

RESOLUTION NUMBER 14-81

CITY OF CENTERVILLE, OHIO

SPONSORED BY COUNCILMAN James Sugar ON THE
18th DAY OF May, 1981.

A RESOLUTION ADOPTED PURSUANT TO THE PROVISIONS OF SECTION 3928.86(C) AND (D) OHIO REVISED CODE TO IMPLEMENT THE PROVISIONS OF SAID STATUTE AND APPOINTING THE DIRECTOR OF FINANCE AS THE DESIGNATED OFFICER TO RECEIVE AND ADMINISTER ANY FUNDS RECEIVED PURSUANT TO SAID STATUTE AND ESTABLISHING A TRUST FUND.

WHEREAS, Section 3929.86, Ohio Revised Code provides for the payment of a certain portion of the proceeds from fire insurance policies to the City as security for any expenses incurred by the City arising out of its exercise of its powers under Section 715.26, Ohio Revised Code; and

WHEREAS, Section 3929.86, Ohio Revised Code requires that any City wishing to exercise its rights under that statute must first pass an Ordinance or Resolution implementing subsections (C) and (D) of said Section and certify same to the Superintendent of Insurance of Ohio; and

WHEREAS, it is the desire of the City of Centerville to implement said procedure;

NOW THEREFORE

THE MUNICIPALITY OF CENTERVILLE HEREBY RESOLVES.

SECTION 1. That there is hereby created a Fire Insurance Trust Fund which shall be maintained separately from all other City funds as a Trust Fund for the purposes hereinafter enumerated.

SECTION 2. That for the purposes specified in Section 3929.86, Ohio Revised Code, the Director of Finance is hereby designated as the Officer to administer said Fire Insurance Trust Fund.

SECTION 3. That in the event of any loss by fire within the City of Centerville occurring after the date of this Resolution when the amount of said loss agreed to between the named insured or insureds and the company or companies insuring said loss equals or exceeds sixty percent (60%) of the aggregate limits of liability on all fire policies covering the building or structure insured, the insurance company or companies in accordance with Section 715.26 (F), Ohio Revised Code shall transfer from the insurance proceeds to the Director of Finance of the City of Centerville in the aggregate One Thousand Dollars (\$1,000.00) for each Twenty Thousand Dollars (\$20,000.00), and each fraction of that amount, of a claim, or, if at the time of a proof of loss agreed to between the named insured or insureds and the insurance company or companies the named insured or insureds have submitted a contractor's signed estimate of the costs of removing, repairing, or securing the building or other structure, shall transfer from the insurance proceeds the amount specified in the estimate.

Such transfer of proceeds shall be on a pro rata basis by all companies insuring the building or other structure.

The named insured or insureds may submit a contractor's signed estimate of the costs of removing, repairing, or securing the building or other structure after the transfer, and the Director of Finance shall return the amount of the fund in excess of the estimate to the named insured or insureds, provided that the City of Centerville has not commenced to remove, repair, or secure the building or other structure.

SECTION 4. Upon receipt of proceeds by the City of Centerville as authorized by this Resolution and Section 3929.86, Ohio Revised Code, the Director of Finance shall place the proceeds in the Fire Insurance Trust Fund to be used solely as security against the total cost of removing, repairing, or securing incurred by the City pursuant to Section 715.261, Ohio Revised Code.

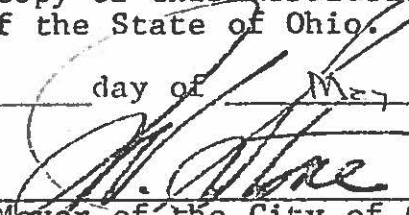
When transferring the funds as required by this Resolution, an insurance company shall provide the Director of Finance with the name and address of the named insured or insureds, whereupon the Director of Finance or his designee shall contact the named insured or insureds, certify that the proceeds have been received by the City of Centerville and notify them that the following procedures will be followed:

The fund shall be returned to the named insured or insureds when repairs or removal, or securing of the building or other structure have been completed and the required proof received by the Director of Finance, if the City of Centerville has incurred any costs for repairs, removal or securing of the building or other structure, such costs shall be paid from the fund and if excess funds remain, the City of Centerville shall transfer the remaining funds to the named insured or insureds. Nothing in this Resolution shall be construed to limit the ability of the City of Centerville to recover any deficiency under Section 715.261 of the Ohio Revised Code.


Nothing in this Resolution shall be construed to prohibit the City of Centerville and the named insured or insureds from entering into an agreement that permits the transfer of funds to the named insured or insureds if some other reasonable disposition of the damaged property has been negotiated.

SECTION 5. In accordance with the provisions of Section 3929.86, Ohio Revised Code the Clerk of Council is hereby directed to file a certified copy of this Resolution with the Superintendent of Insurance of the State of Ohio.

PASSED THIS 18th day of May, 1981.

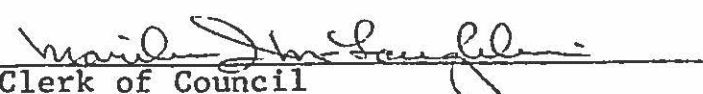

Mayor of the City of Centerville, Ohio

ATTEST:



Clerk of Council
City of Centerville, Ohio

CERTIFICATE

The undersigned, Clerk of Council of the City of Centerville, Ohio, hereby certifies the foregoing to be a true and correct copy of Resolution No. 14-81, passed by the Council of the City of Centerville, Ohio, on the 18th day of May, 1981.


Clerk of Council

Approved as to form, consistency,
with existing ordinances, the
charter & constitution of the City.


Robert N. Farquhar
Municipal Attorney