



Office of the City Manager
5200 Emerald Parkway • Dublin, OH 43017-1090
Phone: 614-410-4400 • Fax: 614-410-4490

Memo

To: Members of Dublin City Council
From: Marsha I. Grigsby, City Manager *MA*
Date: August 7, 2014
Initiated By: Ron Whittington, Risk Manager
Re: Resolution No. 68-14 –New Central Ohio Risk Management Association Members

Summary

Attached for your consideration is Resolution No. 68-14, authorizing the addition of the City of Marysville, Ohio and the City of Canal Winchester, Ohio as new members of the Central Ohio Risk Management Association (CORMA). CORMA is the joint self-insurance pool formed under Chapter 2744 of the Ohio Revised Code of which the City of Dublin has been a member since its inception in 1997. For the past 17 years, CORMA has provided cost effective property and liability insurance services to its membership, which (in addition to the City of Dublin) includes the Cities of Westerville, Upper Arlington, Pickerington, Powell, Grove City and Groveport.

Through the assistance of CORMA's Pool Administrator (Wichert Insurance Services), the CORMA Board of Trustees has determined that it would be advantageous for CORMA to expand its membership, on a selective basis, to other cities they believe have like risk management interests and priorities and would be a good fit for the current CORMA membership. The CORMA Board has established a membership committee that has engaged in the process of identifying a list of prospects, based on certain common attributes. The entities that have been identified on this prospect list are financially strong cities with a reputation for professional local government management and a commitment to sound risk management practices. Two of these entities include the City of Marysville and the City of Canal Winchester.

In order to accomplish CORMA's objective of adding quality members, approval must be obtained by a two-thirds majority of the currently member cities' governing bodies. In that regard, Article V, paragraph (i) of the CORMA Bylaws requires that new members first be approved by at least two-thirds of the CORMA Board of Trustees, followed by the approval, by resolution, of at least two-thirds of the governing bodies of the current member cities. The CORMA Board of Trustees has unanimously approved the addition of the Cities of Marysville and Canal Winchester as new members of CORMA, thus advancing the new membership process to the second stage of the process requiring approval by at least two-thirds of the governing bodies of the current member cities.

CORMA's Pool Administrator, Wichert Insurance Services, has completed an analysis of the property and liability exposures of the Cities of Marysville and Canal Winchester and has determined that these cities present a risk profile that is appropriate for membership in CORMA. Their assessment included the risk exposures in the Cities of Marysville and Canal Winchester and the advantages of expanding the CORMA membership. Three major advantages are both Canal Winchester and Marysville bring strong positive characteristics and loss records to CORMA; the additions will lower fixed costs for each current member of the Pool (i.e. pool administration, actuarial, and accounting fees); and will make CORMA more attractive to excess insurance carriers.

RECORD OF RESOLUTIONS

Dayton Legal Blank, Inc., Form No. 30045

68-14

Resolution No. _____

Passed _____

, 20____

A RESOLUTION AUTHORIZING THE ADDITION OF TWO NEW MEMBERS TO THE CENTRAL OHIO RISK MANAGEMENT ASSOCIATION (CORMA), PURSUANT TO ARTICLE V, PARAGRAPH (I) OF THE CENTRAL OHIO RISK MANAGEMENT ASSOCIATION BY LAWS.

WHEREAS, pursuant to Article V, paragraph (I) of the Central Ohio Risk Management Association (CORMA) Board Bylaws, the CORMA Board of Trustees has unanimously recommended the addition of the City of Marysville, Ohio and the City of Canal Winchester, Ohio for membership in the Central Ohio Risk Management Association; and

WHEREAS, Section V, paragraph (I) of the Central Ohio Risk Management Association (CORMA) Bylaws requires that said Board of Trustees' recommendation be approved by at least two-thirds of the City Councils of the current CORMA membership.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Dublin, State of Ohio, _____ of the elected members concurring, that:

Section 1. The addition of the City of Marysville, Ohio and the City of Canal Winchester, Ohio as new members of CORMA is hereby approved.

Section 2. This resolution shall take effect and be in force upon passage in accordance with Section 4.04 (a) of the Revised Charter.

Passed this _____ day of _____, 2014

Mayor – Presiding Officer

Attest:

Clerk of Council

Attached is Exhibit "A" labeled "CORMA 2013 -14 Exposure Allocation," which shows the exposure allocation for the current CORMA membership with the addition of the Cities of Marysville and Canal Winchester. As noted in these exhibits, the factors determining each entity's proportionate share of the risk include the following:

- Population
- Number of Full-Time Police Officers
- Property Values
- Titled Vehicles
- Ratable Expenditures
- Loss Experience

Although not appearing on the Exhibit, each of the first four factors is weighted at 15%, respectively, while the Loss Experience factor is weighted at 25%. One thing to note on "Exhibit A" is that the proportionate share assigned to the Cities of Marysville and Canal Winchester is 11.52% and 3.26 %, respectively. Given the relative size and complexity of their operations, these cities do not represent a significant increase in exposure for the current CORMA membership.

Recommendation

Staff recommends the adoption of Resolution No. 68-14 at the August 11, 2014 Council meeting.

Exhibit A

***CORMA 2013-2014 Allocation(Including Canal Winchester
and Marysville)***

Exposures 2013	Population	# FT Officers	Property Values	Titled Vehicles	Ratable exp	4+ yrs experience
Dublin	41,751	62	\$97,883,914	257	\$24,403,000	\$745,794
Pickerington	18,291	28	\$54,975,114	68	\$3,943,000	\$425,739
Upper Arlington	34,223	50	\$49,396,222	182	\$17,855,000	\$271,923
Westerville	36,665	79	\$117,874,126	253	\$30,966,000	\$337,869
Grove City	35,708	61	\$31,303,008	107	\$9,161,000	\$177,753
Powell	11,153	17	\$15,128,953	23	\$2,478,000	\$26,986
Groveport	5,300	23	\$19,661,581	53	\$5,551,000	\$155,198
Canal Winchester	7,101	0	\$33,098,243	35	\$1,514,000	\$113,766
Marysville	22,187	38	\$151,095,171	129	\$9,310,000	\$124,667
Totals	212,379	358	\$570,416,332	1,107	\$105,181,000	\$2,379,695

Share 2013	Population	# FT Officers	Property Values	Titled Vehicles	Expenditures	Experience	TOTALS
Dublin	19.66%	17.32%	17.16%	23.22%	23.20%	31.34%	22.92%
Pickerington	8.61%	7.82%	9.64%	6.14%	3.75%	17.89%	9.87%
Upper Arlington	16.11%	13.97%	8.66%	16.44%	16.98%	11.43%	13.68%
Westerville	17.26%	22.07%	20.66%	22.85%	29.44%	14.20%	20.39%
Grove City	16.81%	17.04%	5.49%	9.67%	8.71%	7.47%	10.52%
Powell	5.25%	4.75%	2.65%	2.08%	2.36%	1.13%	2.85%
Groveport	2.50%	6.42%	3.45%	4.79%	5.28%	6.52%	5.00%
Canal Winchester	3.34%	0.00%	5.80%	3.16%	1.44%	4.78%	3.26%
Marysville	10.45%	10.61%	26.49%	11.65%	8.85%	5.24%	11.52%
Totals	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Prepared By: Wichert Insurance
Date: May 15 2014

