



KATHY HOCHUL
Governor

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President / CEO

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Melissa A. Wade

Agenda Item V. 7. June 23, 2026

PROPOSED RESOLUTION

**RATIFICATION OF INSURANCE BINDER
FOR PUBLIC OFFICIALS/EMPLOYMENT PRACTICES POLICY**

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York (“RIOC”), as follows:

- Section 1. that the Public Officials/Employment Practices Insurance Binder for the period from June 14, 2026 through June 14, 2027, upon such terms and conditions substantially similar to those outlined in the Memorandum from Dhruvika Amin, Vice President and Chief Financial Officer, to the Board of Directors and B. J. Jones, President and Chief Executive Officer, dated June 12, 2026, attached hereto, is hereby ratified;
- Section 2. that the President and 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 and CFO

DATE: June 12, 2026

RE: Ratification of Public Officials/Employment Practices Insurance Binder through June 14, 2027

Background:

RIOC utilized the services of The Cayemitte Group in partnership with Arthur J. Gallagher Risk Management Services, LLC (“Brokers”) and other broker intermediaries, to obtain renewals for our insurance policies for fiscal year April 1, 2026 – March 31, 2027. The overall premium decreased this term by approximately 0.5%. The Board approved the Insurance Binders, which included all insurance policies except for the Public Officials/Employment Practices (“Public Officials”) policy.

In 2026, Chubb provided renewal terms for the Public Officials Liability, maintaining the retentions (Public Officials retention \$50,000 and Employment Practices Liability retention \$750,000). Chubb’s premium increase was \$9,951 which represents 9.6% increase from the expiring policy. Chubb advised they could also offer a quote with (Public Officials retention \$50,000 and Employment Practices Liability retention \$1,000,000) again this year however the premium savings would be nominal at approximately \$10,000 or less. The increase was driven by several open EPLI claims that currently have high reserves. Significant dollars have been spent from the date these claims were filed to today and significant dollars remain in reserve for future payments.

The ultimate goal is to see a trend of a reduction in future claims, along with a reduction in the reserve on the existing claims, which should assist with the marketing efforts next year.

Below are the various methods our Brokers used to access the dozens of markets they approached on behalf of RIOC, and the numerous brokers that work behind the scenes to provide

our quotes.

Internal Gallagher marketing resources:

Our Brokers worked with several Gallagher marketing representatives both locally, regionally and internationally. They worked with their colleagues in New York, New Jersey, Chicago, Los Angeles and London to access those markets that work with them on a direct basis. The general liability markets include AIG, Allied World, Berkley, Chubb, Cincinnati, CNA, Hartford, Liberty Mutual, Philadelphia, Zurich, etc. The auto markets approached directly include Chubb/Ace, Cincinnati, CNA, Hartford, Lancer, Liberty Mutual, Nationwide, Philadelphia, Starr Specialty, Travelers, Utica, Zurich, etc.

Gallagher Wholesale brokers:

Gallagher's fully owned wholesale brokerage firm is Risk Placement Services, Inc. (RPS). Brokers specializing in property and casualty risks were utilized to approach several specialty carriers including AIG, Brit, Colony, IAT, Ironshore, Endurance, RSUI, Munich Re, 5Star Specialty, etc.

Outside Wholesale brokers:

The Gallagher team also worked with outside wholesale intermediaries that are independent corporations and not owned by Gallagher. These specialty brokers have access and, in some cases, significant premium volume with many specialty carriers. Our Brokers outside wholesale brokers contacted and made an underwriting submission on behalf of RIOC to over 30 carriers.

Recommendation:

It is recommended that the Board of Directors ratify the renewal of the insurance binder for the 12- month period from June 14, 2026, through June 14, 2027 at a total cost of \$112,695, and then an undetermined amount for self-insured liabilities for the first \$750,000 for Employment liability claims. The two reasons for this recommendation is the money saved between the \$750,000 deductible and the \$1,000,000 deductible is only \$10,000. Once RIOC does increase to the \$1,000,000 deductible, RIOC will have a harder time getting it reduced in the future.