

VILLAGE OF GEORGETOWN, OHIO

ORDINANCE NO. 1114

AN ORDINANCE REGULATING THE PAYMENT OF INSURANCE CLAIMS FOR
FIRE-DAMAGED STRUCTURES AND ESTABLISHING A REMOVAL OR REPAIR
FUND WITHIN THE VILLAGE OF GEORGETOWN, OHIO
AND DECLARING AN EMERGENCY

BE IT ORDAINED by the Council of the Village of Georgetown, Brown County, Ohio, two-thirds (2/3) or more of all members thereof concurring that:

SECTION 1. No insurance company doing business in the State of Ohio shall pay a claim of a named insured for fire damage to a structure located within the Village of Georgetown (hereinafter, "Village") where the amount recoverable for the fire loss to the structure, under all insurance policies, exceeds five thousand dollars (\$5,000), and is greater than or equal to sixty percent (60%) of all fire insurance policy monetary limitations unless there is compliance with the following procedures:

(A) When the loss agreed to between the named insured or insureds and the insurance company or insurance companies equals or exceeds sixty percent (60%) of the aggregate limits or liability on all fire policies covering the building or structure, the insurance company or companies in accordance with Ohio Revised Code § 715.26(F) shall transfer from the insurance proceeds to the Fiscal Officer of the Village, in the aggregate amount of two thousand dollars (\$2,000) for each fifteen thousand dollars (\$15,000) and each fraction of that amount, of a claim, or, if at that 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 structure. Policy proceeds remaining after the transfer to the Village may be disbursed in accordance with the policy terms.

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 Fiscal Officer, after notifying the Building Inspector, shall return the amount of the fund in excess of the estimate to the named insured or insureds, provided that the Village has not commenced to remove, repair or secure the building or other structure.

(B) Upon receipt of proceeds by the Village as authorized by this section, the Fiscal Officer shall place the proceeds in a separate fund to be used solely as security against the total cost of removing, repairing or securing incurred by the Village pursuant to Ohio Revised Code § 715.261,

When transferring the fund as required in subsection (a) hereof, an insurance company shall provide the Village with the name and address of the named insured or insureds whereupon the Village shall contact the named insured or insureds, certify that the proceeds have been received by the Village, and notify them that the following procedures will be followed:

The fund shall be returned by the Fiscal Officer 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 is received by the Building Inspector, provided that the Village has not incurred any costs for such repairs, removal or securing. If the Village 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 Village shall transfer the remaining funds to the named insured or insureds after repair, rebuilding or removal has been completed. Nothing in this section shall be construed to limit the ability of the Village to recover any deficiency under Ohio Revised Code § 715.261.

Nothing in Ohio Revised Code § 3929.86(C) and (D) as adopted herein, shall be construed to prohibit the Village 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 2. The Fiscal Officer is hereby designated as the officer authorized to carry out the duties of this Ordinance, provided that no funds so held under this section shall be released without notification of such intent to the Building Inspector.

SECTION 3. The Fiscal Officer is hereby directed to send a certified copy of this Ordinance to the Superintendent of Insurance for the State of Ohio.

SECTION 4. This Ordinance shall be effective from and after the earliest date allowed by law.

PASSED: Oct. 27, 2011



Dale E. Cahall, Mayor

ATTEST:



Ginny Colwell, Fiscal Officer