

ACT 6 - 2026

BOARD OF LEGISLATORS COUNTY OF WESTCHESTER

Your Committee is in receipt of a proposed Act, which if enacted by your Board, would authorize the settlement of insurance claims and the resulting insurance coverage dispute with Berkshire Hathaway Direct Insurance Company, f/k/a American Centennial Insurance Company, ("ACIC), for \$306,000.

This matter arises from a dispute between the County and ACIC with respect to whether and to what extent certain commercial umbrella insurance policies provided coverage for certain costs and liabilities that the County had incurred, or may incur in the future, in connection with claims against the County alleging sexual abuse pursuant to New York State's Child Victims Act.

The settlement takes into consideration the uncertainty of litigation and the potential costs of a trial. The County will execute a Confidential Settlement Agreement and Mutual Release to finalize the settlement.

Your Committee has carefully considered the subject matter, the settlement proposal, the attached Act and recommends authorizing the County Attorney or his designee to settle the insurance coverage dispute with Berkshire Hathaway Direct Insurance Company, f/k/a American Centennial Insurance Company, ("ACIC), for \$306,000.

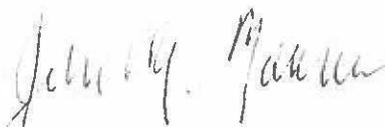
An affirmative vote of a majority of the Board is required to pass this legislation.

Of the three claims presented to ACIC by the County, (D. Bellamy, V. Lewis, and J. Paladino), the first two of these claims never reached ACIC's umbrella level of insurance coverage, but the \$5 million settlement of the Paladino case did reach that level. It was determined that the total liability of ACIC under the four policies applicable to the Paladino case was \$489,998. The ongoing dispute never became a lawsuit and continued to be negotiated.

On November 21, 2025, the County and ACIC agreed to settle the dispute for \$306,000. The latter figure represents a 62% recovery of the total sought. Most importantly, the settlement takes into consideration the uncertainty of litigation and the potential costs of a trial. The County will execute a Confidential Settlement Agreement and Mutual Release to finalize the settlement.

The accompanying Act will authorize the settlement of the insurance claims and insurance coverage dispute with ACIC for \$306,000.

Very truly yours,

A handwritten signature in black ink, appearing to read "John M. Nonna". The signature is written in a cursive style with some loops and flourishes.

John M. Nonna
County Attorney

JMN/mg

Dated: _____, 2026
White Plains, New York

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COMMITTEES ON

Budget & Appropriations

Litigation

FISCAL IMPACT STATEMENT

SUBJECT: Settle Insurance Claims with Insurance Company NO FISCAL IMPACT PROJECTED

OPERATING BUDGET IMPACT

To Be Completed by Submitting Department and Reviewed by Budget

SECTION A - FUND

GENERAL FUND

AIRPORT FUND

SPECIAL DISTRICTS FUND

SECTION B - EXPENSES AND REVENUES

Total Current Year Expense _____

Total Current Year Revenue \$ 306,000

Source of Funds (check one): Current Appropriations Transfer of Existing Appropriations

Additional Appropriations

Other (Revenue)

Identify Accounts: 615-59-0510-9289

Potential Related Operating Budget Expenses: Annual Amount _____

Describe: _____

Potential Related Operating Budget Revenues: Annual Amount \$ 306,000

Describe: Settlement of insurance claims and the resulting insurance coverage dispute
with Berkshire Hathaway Direct Insurance Company, f/k/a American Centennial Insurance
Company, (ACIC).

Anticipated Savings to County and/or Impact on Department Operations:

Current Year: _____

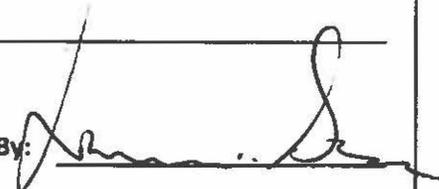
Next Four Years: _____

Prepared by: Mark Medwid

Title: Associate Budget Director

Department: Budget

Date: January 8, 2026

Reviewed By: 
Budget Director

Date: 1/8/26

ACT NO. 6 -2026

AN ACT authorizing the County Attorney to settle the insurance claims and resulting insurance coverage dispute with Berkshire Hathaway Direct Insurance Company, f/k/a American Centennial Insurance Company, ("ACIC), for \$306,000.

BE IT ENACTED by the Board of Legislators of the County of Westchester as follows:

Section 1. The County Attorney is authorized to settle the insurance claims and resulting insurance coverage dispute with Berkshire Hathaway Direct Insurance Company, f/k/a American Centennial Insurance Company, ("ACIC), for \$306,000.

Section 2. The County Attorney or his designee is hereby authorized and empowered to execute and deliver all documents and take such actions as the County Attorney deems necessary or desirable to accomplish the purpose of this Act.

Section 3. This Act shall take effect immediately.

STATE OF NEW YORK)
)
WESTCHESTER COUNTY) ss.

I HEREBY CERTIFY that I have compared the foregoing Act, Act No. 6 - 2026, with the original on file in my office, and that the same is a correct transcript therefrom, and of the whole, of the said original Act, which was duly adopted by the County Board of Legislators, of the County of Westchester on February 9, 2026, and approved by the County Executive on February 10, 2026.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of said County Board of Legislators on this 12th day of February, 2026.



Malika Vanderberg

The Clerk of the Westchester County
Board of Legislators

County of Westchester, New York

