

THIS PRINT COVERS CALENDAR ITEM NO. : 10.3

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Finance & Information Technology

BRIEF DESCRIPTION:

Approving a transfer in an amount up to \$4,000,000 for unclaimed customer overpayments and duplicate or multiple payments for parking and transit violations received by the SFMTA between the period of 1994 to 2016 to the City's General Fund, and requesting that the Board of Supervisors escheat these funds to the City's General Fund.



SUMMARY:

- California Government Code Sections 50050, 50053 and 50055 authorizes the City Treasurer to transfer unclaimed funds to the City Treasury after required notice is posted following approval by the Board of Supervisors.
- The SFMTA has identified approximately \$600,000 in unclaimed funds for overpayments and multiple payments for parking and transit violations that are eligible for transfer, and approximately \$3.4 million carried over from the January 2016 posting period that were not transferred to the General Fund during that fiscal year due to a higher than expected amount from overpayment accounts than was originally approved by the Board of Supervisors for transfer to the City's General Fund.
- In November 2017, the SFMTA, by authority delegated by the City Treasurer, posted notice in accordance with the Government Code to provide an opportunity for the public to claim these funds.
- The period for filing claims on these funds expired on December 14, 2017.
- Board of Supervisors approval is required to escheat these funds to the City's General Fund.

ENCLOSURES:

1. SFMTAB Resolution
2. Board of Supervisors Resolution

APPROVALS:

	DATE
DIRECTOR 	3/26/2018
SECRETARY 	3/26/2018

ASSIGNED SFMTAB CALENDAR DATE: April 3, 2018

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PURPOSE

Approving a transfer in an amount up to \$4,000,000 for unclaimed customer overpayments and duplicate or multiple payments for parking and transit violations received by the SFMTA between the period of 1994 to 2016 to the City's General Fund, and requesting that the Board of Supervisors escheat these funds to the City's General Fund.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

This item supports the following Strategic Plan Goal.

Goal 3: Improve the environment and quality of life in San Francisco.

This item does not directly support any Transit First Policy Principles.

DESCRIPTION

The California Government Code authorizes a local governmental entity to transfer unclaimed funds to their city's general fund after three years, and after public notice is provided, or after one year for accounts with no corresponding customer name or less than \$15.00. In November 2017, the SFMTA identified and publicly noticed approximately \$600,000 in unclaimed funds resulting from customer overpayments and multiple payments for parking and transit violations received by the SFMTA between Fiscal Years 1995 and 2014. In addition, the \$4 million transfer amount includes approximately \$3.4 million carried forward from the January 2016 posting period. The carryover was a result of higher than expected amount from overpayment accounts than was originally approved by the Board of Supervisors in 2016 for transfer to the City's General Fund. Approximately \$13,000 identified for escheatment during the current period is associated with citation accounts through June 30, 2016, which fall below the required posting threshold of less than \$15 or with no corresponding customer name.

The SFMTA, by authority delegated by the City Treasurer, posted notice in accordance with the Government Code on November 16, 2017 and November 23, 2017, in the City's official newspaper for customer accounts with overpayments and duplicate or multiple payments of \$15.00 or more and where a corresponding customer name was identified. Additional announcements were made in various social media and news outlets. The SFMTA created a dedicated webpage with a list of customer names and corresponding amounts for eligible refunds and provided claim forms for requesting a refund that could be submitted via the SFMTA's website or over phone. The SFMTA processed approximately 350 claims submitted by the public for overpayments and duplicate or multiple payments received by the SFMTA. The deadline to file a claim expired December 14, 2017.

PUBLIC OUTREACH

In addition to the public notice required under California Government Code Section 50051, the SFMTA created a dedicated webpage with a list of customer names eligible for refunds and provided an online claim form. Announcements were also made through various social media and various news outlets.

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ALTERNATIVES CONSIDERED

None. The requirements for transferring unclaimed funds are established by State law.

FUNDING IMPACT

Up to \$4,000,000 of unclaimed funds will be eligible for transfer to the City's General Fund.

PUBLISHED NOTICE

California Government Code Sections 50050 and 50051 requires the Treasurer of the local jurisdiction to publish notice before unclaimed funds may be transferred to the City's General Fund. The notice must be published once a week for two consecutive weeks and must 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. The SFMTA received delegation of authority from the City Treasurer and, in compliance with California Government Code Section 50050 and 50051, advertisements were placed in the City's official newspaper, the San Francisco Chronicle, on November 16, 2017 and November 23, 2017 for approximately \$600,000 in unclaimed funds, and January 5, 2016 and January 12, 2016 for the \$3.4 million carryover portion from 2016.

ENVIRONMENTAL REVIEW

On January 17, 2018, the SFMTA, under authority delegated by the Planning Department, determined that the transfer of unclaimed overpayments and duplicate or multiple payments for parking and transit violations to the City's General Fund is not defined as a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

Approval by the San Francisco Board of Supervisors is required to escheat these funds to the City's General Fund.

The City Attorney has reviewed this calendar item.

RECOMMENDATION

SFMTA staff request that the SFMTA Board approve a transfer in an amount up to \$4,000,000 for unclaimed customer overpayments and duplicate or multiple payments for parking and transit violations received by the SFMTA between the period of 1994 to 2016 to the City's General Fund, and request the Board of Supervisors escheat these funds to the City's General Fund.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, In November 2017, the SFMTA identified and publicly noticed approximately \$600,000 in unclaimed funds for overpayments associated with parking and transit violations for Fiscal Years 1995 to 2014; and

WHEREAS, Approximately \$3.4 million identified during the January 2016 posting period was carried forward to this fiscal year due to the final amount for overpayment accounts exceeding the original transfer amount approved by the Board of Supervisors; and

WHEREAS, California Government Code Sections 50050, 50053 and 50055 authorizes the City Treasurer to transfer unclaimed funds to the City Treasury after three years, subject to public noticing requirements and escheatment by the Board of Supervisors; and

WHEREAS, Unclaimed funds on accounts less than \$15.00 or where no customer name is provided are eligible for transfer after one year and are exempt from noticing requirements and account for approximately \$13,000 in unclaimed funds for transfer through June 30, 2016; and

WHEREAS, SFMTA, by authority delegated by the City Treasurer, posted notice in accordance with the Government Code to provide an opportunity for the public to claim these funds for amounts of \$15.00 or more or where a customer name was not identified; and

WHEREAS, The SFMTA created a dedicated webpage with a list of customer names and corresponding amounts for eligible refunds and provided claim forms for requesting a refund that could be submitted via the SFMTA's website or over phone; and

WHEREAS, The SFMTA processed approximately 350 claims submitted by the public for overpayments and duplicate or multiple payments received; and

WHEREAS, The period for filing claims on these funds expired on December 14, 2017; and

WHEREAS, On January 17, 2018, the SFMTA, under authority delegated by the Planning Department, determined that the transfer of unclaimed overpayments and duplicate or multiple payments for parking and transit violations to the City's General Fund is not defined as a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; now, therefore be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors approves a transfer in an amount not to exceed \$4 million for unclaimed overpayments and duplicate or multiple payments for parking and transit violations received by the SFMTA for the period from 1994 to 2016 to the City's General Fund; and be it further

RESOLVED, That the Board of Supervisors is requested to escheat these funds to the City's General Fund.

I certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at their meeting of April 3, 2018.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

1 [APPROVING A TRANSFER OF UP TO \$4 MILLION TO THE GENERAL FUND FOR
2 CITATION OVERPAYMENTS RECEIVED BY THE SAN FRANCISCO MUNICIPAL
TRANSPORTATION AGENCY]

3 **Resolution approving a transfer up to \$4 million for overpayments and duplicate**
4 **payments received by the City for parking and transit violations issued between**
5 **January 1, 1994 and June 30, 2016.**

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7 WHEREAS, In November 2017, the SFMTA identified and publicly noticed
8 approximately \$600,000 in unclaimed funds for overpayments and duplicate payments
9 received by the City for parking and transit violations issued between January 1, 1994 to June
10 30, 2014 that are currently held in the SFMTA’s Municipal Transportation Fund, to the General
11 Fund for the City and County of San Francisco; and

12 WHEREAS, Accounts less than fifteen dollars or with no corresponding name are
13 eligible for escheatment within one year and are not required to be posted; and

14 WHEREAS, the SFMTA identified approximately \$13,000 in overpayments less than
15 \$15 and without a corresponding name through June 30, 2016; and

16 WHEREAS, Approximately \$3.4 million in unclaimed funds has been carried forward
17 from 2016 due to a higher than expected amount for overpayment accounts than was
18 originally approved by the Board of Supervisors for transfer to the City’s General Fund; and

19 WHEREAS, California Government Code Sections 50050, et seq. authorize the San
20 Francisco Board of Supervisors to transfer unclaimed funds, that have remained unclaimed
21 for three or more years, to the City’s General Fund after required notice is posted indicating
22 that the money will become the property of the City on a designated date not less than forty-
23 five days nor more than sixty days after the first publication of the notice; and

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1 WHEREAS, Unclaimed funds in accounts with no corresponding customer name or in
2 an amount less than \$15 can be transferred after one year by the San Francisco Board of
3 Supervisors to the City’s General Fund; and

4 WHEREAS, SFMTA, under the authority delegated by the City Treasurer as provided
5 by state law, posted the required notice on November 16, 2017 and November 23, 2017 in the
6 City’s official newspaper to provide an opportunity for the public to claim a refund of any
7 identified overpayment or duplicate payment made between January 1, 1994 to June 30, 2014
8 and notice to the public that any remaining unclaimed money would become the City’s
9 property on December 14, 2017; and

10 WHEREAS, Additional announcements were made in various social media and news
11 outlets; and

12 WHEREAS, Claim forms to request a refund were made available on the SFMTA
13 website or by phone; and

14 WHEREAS, The deadline to file a claim to request a refund expired on December 14,
15 2017; and

16 WHEREAS, On January 17, 2018, the SFMTA, under authority delegated by the
17 Planning Department, determined that the transfer of an amount of unclaimed overpayments
18 from parking and transit violations to the General Fund of the City and County of San
19 Francisco is not defined as a “project” under the California Environmental Quality Act (CEQA)
20 pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

21 WHEREAS, The San Francisco Municipal Transportation Agency Board of Directors
22 approved Resolution No. _____ on _____ requesting Board of Supervisors approval to
23 transfer these funds, on file with the Clerk of the Board of Supervisors in File No. _____,
24 which is hereby declared to be a part of this resolution as if set forth fully herein; now,
25 therefore, be it

1 RESOLVED, That the Board of Supervisors approves the transfer of up to \$4 million in
2 unclaimed funds for overpayments and duplicate payments received by the City for parking
3 and transit violations issued between January 1, 1994 and June 30, 2016, that are currently
4 held in the SFMTA’s Municipal Transportation Fund to the General Fund for the City and
5 County of San Francisco.

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