

CFSIC Update and Briefing:
State of Connecticut
General Obligation Bonding Subcommittee
March 18, 2019

Steven Werbner, President
CFSIC

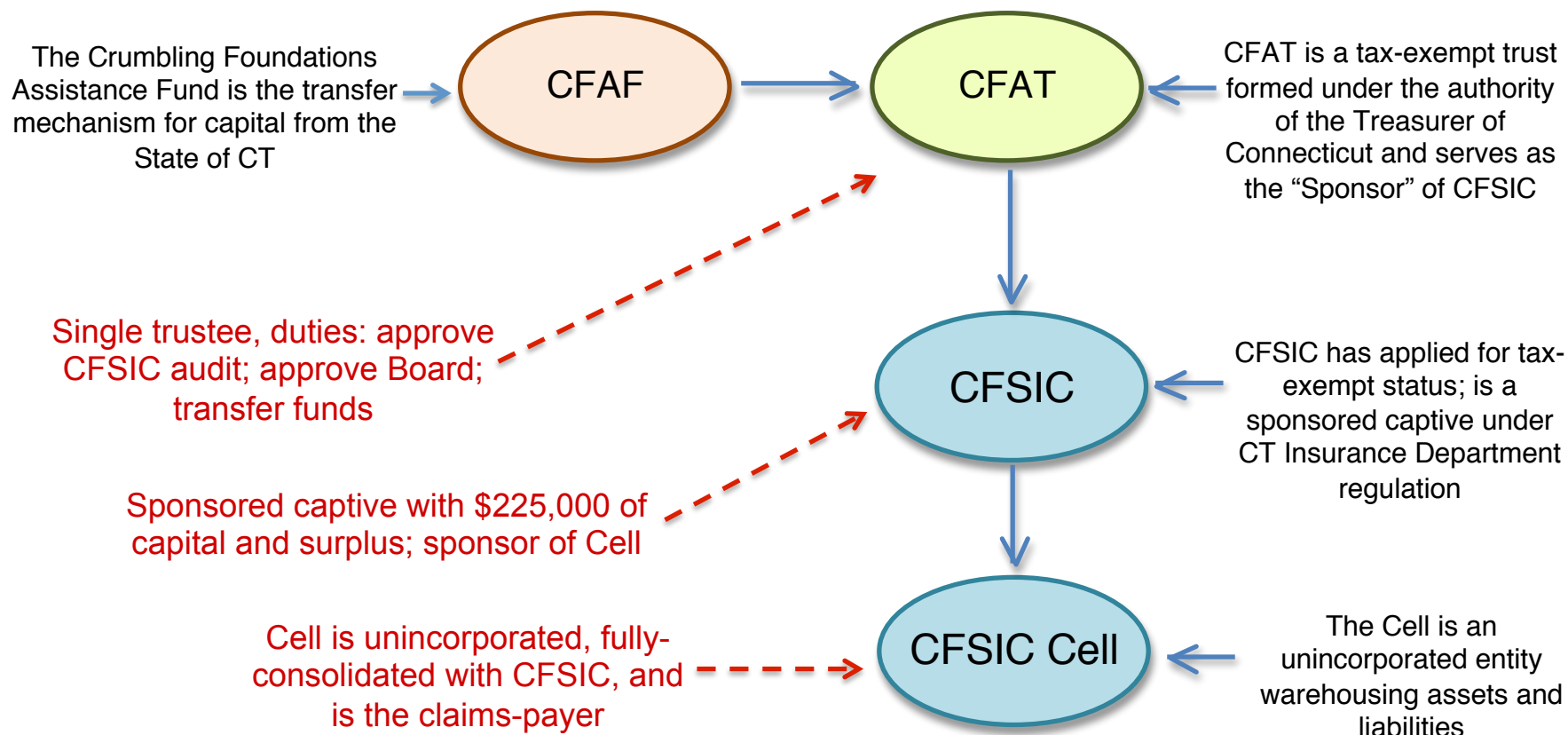
Michael Maglaras, Principal
Michael Maglaras & Company
Superintendent, CFSIC

www.crumblingfoundations.org

Why a Captive?

- Statute facilitates rapid implementation and deployment of non-commercial insurance company
- Permits outsourcing of all needed services to qualified vendors without associated personnel and related expense
- Supports tax-exempt mission and goals
- Ideal structure when the transaction is non-commercial in nature

Organizational Structure of CFSIC



CFSIC's Directors & Officers

Board of Directors:

- Steven Werbner (President, Member of the Executive Committee)
- John Filchak
- Lyle Wray (Vice President)
- Mark McDonnell
- John Rachek
- Daniel Keune (Secretary)
- Donald Poulin
- Bruce Kellogg (Vice President, Member of the Executive Committee)
- (one vacancy)

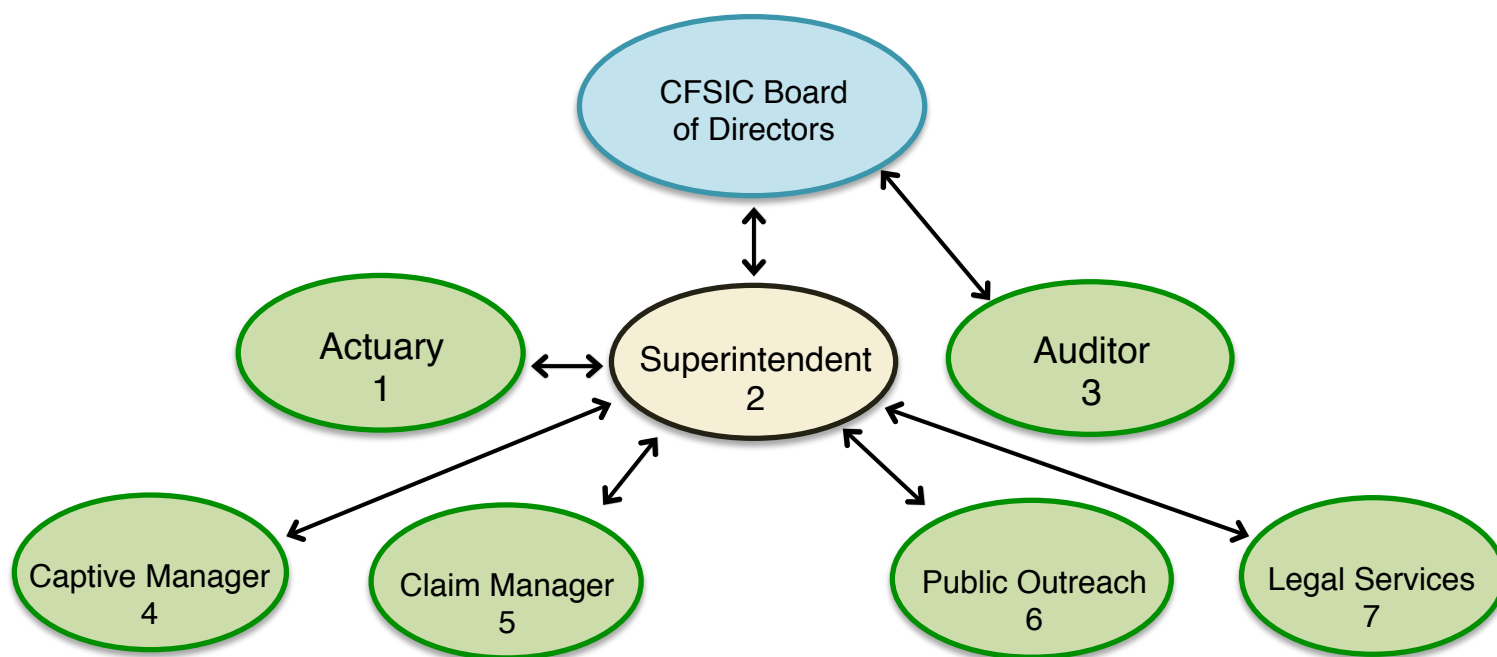
Ex-Officio (non-voting) Directors:

- State Representative Jeff Currey
- State Representative Kurt Vail
- State Senator Cathy Osten
- (one vacancy)

Additional Staff:

- Additional Officer: Marcy Waterfall (Assistant Secretary)
- Superintendent: Michael Maglaras & Company

CFSIC Outsourced Service Provider List



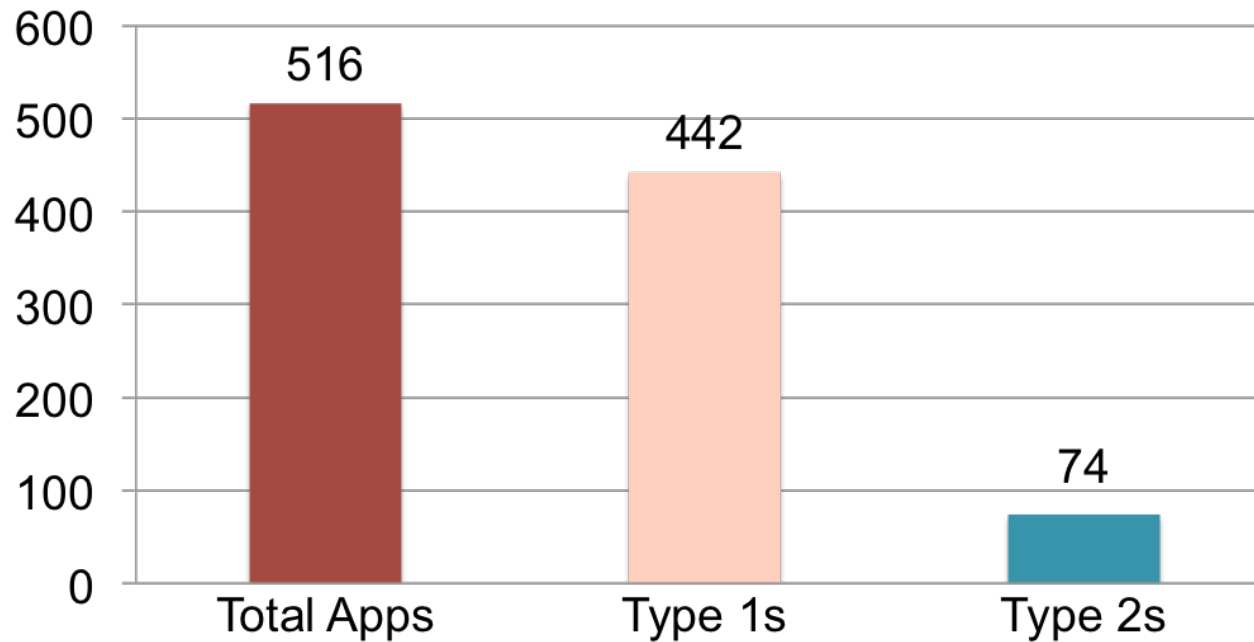
Notes:

1) Milliman; 2) Michael Maglaras & Company; 3) Crowe LLP; 4) Marsh; 5) ESIS ProClaim; 6) MRW Connected; 7) Paul Frank + Collins and Rogin Nassau

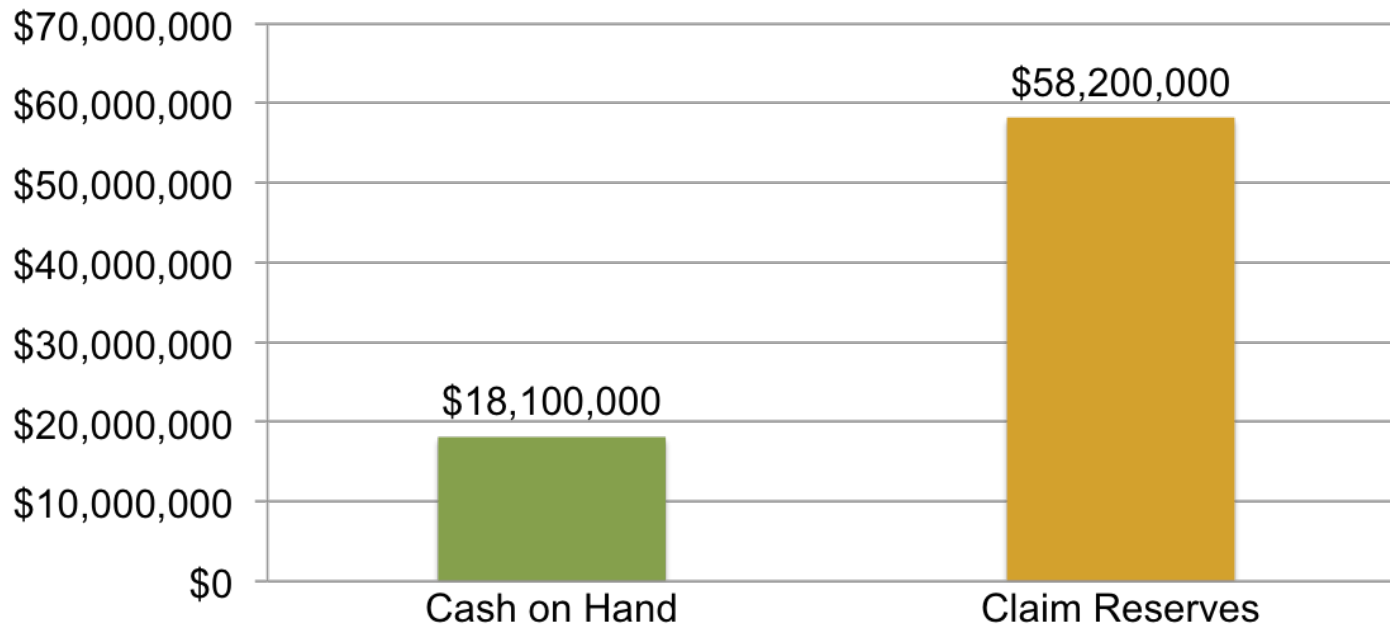
Where Are We?

- ✓ CFSIC is incorporated on June 27, 2018; Board of Directors appointed
- ✓ CFSIC's license is granted by the Connecticut Insurance Department on August 8, 2018
- ✓ First part of initial fiscal year ending 2018 grant provided to CFSIC in August...\$850,000 (\$225,000 immediately sequestered to secure insurance license); second part \$19.150M paid in November 2018
- ✓ November through December 2018: built claims management infrastructure
- ✓ CFSIC launched on January 10, 2019

CFSIC Total Application Activity
(valued as of 3/15/19)



CFSIC Cash on Hand to Claim Reserves *(valued as of 3/15/19)*



CFSIC **Cash on Hand** to Claim Reserves
(actual, including projected)

