



TO: Gahanna City Council
Clerk of Council

FROM: Miranda Vollmer, Senior Director of Administrative Services
Corey Wybensing, Senior Deputy Director of Administrative Services
Mayor Laurie A. Jadwin

Cc: Raymond J. Mularski, Esq., City Attorney
Joann Bury, Director of Finance

DATE: February 22, 2023

SUBJECT: Request for Council Action (February 27, 2023 COTW Meeting)

ACTION ITEMS

ACTION ITEM #1: RESOLUTION AUTHORIZING THE CITY TO JOIN THE CENTRAL OHIO RISK MANAGEMENT ASSOCIATION (CORMA) AND ENTER INTO AGREEMENTS AS NEEDED

The City of Gahanna's property and casualty insurance (hereinafter "risk insurance") was realigned under the Department of Administrative Services (DAS) in Quarter Four of 2022. The City currently purchases risk insurance through the Ohio Joint Self-Insurance Pool (OJSIP) with a term of April 1 – March 31 each year. Risk insurance is purchased on a yearly basis.

To prepare for the 2023 renewal, the DAS team sought to determine options for purchasing risk insurance. The team requested information and indications from three insurance pools: the City's current pool - OJSIP, the Central Ohio Risk Management Association (CORMA), and the Public Entities Pool of Ohio (PEP). Two indications were received from CORMA and PEP. OJSIP never responded to the request for renewal pricing. The team then held meetings with representatives of the two responding entities - CORMA and PEP.

After a review and analysis of the indications and additional information provided, the Department of Administrative Services has determined that CORMA is best suited for the City of Gahanna. Specifically, CORMA will provide greater control of claims administration issues, coordination of risk management and loss control resources, earned income by investing in loss funds and loss reserves, and a financially-sound pool. In addition, surplus fund contributions are owned by CORMA and accounted for by its members. A three-year commitment is required to join CORMA.

A supplemental appropriation is not needed at this time as the City will be joining CORMA mid-insurance cycle. The CORMA insurance renewal period is October 1- September 30 each year. Dollars already were appropriated in the 2023 budget for risk insurance.

For the reasons stated above, the Department of Administrative Services respectfully requests a Resolution from Council authorizing the City to join CORMA and enter into agreements as needed.

Background on CORMA

CORMA was created in 1997 and serves as risk sharing pool under the Ohio Revised Code 2744.081 for which Westerville, Dublin, Upper Arlington, Pickerington, Grove City, Groveport, Powell, Canal Winchester, Hilliard, and Grandview Heights are existing members. These members pool together resources for the joint purchasing of property and casualty insurance. The CORMA governing board is comprised of two members from each member city. The Board elects officers annually and approves bylaws, establishes policies, and contracts with service providers. There is a two-step process for becoming a member of CORMA. First, the CORMA Board votes to admit new members. (The CORMA Board voted to approve the admission of the City of Gahanna on January 19, 2023.) Second, the CORMA bylaws require the City Councils of each member to also vote on admission. (This process is currently pending before Council.)

Participation in CORMA provides members with economies of scale through joint purchasing and greater control over insurance policies and claims coverage issues. In addition, there is significant sharing of risk management and loss control practices between the member cities.

Requested Legislation and Funding:

Legislation Needed:	Resolution
Emergency/Waiver:	N/A
Vendor Name:	N/A
Vendor Address:	N/A
Already Appropriated:	Dollars appropriated in 2023 Operating Budget
Supplemental/Transfer:	N/A