



## NSF Policy and Bad Debt Policy

### Non-Sufficient Funds (NSF) Check Policy

Our bank will automatically re-deposit a non-sufficient funds (NSF) check. If a check is NSF upon the second presentation, the bank will return the check to our office for collection. We will then send a letter to the customer and charge the account a \$20 return check fee. The customer has 10 days to pay for the returned check and fees by cash or money order. If the check and fee aren't paid within the 10-day period, utility service will be disconnected, and an additional \$20 service fee will be charged to the account. Utility service will be reconnected after all fees associated with the NSF check or all charges on the account are paid in full.

The City of Centerville reserves the right to suspend the payment of utility accounts by check if three (3) checks are returned NSF within a twelve (12) month period. When a third check is received NSF within 12 months, a letter is mailed informing the customer that their account has been placed on a "No Check" status. For one year, no checks will be accepted as payment on the account. During the 12-month "No Check" status period, payments on the account may only be made by cash, money order, credit, or debit card. Once the 12-month period has passed, the "No Check" status will be removed from the account. Any subsequent presentation of an NSF check will result in the account being permanently placed on "No Check" status.

The City of Centerville reserves the right to immediately suspend the payment of utility accounts by check if a check is returned "Account Closed." This type of return is worse than NSF and is considered fraud. The account will be placed on a "No Check" status for a period of one year and checks will not be accepted as payment on the account. Once the 12-month period has passed, the "No Check" status will be removed from the account. Any subsequent presentation of an NSF check or "Account Closed" check will result in the account being permanently placed on "No Check" status. The City of Centerville reserves the right to prosecute for check fraud.

### Bad Debt Policy

Customers have ninety (90) days from the date of issue to pay a final utility bill. Unless acceptable payment arrangements are made in lieu of full payment within ninety (90) days, the debt will be transferred to an outside collection agency. Once an account is transferred to collections, the city can no longer accept payment nor make payment arrangements for the bad debt. All customer correspondence should be directed to the outside collection agency.