

SUBJECT:

UNCLAIMED PROPERTY POLICY

POLICY  
NUMBER

200-14  
Resolution  
No. 9863-24

EFFECTIVE  
DATE

6-11-2024

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It is the policy to provide proper procedures for the City to take possession of long-standing unclaimed checks and deposits in accordance with California Government Code, and to ensure accurate accounting.

## **1. SUMMARY OF CALIFORNIA GOVERNMENT CODE**

- A. Per California Government Code, money that remains unclaimed in the treasury of local agencies for a period of more than three (3) years will become the property of the local agency forty-five (45) days after the initial public notice if not claimed or if no verified complaint is filed and served (Gov. Code Sec. 50050 and 50051).
- B. At any time after the expiration of the three-year period, the City of Garden Grove may cause a notice to be published once a week for two successive weeks in a newspaper of general circulation published in the City of Garden Grove (Gov. Code Sec. 50050).
- C. The notice shall state the amount of money, the fund in which it is held, and that the money shall become the property of the City of Garden Grove on a date not less than forty-five (45) days and no more than sixty (60) days after the first publication of the notice (Gov. Code Sec. 50051).
- D. A party of interest may file a claim at any time until the date on which the unclaimed money becomes the property of the City. The claim form 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 (Gov. Code Sec. 50052).
- E. Upon submitting proof satisfactory to the City, the Treasurer may release to the claimant, their heir, beneficiary, or duly appointed representative, unclaimed money if claimed prior to the date the money becomes the property of the City (Gov. Code Sec. 50052.5).
- F. When the unclaimed funds become the property of the City of Grove, the City Council may authorize the funds be recorded in the General Fund. (Gov. Code Sec. 50053).
- G. For unclaimed checks of less than fifteen dollars (\$15), and deposits of any amount where the depositor's name is unknown, when funds remain

unclaimed for a period of one (1) year, they may be recorded in the General Fund with the approval of the City Council without public notification (Gov. Code Sec. 50055).

- H. The Treasurer may delegate his/her responsibilities for processing unclaimed property (Gov. Code Sec. 50056).

## **2. DISBURSEMENT AND FUNDS TRANSFER**

- A. A review of unclaimed checks and deposits will be completed annually.
- B. The City will attempt to contact claimants for amounts greater than \$500 prior to publishing the notice. Neither the attempt nor the communication will restart the clock of the three-year window, and will not prevent the unclaimed money from becoming property of the City forty-five (45) days after the publication of the notice.
- C. The notice will include the statutorily required information and provide a link to the City's website where a detailed list of unclaimed checks and instructions to claim the funds is published.
- D. For unclaimed checks or deposits, claimants are required to complete a Claim Form – Unclaimed Checks or Deposits (Exhibit A) and provide all required supporting documentation.
- E. The Finance Director or his/her designee will review the claims and approve or reject them.
- F. If a claim is rejected, the claimant may file a complaint seeking recovery all or part of the money in a court within the County of Orange. The City Clerk shall be served a copy of the complaint and summons which must be served within thirty (30) days of receiving notice that the claim was rejected. The City shall hold the amount of unclaimed money pending court action until a decision is rendered by the court. (Gov. Code Sec. 50052)
- G. When the unclaimed funds become the property of the City, the funds shall be recorded in the fund where original payments were made, unless City Council authorizes the funds be recorded in the General Fund.