

RESOLUTION 2008-11

A RESOLUTION AUTHORIZING A POLICY FOR NON-SUFFICIENT CHECKS RECEIVED BY THE VILLAGE OF HIRAM AND RATIFYING PAST ACTIONS WHICH ARE IN CONFORMITY WITH THE POLICY ANNOUNCED IN THIS RESOLUTION.

WHEREAS, the village has been receiving an increasing number of non-sufficient checks than in prior years; and

WHEREAS, when a non-sufficient check is received it creates extra costs to the village; and

WHEREAS, the Finance Committee of the Village Council has met and reviewed a Non Sufficient Fund Check policy and forwarded a positive recommendation to the Village Council on the policy due to the number of non-sufficient fund checks being received by the Village. The recommended policy is attached as "Exhibit A"; and

WHEREAS, upon review by the Village Council a Non Sufficient Fund Check policy in substantial conformity with the recommendation of the Finance Committee, has been found to be appropriate. The Non Sufficient Fund Check policy found to be appropriate by the Village Council is attached hereto as "Exhibit B".

NOW THEREFORE BE IT RESOLVED by the Council of the Village of Hiram, Portage County, Ohio, a majority or more of the members thereto concurring:

Section 1: The Non Sufficient Fund Check policy attached hereto as "Exhibit B" is hereby approved as a policy of the Village of Hiram.

Section 2: It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this resolution were adopted in an open meeting of this Council, and that all deliberations of this council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Revised Code of the State of Ohio.

First Reading: July 8, 2008

Second Reading: August 12, 2008

Third Reading: September 9, 2008

PASSED IN COUNCIL on September 9, 2008


Mayor Lou Bertrand

ATTEST:


Fiscal Officer

I Kay E. Ziska, Fiscal Officer of the Village of Hiram, Ohio, hereby certify that the foregoing Resolution or Ordinance No. 2008-11 has been duly posted in the required 5 places.
9-19-08 Kay E. Ziska
Date Fiscal Officer, Village of Hiram

Non-sufficient funds policy

The term "**non-sufficient funds**" (NSF) is used to indicate that a demand for payment (a check) cannot be honored because insufficient funds are available in the account on which the instrument was drawn. A check has been presented for clearance, but the amount written on the check exceeds the available balance in the account.

Consequences of writing a bad check

When a bad check is written, the following consequences may occur:

- The check writer may be charged a fee by his/her own financial institution. This fee may vary, depending on the bank's policies.
- The village will impose a twenty-five (\$25) dollar fee for any non-sufficient check received. Any check payment returned for non-sufficient funds shall not be repaid with a personal check, only cash, money order or cashiers check will be accepted.
- Should the check be outstanding for more than two weeks after notification in writing to the customer by the village of the non-sufficient check the twenty-five dollars will increase by ten (\$10) dollars. The total amount due would be thirty-five (\$35) dollars.
- Should the check continue to be outstanding for more than four weeks after notification in writing to the customer by the village of the non-sufficient check the thirty-five (\$35) dollars will increase by ten (\$10) dollars. The total amount due would be forty-five(\$45) dollars.
- When a bad check is negotiated, the village as the recipient of the check shall choose to take action against the writer thirty days after notification of the non-sufficient check. The action that is taken shall be civil or criminal, depending on the amount of the check and the laws in the jurisdiction where the check is written.
- The village shall not accept personal checks in the future from the writer, or shall suspend the check-writer's privileges until the check-writer has made good on the debt.
- Upon receipt of two bad checks from customers, the village shall not accept future personal checks from the customer and require cash, money order or cashiers check as the only acceptable method of payment.

Village of Hiram Non-sufficient Funds Check Policy

The term "non-sufficient funds check" (hereinafter "NSF") is used herein to refer to a check which has been submitted for payment to a financial institution and which has been returned to the Village of Hiram (hereinafter "Hiram" or "Village") unpaid because insufficient funds are available in the account on which the check was drawn.

Consequences of writing a non-sufficient funds check

When a NSF is written to Hiram, the following policy shall be followed by the Village:

- The Village will impose a twenty-five (\$25) dollar fee for any NSF received. Any check returned for non-sufficient funds shall not be repaid with a personal check, only cash, money order or cashiers check will be accepted.
- Should the check be outstanding for more than two weeks after notification in writing by the Village to the individual, entity or institution (hereinafter "Customer") who submitted the NSF to the Village, the twenty-five (\$25) dollar fee will increase by ten (\$10) dollars. The total amount due would be thirty-five (\$35) dollars.
- Should the check continue to be outstanding for more than four weeks after the initial notification in writing by the Village the thirty-five (\$35) dollar fee will increase by an additional ten (\$10) dollars. The total amount due will then be forty-five(\$45) dollars.
- The Village shall not accept personal checks in the future from the Customer that submitted the NSF to the Village, or shall no longer accept personal checks from the Customer until such time as NSF funds have been paid to the Village.
- Upon receipt of two NSFs from the same Customer, the Village shall no longer accept personal checks from that Customer and require payment in cash, money order or cashiers check as the only acceptable method of payment.