1482.06 FIRE INSURANCE TRUST FUND.

(a) There is 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.

(b) For the purposes specified in R.C. § 3929.86, the fiscal officer of the city is designated as the Finance Director to administer the Fire Insurance Trust Fund.

(c) In the event of any loss by fire within the city occurring after the effective date of this section when the amount of the loss agreed to between the named insured or insureds and the company or companies insuring the loss equals or exceeds 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 R.C. § 715.26 (F), shall transfer from the insurance proceeds to the fiscal officer of the city in the aggregate $2,000 for each $15,000, 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.

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

(2) 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 of the city shall return the amount of the fund in excess of the estimate to the named insured or insureds, provided that the city has not commenced to remove, repair, or secure the building or other structure.

(d) Upon receipt of proceeds by the city as authorized by this section and R.C. § 3929.86, the fiscal officer of the city 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 R.C. § 715.261. When transferring the funds as required by this section an insurance company shall provide the fiscal officer of the city with the name and address of the named insured or insureds, whereupon the fiscal officer of the city or his designee shall contact the named insured or insureds, certify that the proceeds have been received by the city and notify them that the following procedures will be followed:

(1) 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 fiscal officer of the city, if the city has incurred any costs for repairs, removal or securing of the buildings or other structure, such costs shall be paid from the fund and if excess funds remain, the city shall transfer the remaining funds to the named insured or insureds. Nothing in this section shall be construed to limit the ability of the city to recover any deficiency under R.C. § 715.261.

(2) Nothing in this section shall be construed to prohibit the city 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.

(e) In accordance with the provision of R.C. § 3929.86, the Clerk of Council is directed to file a certified copy of this section with the Superintendent of Insurance of the state.