



CITY of NOVI CITY COUNCIL

**Agenda Item K
June 4, 2012**

SUBJECT: Approval of Resolution for Fees for Returned Deposit Items

SUBMITTING DEPARTMENT: City Manager/DPS/Finance

CITY MANAGER APPROVAL:

BACKGROUND INFORMATION:

The City has made arrangements with its bank (currently Fifth Third) to automatically redeposit items that have not been honored by the financial institution with which the funds are being drawn. The City charges \$25 for return deposit items. The purpose of this resolution is to update the title of the prior resolution dated November 24, 1997 (see attached) to cover all returned deposit items, not just "non-sufficient funds" returned items. Therefore, the attached fee resolution is in effect after the second attempt to deposit. There is no change from the current policy and procedure in place.

RECOMMENDED ACTION: Approval of Resolution for Fees for Returned Deposit Items

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Fischer				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Wrobel				

City of Novi

**Resolution
Non-Sufficient Fund Check Fee**

WHEREAS, Fees charged to the City of Novi for checks deposited, but not honored, represent an expense to the City of Novi; and


WHEREAS, The cost to the City of Novi is in the form of increased bank fees, employee resources, phone and paper expense.

NOW, THEREFORE, BE IT RESOLVED, That a fee of \$25.00 be charged to parties who present to the City a check or other negotiable instrument which is subsequently not honored by the financial institution on which it is drawn; excepting payers who present a letter on bank stationery in which the bank takes responsibility for the failure of the instrument to be honored,

BE IT FURTHER RESOLVED that the \$25.00 fee be in addition to any penalty assessed for late payment.

CERTIFICATION

I, Tonni L. Bartholomew, duly appointed City Clerk of the City of Novi, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the City Council of the City of Novi, Oakland County, Michigan, at a Regular meeting held this 24 day of November, 1997.


Tonni L. Bartholomew, City Clerk

CITY OF NOVI

OAKLAND COUNTY, MICHIGAN

RESOLUTION FOR FEES FOR RETURNED DEPOSIT ITEMS

At a meeting of the City Council of the City of Novi, Oakland County, Michigan, held on the 4th day of June, 2012, at the City Hall, 45175 West Ten Mile Road, Novi, Michigan 48375-3024.

PRESENT: _____

ABSENT: _____

The following resolution was offered by _____ and seconded by _____:

WHEREAS, fees charged to the City of Novi for deposits made, but not honored represent an expense to the City of Novi; and

WHEREAS, the cost the City of Novi is in the form of increased bank fees, employee resources, and other administrative expenses;

NOW, THEREFORE, IT IS HEREBY RESOLVED that a fee of \$25.00 be charged to parties who present to the City payment (electronically, by check or other negotiable instrument) which is subsequently not honored by the financial institution on which it is drawn; excepting payers who present a letter on bank stationery in which the bank takes responsibility for the failure of the instrument to be honored,

BE IT FURTHER RESOLVED that the \$25.00 fee be in addition to any penalty assessed for the payment.

AYES:
NAYS:
ABSENT:
ABSTENTIONS:

The resolution was adopted.

