



Roosevelt Island Operating Corporation

ANDREW M. CUOMO
Governor

SHELTON J. HAYNES
President & CEO

BOARD OF DIRECTORS

RuthAnne Visnauskas, Chair, Commissioner of NYSHCR
Robert F. Mujica Jr., Director of BUDGET
Conway S. Ekpo
Jeffrey R. Escobar
David Kapell
David Kraut
Howard Polivy
Michael Shinozaki

Agenda Item V, 2. April 22, 2021

PROPOSED RESOLUTION

APPROVAL OF INSURANCE BINDERS FOR FISCAL YEAR 2021-22

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 Insurance Binders for the period from May 1, 2021 through March 31, 2022, upon such terms and conditions substantially similar to those outlined in the Memorandum from John O’Reilly to Shelton J. Haynes/Board of Directors, dated April 9, 2021, attached hereto, are hereby approved;
- Section 2. that the President/Chief Executive Officer or his designee is hereby authorized to take such actions and execute such instruments as he deems necessary to effectuate the foregoing; and
- Section 3. that this resolution shall take effect immediately.



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MEMO

TO: Shelton J. Haynes, President & CEO / Board of Directors

FROM: John O'Reilly, Vice President & CFO

DATE: April 9, 2021

**RE: Ratification and Authorization of Insurance Binders through
March 31, 2022**

We utilized the services of JFA Brokerage and Associates in partnership with Arthur J. Gallagher Risk Management Services (“Brokers”) and other broker intermediaries, to obtain renewals for our insurance policies for fiscal year April 1, 2021 – March 31, 2022.

We continue to experience a difficult insurance market this year. First, specific to RIOOC, although our operations have not changed, the insurance industry “appetite” has shrunk dramatically. RIOOC’s operations and risks that were previously viewed as manageable are now deemed to be potentially catastrophic, leading to fewer carriers even willing to consider quoting. In preparing for our 2021 renewal, our Brokers identified the following key areas of our program:

- Non-renewal of Auto coverage from AIG
- Gaps in Excess Casualty tower due to capacity limitations and non-renewals
- Finding enough capacity in the marketplace to provide total limits of \$100 million per occurrence

In 2020 and again in 2021, we were faced with significant challenges due to a hardening marketplace. Specifically, on the excess liability, carriers who were previously quoting large limits (\$10MM or more) were either cutting back their capacity or non-renewing entirely. This

hardening market is an underwriting-driven marketplace. As such, capital (and consequently capacity) is reduced, thereby limiting the availability of insurance.

Accordingly, we requested our Brokers to obtain a 30-day extension on all expiring policies to allow more time to seek the requisite coverages to protect RIOC's operations and risks. The 30-day extension was obtained at a cost of \$253,185. We seek ratification of this expense.

Also, we are seeking approval for the 11 months (5/1/21-4/1/22) renewal premiums in the amount of \$3,315,609.

To highlight the difficulties in obtaining the renewals, our Brokers approached 49 markets in 2020, with their focus on the excess casualty premium. The end result was an excess tower consisting of eight markets, as opposed to six in 2019. The overall Casualty premium increased drastically. The higher layers which had previously cost very little per million were basically re-priced at multiples of expiring. When our Brokers are challenged with filling holes in the excess tower with limited "players", they are not in a position to compare and contrast quotes to choose the most competitive quote because there are no options to consider. In 2020 and again in 2021, their options were limited due to the fact that most carriers are reluctant to write a new risk, leaving them primarily with our incumbent markets.

Another hurdle was the Automobile, which was non-renewed by AIG. Our Brokers approached over 20 auto markets, all of whom have declined to quote, citing NYC auto, the bus fleet exposure and loss history. The end result was to move the Auto Liability coverage to RIOC's General Liability carrier, Berkley, who quoted an option to include the auto liability at a high retention/deductible (\$500k). Our Brokers have provided their Auto Liability Forecast Analysis (Attachment A), which they prepared to provide estimated costs to RIOC at various deductible levels. As shown, at the \$500k deductible our Brokers estimate annual losses (out of pocket to RIOC) to be \$292,000.

On the Umbrella tower, while our Brokers are still seeing increases in 2021, they are fortunately not nearly as severe as they saw in 2020. That said, many of the alternative excess carriers that our Brokers approached declined to quote at all, even at the higher attachment layers. However, fortunately our Brokers were able to identify new players and shuffle existing carriers' attachments to fill in the holes in our tower.

Our Brokers also tried to identify carriers who could offer a quote to compete with the AIG lead umbrella, but no carriers were interested, even considering the higher premiums. However, our Brokers recently completed the umbrella tower for 2021, as reflected on our 2021 Premium Summary (Attachment B). We now have eleven carriers in place to complete the Umbrella tower, as opposed to eight carriers in 2020.

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 40 carriers.

In Gallagher's Winter Insurance Market Update (February 2021), our Brokers reviewed the current marketplace as respects ranges of rate increases by line:

Property	+15% to +20% or more
Umbrella	+20% to +30% or more
General Liability	+5% to +10%
Commercial Auto	+7% to +12%
Workers Compensation	-2% to + 5% or more
D&O (Private)	+10% to +25% or more
D&O (Pubic)	+25% to +45% or more
Cyber	+15% to +50% or more

However, challenging risk profile characteristics play a factor in these increases, and RIOC fits into many of these challenging risk factors (Public Sector and Habitational, Property limits of greater than \$50 million, and Umbrella limits greater than \$25MM).

That said, the end result of our Brokers' 2021 marketing efforts is a 6% increase over expiring (\$3,568,794 versus \$3,375,390). The caveat is that RIOC will now be self-insured for the first \$500,000 for Auto claims, so factoring in estimated auto claims within the \$500k deductible of \$292,000 the overall increase is just under 14% ((\$3,568,794 +\$292,000) vs. \$3,375,390). Again, this is based on estimated auto claims which is a variable.

In the interest of continuing protection for the Corporation's operations, we recommend the Board's ratification of the 30-day extension at a total cost of \$253,185.

Also, we recommend the Board approve the renewals for the 11 months period May 1, 2021 through March 31, 2022 at a total cost of \$3,315,609, and the estimated auto claims in the amount of \$292,000 under the self-insured for the first \$500,000 for Auto claims.



Insurance | Risk Management | Consulting

ATTACHMENT A

ROOSEVELT ISLAND OPERATING CORPORATION

Forecast Analysis

Auto Liability

valued as of: 02/17/21

Date Issued: 03/31/21

Disclaimer:

Gallagher provides risk services consultation that is tailored to our clients' particular loss history, industry risk factors, and insurance program structure. Our services, summaries and recommendations can include claim advocacy, evaluation of loss frequency and severity, loss prevention strategy, sufficiency of self-insured retentions, risk transfer options, identification of risk exposures, and insurance coverage for particular claims. Our work can also include collaboration with carriers, our client's legal counsel, loss prevention or actuarial consultants. We emphasize that any of the above risk services, risk management opinions, and advice provided directly to clients or to clients' third-party vendors, is both confidential and intended for our clients' use and not for distribution. We also only offer the advice from an insurance/risk management perspective and it is NOT legal advice or intended to supplant the advice or services provided to clients from legal counsel and advisors. We recommend that our clients seek advice from legal counsel and third-party professionals to become fully apprised of all legal and financial implications to their businesses.

ROOSEVELT ISLAND OPERATING CORPORATION

Auto Liability

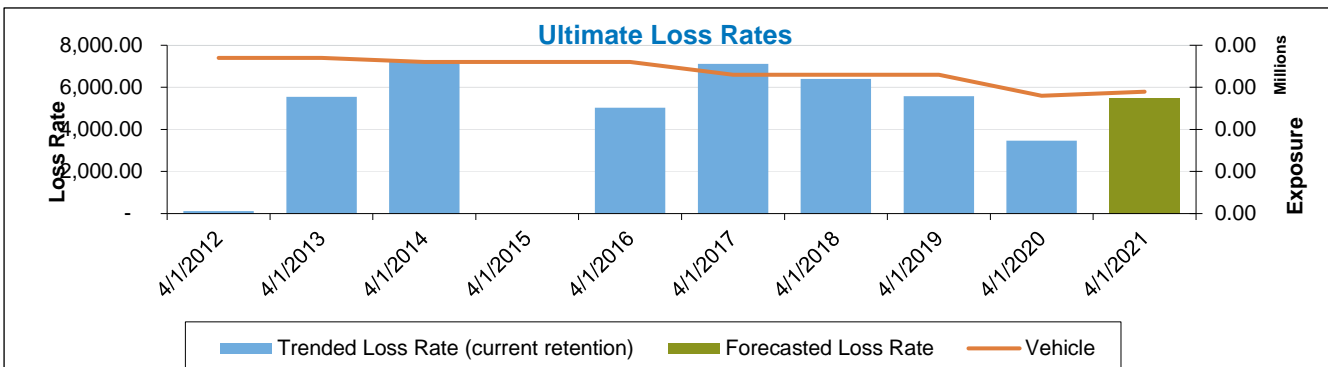
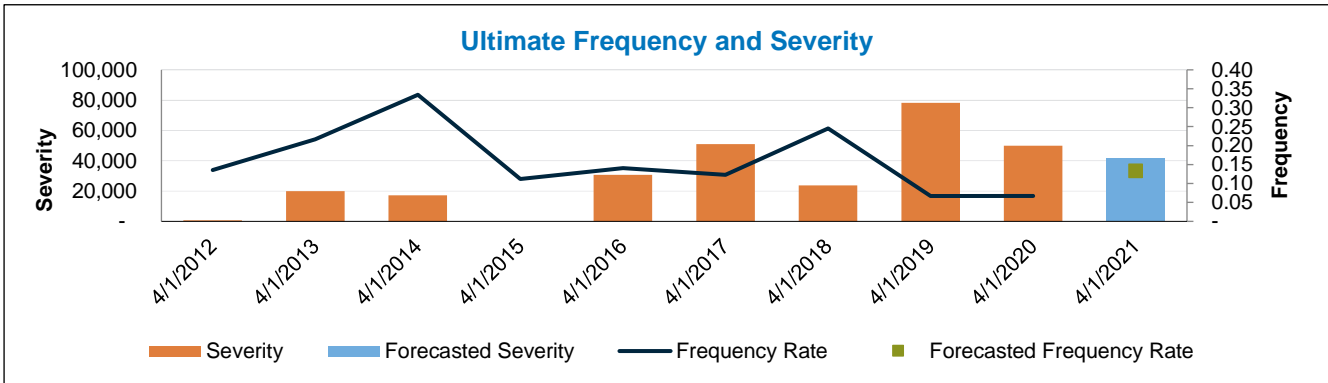
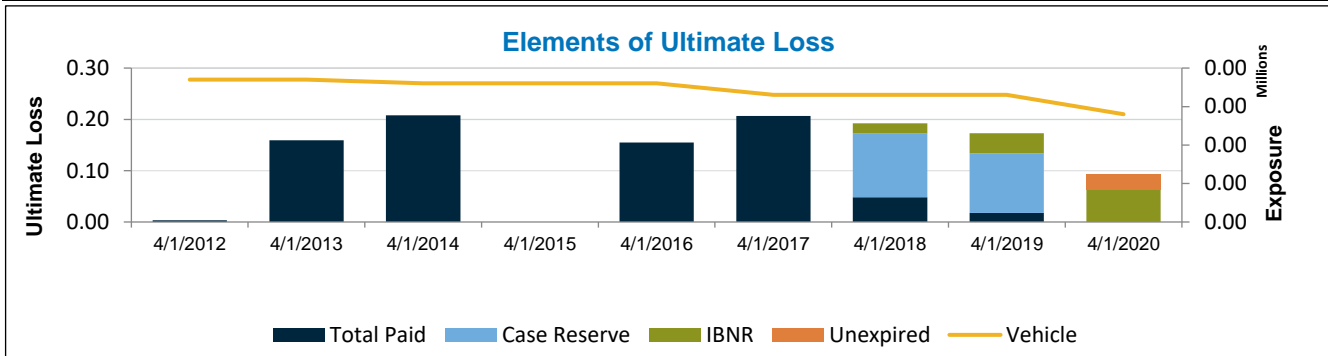
Evaluated as of 2/17/21

Executive Summary

Forecast Summary

Policy Year:	4/1/2021	4/1/2022
Vehicle Count	29	29
Ultimate Loss*	160,000	165,000
Loss Rate (per Vehicle)	5,504.83	5,683.41
Ultimate Count	4	4
Frequency Rate (per Vehicle)	0.13	0.13
Severity (Cost per Claim)	41,549	42,848

*excluding ULAE



ROOSEVELT ISLAND OPERATING CORPORATION
Auto Liability
Evaluated as of 2/17/21
Projection of Ultimate loss at Different Retentions

Policy Year: Vehicle Count		4/1/2021 29		
Retention	ILF/DLF	Ultimate Loss	Loss Rate	
150,000	1.000	160,000	5,517	
100,000	0.814	130,000	4,483	
250,000	1.297	208,000	7,172	
500,000	1.827	292,000	10,069	
1,000,000	2.454	393,000	13,552	
Unlimited	3.810	610,000	21,034	

ROOSEVELT ISLAND OPERATING CORPORATION
Auto Liability
Evaluated as of 2/17/21
Projection of Ultimate loss and Count -- Limited to \$150,000 Retention

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Policy Period	Retention	Exposure: Vehicle Count	Exposure Trend Factor	Loss Trend Factor	Loss Rate	Frequency Rate	Ultimate Loss	Ultimate Claim Count	Ultimate Severity
4/1/2021	150,000	29	1.000	1.000	5,505	0.13	160,000	4	41,549
4/1/2022	150,000	29	1.000	0.969	5,683	0.13	165,000	4	42,848

Notes:

- | | |
|---|-------------------------------|
| (1) Provided by Client | (7) Column(2) x Column(5) |
| (2) Provided by Client | (8) Column(2) x Column(6) / 1 |
| (3) Loss Rate Exhibit | (9) Column(7) / Column(8) |
| (4) Loss Rate Exhibit | |
| (5) Selected loss rate from Loss Rate Exhibit -- Adjusted for trend | |
| (6) Selected frequency rate from Exhibit 9 -- Adjusted for trend | |

ROOSEVELT ISLAND OPERATING CORPORATION
Auto Liability

Evaluated as of 2/17/21

Derivation of Projected Loss Rate
Loss Rate -- Limited to Current Retention

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Policy Period	Exposure Vehicle Count	Exposure Trend Factor	Ultimate Loss	Loss Trend Factor	Trended Ultimate Loss	Trended Vehicle Count	Trended Loss Rate	Retention Adjustment Factor	Trended Ult Loss Rate to Current Ret.
4/1/2012	37	1.000	3,376	1.326	4,476	37	121	1.00	121
4/1/2013	37	1.000	159,357	1.290	205,568	37	5,556	1.00	5,556
4/1/2014	36	1.000	207,725	1.248	259,260	36	7,202	1.00	7,202
4/1/2015	36	1.000	-	1.206	-	36	-	1.00	-
4/1/2016	36	1.000	154,573	1.173	181,325	36	5,037	1.00	5,037
4/1/2017	33	1.000	206,818	1.136	234,990	33	7,121	1.00	7,121
4/1/2018	33	1.000	192,000	1.101	211,298	33	6,403	1.00	6,403
4/1/2019	33	1.000	173,000	1.063	183,912	33	5,573	1.00	5,573
4/1/2020	28	1.000	94,000	1.032	97,049	28	3,466	1.00	3,466
Total/Avg	309		1,190,850		1,377,878	309	4,459		

All Yrs. Average	4,498
All Yrs. excluding High/Low	4,754
Latest 4-Year Weighted Average	5,726
Latest 4-Year Average	5,641
Latest 3-Year Average	5,147
Latest 3-Year Trend	2,211
Selection	5,505

- Notes:
- (1) Provided by Client
 - (2) Exhibit 5
 - (3) Exhibit 1
 - (4) Exhibit 9
 - (5) Column (3) / Column (4)
 - (6) Exhibit 9
 - (7) Column (5) / Column (6)
 - (8) Based on a mix of client, proprietary, and industry data
 - (9) Column (7) x Column (8)

ROOSEVELT ISLAND OPERATING CORPORATION
Auto Liability
Evaluated as of 2/17/21
Summary of Methods
Losses Limited to Retention

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Policy Period	Paid Development Method	Incurred Development Method	Case Reserve Development Method	Paid Cape Cod Method	Incurred Cape Cod Method	Paid BF Method	Incurred BF Method	Prior Selection	Selected Ultimate
4/1/2012	3,401	3,388	3,376	4,194	3,954				3,376
4/1/2013	161,110	160,167	159,357	160,618	160,208				159,357
4/1/2014	211,428	209,195	207,725	209,765	208,915				207,725
4/1/2015	-	-	-	4,526	2,313				-
4/1/2016	166,926	158,609	154,573	163,744	159,155				154,573
4/1/2017	242,434	218,550	206,818	224,048	215,968				206,818
4/1/2018	66,101	193,137	257,293	80,808	191,263				192,000
4/1/2019	32,490	171,397	242,624	74,469	173,750				173,000
4/1/2020	-	-	-	87,352	101,400				94,000
Total	883,891	1,114,444	1,231,767	1,009,526	1,216,926	-	-	-	1,190,850

<i>Notes:</i>	(1)	Exhibit 2	(5)	Exhibit 6
	(2)	Exhibit 3	(6)	Exhibit 7
	(3)	Exhibit 4	(7)	Exhibit 8
	(4)	Exhibit 5	(8)	Prior analysis was not provided
			(9)	Selection

ROOSEVELT ISLAND OPERATING CORPORATION
Auto Liability

Evaluated as of 2/17/21

Paid Development Method
Losses Limited to Retention

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Policy Period	Unlimited Paid Loss	Retention	Paid Excess of Retention	# of Claims Above Retention	Limited Paid Loss	Ltd Paid LDF	Ultimate Paid Loss	Closed Count	Ultimate Count	Paid Severity	Closed to Ult. Count Ratio
4/1/2012	3,376	150,000	-	-	3,376	1.007	3,401	5	5	675	99.7%
4/1/2013	356,983	150,000	197,626	1	159,357	1.011	161,110	7	8	22,765	87.3%
4/1/2014	647,020	150,000	439,295	1	207,725	1.018	211,428	12	12	17,310	99.8%
4/1/2015	-	150,000	-	-	-	1.039	-	4	4	-	99.1%
4/1/2016	188,640	150,000	34,068	1	154,573	1.080	166,926	5	5	30,915	99.1%
4/1/2017	368,499	150,000	161,680	1	206,818	1.172	242,434	4	4	51,705	98.6%
4/1/2018	48,421	150,000	-	-	48,421	1.365	66,101	7	8	6,917	86.6%
4/1/2019	17,803	150,000	-	-	17,803	1.825	32,490	-	2	N/A	0.0%
4/1/2020	-	150,000	-	-	-	4.941	-	-	2	N/A	0.0%
Total/Avg	1,630,743		832,669	4	798,074		883,891	44	50	18,138	87.3%

Notes:

- | | |
|--|----------------------------|
| (1) Raw Data File | (7) Column(5) x Column(6) |
| (2) Provided by Client | (8) Raw data file |
| (3) Losses excess of Retention | (9) Exhibit 9 |
| (4) Claim count above Retention | (10) Column(5) / Column(8) |
| (5) Column(1) - Column(3) | (11) Column(8) / Column(9) |
| (6) Based on Industry and Proprietary data | |

ROOSEVELT ISLAND OPERATING CORPORATION
Auto Liability

Evaluated as of 2/17/21

Incurred Development Method
Losses Limited to Retention

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Policy Period	Unlimited Incurred Loss	Retention	Incurred Excess of Retention	# of Claims Above Retention	Limited Incurred Loss	Ltd Incurred LDF	Ultimate Incurred Loss	Reported Count	Ultimate Count	Incurred Severity	Reported to Ult. Count Ratio
4/1/2012	3,376	150,000	-	-	3,376	1.004	3,388	5	5	675	99.7%
4/1/2013	1,355,361	150,000	1,196,004	1	159,357	1.005	160,167	8	8	19,920	99.8%
4/1/2014	647,020	150,000	439,295	1	207,725	1.007	209,195	12	12	17,310	99.8%
4/1/2015	-	150,000	-	-	-	1.013	-	4	4	-	99.1%
4/1/2016	188,640	150,000	34,068	1	154,573	1.026	158,609	5	5	30,915	99.1%
4/1/2017	368,499	150,000	161,680	1	206,818	1.057	218,550	4	4	51,705	98.6%
4/1/2018	470,416	150,000	298,359	1	172,057	1.123	193,137	8	8	21,507	99.0%
4/1/2019	133,942	150,000	-	-	133,942	1.280	171,397	2	2	66,971	90.6%
4/1/2020	-	150,000	-	-	-	2.756	-	-	2	N/A	0.0%
Total/Avg	3,167,255		2,129,406	5	1,037,848		1,114,444	48	50	21,622	95.3%

Notes:

- | | |
|--|----------------------------|
| (1) Raw Data File | (7) Column(5) x Column(6) |
| (2) Provided by Client | (8) Raw data file |
| (3) Losses excess of Retention | (9) Exhibit 9 |
| (4) Claim count above Retention | (10) Column(5) / Column(8) |
| (5) Column(1) - Column(3) | (11) Column(8) / Column(9) |
| (6) Based on Industry and Proprietary data | |

ROOSEVELT ISLAND OPERATING CORPORATION
Auto Liability
Evaluated as of 2/17/21
Case Reserve Development Method

Losses Limited to Retention

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Policy Period	Limited Paid Loss	Limited Incurred Loss	Limited Case Reserve	Ltd Paid LDF	Ltd Incurred LDF	Ltd Case LDF	Ultimate Loss	Open Count	Ultimate Count	IBNR Count	Case Severity	Ultimate Open+IBNR Severity
4/1/2012	3,376	3,376	-	1.007	1.004	1.945	3,376	-	5	0	N/A	N/A
4/1/2013	159,357	159,357	-	1.011	1.005	1.867	159,357	1	8	0	-	-
4/1/2014	207,725	207,725	-	1.018	1.007	1.670	207,725	-	12	0	N/A	N/A
4/1/2015	-	-	-	1.039	1.013	1.542	-	-	4	0	N/A	N/A
4/1/2016	154,573	154,573	-	1.080	1.026	1.524	154,573	-	5	0	N/A	N/A
4/1/2017	206,818	206,818	-	1.172	1.057	1.576	206,818	-	4	0	N/A	N/A
4/1/2018	48,421	172,057	123,636	1.365	1.123	1.689	257,293	1	8	0	123,636	193,095
4/1/2019	17,803	133,942	116,139	1.825	1.280	1.936	242,624	2	2	0	58,069	101,790
4/1/2020	-	-	-	4.941	2.756	4.970	-	-	2	2	N/A	N/A
Total/Avg	798,074	1,037,848	239,775				1,231,767	4	50	2	59,944	68,032

Notes:

- | | |
|---|---|
| (1) Exhibit 2 | (7) Column(3) x Column(6) + Column(1) |
| (2) Exhibit 3 | (8) Raw data file |
| (3) Column(2) - Column(1) | (9) Exhibit 9 |
| (4) Exhibit 2 | (10) Column(9) - Reported Count |
| (5) Exhibit 3 | (11) Column(3) / Column(8) |
| (6) (Incurred LDF - 1) X Paid LDF / (Paid LDF - Incurred LDF) + 1 | (12) {Column(7) - Column(1)} / {Column(8)+Column(10)} |

ROOSEVELT ISLAND OPERATING CORPORATION

Auto Liability

Evaluated as of 2/17/21

Paid Cape Cod Method

Losses Limited to Retention

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Policy Period	Retention	Limited Paid Loss	Loss Trend Factor	Vehicle Count	Exposure Trend Factor	% Paid Developed	Retention Adjustment Factor	Trended Ultimate Loss Rate	Selected Loss Rate	Expected Ultimate Loss	Estimated Ultimate Loss
4/1/2012	150,000	3,376	1.326	37	1.000	99.3%	1.00	121.86	3,046.21	112,710	4,194
4/1/2013	150,000	159,357	1.290	37	1.000	98.9%	1.00	5,616.99	3,130.43	115,826	160,618
4/1/2014	150,000	207,725	1.248	36	1.000	98.2%	1.00	7,330.07	3,235.48	116,477	209,765
4/1/2015	150,000	-	1.206	36	1.000	96.2%	1.00	-	3,347.27	120,502	4,526
4/1/2016	150,000	154,573	1.173	36	1.000	92.6%	1.00	5,439.36	3,442.40	123,926	163,744
4/1/2017	150,000	206,818	1.136	33	1.000	85.3%	1.00	8,347.16	3,554.07	117,284	224,048
4/1/2018	150,000	48,421	1.101	33	1.000	73.3%	1.00	2,204.38	3,669.37	121,089	80,808
4/1/2019	150,000	17,803	1.063	33	1.000	54.8%	1.00	1,046.66	3,798.59	125,354	74,469
4/1/2020	150,000	-	1.032	28	1.000	20.2%	1.00	-	3,911.30	109,516	87,352
Total/Avg		798,074		309		All Yr. Weighted Avg Last 4-Yrs. Weighted Avg Selected Rate		3,789.55 4,038.19 4,038.19		1,062,685	1,009,526

Notes:

- (2) Exhibit 4
- (3) Based on Masterson Indices specific to AL
- (4) Provided by client
- (5) using a weighted average of CPI data and 0.00% trend factor
- (6) 1/ Exhibit 2, Column(6)
- (8) Based on a mix of client, proprietary, and industry data
- (8) {Ult. Paid x Column(3)}/(Column(4) x Column(5))
- (9) Selected Loss Rate adjusted for exposure and loss trend
- (10) Column(4) x Column(9)
- (11) Column(2) + {1-Column(6)} x Column(9)

ROOSEVELT ISLAND OPERATING CORPORATION

Auto Liability

Evaluated as of 2/17/21

Incurred Cape Cod Method

Losses Limited to Retention

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Policy Period	Retention	Limited Incurred Loss	Loss Trend Factor	Vehicle Count	Exposure Trend Factor	% Incurred Developed	Retention Adjustment Factor	Trended Ultimate Loss Rate	Selected Loss Rate Detrended	Expected Ultimate Loss	Estimated Ultimate Loss
4/1/2012	150,000	3,376	1.326	37	1.000	99.6%	1.00	121.40	4,426.74	163,789	3,954
4/1/2013	150,000	159,357	1.290	37	1.000	99.5%	1.00	5,584.10	4,549.13	168,318	160,208
4/1/2014	150,000	207,725	1.248	36	1.000	99.3%	1.00	7,252.65	4,701.79	169,265	208,915
4/1/2015	150,000	-	1.206	36	1.000	98.7%	1.00	-	4,864.24	175,112	2,313
4/1/2016	150,000	154,573	1.173	36	1.000	97.5%	1.00	5,168.32	5,002.49	180,090	159,155
4/1/2017	150,000	206,818	1.136	33	1.000	94.6%	1.00	7,524.84	5,164.77	170,437	215,968
4/1/2018	150,000	172,057	1.101	33	1.000	89.1%	1.00	6,440.91	5,332.32	175,966	191,263
4/1/2019	150,000	133,942	1.063	33	1.000	78.1%	1.00	5,521.45	5,520.10	182,163	173,750
4/1/2020	150,000	-	1.032	28	1.000	36.3%	1.00	-	5,683.89	159,149	101,400
Total/Avg		1,037,848		309		All Yr. Weighted Avg Last 4-Yrs. Weighted Avg Selected Rate		4,400.94 5,868.28 5,868.28		1,544,290	1,216,926

Notes:

- (2) Exhibit 4
- (3) Based on Masterson Indices specific to AL
- (4) Provided by client
- (5) using a weighted average of CPI data and 0.00% trend factor
- (6) 1/ Exhibit 3, Column(6)
- (7) Based on a mix of client, proprietary, and industry data
- (8) $\{Ult. Paid \times Column(3)\} / \{Column(4) \times Column(5)\}$
- (9) Selected Loss Rate adjusted for exposure and loss trend
- (10) $Column(4) \times Column(9)$
- (11) $Column(2) + \{1 - Column(6)\} \times Column(9)$

ROOSEVELT ISLAND OPERATING CORPORATION
Auto Liability
Evaluated as of 2/17/21
Paid Bornhuetter Ferguson Method
Losses Limited to Retention

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Policy Period	Retention	Limited Paid Losses	Initial Expected Ultimate	Percentage Paid Losses	Percentage Unpaid Losses	Expected Unpaid Losses	Estimated Ultimate Loss
4/1/2012	150,000	3,376		99.3%	0.7%		
4/1/2013	150,000	159,357		98.9%	1.1%		
4/1/2014	150,000	207,725		98.2%	1.8%		
4/1/2015	150,000	-		96.2%	3.8%		
4/1/2016	150,000	154,573		92.6%	7.4%		
4/1/2017	150,000	206,818		85.3%	14.7%		
4/1/2018	150,000	48,421		73.3%	26.7%		
4/1/2019	150,000	17,803		54.8%	45.2%		
4/1/2020	150,000	-		20.2%	79.8%		
Total		798,074	-			-	-

Notes:

- (1) Provided by client
- (2) Exhibit 4
- (3) Prior Review as of 1/0/00
- (4) Exhibit 5

- (5) 1-Column(4)
- (6) Column(3) x Column(5)
- (7) Column(2) + Column(6)

ROOSEVELT ISLAND OPERATING CORPORATION

Auto Liability

Evaluated as of 2/17/21

Incurred Bornhuetter Ferguson Method

Losses Limited to Retention

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Policy Period	Retention	Limited Incurred Losses	Initial Expected Ultimate	Percentage Reported Incurred	Percentage Unreported Incurred	Expected IBNR Incurred	Estimated Ultimate Loss
4/1/2012	150,000	3,376		99.6%	0.4%		
4/1/2013	150,000	159,357		99.5%	0.5%		
4/1/2014	150,000	207,725		99.3%	0.7%		
4/1/2015	150,000	-		98.7%	1.3%		
4/1/2016	150,000	154,573		97.5%	2.5%		
4/1/2017	150,000	206,818		94.6%	5.4%		
4/1/2018	150,000	172,057		89.1%	10.9%		
4/1/2019	150,000	133,942		78.1%	21.9%		
4/1/2020	150,000	-		36.3%	63.7%		
Total		1,037,848	-			-	-

Notes:

- (1) Provided by client
- (2) Exhibit 4
- (3) Prior Review as of 1/0/00
- (4) Exhibit 6

- (5) 1-Column(4)
- (6) Column(3) x Column(5)
- (7) Column(2) + Column(6)

ROOSEVELT ISLAND OPERATING CORPORATION
Auto Liability
Evaluated as of 2/17/21
Claim Count Development Method

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Policy Period	Claim Count	Count Development Factor	Chain-Ladder Developed Claims	Exposure Trend Factor	Trended Vehicle Count	% Claim Developed	Trended Frequency Rate	Expected Ultimate Count	Final Ultimate Count	Final Frequency Rate
4/1/2012	5	1.003	5	1.000	37	99.7%	0.14	5	5	0.14
4/1/2013	8	1.004	8	1.000	37	99.6%	0.22	5	8	0.22
4/1/2014	12	1.006	12	1.000	36	99.4%	0.33	5	12	0.33
4/1/2015	4	1.008	4	1.000	36	99.2%	0.11	5	4	0.11
4/1/2016	5	1.010	5	1.000	36	99.0%	0.14	5	5	0.14
4/1/2017	4	1.013	4	1.000	33	98.7%	0.12	4	4	0.12
4/1/2018	8	1.019	8	1.000	33	98.1%	0.24	4	8	0.24
4/1/2019	2	1.050	2	1.000	33	95.2%	0.06	4	2	0.07
4/1/2020	-	2.023	-	1.000	28	49.4%	-	4	2	0.07
Total/Avg	48		48		309		0.16	41	50	0.16
						All Yr. Avg	0.16			
						Last 4-Years	0.11			
						Selection	0.13			

Notes:

- | | |
|---|---|
| (1) Raw Data | (7) Column(3) / Column(5) |
| (2) Count Development Factors adjusted for age of development | (8) Selected Rate x Column(5) / 1 |
| (3) Column(1) x Column(2) | (9) Column(1) + {1-Column(6)} x Column(8) |
| (4) Exhibit 5 | (10) Column(9) / Column(5) |
| (5) Vehicle adjusted for Trend | |
| (6) 1/Column(2) | |

ROOSEVELT ISLAND OPERATING CORPORATION
Auto Liability
Evaluated as of 2/17/21
Large Losses -- Greater than \$100,000 Incurred

Claim #	Date of Loss	Total Paid	Total Incurred	Retention	Paid Excess of Retention	Incurred Excess of Retention
EXM7131	9/3/2013	347,626	1,346,004	150,000	197,626	1,196,004
E0X7413	10/8/2014	589,295	589,295	150,000	439,295	439,295
501-360509-002	8/2/2016	184,068	184,068	150,000	34,068	34,068
501-534822-001	12/23/2017	311,680	311,680	150,000	161,680	161,680
501-679581-001	2/17/2019	26,364	448,359	150,000	-	298,359

ROOSEVELT ISLAND OPERATING CORPORATION**Auto Liability***Evaluated as of 2/17/21***Large Losses -- Greater than \$100,000 Incurred**

Claim #	Date of Loss	Total Paid	Total Incurred	Retention	Paid Excess of Retention	Incurred Excess of Retention
Total		1,459,033	2,879,406		832,669	2,129,406

ATTACHMENT B

ROOSEVELT ISLAND OPERATING CORPORATION

2021 PREMIUM SUMMARY

Primary GL and Excess Liability

Expiring Policies				Renewing Policies			
2020 Carriers	Coverages	Limits	2020 Expiring Premiums Program	2021 Carriers	30 day extension Premiums	11 month 5/1/21-4/1/22 Premiums	Total
			\$150k SIR and 2/4 Limit				
	General Liability	\$2,000,000/\$4,000,000 \$150,000 SIR	\$350,998	Berkley	\$35,192	\$387,108	\$422,300
		\$1,500,000 XS \$500k SIR	N/A	Berkley		\$275,400	\$275,400
	TPA Fees	Sedgwick TPA Fees	Included	Sedgwick		\$10,000	\$10,000
AIG	Umbrella \$5MM	\$5,000,000	\$183,941	AIG - \$5M	\$14,676	\$223,863	\$238,539
Axis	\$5MM xs \$5MM	\$5MM s \$5MM	\$220,320	Axis - \$5M xs \$5M	\$23,444	\$257,881	\$281,325
AWAC	\$5MM xs \$10MM	\$5MM xs \$10MM	\$176,715	AWAC - \$5M xs \$10M	\$18,205	\$207,795	\$226,000
Navigators	Umbrella	\$15MM xs \$15MM	\$312,085	Navigators - \$15M xs \$15	\$23,605	\$321,484	\$345,089
Great American	Umbrella	\$10MM xs \$30MM	\$177,174	Great American - \$10M x	\$17,491	\$195,809	\$213,300
C&F/North River	Umbrella	\$15MM xs \$40MM	\$187,842	Argonaut - \$10MM xs \$4M	\$16,813	\$142,290	\$159,103
C&F/Axis				C&F/Axis - \$15MM xs \$50MM		\$179,291	\$179,291
ACE Westchester	Umbrella	\$25MM xs \$55MM	\$196,187	ACE - \$20MM xs \$65M	\$15,375	\$146,880	\$162,255
Scottsdale	Umbrella	\$25MM xs \$75MM	\$115,903	Scottsdale - \$10M xs \$85	\$9,429	\$55,080	\$64,509
Liberty	Umbrella	\$25MM xs \$100MM	\$2,104	Ascot - \$5MM xs \$95		\$25,002	\$25,002
	Sub-total		\$1,923,269		\$174,230	\$2,427,883	\$2,602,113

Property, Boiler & Machinery, Auto, Public Official, Cyber Policies

Expiring Policies				Renewing Policies			
				-\$174,230			
AIG	Property	\$256,191,191	\$778,647	AIG	\$70,838	\$786,625	\$857,463
	NY Fire Fee		\$8,515		\$781	\$8,673	\$9,454
HSB	B&M		\$20,209	HSB	\$1,657	\$20,176	\$21,833
AIG	Auto*		\$575,265				\$0
XL	POL		\$63,093	XL	\$5,154	\$63,975	\$69,129
BCS	Cyber		\$6,392	BCS	\$525	\$8,277	\$8,802
	Carrier insured		\$3,375,390		\$253,185	\$3,315,609	\$3,568,794
	Self-insured**						\$292,000
	Total		\$3,375,390	\$0	\$253,185	\$3,315,609	\$3,860,794

*Auto a/p will be picked up at audit

**Estimated Auto Claims in SIR

Sedgwick TPA fees are estimated