

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETINGS

MEETING DATE(S): OCTOBER 16 & 20, 2025

FROM: ARTURO CEJA – DIRECTOR OF FINANCE

FOR: ACTION X DIRECTION _____ INFORMATION _____



ADOPTION OF MSWD UNCLAIMED PROPERTY POLICY NO. 2025-08

STAFF RECOMMENDATION

It is recommended that the Board of Directors adopt the MSWD Unclaimed Property Policy No. 2025-08.

SUMMARY

As the District grows and the number of customers increases, and due to the nature of customer demographics, tenants are required to pay a deposit when opening an account under their name. This results in customers receiving a credit payment when they close the account. This has resulted in a large quantity of checks that go uncashed from customer refunds. The District also carries several uncashed vendor checks in the monthly bank reconciliation report. California Government Code Sections 50050 – 50056 allows government agencies to take possession of long-standing unclaimed checks following specific guidelines and a three (3) year expiration period.

ANALYSIS

Currently, MSWD issues customer refund and vendor payments on a regular basis and reviews the bank statement monthly for all cashed checks. As of September 30, 2025, the District maintains 650 uncashed checks totaling approximately \$69,000. Following the State's Unclaimed Property process and establishing a District policy will allow staff to clean up uncashed checks with no activity.

FISCAL IMPACT & STRATEGIC PLAN IMPLEMENTATION

The unclaimed checks once claimed by the District would be an increase to General Fund reserves. This action aligns with Strategic Plan Goal 3.2.2.

ATTACHMENTS

Attachment A: Unclaimed Property Policy 2025-08

FINANCIAL DATA		
Cost Associated with this action:	(\$89,000)	
Current FY cost:	(\$69,000)	
Future FY cost:	\$0	
Is it covered in current year budget:	YES ☒	NO ☐
Budget adjustment needed:	YES ☐	NO ☒
If yes, year needed:	N/A	
All previous contracts including dates, amounts and board approvals are attached or have been made available.		
FUNDING SOURCES		
Source of funds:	Uncashed Checks	
BID/Job#	Fund 101	
Current BID/Job balance	\$0.00	
Balance remaining if approved:	N/A	