



## Legislation Details (With Text)

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**On agenda:** 8/31/2017    **Final action:** 8/31/2017  
**Title:** Resolution to claim funds of \$11,125.41 for uncashed checks dated January 3, 2013, through December 20, 2013, and transfer said funds from "Special Fund" 63539 to the General Fund 10101  
**Sponsors:** Finance Department  
**Indexes:**  
**Code sections:**  
**Attachments:** 1. 1. Resolution Transferring \$11,200.41 to Gen. Fund.pdf, 2. 2. Exhibit A - List of Funds to be Transferred.pdf, 3. 3. Business Journal Notice.pdf

Date	Ver.	Action By	Action	Result
8/31/2017	1	City Council	approved	Pass

## REPORT TO THE CITY COUNCIL

**August 31, 2017**

**FROM:** MICHAEL A. LIMA, Finance Director/(ex-officio)Treasurer  
Finance Department

**BY:** CORRINA BARBARITE, Treasury Officer  
Finance Department

### SUBJECT

Resolution to claim funds of \$11,125.41 for uncashed checks dated January 3, 2013, through December 20, 2013, and transfer said funds from "Special Fund" 63539 to the General Fund 10101

### RECOMMENDATION:

Approve Resolution attached hereto as Attachment 1 to claim and transfer funds appropriated for the City-issued checks listed in Exhibit A to Attachment 2 from Special Fund 63539 to the General Fund 10101.

### EXECUTIVE SUMMARY

State Law and City Policy allow the City to claim unclaimed monies in the City Treasury and transfer them into the General Fund for use as Council sees fit. Uncashed checks issued by the City that are older than three years qualify as unclaimed funds. If the City follows the notification procedures outlined in State Law, these funds become the property of the City, and can be claimed and transferred into the General Fund. Upon approval of the attached Resolution, Council may claim and transfer \$11,125.41 into the General Fund.

### BACKGROUND

Under the City of Fresno Policy and Procedures for Claiming Unclaimed Money in the City of Fresno Treasury for the General Fund (the "Policy"), originally adopted on August 27, 2002, and revised on January 17, 2013, the City may claim unclaimed funds held in the City's Treasury for more than three years for the City and transfer these funds to the City's General Fund. This unclaimed property includes uncashed checks and deposits for various purposes. This practice is permitted under Government Code Sections 50050-50053 and 50055.

Uncashed checks include checks that have been issued by the City, but for reasons unknown, have never been negotiated, deposited, or cashed by the recipient. These checks have been issued for payroll, worker's compensation claims, or to vendors in payment for goods or services received. The payee has never notified the City that payment was not received, or that the check was lost. Deposits that may be claimed might include bid deposits on various contracts that have never been reclaimed by the bidders for one reason or another.

The City's Policy and State Law specify that funds held in the City's Treasury must be older than three years before the City may claim them. The Treasury Section generally prepares this Resolution annually to claim property that has been held for more than three years. This year's Resolution includes checks that were written prior to December 31, 2013.

State law requires that a list of unclaimed funds (checks and/or deposits), for amounts of \$15.00 or more, held in the City's treasury, be published in a newspaper of general circulation in the City of Fresno, for two successive weeks. There is a forty-five day period from the date of the first publication of the list, during which individuals have the right to contact the City and claim the funds on deposit. Any funds that are not claimed become the property of the City of Fresno after the forty-fifth day. The Council may then transfer that money from the fund in which it currently resides, a "Special Fund," to the City's General Fund.

Consistent with the Policy and State Law, the Finance Director has published a list of uncashed checks and deposits older than three years in a newspaper of general circulation in the City of Fresno, once per week, for two successive weeks. The notice listed the payees for the checks as well as the amount of each check. Prospective claimants were invited to contact the City to obtain instruction as to how to file a claim for the funds. Also, the date on which the funds could be claimed by the City of Fresno was included in the public notice. Attachment 3 is a photocopy of the notification published in the Business Journal on May 8, 2017, and May 15, 2017.

In addition to meeting the minimum legal requirement for claiming these funds, staff performed additional due diligence by sending letters to each one of the payees and the depositors at their last known addresses. Also, the City's Worker's Compensation claims administrator, Risico Claims Management, sent letters to its payees as well. The letter notified the payee of the existence of the funds, and invited them to submit a claim, including a request for the City to process a reimbursement. The notice that was run in the Business Journal was also translated into Spanish and run in Vida en el Valle on May 10, 2017.

The total amount to be claimed is \$11,125.41. That amount is made up of uncashed accounts payable vendor checks of \$1,892.61, uncashed payroll checks of \$1,395.79, and uncashed workers compensation checks of \$7,837.01. Each of these amounts is detailed in Attachment 2.

Upon passing the attached Resolution, these funds will be transferred to the General Fund. The Finance Director certifies that all of the requirements of the Policy and State Law have been met and the City may therefore transfer the funds appropriated for these checks to the General Fund.

## **ENVIRONMENTAL FINDINGS**

By the definition provided in the California Environmental Quality Act Guidelines Section 15378 this item does not qualify as a "project" and is therefore exempt from the California Environmental Quality Act requirements.

## **LOCAL PREFERENCE**

Local preference was not considered because this Resolution does not include a bid or award of a construction or service contract.

## **FISCAL IMPACT**

The Cash Balance of the General Fund will be increased by \$11,125.41.

**Attachments:**

Attachment 1:	Resolution transferring \$11,125.41 to the General Fund
Attachment 2:	Exhibit A: List of funds to be transferred to the General Fund
Attachment 3:	Photocopy of Business Journal Notice