



**TRUCKEE TAHOE AIRPORT DISTRICT
BOARD OF DIRECTOR STAFF REPORT**

AGENDA TITLE: Approval of Property, Cyber and Workers' Compensation Insurance Renewal

MEETING DATE: June 26, 2019

PREPARED BY: Kelly Woo, Director of Finance and Administration

RECOMMENDED ACTION: Authorize the General Manager to sign and bind these policies. The property insurance is brokered with Aviation Marine Insurance Services, and the Carrier is AIG covering \$74,000,000 of property, equipment, earthquake and flood coverage with an annual premium of \$78,266. The Cyber insurance is also brokered with Aviation Marine Insurance Services, and Traveler's is the carrier, with an aggregate limit of \$2 million with an annual premium of \$3,965. The Workers' Compensation has been contracted with the Special District Risk Management Authority for many years and the renewal came back with an increase of \$23,000 to the annual premium. Aviation Marine reached out to quote the Workers Compensation policy and they were able to save us \$30,500. The premium through Beacon Insurance is \$47,492 annually. All three policies run from July 1, 2019 to July 1, 2020.

DISCUSSION: The property policy has an increase of 16%, a combination of increased property values, an insurance market that has endured major natural disasters in recent years and an increase in light of the new Executive Hangars. This resulted in an increase of the policy from \$67,000 to \$78,000. This policy is a blanket policy up to the total insured value.

The Cyber policy has an increase of 10% due to an increase in individual event limits to \$2,000,000. The cyber policy again offers additional business interruption coverage this year.

The Workers Compensation policy has a decreased rate from last year with a new carrier-a savings of 39.1%. The worker's compensation is an estimate based on actual payroll. Staff recommends binding these policies this year.

FISCAL IMPACT: The policy premiums are listed above in the first paragraph for a total cost of \$129,723. The overall insurance costs will be \$39,277 under the budgeted amount for the December 31, 2019 year.

ATTACHMENTS:

Commercial Property Renewal

Cyber Liability

Coverage and Workers' Compensation Program Invoice.