. If you do this, just send us a copy of the purchase receipt and we'll send you a check. And maybe you'll save an employee or two from being injured this winter.



REPORT EMPLOYEE INJURIES IMMEDIATELY TO AVOID PENALTIES

As we have discussed in the past, Alaska statutes impose penalties on employers for late reporting of on-the-job injuries to employees. Alaska law also imposes penalties if an injured employee misses work as a result of an on-the-job injury and time loss payments are not made within the time set in the statute. Immediate notification to APEI of the injury and the work status, or any change in work status, enables APEI to meet those deadlines. If a penalty is assessed as a direct result of the member *not* notifying APEI of either the injury or the off work status of its employee, this penalty will be passed on to the member.

Cell Phones and Driving

This probably won't come as a surprise to too many people, but according to the August 24 edition of Business Insurance, driving while text messaging is 23 times as dangerous as non-distracted driving, reaching for a cell phone is 6.7 times as dangerous, and using a cell phone is 5.9 times as dangerous. In fact, statistics confirm that using a cell phone while driving is more dangerous than driving drunk.



APEI's Finances Strong

From the Desk of the Director, *Jeff Bush*



Each year on October 1, APEI is required by law to complete and file with the State of Alaska an independent financial audit of our operations. This year, APEI's audit was performed by the Juneau firm of Elgee, Rehfeld & Mertz.

I am pleased to report that, once again, APEI obtained a "clean" independent audit. This year's audit confirmed that APEI's financial condition remains very strong. For the fiscal year ending June 30, 2009, APEI added 11 new members, including four municipalities, one school district, and six charter schools. APEI reduced premium rates charged to members, and saw a growth in net assets of almost \$2.2 million, or 31%. APEI's exceptional results, even in the face of substantial investment losses, is principally due to our members' excellent

loss experience in recent years. You all deserve a pat on the back.

As a result, we are currently analyzing our loss records to see if it would be financially prudent to increase APEI's reinsurance retentions (similar to deductibles) to reduce our overall reinsurance costs. By increasing our earnings through reduced losses and lowering expenses, we fully expect to again reduce APEI members' premiums at the next renewal, through another overall premium reduction credit.

If anyone is interested in receiving an electronic copy of the audit or APEI's 2008-2009 financial statements, please contact me at jbush@akpei.com.

Alaska Public Entity
Insurance

2233 Jordan Ave.
Juneau, AK 99801

Phone: 907-523-9400; 877-586-2734
Fax: 907-586-2008

.....
: APEI WEB HELP :
: Visit the *new* APEI :
: website for information :
: on programs, claims :
: reporting, loss control :
: services, and online :
: safety training. :
: <http://www.akpei.com> :
:.....