

**CIRMA**  
**ANNUAL REPORT**  
**2022-2023**





**These are our  
moments.**

**We meet them  
together.**

## A MESSAGE FROM OUR PRESIDENT AND CEO DAVID DEMCHAK



### MEETING THE MOMENT FOR OUR MEMBERS

CIRMA consistently meets the moment for those we are privileged to serve. We pride ourselves on rising to the occasion, no matter the circumstance, to protect and care for our members, our communities, and each other. Meeting the moment means we will stop at nothing to deliver on our promise to our members—under any conditions. We adapt to the current moment—not simply to meet the status quo, but to constantly improve how we protect our members, build trust and community, and advance our shared mission and values. These ideals were front and center of everything we accomplished throughout the past year.

**CIRMA was built to meet the moment.** Change happens at the speed of trust, and we are in such a moment where our world is ever-evolving. Our unwavering commitment to partnering closely with our members, doing what is right when things go wrong, and creating and delivering unmatched value is as apparent as ever. We've stood shoulder to shoulder with our members through their darkest and brightest moments. No matter the exposure, we execute our mission daily and fulfill our promise to protect our members, their communities, and their employees.

**Our mission and values propel our ability to serve and protect our members at any moment.** We pay what we owe, achieve optimal outcomes, and lead meaningful and transformative change. Our strategic business imperatives will continue to guide us forward with a deep sense of purpose as we remain focused on investing in business intelligence and innovation, expanding our products and services, harvesting world-class talent, enhancing customer engagement, and advancing our capital management strategies.

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# MEETING THE MOMENT

## **We build on the past to meet the moment.**

Our ability to stay grounded in our sense of purpose, adapt to the world around us, and focus on the long term has allowed us to deliver sustainable results for almost a half-century. We are rooted in our communities—the communities our members serve—and we prepare early and respond deliberately to their needs and the emergent trends that keep them up at night.

We continue to deliver consistent and stable outcomes by expanding and leveraging our many competitive advantages, providing deeply tailored services to protect our members, generating earnings and capital to support our operational and growth needs, and thoughtfully right-sizing capital and growing book value over time.

In addition to the many accomplishments featured within this Annual Report, the following notable outcomes represent our recent sustained shared successes.

### **OVER THE LAST FIVE YEARS:**

- **Total Assets have grown by \$40.4M**
- **Members' Equity has grown by \$56.7M**
- **Over \$16.4M in Members' Equity was distributed over the last five years, with nearly \$42M total distributed over the last thirteen years**
- **Approximately \$124M in medical cost savings have been achieved through CIRMA-managed care programs**

- **The average rate need was -3.20% for workers' compensation and 0.10% for liability-auto-property**
- **Almost 144,000 public-entity employees and volunteers participated in CIRMA training**

## **We will continue to fuel our momentum**

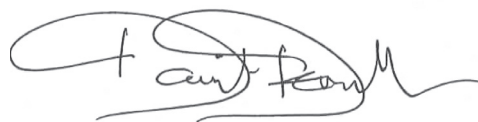
and optimize our financial strength through disciplined risk selection, effective claim cost and expense management, thoughtful reinsurance selection, and competitive and stable pricing. CIRMA's consistent financial and operational achievements continue to augment our ability to deliver substantial and sustainable competitive advantages over time.

Our focus, as always, will continue to be on protecting our members. We have the resources to solve tough problems. We are engaged in every facet of our industry and have the most profound commitment to our employees, members, and business partners.

## **These are our moments.**

**We meet them together.**

**Because CIRMA plus our members are undeniably better together.**



**David Demchak, ARM**  
President and CEO, CIRMA

## 2022–2023 FINANCIALS

### Assets

Invested Assets	\$430,728,059
Cash	\$7,951,895
Other Assets	\$4,497,293
<b>TOTAL ASSETS</b>	<b>\$443,177,247</b>

### Liabilities

Reserves	\$206,337,262
Current Liabilities	\$2,635,333
<b>TOTAL LIABILITIES</b>	<b>\$208,972,595</b>

### Members' Equity

Members' Equity, Beginning of Year	\$227,987,937
Excess of Revenues over Expenses	(\$2,515,440)
Distribution of Members' Equity	-
Statutory Adjustment to Equity	\$8,732,155
<b>MEMBERS' EQUITY, END OF YEAR</b>	<b>\$234,204,652</b>

<b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</b>	<b>\$443,177,247</b>
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### Revenues

Premiums & Commissions	\$86,436,251
Reinsurance Premiums	(\$20,539,541)
Investment Income & Other	\$13,408,205
<b>TOTAL REVENUES</b>	<b>\$79,304,915</b>

### Expenses

Provisions or Loss & LAE	\$67,468,690
Second Injury Fund	\$1,065,823
General & Administration	\$13,285,842
<b>TOTAL EXPENSES</b>	<b>\$81,820,355</b>

<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>(\$2,515,440)</b>
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**\$40.4M**

Increase in  
Assets Over  
Last Five Years



**\$56.7M**

Increase in  
Members'  
Equity Over Last  
Five Years

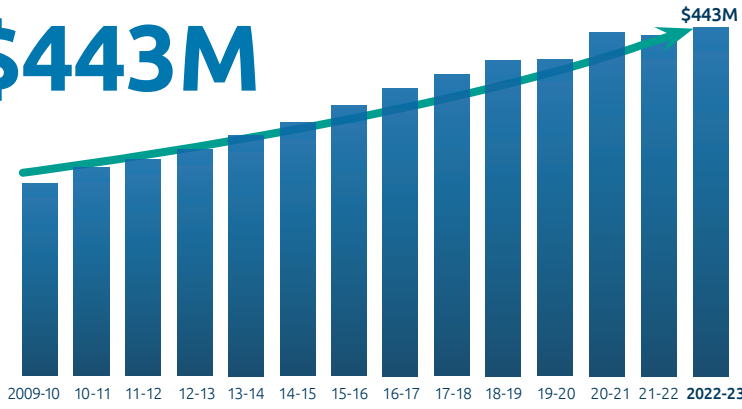


**\$42M**

Total Members'  
Equity Distribution  
Over Last 13 Years

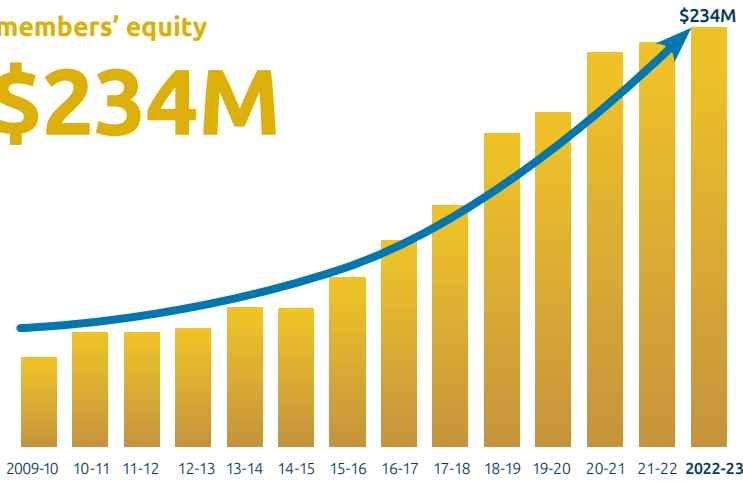
total assets

**\$443M**

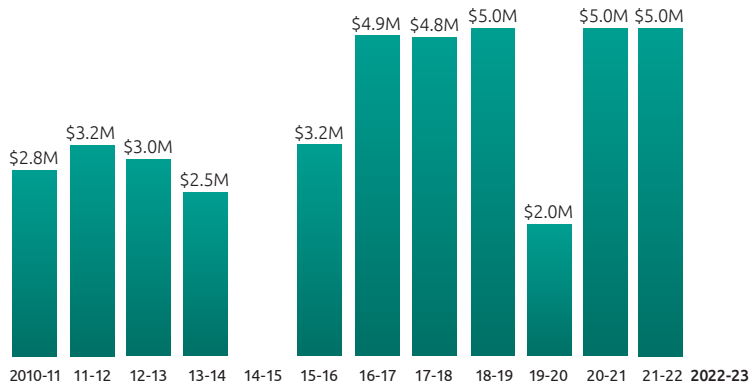


members' equity

**\$234M**



members' equity distribution history



**STABLE AND COMPETITIVE  
PRICING OVER THE LAST FIVE YEARS:**

**-3.20% WC | 0.10% LAP**

5%  
0%  
-5%

2018-19

2019-20

2020-21

**MEMBERS IN RATE STABILIZATION PROGRAMS:**

**38**

Workers' Compensation  
Agreements

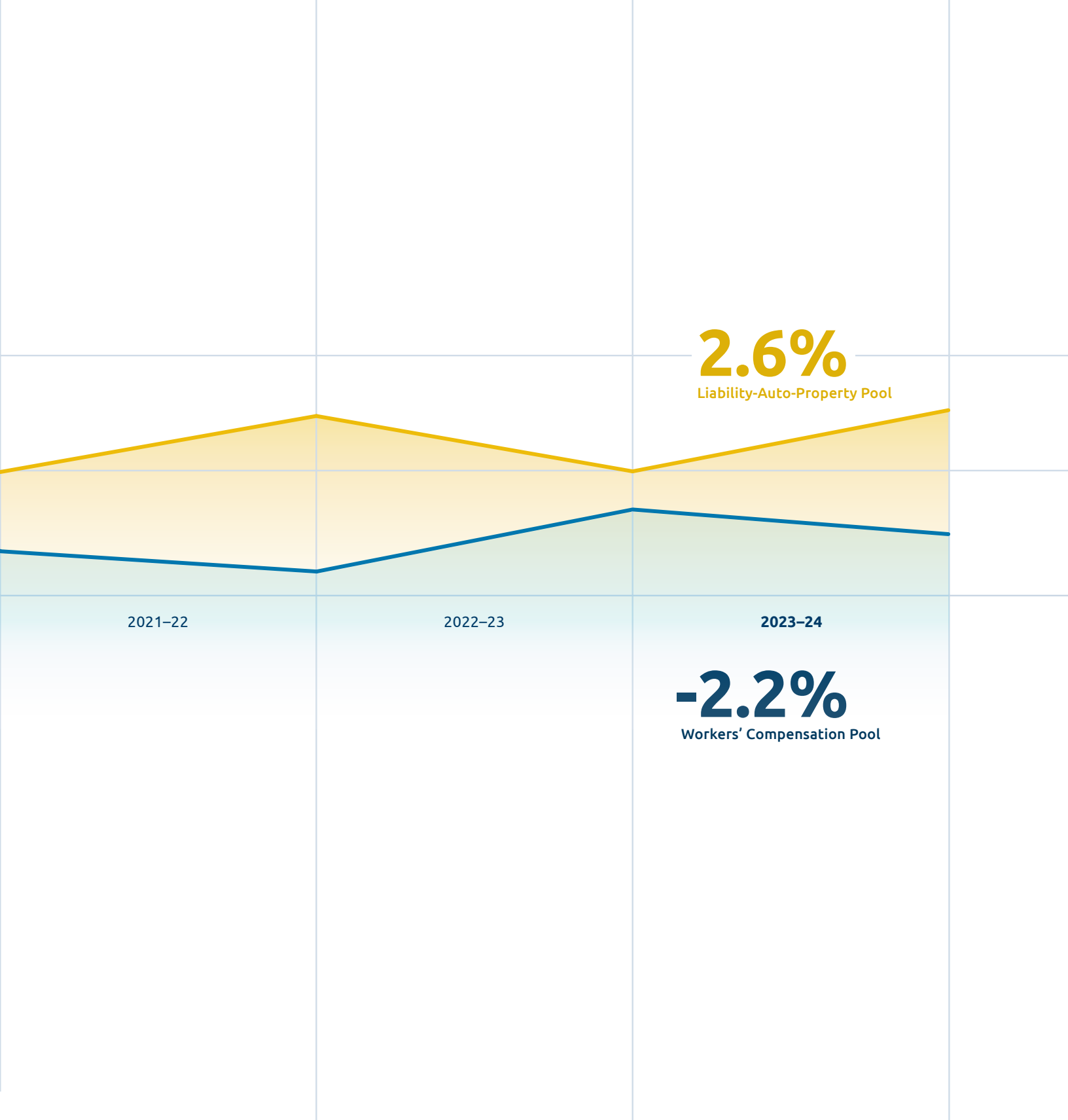
**117**

Liability-Auto-Property  
Agreements

**155**

Total Member  
Participants





**\$38.1M**

Rate Stabilization Programs Total Premium

**LONG-TERM  
RATE  
STABILITY**

**workers' compensation pool**

**\$3.4B** Workers' Compensation Total Payroll

**~64K** Employees and Volunteers Protected

**liability-auto-property pool**

**\$18.1B** Total Insured Property Value

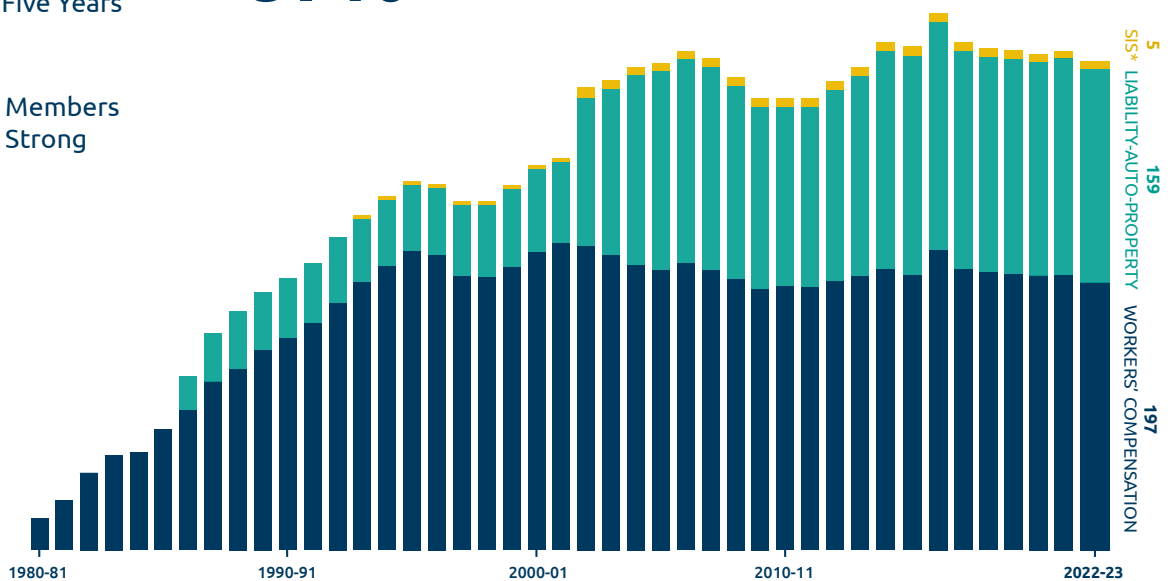
**\$7.6B** Total Operating Expenses

<b>2,996</b> Armed Officers	<b>235,469</b> Students	<b>111</b> Ambulances	<b>162</b> Buses	<b>242</b> Fire Stations	<b>604</b> Fire Trucks
<b>115</b> Libraries	<b>67</b> Motorcycles	<b>1,091</b> Passenger Vehicles	<b>2,529</b> Police Vehicles	<b>67</b> Refuse Trucks	<b>726</b> School Buildings
<b>244</b> School Buses	<b>49</b> Sewage Treatment Plants	<b>1,278</b> Trailers	<b>118</b> Town Halls	<b>4,378</b> Trucks	<b>692</b> Vans

**98%** Retention Rate Over the Last Five Years

**87%** Market Share

**361** Members Strong



\*Self-Insured Services

workers' compensation claim

**\$19.4M** Total Incurred

**\$28.6M** Total Managed Care Savings

liability-auto-property claim

**\$37.8M** Total Incurred

**\$14.5M** In Favorable Litigation Outcomes



**\$5.5M**

Preferred Provider Network Savings



**\$27.6M**

Total Bill Review Savings



**1,876**

Total Claims Managed



**264**

Contracts Reviewed



**5,766**

Total Claims Managed



**\$756K**

Prescription Savings



**8,783**

Prescriptions Filled

Recovery/Subrogation

**\$2.7M** Subrogation

**\$13.3M** Total Recovery/ Subrogation over the last five years



## TRAINING & EDUCATION

# 56,599

Total Training Participants

### onsite training



**3,402** In-Person Attendees

**135** Instructor-Led Sessions

**12** New Onsite Topics Introduced

### online training



**51,433** E-learning Participants

**1,764** Webinar/CSAP Participants

**30** New Online Topics Introduced

### member consultation



**7,615** Consulting Hours

**91** Stewardship Reports

**211** Assessments Performed

### new publications



**4** Whitepapers

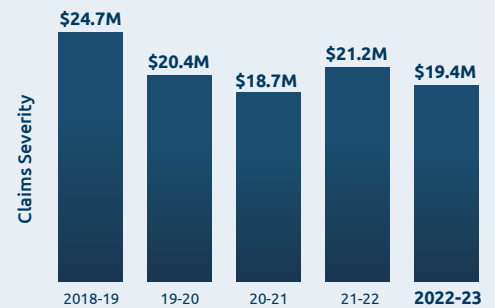
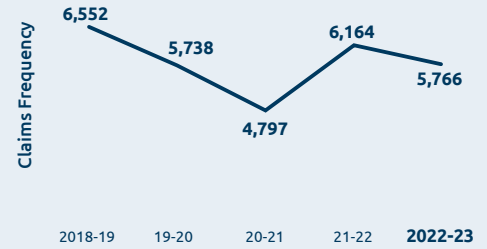
**2** Roll Call Topics

**2** Hot Zone Topics

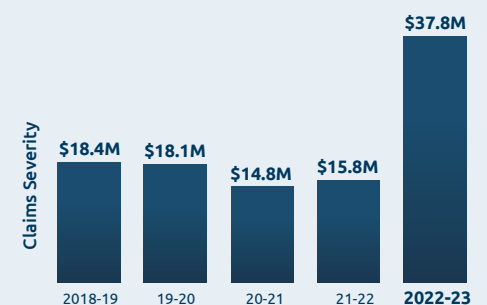
**3** Lessons Learned

**4** School Announcements

### workers' compensation pool results



### liability-auto-property pool results





Category Name: **New and Innovative Risk Management Initiative**

Award Winner: **Town of Canton Police Department**

Research routinely shows that the presence of therapy animals can lower blood pressure, decrease anxiety, improve mood, and foster feelings of support and confidence in humans. The Town of Canton Police Department's progressive Community Service Dog program further proves why emotional support dogs are becoming law enforcement's new best friend.

The Community Service Dog program began when Leo, a three-month-old puppy at the time, was surrendered to the Canton Police Department. The department leadership realized that the dog had the potential to be more than a furry friend and could be a positive influence in the police department and town.

Leo has already left a lasting impact on his team and community. Leo's presence has helped foster positive rapport and engagement with local citizens. Program benefits also support effective department peer support services and other wellness initiatives by assisting first responders to process trauma, reduce anxiety, cope with grief, and decompress between calls.

**2024  
EXCELLENCE  
IN RISK  
MANAGEMENT  
AWARDS**





**Category Name:** Sustained Risk Management Program

**Award Winner:** Manchester Public Schools

To navigate uncertainties, anticipate potential threats, and seize opportunities effectively, public entities must adopt a proactive, long-term approach to risk management. For over a decade, Manchester Public Schools has taken great strides in addressing school security and improving the safety and wellbeing of their students and staff.

By embracing sustained risk management practices, Manchester Public Schools fosters a collaborative culture of shared accountability, laying the groundwork for sustainability and long-term success. The

district is actively involved in multiple CIRMA Advisory Committees, consistently seeks guidance from CIRMA Risk Management, and has partnered with CIRMA to complete a variety of strategic assessments.

This well-established program has allowed the district to manage costs while keeping staff and students safe. Incredibly, the district has seen a significant decrease in claim severity affecting General Liability (GL), accounting for a 26% reduction in GL severity (student injuries) each year since 2018.

Category Name: **Substantial Impact on Total Cost of Risk**

Award Winner: **Town of East Windsor**

The Town of East Windsor takes a proven, proactive approach to risk management, partnering closely with CIRMA to understand, manage, and monitor risk to minimize business disruptions and substantially reduce the town's total cost of risk.

East Windsor has leveraged CIRMA's training and education resources to help equip their workforce with the knowledge and skills

necessary to effectively identify and remedy workplace hazards before accidents and injuries occur. The Town of East Windsor is also well represented across various CIRMA Boards and Committees and consistently partners with CIRMA on various consultative services.

The Town of East Windsor has achieved a 42% decrease in workers' compensation claim severity each year since 2018—an outcome that punctuates the town's commitment to risk management and successful partnership with CIRMA.

**2024  
EXCELLENCE  
IN RISK  
MANAGEMENT  
AWARDS**







Category Name: **Establishing Risk Management as an Organizational Priority**

Award Winner: **City of Danbury Housing Authority**

A robust risk management approach is more critical than ever in today's dynamic risk environment. Beyond today's travails, a strong risk culture is vital to organizational resilience. In our experience, those organizations that have developed a mature risk culture thrive.

The Danbury Housing Authority understands that establishing a solid risk culture requires collaboration, commitment, maintenance, and reinforcement. The team regularly seeks CIRMA Risk Management

guidance on various initiatives, bringing to bear all the expertise, tools, and solutions necessary to deliver superior outcomes.

By establishing risk management as an organizational priority and collaborating with key stakeholders, Danbury Housing Authority has achieved a remarkable 67% decrease in workers' compensation claim costs since 2018.

# GOVERNANCE

July 1, 2022 to June 30, 2023

## BOARD OF DIRECTORS

Matthew Knickerbocker\*, Wilton, Chairman  
Carl P. Fortuna, Jr.\*, Old Saybrook, Vice Chairman  
Jason E. Bowsza, East Windsor  
Mary Calorio, Killingly  
Elinor Carbone\*, Torrington  
Paula Cofrancesco, Bethany  
Thomas G. Dunn, Wolcott  
John Elsesser, Coventry  
Rudy Marconi, Ridgefield  
Edmond V. Mone, Thomaston  
Neil M. O'Leary, Waterbury  
Michael Passero, New London  
Lauren Rabin, Greenwich  
Michael L. Rell, Wethersfield  
Brandon Robertson, Avon  
Herbert Rosenthal\*, Newtown  
John L. Salomone, Norwich  
Gerard Smith, Beacon Falls  
Mark Walter, Columbia

*\*Executive Committee Member*

## AUDIT & ENTERPRISE RISK MANAGEMENT COMMITTEE

Herbert Rosenthal, Newtown, Chairman  
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John Elsesser, Coventry  
Brandon Robertson, Avon  
John Salomone, Norwich

## CLAIMS ADVISORY COMMITTEE

Jason Bowsza, East Windsor, Chairman  
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Jonathan Berchem, Milford  
Gary Conrad, Westport  
Matthew Knickerbocker, Wilton  
Mark Langton, Middletown  
Kim Lord, Manchester

Dana McGee, Rocky Hill  
Kirk Severance, Granby  
Lori Spielman, Ellington  
Chris Torre, Norwalk  
Shannon Walker, Windsor Locks  
Kori Wisneski, Middletown  
Susan Zecca, Norwalk Police Department  
Kathi Zygmunt, Meriden

## INVESTMENT COMMITTEE

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Mary Calorio, Killingly  
Gary Conrad, Westport  
Edmond V. Mone, Thomaston  
John L. Salomone, Norwich

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Nicholas Boulter, Simsbury  
Erik Costa, Middletown  
Vincent DeMaio, Clinton  
Christopher Ferace, Putnam  
Mack Hawkins, East Hartford  
Brian Klett, Rocky Hill  
Thomas Kulhawik, Norwalk  
Denise Lamontagne, Cromwell  
Kristian Lindstrom, South Windsor  
John Lozefski, Middletown  
Mark O'Mara, CTIC  
Peter Reichard, New London  
David Rosado, Rose Kallor, LLP  
Elliot Spector, Hasset & George PC  
Michael Spera, Old Saybrook  
Edward Stephens, Wolcott  
William Tanner, POST

## **OPERATIONS & UNDERWRITING COMMITTEE**

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Mary Calorio, Killingly, Vice Chairman  
Michael Criss, Harwinton  
Carl P. Fortuna, Jr., Old Saybrook  
Nancy Haynes, Bloomfield  
Lucian Jachimowicz, Newington Public Schools  
Walter Lee, Ellington  
Patricia Perry, South Windsor  
Michael Purcaro, Vernon  
Christine Sasen, East Hartford  
William Strachan, Consultant  
Shannon Walker, Windsor Locks  
Michael Wilkinson, Tolland

## **RISK MANAGEMENT ADVISORY COMMITTEE**

Vanessa Perry, South Windsor, Chairman  
Melissa Appleby, Simsbury  
Brenda Bergeron, DEMHS  
Nancy Conway-Raczka, Middletown  
Marc Fasano, POST  
Mark Langton, Middletown Public Schools  
Melissa Maltese, East Windsor  
Dawn Maselek, Vernon  
Mary McCarthy, CT Technology Transfer Center  
Lauren Rhines, Newington  
John Rosa, CT Department of Labor  
Kirk Severance, Granby  
Elliot Spector, Hasset & George PC  
Michael Spera, Old Saybrook  
Kenneth Tucker, CT Department of Labor - OSHA Division  
Mark Walter, Columbia  
Steven Waznia, Berlin  
Michael Wilkinson, Tolland

## **SCHOOL DISTRICT ADVISORY COMMITTEE**

Jeffrey Nielsen, Milford Public Schools, Chairman  
John Barlow, Torrington Public Schools  
Karen Clancey, Manchester  
Paula Cofrancesco, Bethany  
Michele DiMauro, Cromwell Board of Education  
Matthew Geary, Manchester Public Schools  
Jordan Grossman, Canton Public Schools  
Daniel Levy, Hamden  
Kevin Munrett, Darien  
Nancy Pugliese, CT State Dept. of Education

# #MeetingTheMoment

## THE CIRMA PROMISE: OUR MISSION

The Connecticut Interlocal Risk Management Agency (CIRMA) aims to meet the risk management and risk financing needs of Connecticut's municipalities, school districts, and local public agencies.

## CIRMA ACHIEVES THIS PURPOSE BY:

- Anticipating and responding to the risk management and financing needs of its members in a changing environment
- Providing quality services tailored to municipal operations and requirements
- Ensuring the availability of insurance coverage at reasonable prices and thereby creating stability in the marketplace
- Preventing accidents and managing injuries through effective loss control and claims management programs, resulting in savings over the long term
- Empowering municipalities to manage risk

## OUR STORY

CIRMA, a member-owned and governed organization, was formed in 1980 as a Connecticut Conference of Municipalities service program. Today, CIRMA is Connecticut's number-one municipal risk financing and risk management services provider for Connecticut's public entities. CIRMA operates competitive Workers' Compensation and Liability-Auto-Property Risk Pools and provides holistic claims services and risk management solutions exclusively to the Connecticut public sector, including self-insured entities.



Connecticut Interlocal  
Risk Management Agency

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