



Roosevelt Island Operating Corporation

KATHY HOCHUL
Governor

B. J. JONES
President / CEO

BOARD OF DIRECTORS

RuthAnne Visnauskas, Chair, Commissioner of NYSHCR
Blake G. Washington, Director of BUDGET
Marc Jonas Block
Fay Christian
Conway Ekpo
Dr. Michal L. Melamed
Howard Polivy
Prof. Lydia W. Tang
Melissa A. Wade

Agenda Item V. 1. April 9, 2026

PROPOSED RESOLUTION

RATIFICATION OF INSURANCE BINDERS FOR FISCAL YEAR 2026-27

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York as follows:

- Section 1. that the Insurance Binders for the period from April 1, 2026 through March 31, 2027, upon such terms and conditions substantially similar to those outlined in the Memorandum from Dhruvika Amin, Vice President & CFO, to the Board of Directors and B.J. Jones, President/Chief Executive Officer, dated March 24, 2026, attached hereto, are hereby ratified;
- Section 2. that the President/Chief Executive Officer or President's designee is hereby authorized to take such actions and execute such instruments as deemed necessary to effectuate the foregoing; and
- Section 3. that this resolution shall take effect immediately.



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MEMO

TO: RIOC Board of Directors, B.J. Jones, President and CEO

FROM: Dhruvika Amin, Vice President & CFO

DATE: March 24, 2026

RE: Ratification and Authorization of Insurance Binders through March 31, 2027

Overview

RIOC utilized the services of The Cayemitte Group in partnership with Arthur J. Gallagher Risk Management Services (the “Brokers”) and other broker intermediaries to secure renewals for our insurance policies for the fiscal year April 1, 2026 – March 31, 2027.

During a recent stewardship and pre-renewal meeting, Gallagher advised RIOC to budget for premium increases of 5-10% for property and liability policies renewing on April 1, 2026. These anticipated increases were driven by several market challenges, including recent claims experience, industry-wide “nuclear verdicts,” and third-party litigation funding. Despite these headwinds, Gallagher conducted a comprehensive market review of our primary and excess liability placements, approaching over 35 insurance carriers. **Their efforts resulted in outstanding outcomes for RIOC, including a reduction in premiums and enhanced coverage terms.**

Key Results

Premium Reduction:

- Gallagher’s marketing efforts delivered a 0.5% reduction in premiums for the upcoming policy term, a remarkable achievement given the industry trend of high single-digit to low double-digit premium increases.

- The total cost for the 12-month period of April 1, 2026, through March 31, 2027, is \$5,454,102 representing a decrease of \$25,797 compared to the expiring term.

Enhanced Coverage:

- Improved terms and conditions, including increased limits for sexual misconduct liability, provide RIOC with broader and more comprehensive protection.
- Gallagher also secured a stand-alone terrorism policy from AIG, covering both property and casualty. This approach not only delivered broader coverage but also resulted in significant premium savings by removing Terrorism Risk Insurance Act (TRIA) coverage from individual policies.

Strategic Approach

Gallagher's success in securing these results is a testament to their expertise and extensive market access. Their approach included:

Internal Gallagher Marketing Resources:

- Collaboration with Gallagher marketing representatives across New York, Chicago, Los Angeles, and London to access direct markets, including AIG, Allied World, Berkley, Chubb, Cincinnati, CNA, Hartford, Liberty Mutual, Philadelphia, Zurich, and others.

Wholesale Broker Partnerships:

- Partnering with wholesale brokerage firms to access excess and surplus lines insurance markets not available to retail brokers. These partners submitted underwriting requests to over 30 carriers on RIOC's behalf.

New Capacity

- One of the drivers for the reduction in cost was Gallagher's ability to restructure RIOC's liability tower and deploy capacity from a proprietary program called ADAPT. This program is exclusive to Gallagher clients and significantly reduced the premiums for numerous layers within the liability tower.

This comprehensive strategy ensured that RIOC received competitive quotes and optimal coverage terms from a wide range of markets.

Conclusion and Recommendation

Gallagher's efforts have delivered exceptional results for RIOC, achieving cost savings and enhanced coverage in a challenging insurance market. The overall decrease of \$25,797 (-0.5%) over expiring, down from a 6.61% increase over expiring in 2025 (\$5,454,102 versus \$5,479,899) is particularly favorable given the industry's rising premium trends. Please note that the Public Officials Liability and Crime premiums are not included in these figures, as those coverages renew on 6/14/26 and 7/14/26 respectively.

We strongly recommend that the Board ratify and approve the renewals for the 12-month period of April 1, 2026, through March 31, 2027, at a total cost of \$5,454,102. These renewals represent a strategic win for RIOC, ensuring comprehensive protection at a competitive cost.

Coverages	2024 Limits	2024 Premiums	2025 Limits	2025 Carriers	2025 Premiums	Deductibles	2026 Limits	2026 Carriers	2026 Total Premiums	Increase (\$)	Increase (%)
General Liability	\$2,000,000/\$4,000,000	\$1,292,270	\$2,000,000/\$4,000,000	Berkley	\$1,426,000	\$150,000 SIR	\$2,000,000/\$4,000,000	Berkley	\$1,580,000	\$154,000	10.80%
Auto Liability	\$1,500,000 XS \$500k SIR		\$1,500,000 XS \$500k SIR	Berkley		\$500,000	\$1,500,000 XS \$500k SIR	Berkley	incl'd in above		
Umbrella	Lead \$5M	\$645,325	Lead \$5M	AIG	\$704,229		\$5,000,000 Lead	Obsidian	\$674,375	-\$29,854	-4.24%
Umbrella	\$5M s \$5M	\$366,600	\$5M s \$5M	Axis	\$396,045		\$5M s \$5M	Vantage	\$410,850	\$14,805	3.74%
Umbrella	\$5M xs \$10M	\$284,000	\$5M xs \$10M	AWAC	\$305,119		\$5M xs \$10M	Allied Word - Admitted	\$300,000	-\$5,119	-1.68%
Umbrella	\$15M xs \$15M	\$436,205	\$10M p/o \$15M xs \$15M	Navigators	\$323,685		\$5M p/o \$10M xs 15M	Lloyds	\$184,643	-\$139,042	-42.96%
Umbrella			\$5M po 15M xs \$15M	Lloyds	\$152,355		\$5M p/o \$10M xs 15M	ADAPT	\$184,902	\$32,547	21.36%
Umbrella	\$10M xs \$30M	\$271,500	\$10M xs \$30M	Great American	\$313,934		\$10M p/o \$15M xs \$25M	Navigators - Admitted	\$200,000	-\$113,934	-36.29%
Umbrella	\$10M xs \$40M	\$183,593	\$10M xs \$40M	Argonaut	\$192,398		\$5M p/o \$15M xs \$25M	ADAPT	\$104,009	-\$88,389	-45.94%
Umbrella	\$15M xs \$50M	\$234,875	\$5M P/o \$15M xs \$50M	Axis	\$86,000		\$10M xs \$40M	Great American - Admitted	\$185,000	\$99,000	115.12%
Umbrella			\$10M po \$15M xs \$50M	North River	\$171,386		\$5m p/o \$15M xs \$50M	Liberty	\$77,812	-\$93,574	-54.60%
Umbrella	\$20M xs \$65M	\$192,835	\$15M p/o \$20M xs \$65M	ACE	\$161,871		\$5m p/o \$15M xs \$50M	Superior	\$79,368	-\$82,503	-50.97%
Umbrella			\$5M po \$20M xs \$65M	RSUI	\$48,562		\$5m p/o \$15M xs \$50M	ADAPT	\$78,071	\$29,509	60.77%
Umbrella	\$10M xs \$85M	\$83,654	\$10M xs \$85M	Ascot	\$87,313		\$15M p/o \$20M xs \$65M	ACE	\$186,350	\$99,037	113.43%
Umbrella	\$5M xs \$95M	\$36,494	\$5M xs \$95M	Market	\$41,339		\$5M p/o \$20M xs \$65M	Adapt	\$67,927	\$26,588	64.32%
							\$10M xs \$85M	Evanston	\$93,375	\$93,375	0.00%
							\$5M xs \$95M	Crum & Forster	\$44,249	\$44,249	0.00%
Umbrella Sub total		\$2,735,081			\$2,984,236				\$2,870,931	-\$113,305	-3.80%
TPA Fees	Sedgwick TPA Fees	\$10,000	Sedgwick TPA Fees	Sedgwick	\$10,000		Sedgwick TPA Fees	Sedgwick	\$10,000	\$0	
Liability Sub Totals		\$4,037,351			\$4,420,236				\$4,460,931	\$40,695	0.92%
Property	\$250,000,000	\$1,038,000	\$250,000,000	AIG	\$934,539	\$100,000 except:	\$250,000,000	AIG	\$869,121	-\$65,418	-7.00%
NY Fire Fee		\$11,370		AIG	\$10,514	\$250,000 AVAC Waste Building		AIG	\$10,514	\$0	0.00%
						5% SFHA Flood and Named Storm					
B&M	\$100,000,000	\$31,426	\$100,000,000	HSB	\$31,426	\$2,500	\$100,000,000	HSB	\$31,426	\$0	0.00%
Cyber	\$1,000,000	\$16,960	\$1,000,000	Cowbell	\$16,495	\$10,000	\$1,000,000	Cowbell	\$17,361	\$866	5.25%
Terrorism	\$100MM/\$50MM	(Built within property)	\$100MM/\$50MM	Talbot/AIG	\$61,213	\$10,000	\$100MM/\$50MM	Talbot/AIG	\$59,138	-\$2,075	-3.39%
UST (Pollution)	\$1,000,000	\$5,203	\$1,000,000	Liberty Surplus	\$5,476		\$1,000,000	Liberty Surplus	\$5,611	\$135	2.47%
Renewal Total		\$5,140,310			\$5,479,899				\$5,454,102	-\$25,797	-0.47%
POL/EPLI	\$5,000,000	\$77,610	\$5,000,000	ACE/Chubb	\$102,744	\$50,000 except \$1,000,000 EPLI	\$5,000,000	ACE/Chubb	Renews 6/14/26		
Crime	\$1,000,000	\$9,644	\$1,000,000	Great American	\$10,608	\$10,000	\$1,000,000	Great American	Renews 7/14/26		
					2025					2026	
				Variance Amount	\$339,589			Variance Amount		-\$25,797	
				Variance Percent	6.61%			Variance Percent		-0.47%	