



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

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

**MEETING DATE: June 24, 2020**

**PREPARED BY: Kelly Woo, Director of Finance and Administration**

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**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 \$76,000,000 of property, equipment, earthquake and flood coverage with an annual premium of \$89,994. 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 \$4,400. The Workers Compensation premium through Beacon Insurance is estimated to be around \$50,000 annually. We do not have the final quote but we do expect it to be very close to last year's premium. All three policies run from July 1, 2020 to July 1, 2021.

**DISCUSSION:** The property policy has an increase of 15%, a combination of increased property values and an insurance market that has endured major natural disasters in recent years. This resulted in an increase of the policy from \$78,266 to \$89,994. This policy is a blanket policy up to the total insured value. We budgeted very conservatively assuming a much higher increase- 15% is a far more favorable outcome.

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 slight increase based on payroll but should still come in at or under the \$50k budgeted. 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 \$144,394. The overall insurance costs will be \$26k under the budgeted amount for the December 31, 2020 year.

**ATTACHMENTS:**

Commercial Property Renewal Invoice