



City of Columbus

Legislation Report

Office of City Clerk
90 West Broad Street
Columbus OH 43215-9015
columbuscitycouncil.org

File Number: 1211-2004

30-Day

File ID: 1211-2004

Type: Ordinance

Status: Passed

Version: 1

***Committee:** Rules & Reference Committee

File Name: Return Check Processing Fee

File Created: 06/18/2004

Final Action: 08/02/2004

Auditor Cert #:

Auditor: When assigned an Auditor Certificate Number I , the City Auditor, hereby certify that there is in the treasury, or anticipate to come into the treasury, and not appropriated for any other purpose, the amount of money specified hereon, to pay the within Ordinance.

Contact Name/No.: Mary Y. Austin-Palmer 645-8548

Floor Action (Clerk's Office Only)

Mayor's Action

Council Action

Mayor

Date

Date Passed/ Adopted

President of Council

Veto

Date

City Clerk

Title: To authorize the City Treasurer to increase the fee for processing checks returned by banks as unpaid due to insufficient funds and various other reasons. To amend sections 1105.09 (Special charges) and 1163.19 (Service charge) of the Columbus City Codes, 1959 relating to a returned check processing charge and dishonored check charge.

Sponsors: Kevin L. Boyce

Attachments:

History of Legislative File

Ver.	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	CITY TREASURER	06/29/2004	Reviewed and Approved	CITY TREASURER			
	Notes: MYA						
1	CITY TREASURER	07/07/2004	Reviewed and Approved	CITY ATTORNEY			
	Notes: t.i.						
1	CITY ATTORNEY	07/12/2004	Reviewed and Approved	CITY TREASURER			Pass
	Notes: nlw						
1	CITY TREASURER	07/12/2004	Sent to Clerk's Office for Council	City Clerk Inbox			
	Notes: myap						
1	Columbus City Council	07/19/2004	Read for the First Time				
1	COUNCIL PRESIDENT	07/26/2004	Signed				
1	Columbus City Council	07/26/2004	Approved				Pass
1	MAYOR	08/02/2004	Signed				
1	CITY CLERK	08/02/2004	Attest				

ODI: Following the review and approval, when required, the Office of Diversity and Inclusion certifies compliance with Title 39 as of date listed.

City Attorney: Following review and approval, when required, this ordinance has been reviewed by the City Attorney's Office as to its form and legality only.

Explanation

BACKGROUND:

The city takes in thousands of checks each month for tax payments, water payments, utility fees, recreation fees, parking tickets and more. Unfortunately, at times checks are dishonored by the bank upon which it is drawn and returned to the City Treasurer due to insufficient funds (NSF). It takes up many personnel hours to write letters and track payments. Expenses associated with the city's efforts to recover the money due from citizens is costly.

Currently the city applies a return check fee of \$15 for processing checks returned by the bank to the City Treasurer due to insufficient funds or a closed account. The Southern District of the United States District Court charges a "Return Check Fee" of \$45. The State of Ohio allows a processing fee up to \$30 or 10% of face amount of the check, plus reimbursement of bank fees. The City Treasurer recommends increasing the city's return check fee to \$25 to help offset the cost to recoup monies owed to the City for services or programs.

It is a priority of the City Treasurer to recover all NSF checks so that the city can continue to provide valuable programs and services to the community.

FISCAL IMPACT:

Passage of this legislation might result in a slight increase in general fund revenues, more importantly; help cover some of the

costs associated with collections.

Title

To authorize the City Treasurer to increase the fee for processing checks returned by banks as unpaid due to insufficient funds and various other reasons. To amend sections 1105.09 (Special charges) and 1163.19 (Service charge) of the Columbus City Codes, 1959 relating to a returned check processing charge and dishonored check charge.

Body

WHEREAS, the City Treasurer is the custodian of all public money received by the City; and

WHEREAS, checks offered for payment of city services or programs are at times returned unpaid by the bank which it is drawn upon due to insufficient funds or other reasons; and

WHEREAS, the efforts to collect these funds require a significant number of staff hours and resources to track information, write letters, maintain a data base and process the necessary paper work to collect moneys due to the city for programs and services rendered; and

WHEREAS, the City Treasurer recommends increasing the return check processing fee to help recoup cost for this effort, now, therefore,

WHEREAS, it is necessary in the usual daily operations of the City Treasurer, as custodian of all public funds, to deposit all monies received by the city into an approved depository agent for the preservation of public health, peace, property and safety, now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLUMBUS:

Section 1. That Chapter 1163.19 of the Columbus City Codes, 1959 be amended to change the processing fee for checks not honored by the bank:

Dishonored Check Charge:

When a check received from a customer in payment for service rendered is not honored by the bank, the customer will be charged ~~fifteen dollars (\$15.00)~~ **twenty-five dollars (\$25.00)** to pay the additional cost incurred by the Division of Electricity for processing the check, unless the customer shows that the bank was in error.

Reconnection Charge:

When service has been terminated for nonpayment, the following charges shall apply for reconnection of service:

During Normal Business Hours:

Reconnect at Meter	\$10.00
Reconnect at Pole	55.00
Remove and Reset Meter	30.00
Install Locking Device and Reconnect	35.00

Other Than Normal Business Hours:

Reconnect at Meter	\$ 75.00
Reconnect at Pole	175.00

Normal hours for reconnection are 6:45 a.m. to 4:45 p.m. all week days, excluding Sundays and Holidays.

Sunday and Holiday Hours:

Reconnect at Meter	\$100.00
Reconnect at Pole	225.00

When service has been terminated, at the customer's request, for noncredit related reasons, the customer will be assessed a \$30.00 charge for the disconnection.

Collection Charge:

A Collection Charge of \$6.00 will be assessed to the account every time a collection trip is made.

Meter Test Charge:

A meter will be tested, at the request of a customer, at a charge of \$25.00 when the meter is found to be registering

accurately.

Tampering/Investigation Charge:

A customer will be charged a minimum fee of \$25.00 to investigate and inspect the premises when service has been obtained through fraudulent or damaging practices.

The customer will be billed for any and all cost of disconnection as well as the cost of repairing or replacing damaged equipment.

Special Meter Reading:

Special meter reading, at the request of a consumer, except for final bill or initial service, shall be performed at the following rate of charges.

During regular working hours \$10.00

After regular working hours 15.00

Section 2. That Chapter 1105.09 of the Columbus City Codes, 1959 be amended to change the return check processing fee:

The following charges shall be paid for the specified special services furnished by the division of water:

A. Special meter reading at request of consumer, except for final bill or initial service:

During regular working hours \$15.00

After regular working hours \$25.00

B. Service charge for trip to discontinue or attempt to discontinue water service due to non-payment of account arrearages \$40.00

C. Service charge to (1) relocate metering system due to obstruction of the metering system or at the request of the customer, (2) disconnect or remove the metering system at request of customer, except where service line is being capped and abandoned, or (3) reconnect the metering system at request of the customer \$20.00
(Plus actual cost of relocating, disconnecting, removing and/or reconnecting any part of the metering system.)

D. Service charge to turn on or off service at curb box at request of customer (except for emergency repairs.)

During regular working hours \$20.00

After regular working hours \$30.00

E. Service charge to repair meter damaged by customer abuse, tampering, freezing, or hot water. (Plus actual cost of repair or new metering system, if required.)

During regular working hours \$30.00

After regular working hours \$35.00

F. Service charge to investigate, notify or discontinue water service as a result of fraud or illegal diversion of water, including unauthorized turn on or other violation of the rules and regulations of the director of public utilities (plus estimated quantity of water used) \$31.00

G. Testing of meter at request of customer:

(1) Where meter does not test within ninety-seven (97) percent and one hundred three (103) percent accuracy

None

(2) Where meter tests within ninety-seven (97) percent and one hundred three (103) percent accuracy \$30.00

(3) Where meter is two (2) inches or larger in diameter, the meter shall be removed, transported to and from the meter shop, and reinstalled by the consumer under the inspection and approval of the division of water \$30.00

H. Returned check processing charge ~~\$15.00~~ \$25.00

I. Service charge for additional trip to install metering system \$25.00

J. Service charge to pump out meter pit to obtain a meter reading \$50.00

K. Service charges associated with the chlorination process shall be as follows:

- (1) Preliminary field check \$50.00
- (2) Additional field checks (each occasion) \$50.00
- (3) Chlorination/flushed (each occasion) \$50.00
- (4) Flush and sample (each occasion) \$50.00
- (5) Processing charge \$15.00

L. Special charge for renewed service inspections performed on overtime.

M. Hydrant Flow Test \$75.00

Charge for a renewed service inspection is the actual overtime cost incurred.

Section 3.

That the City Treasurer is hereby authorized to increase the return check processing fee to \$25.00 for checks received for all divisions of the City of Columbus.

Section 4.

This ordinance shall take effect and be in force from and after the earliest period allowed by law.