



**Truckee Tahoe Airport District**  
 2017 Commercial Property Renewal  
 7/1/2017

Location	Name	Bldg#	Coverage	Area	Year	Value	Rate	Premium
10356 Truckee Airport Road	Generator Building	1	BUILDING	800	1971	\$45,600	0.1048	\$48
	Electrical Building	2	BUILDING	800	1976	\$138,913	0.104	\$144
	Hangar #2	3	BUILDING	<del>3801</del>	<del>1976</del>	\$0	0	\$0
	Hangar #1	4	BUILDING	6920	1976	\$750,000	0.1039	\$779
	Phoenix Hangar	5	BUILDING	1000	1976	\$57,000	0.1039	\$59
	EAA Building	6	BUILDING	5000	1972	\$285,000	0.1039	\$296
	New Maintenance	7	BUILDING	9350	1966	\$1,623,564	0.1039	\$1,687
		7	YBPP	0		\$100,976	0.1039	\$105
	Wherehouse	8	BUILDING	30000	1979	\$2,000,000	0.1039	\$2,078
	Modular Office	9	BUILDING	1728	1967	\$250,000	0.1039	\$260
		9	YBPP	0		\$1,423	0.073	\$1
	2 Bay Shop	10	BUILDING	1140	1979	\$64,980	0.104	\$68
	Hangar K 1-14	11	BUILDING	14720	1979	\$760,034	0.1039	\$790
	Hangar J 1-8	12	BUILDING	8382	1979	\$750,000	0.1039	\$779
	Hangar A 9-29	13	BUILDING	30000	1992	\$2,200,000	0.1039	\$2,286
	Hangar B 1-25	14	BUILDING	30000	1998	\$2,200,000	0.1039	\$2,286
	Hangar C 1-25	15	BUILDING	30000	1998	\$2,200,000	0.1039	\$2,286
	Hangar D 1-25	16	BUILDING	30000	1976	\$2,200,000	0.1039	\$2,286
	Hangar E 1-25	17	BUILDING	30000	2002	\$2,200,000	0.1039	\$2,286
	Hangar F 1-21	18	BUILDING	30000	1978	\$2,200,000	0.1039	\$2,286
	Hangar G 1-25	19	BUILDING	32032	1978	\$2,200,000	0.1039	\$2,286
	Hangar H 1-10	20	BUILDING	40300	1978	\$2,200,000	0.1039	\$2,286
	Auto Rental Bldg	21	BUILDING	590	<del>1978</del>	\$0	0	\$0
	Generator Building #2	22	BUILDING	350	1976	\$19,950	0.1042	\$21
	Fuel Farm & Super Safe	23	BUILDING	7500	1976	\$1,302,322	0.1039	\$1,353
	Alder Hill Beacon Tower	24	BUILDING	675	1976	\$34,852	0.1044	\$36
	Dry Lake Beacon	25	BUILDING	1650	1976	\$85,194	0.1037	\$88
	Bald Mountain Beacon	26	BUILDING	2500	2005	\$75,000	0.1039	\$78
	Hangar L 1-16	27	BUILDING	24180	2005	\$2,200,000	0.1039	\$2,286
	Hangar M 1-18	28	BUILDING	18540	2005	\$2,200,000	0.1039	\$2,286
	Airport Terminal & Office	29	BUILDING	12500	2012	\$6,969,844	0.1039	\$7,242
		29	YBPP	0		\$643,686	0.104	\$669
	10400 Reynold Way	Golf Course Building	30	BUILDING	1264	1961	\$261,284	0.1038
Golf Course Building		31	BUILDING	1050	1961	\$70,185	0.1036	\$73
Golf Course Building		32	BUILDING	542	1961	\$39,303	0.1031	\$41
10356 Truckee Airport Road	New Building	33	BUILDING	12500	2016	\$4,000,000	0.1039	\$4,156
	BUSINESS INCOME			0		\$2,994,932	0.1039	\$3,112
	EARTHQUAKE	IM only		0		\$1,000,000	0.045	\$450
	EQUIPMENT			0		\$3,482,549	0.3118	\$10,859
	EQUIPMENT	Leased/Rented		0		\$100,000	0.3118	\$312
	FLOOD	IM only		0		\$1,000,000	0.0315	\$315

Total Building Coverage \$41,583,025  
 Total YBPP Coverage \$746,085  
 Total Misc \$8,577,481

**TOTAL PREMIUM \$59,027**



**2017 Cyber Liability & Coverage Quote**

3<sup>rd</sup> Party Liability Agreements

A. Network and Information Security	\$2,000,000	\$25,000
B. Communication and Media Liability	\$2,000,000	\$25,000
C. Regulatory Defense Expense	\$1,000,000	\$10,000

1<sup>st</sup> Party Insuring Agreements

D. Crisis Management Event Expense	\$1,000,000	\$10,000
E. Security Breach Remediation and Notification	\$1,000,000	\$10,000
F. Computer Program and Electronic Data Restoration	\$1,000,000	\$10,000
G. Computer Fraud	\$1,000,000	\$10,000
H. Funds Transfer Fraud	\$1,000,000	\$10,000
I. E-Commerce Extortion	\$1,000,000	\$10,000
J. Business Interruption and Additional Expense	Not Covered	

**Total Annual Premium** **\$2,229.00**

To add Coverage J. Business Interruption and Additional Expense – add **\$123.00**  
Waiting Period with respect to Insuring Agreement J: 12 hours

**Total Combined Annual Premium** **\$2,352.00**

Limit Detail:

Shared Additional Defense Limit of Liability	N/A
CyberRisk Policy Aggregate Limit	\$2,000,000

Extended Reporting Period and Run-Off:

Additional Premium Percentage:	75%
Additional Months	12

Claim Defense for Association Management Liability Coverage, Liability Coverages and/or Cyber Coverage:

Duty to Defend.

Applicable Endorsements:

- ACF-7006-0511 Removal of Short-Rate Cancellation Endorsement
- AFE-19004-0115 Cap on Losses from Certified Acts of Terrorism Endorsement
- AFE-19008-0115 Federal Terrorism Risk Insurance Act Disclosure
- CYB-19001-0112 Replace Exclusion III. A. 8 Endorsement
- CYB-19005-0313 Fines and Penalties/Consumer Redress Funds/Payment Card Expenses Insuring Agreement Endorsement - Including Chargebacks
- CYB-19017-0315 Global Coverage Compliance Endorsement
- CYB-19019-0715 Privacy Policy Endorsement

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# Travelers Management Liability - Global Risk Update



## What's the issue?

The international regulatory landscape is growing in complexity with an increased focus on **foreign non-admitted insurance** laws. Regulators have become more active in monitoring compliance with these laws, having an impact on insurers, insureds, and brokers. As the business operations and associated insurance risks of Travelers' insureds continue to expand outside of the United States, attention to these laws, which vary from country to country, is increasingly important.

In an effort to clearly address these legal challenges, Travelers will be adding the Global Coverage Compliance Endorsement to primary Management Liability policies that extend coverage beyond the United States.

**Foreign non-admitted insurance** refers to insurance that provides coverage for persons, companies, and property located in a foreign jurisdiction in which the issuing insurer is not licensed or otherwise authorized by the local regulatory authority to provide insurance.

## What are the key endorsement features?

### This endorsement will:

1. Clarify that Travelers cannot legally pay claims in foreign jurisdictions when foreign non-admitted insurance laws prohibit such payments;
2. Clarify Travelers' inability to provide insurance in the event that doing so would violate an applicable trade and economic sanctions law; and
3. Add "**Financial Interest**" coverage, which provides a solution in those foreign jurisdictions where Travelers is not legally permitted to provide coverage to a foreign insured organization, but is able to make payment in the U.S. based on the U.S. named insured's interest in the foreign insured organization.

Under the "**Financial Interest**" coverage, payment is made to the first named insured in the U.S. for the covered loss sustained by the foreign entity. Financial Interest coverage recognizes that a loss sustained by a foreign insured organization impacts the balance sheet of the U.S. named insured, and the payment made in the U.S. to the first named insured is the full amount of the otherwise covered loss.

In situations where a foreign country's non-admitted insurance restrictions would not permit "Financial Interest" coverage, such as for losses sustained by foreign individuals that are not indemnified by an insured organization, including Side-A losses under a Directors & Officers (D&O) policy, Travelers can help procure a local policy. Travelers has the ability to place locally admitted D&O policies in over 100 countries.

## How is this helpful to you and your customers?

The goal in attaching this new endorsement is to be transparent about Travelers' intent to remain compliant with foreign non-admitted insurance and trade and economic sanctions laws. With the "Financial Interest" coverage provided in this endorsement, Travelers has an express contractual obligation to pay the first named insured in the U.S. when the loss is sustained by a foreign insured organization in a country that prohibits non-admitted insurance.

## Who should I contact for more information?

To learn more, please contact your local Travelers underwriter.

## Carrier Ratings and Admitted Status

Proposed Carriers	A.M. Best's Rating	Admitted/Non-Admitted
Travelers Casualty & Surety Co.	A++ XV	Admitted

If the above indicates coverage is placed with a non-admitted carrier, the carrier is doing business in the state as a surplus lines or non-admitted carrier. As such, this carrier is not subject to the same regulations which apply to an admitted carrier nor do they participate in any insurance guarantee fund applicable in that state.

The above A.M. Best Rating was verified on the date the proposal document was created.

### Guide to Best Ratings Rating Levels and Categories

Level	Category	Level	Category	Level	Category
A++, A+	..... Superior	B, B-	..... Fair	D	..... Poor
A, A-	..... Excellent	C++, C+	..... Marginal	E	..... Under Regulatory Supervision
B++, B+	..... Good	C, C-	..... Weak	F	..... In Liquidation
				S	..... Suspended

### Financial Size Categories

*(In \$000 of Reported Policyholders' Surplus Plus Conditional Reserve Funds)*

FSC I		Up to	1,000	FSC IX	250,000	to	500,000
FSC II	1,000	to	2,000	FSC X	500,000	to	750,000
FSC III	2,000	to	5,000	FSC XI	750,000	to	1,000,000
FSC IV	5,000	to	10,000	FSC XII	1,000,000	to	1,250,000
FSC V	10,000	to	25,000	FSC XIII	1,250,000	to	1,500,000
FSC VI	25,000	to	50,000	FSC XIV	1,500,000	to	2,000,000
FSC VII	50,000	to	100,000	FSC XV	2,000,000	or more	
FSC VIII	100,000	to	250,000				

Best's Insurance Reports, published annually by A.M. Best Company, Inc., presents comprehensive reports on the financial position, history, and transactions of insurance companies operating in the United States and Canada. Companies licensed to do business in the United States are assigned a Best's Rating which attempts to measure the comparative position of the company or association against industry averages.

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. View the A.M. Best Important Notice: Best's Credit Ratings for a disclaimer notice and complete details at <http://www.ambest.com/ratings/notice>.

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<b>GUIDE TO BEST'S FINANCIAL STRENGTH RATINGS</b>			
A Best's Financial Strength Rating is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. The rating is based on a comprehensive quantitative and qualitative evaluation of a company's balance sheet strength, operating performance and business profile.			
<b>Best's Financial Strength Ratings</b>			
	<b>Rating</b>	<b>Descriptor</b>	<b>Definition</b>
<b>Secure</b>	A+, A+	Superior	Assigned to companies that have, in our opinion, a superior ability to meet their ongoing insurance obligations.
	A, A-	Excellent	Assigned to companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.
	B+, B+	Good	Assigned to companies that have, in our opinion, a good ability to meet their ongoing insurance obligations.
<b>Vulnerable</b>	B, B-	Fair	Assigned to companies that have, in our opinion, a fair ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
	C+, C+	Marginal	Assigned to companies that have, in our opinion, a marginal ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
	C, C-	Weak	Assigned to companies that have, in our opinion, a weak ability to meet their ongoing insurance obligations. Financial strength is very vulnerable to adverse changes in underwriting and economic conditions.
	D	Poor	Assigned to companies that have, in our opinion, a poor ability to meet their ongoing insurance obligations. Financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions.
	E	Under Regulatory Supervision	Assigned to companies (and possibly their subsidiaries/affiliates) placed under a significant form of regulatory supervision, control or restraint - including cease and desist orders, conservatorship or rehabilitation, but not liquidation - that prevents conduct of normal, ongoing insurance operations.
	F	In Liquidation	Assigned to companies placed in liquidation by a court of law or by a forced liquidation.
	S	Suspended	Assigned to rated companies when sudden and significant events impact operations and rating implications cannot be evaluated due to a lack of timely or adequate information, or in cases where continued maintenance of the previously published rating opinion is in violation of evolving regulatory requirements.
<b>Rating Modifiers</b>			
	<b>Modifier</b>	<b>Descriptor</b>	<b>Definition</b>
	u	Under Review	Indicates the rating may change in the near term, typically within six months. Generally is event driven, with positive, negative or developing implications.
	pd	Public Data	Indicates rating assigned to insurer that chose not to participate in A.M. Best's interactive rating process. (Discontinued in 2010)
	s	Syndicate	Indicates rating assigned to a Lloyd's syndicate.
<b>Rating Outlooks</b>			
Indicates potential direction of a Best's Financial Strength Rating over an intermediate term, generally defined as 12 to 36 months.			
	Positive	Indicates possible rating upgrade due to favorable financial/market trends relative to the current rating level.	
	Negative	Indicates possible rating downgrade due to unfavorable financial/market trends relative to the current rating level.	
	Stable	Indicates low likelihood of a rating change due to stable financial/market trends.	
<b>Under Review Implications</b>			
Indicates the potential direction of a Best's Financial Strength Rating that is in Under Review status based on information currently available.			
	Positive	Indicates there is a reasonable likelihood the company's rating will be raised as a result of A.M. Best's analysis of a recent event.	
	Negative	Indicates there is a reasonable likelihood the company's rating will be lowered as a result of A.M. Best's analysis of a recent event.	
	Developing	Indicates there is uncertainty as to the final rating outcome, but there is a reasonable likelihood the company's rating will change as a result of A.M. Best's analysis of a recent event.	
<b>Not Rated Designation</b>			
NR: Assigned to companies that are not rated by A.M. Best.			
<b>Rating Disclosure</b>			
A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. The ratings are not assigned to specific insurance policies or contracts and do not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. A Best's Financial Strength Rating is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. In arriving at a rating decision, A.M. Best relies on third-party audited financial data and/or other information provided to it. While this information is believed to be reliable, A.M. Best does not independently verify the accuracy or reliability of the information. For additional details, see A.M. Best's <i>Terms of Use</i> at <a href="http://www.ambest.com">www.ambest.com</a> .			
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**Members' Compensation Program Invoice**



Program Year 2017-18

**Truckee Tahoe Airport District**

10356 Truckee Airport Road  
Truckee, California 96161

Invoice Date: 05/12/2017  
Invoice Number: 60398  
Member Number: 5053

Class Code	Classification Description	Reported Payroll	Manual Rate per \$100	Annual Contribution
6220	Heavy Equipment Operator	\$4,610	\$5.89	\$271.53
7429	Airport Operations	\$1,054,828	\$7.24	\$76,369.55
8742-P **	Non-Paid Governing Body Members	11	\$21.19	\$233.09
8810	Clerical; Librarians and Clerks	\$473,820	\$0.57	\$2,700.77
9410	Non-Manual; including Recreation Personnel	\$279,450	\$1.97	\$5,505.17

\*\* Indicates per capita rate class code

Total Estimated Annual Contribution Based on Manual Rates	\$85,080.11
Contribution as Adjusted by the Experience Modification Factor of 82%	\$69,765.69
Less: *15% Credit Incentive Program Discount	-10,464.85
Estimated Annual Adjusted Contribution	<u>\$59,300.84</u>
Less: Longevity Distribution Credit	-3,442.00
Less: 5% Multi-Program Discount	0.00
Less: Member Plus Online RQ Bonus	-75.00
Net Estimated Annual Contribution	<u>\$55,783.84</u>
<b>Total Contribution Amount Due by July 15</b>	<b>\$55,783.84</b>

Please pay in full by the due date. If not, a late charge of one percent (1%) per month, twelve percent (12%) per annum, will be assessed on all sums past due. Imposition of this charge does not extend the due date for payment. Please return BLUE COPY with your payment. For invoice questions call the SDRMA Finance Department.

\* 15% CIP is advanced for purposes of calculating estimated annual invoices, actual CIP earned has been applied to year end audit.

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