RESOLUTION NO. 2018 - 80

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT
ADOPTING A POLICY FOR UNCLAIMED MONIES

WHEREAS, from time to time checks issued by the City of Palm Desert (City) will remain uncashed despite efforts made by City staff to make contact with the payees and reissue the checks; and

WHEREAS, from time to time trust deposits to the City will remain unrefundable despite efforts made by City staff to make contact with the payees and issue refunds for the deposits; and

WHEREAS, Section 50050 et. seq., of the State of California Government Code, establishes the guidelines for a local agency to follow in order to transfer unclaimed money held by the local agency, which is not the property of the local agency, to the local agency General Fund;

WHEREAS, Sections 50050-50057 of the Government Code of the State of California provide procedures for escheating uncashed checks to the local agency if over one (1) year old and less than $15.00 or over three (3) years old and more than $15.00 following publication on the city website or in the local newspaper; and

WHEREAS, the City of Palm Desert desires to establish a policy and related procedures for reporting monies held by the City, which have been unclaimed for one (1) or more years, for identifying which of such monies can be escheated to the City, and for transferring such escheated monies to the General Fund.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Palm Desert, the Unclaimed Monies Policy, incorporated herein as Exhibit A, is hereby approved.

PASSED, APPROVED, AND ADOPTED this 25th day of October, 2018 by the following vote to wit:

AYES: HARNIK, KELLY, NESTANDE, WEBER, and JONATHAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

ATTEST:

SABBY JONATHAN, MAYOR

RACHELLE D. KLASSEN, CITY CLERK
CITY OF PALM DESERT, CALIFORNIA
RESOLUTION NO. 2018-80

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CITY OF PALM DESERT
ADMINISTRATIVE PROCEDURES

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<tr>
<th>Subject</th>
<th>Policy for Unclaimed Monies</th>
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<tbody>
<tr>
<td>Policy No.</td>
<td>FIN-005</td>
</tr>
<tr>
<td>Date</td>
<td>Issued: September 27, 2018 Amended: N/A</td>
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<tr>
<td>Approved by</td>
<td>Resolution No. 2018-</td>
</tr>
<tr>
<td>Authored by</td>
<td>Janet M. Moore, Director of Finance</td>
</tr>
</tbody>
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I. PURPOSE

To establish the proper disposition and accounting for unclaimed monies. Government Code Sections 50050 through 50057 provide the authority for this policy.

II. SCOPE

This Policy applies to money such as stale-dated checks, trust deposits, payroll checks, overpayments, etc. that are not the property of the City of Palm Desert (City) and remain unclaimed for a period of more than three (3) years. Such monies shall become the property of the City forty-five (45) days after publication of the notice described in Exhibit I (Government Code Sections 50050 and 50051).

III. DEFINITIONS

Stale-dated checks: Any payroll checks or accounts payable checks that have remained uncashed after 90 days.

Trust deposits: Projects that are required to pay for a deposit at the time of application submittal. This deposit shall be collected with the intent to recover actual cost to project intake, preliminary review, legal fees, and related project analysis.

Bond deposits: Bond deposits, also known as a performance bond, are a deposit of good faith money to guarantee satisfactory completion of a project by a contractor.

IV. GENERAL POLICY

Monies which are not the property of the City that remain unclaimed for a period of more than three (3) years will become the property of the City if not claimed or if no verified complaint is filed and served on or before the specific date stated in the public notice published on its website or in a local newspaper of general circulation. Any individual monies that are less than $15.00 or any monies regardless of amount
for which the depositor's name is not known shall be transferred to the General Fund of the City after one year and without the need to publish notice. In the event that any state or federal regulations are enacted that impact the referenced government code sections, such future amendments shall be applicable to this Policy.

V. PROCEDURES

1. Unclaimed monies over three years old and over $15.00 will be identified on an annual basis.

2. For monies that have been unclaimed for at least a three (3) year period, a notice will be published once a week for two consecutive weeks on its website or in a local newspaper of general circulation. The notice shall state the individual or business name (original depositor for receipts, original vendor for stale-dated checks), the amount of money, the fund in which the money is held, and that the money will become the property of the City on a specific date (not less than 45 nor more than 60 days after the first publication). (Section 50051)

3. Upon or prior to publication, a party of interest may file a claim for the funds with the Director of Finance. The claim (see attached) must contain the claimant's name, address, telephone number, amount of unclaimed fund, a W-9 form, and grounds for the claim, and must be submitted and accepted before the date identified in the notice as the date the funds become the property of the City. The Director of Finance can require additional information to help substantiate the claim and to establish the authority of the claimant to receive the funds. (Section 50052)

4. Notwithstanding Section 50052, the Director of Finance may release the unclaimed monies to the depositor, their heir, beneficiary, or duly appointed representative if claimed prior to the date the funds become the property of the City and if satisfactory proof has been submitted. (Section 50052.5)

5. When the unclaimed monies become the property of the City, 45 days and no more than 60 days after a published public notice, and are in a special fund, the City Council may transfer them to the General Fund. (Section 50053)

6. Unclaimed monies may include but are not limited to stale dated checks, bond deposits, trust funds, deposits held for various purposes by City departments, and overpayments for City services.
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Exhibit I – Sample of Public Notice

PUBLIC NOTICE

NOTICE IS HEREBY GIVEN THAT, the Finance Department of the City of Palm Desert, County of Riverside, State of California, declares that the following monetary sums have been held by the City of Palm Desert and have remained unclaimed in the funds hereafter indicated for a period of over three (3) years and will become the property of the City of Palm Desert on the xxth day of the Month, Year, a date not less than forty-five (45) days after the first publication of this Notice.

Any party of interest may, prior to the date designated herein above, file a claim with the City’s Finance Department which includes the claimant’s name, address, telephone number, amount of claim, and the grounds on which the claim is founded. The Unclaimed Money Claim Form can be obtained from the City’s Finance Department at 73-510 Fred Waring Drive, Palm Desert, CA 92260 or from the City’s website at http://www.cityofpalmdesert.org. A W-9 form must be provided before funds will be released. With any questions, please contact the City of Palm Desert Finance Department at (760) 346-0611.

This notice and its contents are in accordance with California Government Code Sections 50050-50057.

<table>
<thead>
<tr>
<th>Check Date</th>
<th>Check Number</th>
<th>Payee Name</th>
<th>Check Amount</th>
</tr>
</thead>
</table>

Janet M. Moore
Director of Finance
CITY OF PALM DESERT
UNCLAIMED MONEY – CLAIM FORM

Return completed form to:
City of Palm Desert
Finance Department
73-510 Fred Waring Drive
Palm Desert, CA 92260

Pursuant to California Government Code Section 50052, I wish to file a claim for a previously unclaimed check in the amount of $___________. I have attached a completed W-9 form and all documents supporting my claim.

Vendor or Individual Name (Printed): ____________________________________________

__________________________________________  ________________________________
Vendor or Individual Name (Signature)  Telephone Number

Address: ____________________________________________

City/State/Zip Code

FOR FINANCE DEPARTMENT ONLY

Proof of Identity Verified: _____  W-9 Form _____

Verified by: ____________________________  Date: ____________________________

Claim Status:  Approved _____  Rejected _____

Reason for rejection: _______________________________________________________

Reviewed by: ____________________________  Date: ____________________________
CITY OF PALM DESERT
MONEY CLAIM REJECTION FORM

The City of Palm Desert has rejected the unclaimed property claim of:

Vendor or Individual Name: __________________________________________

Address: ___________________________________________________________

City/State/Zip Code                        Telephone Number

Original Check Date: ______________________
Original Check Amount: _____________________
The grounds on which this claim has been rejected are:

____________________________________________________________________
____________________________________________________________________
____________________________________________________________________

Under California Government Code Section 50052, you have the right to file a verified complaint seeking to recover all or a designated part, of the money in a court or competent jurisdiction within Riverside County. A copy of the complaint and the summons issued thereon must be served within thirty (30) days of receiving this notice of rejection. Upon being served, the Finance Director will withhold the disputed amount from being released until a decision is rendered by the court.

__________________________
Janet M. Moore
Director of Finance
GOVERNMENT CODE SECTION 50050-50057

50050. For purposes of this article, "local agency" includes all districts. Except as otherwise provided by law, money, excluding restitution to victims, that is not the property of a local agency that remains unclaimed in its treasury or in the official custody of its officers for three years is the property of the local agency after notice if not claimed or if no verified complaint is filed and served. At any time after the expiration of the three-year period, the treasurer of the local agency may cause a notice to be published once a week for two successive weeks in a newspaper of general circulation published in the local agency. At the expiration of the three-year period, money representing restitution collected on behalf of victims shall be deposited into the Restitution Fund or used by the local agency for purposes of victim services. If a local agency elects to use the money for purposes of victim services, the local agency shall first document that it has made a reasonable effort to locate and notify the victim to whom the restitution is owed. The local agency may utilize fees collected pursuant to subdivision (f) of Section 1203.1 or subdivision (f) of Section 2085.5 of the Penal Code to offset the reasonable cost of locating and notifying the victim to whom restitution is owed. With respect to moneys deposited with the county treasurer pursuant to Section 7663 of the Probate Code, this three-year period to claim money held by a local agency is extended for an infant or person of unsound mind until one year from the date his or her disability ceases.

For purposes of this section, "infant" and "person of unsound mind" have the same meaning as given to those terms as used in Section 1441 of the Code of Civil Procedure.

(Amended by Stats. 2013, Ch. 457, Sec. 1. (AB 934) Effective January 1, 2014.)

50051. The notice shall state the amount of money, the fund in which it is held, and that it is proposed that the money will become the property of the local agency on a designated date not less than forty-five days nor more than sixty days after the first publication of the notice.

(Added by Stats. 1949, Ch. 81.)

50052. Upon or prior to publication, a party of interest may file a claim with the treasurer which must include the claimant's name, address, amount of claim, the grounds on which the claim is founded, and any other information that may be required by the treasurer. The claim shall be filed before the date the unclaimed money becomes the property of the local agency as provided under Section 50051 and the treasurer shall accept or reject that claim. If the claim is rejected by the treasurer, the party who submitted the claim may file a verified complaint seeking to recover all, or a designated part, of the money in a court of competent jurisdiction within the county in which the notice is published, and serves a copy of the complaint and the summons issued thereon upon the treasurer. The copy of the complaint and summons shall be served within 30 days of receiving notice that the claim was rejected. The treasurer shall withhold the release of the portion of unclaimed money for which a court action has been filed as provided in this section until a decision is rendered by the court.

(Amended by Stats. 1984, Ch. 866, Sec. 2.)
50052.5. (a) Notwithstanding Section 50052, the treasurer may release to the depositor of the unclaimed money, their heir, beneficiary, or duly appointed representative, unclaimed money if claimed prior to the date the money becomes the property of the local agency upon submitting proof satisfactory to the treasurer, unless the unclaimed money is deposited pursuant to Section 7663 of the Probate Code.

(b) Notwithstanding Section 50052, the treasurer may release unclaimed money deposited with the county treasurer pursuant to Section 7663 of the Probate Code, to any adult blood relative of either the decedent or the decedent's predeceased spouse.

(c) Notwithstanding Section 50052, the treasurer may release unclaimed money deposited with the county treasurer pursuant to Section 7663 of the Probate Code to the parent who has legal and physical custody of a minor who is a blood relative of either the decedent or the decedent's predeceased spouse without the need to appoint a legal guardian for the minor as follows:

(1) If the value of the unclaimed money deposited with the county treasurer is five thousand dollars ($5,000) or less, the treasurer may release the money according to Section 3401 of the Probate Code.

(2) If the value of the unclaimed money deposited with the county treasurer is sixty thousand dollars ($60,000) or less, and the money is not released under paragraph (1), the unclaimed money may be released by the treasurer to the parent who shall, after payment of any costs incurred in making the claim, hold the money in trust, to be used only for the care, maintenance, and education of the minor, and the parent shall be liable therefor to the minor under the fiduciary laws of this state. The money held in trust shall be released to the minor when the minor reaches the age of majority.

(d) The claim shall be presented to the county treasurer in affidavit form and signed under penalty of perjury. Notwithstanding Section 13101 of the Probate Code, the claimant, to be entitled to the entire escheated estate, needs only to establish with documentary proof the existence of a blood relationship to either the decedent or of the predeceased spouse, if any, and the documentary proof, if regular on its face, need not be certified. Notwithstanding Section 13101 of the Probate Code, the claimant shall not be required to declare that no other person has an equal or superior claim to the escheated estate.

The county treasurer may rely in good faith on the sworn statements made in the claim and shall have no duty to inquire into the truth or credibility of evidence submitted.

In paying out the escheated estate, the county treasurer shall be held harmless to all. Payment shall act as total acquittance and shall completely discharge the county treasurer from any liability. If the county treasurer rejects any claim made hereunder, the claimant may take his or her grievance to the Superior Court of the county holding the escheated estate. Any claim paid hereunder shall be paid without interest.

(Amended by Stats. 2000, Ch. 333, Sec. 1. Effective January 1, 2001.)
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Exhibit VI – California Government Code Section 50050-50057 (cont’d)

50053. When any such money becomes the property of a local agency and is in a special fund, the legislative body may transfer it to the general fund.
(Added by Stats. 1949, Ch. 81.)

50054. Whenever any city or county or city and county renders construction services or constructs public works for any city, county, city and county or any other governmental agency below the level of the state government, the price charged for such services or construction shall be sufficient to reimburse the governmental body performing such services for the full cost thereof including labor, material, equipment costs or rentals and a reasonable allowance for overhead. In computing overhead, without limitation on other factors properly includable, there shall be allocated to the overhead cost its proportionate share of indirect labor and administrative costs.
(Added by Stats. 1971, Ch. 558.)

50055. Any other provision of this article notwithstanding, any individual items of less than fifteen dollars ($15), or any amount if the depositor’s name is unknown, which remain unclaimed in the treasury or in the official custody of an officer of a local agency for the period of one year or upon an order of the court may be transferred to the general fund by the legislative body without the necessity of publication of a notice in a newspaper.
(Amended by Stats. 1996, Ch. 89, Sec. 1. Effective July 1, 1996.)

50056. The responsibilities of the treasurer as provided under this article may be delegated by the treasurer to the agency, district, or department that maintains the supporting records of the unclaimed money based on the initial receipt or deposit of that money or both.
(Added by Stats. 1984, Ch. 866, Sec. 4.)

50057. For individual items in the amount of five thousand dollars ($5,000) or less, the legislative body of any county may, by resolution, authorize the county treasurer to perform on its behalf any act required or authorized to be performed by it under Sections 50050, 50053, and 50055. The resolution shall require that the county auditor be informed of each act performed under the authorization.
(Amended by Stats. 2011, Ch. 382, Sec. 2. (SB 194) Effective January 1, 2012.)