

Arrowsmith Returned Check/Insufficient Funds Policy

Returned checks are defined as checks or automatic bank drafts written to the Village of Arrowsmith or its agencies that are not honored by the originating bank. Common reasons for a returned check or bank draft are insufficient funds in the account, the account has been closed, or stop payment has been requested. Once a returned check has been received by the Village of Arrowsmith, a \$35 dollar fee will be charged. The \$35 dollar returned check fee will be added to the amount of the original amount due. The original charge and the \$35 returned check fee must be paid to relieve the individual of his/her obligation to the Village. If a utility billing customer has a total of two returned checks within a twelve month period, the customer will be required to pay future bills with cash, a money order, or a cashier's check for the next twelve months. If the customer pays late or is disconnected for failure to pay within the twelve month period, the cash only basis will continue for another twelve months. If a returned check is received as payment for the operation of another department, the Village of Arrowsmith will send a collection letter to the individual. If payment is not made within ten days from the date of the letter and the individual receives utility service from the Village, the customer will be notified that personal checks will no longer be accepted as payment for his/her utility bill. The cash only restriction will be in effect until the returned check and \$35 dollar fee are paid in full. If the returned funds payment creates a delinquent status on the account, the addition of a \$20.00 late payment penalty will also be applied to the account.

The Village of Arrowsmith