

## Crumbling foundations insurance boss to resign

Superintendent Maglaras leaving company responsible for reimbursing, funding foundation replacements

BY KATHLEEN MCWILLIAMS

Michael Maglaras, the Crumbling Foundations Solution Indemnity Company superintendent, said Friday that he will be stepping down from the post in October.

Maglaras confirmed reports that he would be leaving the insurance company responsible for reimbursing and funding foundation replacements, and said he was proud of the work CFSIC had accomplished over the past year.

"When I agreed to become Superintendent of CFSIC in April 2018, I told people that 'help was on the way,'" Maglaras said in a statement. "That help has arrived and is available. Homes are up off the ground in

communities all over the northeast corner of our state. As of this morning, we have identified \$118 million of construction that is needed to fix foundations for single-family dwellings, condos and [planned unit developments]...We've done that in less than eight months. More than 22 homeowners are back in their homes. Another 30 will be back in their homes by the end of September. This time next year, that number will be more than 150."

Maglaras said he wouldn't be leaving the position immediately and that the transition to new leadership would be "very orderly." He said he will be signing participation agreements so that homeowners can start repairs until he leaves.

CFSIC board president Steven Werbner said that the board would be meeting next week to discuss next steps, but the search for a new superintendent is underway.

"Mike Maglaras has done a terrific job," Werbner said. "CFSIC was launched in record time and is doing what it's supposed to be doing. What Mike and his team have created is a company that moves quickly and efficiently to get the job done, while taking adequate steps to ensure that taxpayer funds are used wisely in the work that is being done."

The state created CFSIC in 2017 to help homeowners pay for replacing their foundations.

The \$133 million fund was set up by the

state through bonding money and the \$12 surcharge on homeowners' insurance policies. CFSIC pays for a portion of the costs to replace a foundation and reimburse homeowners for the work they have already done.

The cost to replace a failing foundation averages about \$185,000. Insurance companies have refused to pay the claims, saying that the failure does not meet their definition of a structural collapse.

Maglaras was hired as CFSIC's superintendent and saw the company through its formation and the launch of the funding program. He has been a vocal advocate for the state to provide more funding for the issue.

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