

CITY OF STRONGSVILLE, OHIO

ORDINANCE NO. 2024 – 192

By: Mayor Perciak and All Members of Council

AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR AND DIRECTOR OF FINANCE TO ENTER INTO AGREEMENT(S) TO PURCHASE PROPERTY-CASUALTY AND RELATED INSURANCE COVERAGES, WITHOUT PUBLIC BIDDING, AND DECLARING AN EMERGENCY.

WHEREAS, by and through Ordinance No. 2023-150, Council authorized the Mayor and Director of Finance to enter into a contract with **TRAVELERS COMPANIES**, as carrier, through **THE FEDELI GROUP** for the purchase of the City's property-casualty, liability and related insurance coverages for the departments of the City under a new municipal insurance program commencing December 1, 2023 for a twelve (12) month period ending November 30, 2024; and

WHEREAS, the market for public entities insurance is limited to a few carriers and a proliferation of pools; and

WHEREAS, the City's Director of Finance has determined that it would be in the City's best interests for the next year to accept the insurance program of Travelers Companies, which is among the most competitive and highly rated; and

WHEREAS, because the City can maintain price stability and competitive rates, with no diminution in terms, conditions or coverage limits, the City's Director of Finance has recommended that the City continue with The Fedeli Group, with underwriting of coverages through Travelers Companies as the carrier for the next year; and

WHEREAS, therefore, this Council finds it would be in the City's best interest to forego the normal bidding or proposal procedure in order to obtain insurance coverages at a reasonable and advantageous rate to protect the City, its officers, employees, and real and personal property.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF STRONGSVILLE, COUNTY OF CUYAHOGA AND STATE OF OHIO, BY UNANIMOUS AFFIRMATIVE VOTE:

Section 1. That this Council finds and determines, as set out in Article V, §5 of the Charter, that there is an immediate and present emergency in the operation of the Department of Finance and various other Departments of the City of Strongsville, in that it is necessary to enter into a contract with **TRAVELERS COMPANIES**, in order to avoid a gap in insurance coverage, to protect the City's officers, employees, real and personal property, to maintain reasonable insurance protection with advantageous premiums, and preserve the expenditure of funds in relation to insurance coverages and potential liability.

Section 2. That, for the reasons aforesaid, the Mayor and the Director of Finance be and are hereby authorized and directed to enter into an agreement with **TRAVELERS COMPANIES, as carrier, through THE FEDELI GROUP** for the purchase of applicable insurance coverages to continue the City's current property-casualty and liability insurance

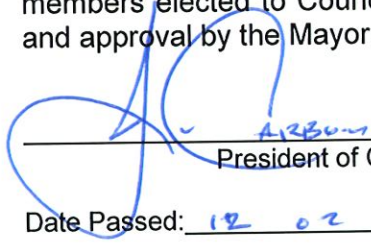
CITY OF STRONGSVILLE, OHIO
ORDINANCE NO. 2024 – 192
Page 2

program, commencing on December 1, 2024, for a twelve (12) month period ending November 30, 2025, in an amount not to exceed \$542,863.00 in annual premium, with a copy of such premium proposal attached hereto as Exhibit A. Copies of the agreement and policies including coverages are on file in the office of the Director of Finance and shall be in a form to be approved by the Law Director.

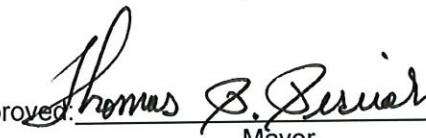
Section 3. That the funds for the purpose of the aforesaid expenditure have been appropriated and shall be paid from the General Fund, Street Construction, Maintenance and Repair Fund; Fire Levy Fund; Multi-Purpose Complex Fund; and Sanitary Sewer Fund.

Section 4. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council; and that all deliberations of this Council, and any of its committees, that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Section 5. That this Ordinance is hereby declared to be an emergency measure immediately necessary for the preservation of the public peace, property, health, safety and welfare, and for the further reason that the immediate purchase of the aforesaid insurance coverages is required in order to prevent a gap in coverages, to properly and completely protect the financial interests and property of the City, to ensure competitive premium rates, and to conserve public funds. Therefore, provided this Ordinance receives the unanimous vote of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor.



 President of Council
 Date Passed: 12 02 2024

Approved: 

 Mayor

Date Approved: Dec 2, 2024

Attest: 

 Clerk of Council

	<u>Yea</u>	<u>Nay</u>
Carbone	<input checked="" type="checkbox"/>	_____
Clark	<input checked="" type="checkbox"/>	_____
Kaminski	<input checked="" type="checkbox"/>	_____
Kosek	<input checked="" type="checkbox"/>	_____
Roff	<input checked="" type="checkbox"/>	_____
Short	<input checked="" type="checkbox"/>	_____
Spring	<input checked="" type="checkbox"/>	_____

Ord. No. 2024-192 Amended: _____
 1st Rdg. 12-2-24 Ref: _____
 2nd Rdg. Suspended Ref: _____
 3rd Rdg. Suspended Ref: _____

Public Hrg. _____ Ref: _____
 Adopted: 12-2-24 Defeated: _____

2024/25 PREMIUM COMPARISON

Coverage	Rating Basis	2023/24 Renewal			2024/25 Renewal			Flat Rate Renewal	% Change
		Exposure	Rate	Premium	Exposure	Rate	Premium		
Property	TIV*	\$ 189,090,317	\$ 0.081	\$153,094	\$ 199,683,240	\$ 0.082	\$162,905	\$161,670	0.8%
Inland Marine	TIV	\$ 2,584,581	\$ 0.208	\$5,379	\$ 2,581,180	\$ 0.248	\$6,407	\$5,372	19.3%
Equipment Breakdown	TIV*	\$ 189,090,317	\$ 0.007	\$12,722	\$ 193,602,128	\$ 0.007	\$13,500	\$13,026	3.6%
General Liability	Total Expenditures	\$ 155,692,154	\$ 0.321	\$49,931	\$ 149,304,008	\$ 0.393	\$58,614	\$47,882	22.4%
Employee Benefits	Flat Cost			\$381			\$475	\$475	0.0%
Ohio Stop Gap	Ohio Payroll	\$ 27,140,860	\$ 0.014	\$3,872	\$ 27,140,860	\$ 0.014	\$3,908	\$3,872	0.9%
Law Enforcement Liability	No. of Officers	164	\$ 433.25	\$71,053	164	\$ 460.35	\$75,497	\$71,053	6.3%
PE Management Liability	Total Expenditures	\$ 155,692,154	\$ 0.121	\$18,817	\$ 149,304,008	\$ 0.099	\$14,712	\$18,045	-18.5%
Employment Practices	Employees Count	534	\$ 70.73	\$37,770	534	\$ 76.34	\$40,768	\$37,770	7.9%
Auto Liability	No. of Units**	212	\$ 336.75	\$71,391	209	\$ 358.66	\$74,959	\$70,381	6.5%
Auto Physical Damage	Cost New	\$ 14,023,173	\$ 0.186	\$26,051	\$ 14,722,528	\$ 0.182	\$26,795	\$27,350	-2.0%
Umbrella	U/L Premium	\$253,215	\$ 0.178	<u>\$45,033</u>	\$268,933	\$ 0.162	<u>\$43,481</u>	<u>\$47,828</u>	-9.1%
P&C TOTAL				\$495,494			\$522,021	\$504,724	3.4%
Crime / Cyber Liability		\$ 87,769,045	\$ 0.273	<u>\$23,950</u>	\$ 84,675,561	\$ 0.246	<u>\$20,842</u>	<u>\$23,106</u>	-9.8%
PROGRAM TOTAL				\$519,444			\$542,863	\$527,830	2.8%

Overall Premium 4.5% Overall Rate 2.8%

*Property TIV includes building, business personal property, specified limits & business income coverages

**No. of Units does not Include Trailers

Equipment Breakdown Insurance Companies:

2023/24 Travelers Insurance Company

2024/25 Cincinnati Insurance Company

Date Prepared: 11/15/2024

