

City of Philadelphia



Council of the City of Philadelphia
Office of the Chief Clerk
Room 402, City Hall
Philadelphia

(Resolution No. 080685)

RESOLUTION

Calling on the Treasurer to do an analysis to determine the degree to which the City loses revenue as a result of unclaimed and uncashed paper checks disbursed by the Commonwealth of Pennsylvania and the steps necessary to implement electronic transfer of these funds.

WHEREAS, The City of Philadelphia receives from the Commonwealth of Pennsylvania grant funding in excess of \$257 million annually. These grants fund everything from fire and rescue operations to Fairmount Park beautification; and

WHEREAS, These funds are currently delivered to the City via US mail in paper check form; and

WHEREAS, It can take the City up to a month to deposit checks received from the State, during which time interest could be accruing. It is estimated that lost interest ranges from several hundred thousand dollars to over \$1 million annually; and

WHEREAS, The amount of uncashed, lost and unclaimed checks has been estimated by the Commonwealth of Pennsylvania's Department of Treasury to exceed \$1 million annually; and

WHEREAS, While the City can initiate a search to reclaim the uncashed/unclaimed checks, such delay jeopardizes services and programs needed by the city's residents; and

WHEREAS, Any check mailed to the City of Philadelphia has the potential of being lost, stolen or misplaced; and

WHEREAS, Electronic Fund Transfer would totally eliminate this problem and save the City millions of dollars in lost revenue and interest; and

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WHEREAS, The Commonwealth of Pennsylvania's Department of Treasury has a program entitled "Invest" to facilitate the electronic movement of funds to municipal governments and non-profit organizations which provides interest bearing accounts collateralized by the State in the amount of 102%, thus securing such investments with the full strength and credibility of the Commonwealth of Pennsylvania; now therefore

RESOLVED, BY THE COUNCIL OF CITY OF PHILADELPHIA, That it hereby calls on the Treasurer to do an analysis to determine the degree to which the City loses revenue as a result of unclaimed and uncashed paper checks disbursed by the Commonwealth of Pennsylvania and the steps necessary to implement electronic transfer of these funds.

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CERTIFICATION: This is a true and correct copy of the original Resolution, Adopted by the Council of the City of Philadelphia on the eighteenth of September, 2008.

Anna C. Verna
PRESIDENT OF THE COUNCIL

Patricia Rafferty
CHIEF CLERK OF THE COUNCIL

Introduced by: Councilmembers Jones, Green and Sanchez

Sponsored by: Councilmembers Jones, Green, Sanchez, Greenlee, Rizzo, Goode, Kenney, Blackwell, Tasco, Council President Verna, Councilmembers Reynolds Brown, Miller, Clarke and DiCicco