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# CITY OF SACRAMENTO

DEPARTMENT OF FINANCE

REVENUE DIVISION

March 29, 1985  
RD:851064-ADM:MLM:ld

RECEIVED  
CITY CLERKS OFFICE  
CITY OF SACRAMENTO  
APR 10 8 30 AM '85

City Council  
Sacramento, California

Honorable Members in Session:

SUBJECT: DISHONORED CHECK FEE

APPROVED  
BY THE CITY COUNCIL

APR 16 1985

OFFICE OF THE  
CITY CLERK

SUMMARY

This report recommends an increase of the City's dishonored check fee from \$5.00 to \$10.00.

BACKGROUND

The City's present dishonored check fee of \$5.00 was established May 25, 1974.

DISCUSSION

The City should recover the costs associated with collection of dishonored checks. Currently, the City receives an average of 110 dishonored checks monthly. Within the last few years, the banks upon which the checks are drawn have initiated "collection fees" of \$1 to \$3 against the payee for processing the dishonored checks. These fees are in addition to the City staff time involved in the collection process. Currently, the City's cost is approximately \$10.00 per dishonored check.

The \$10.00 cost compares reasonably with the dishonored check charges of the following businesses surveyed on March 28, 1985.

Bel Air Market	\$10.00
County of Sacramento	10.00
Grebitus Jewelers	15.00
I. Magnin	5.00
Lucky's	12.00
Macys	5.00
Raley's	10.00
Sears	10.00

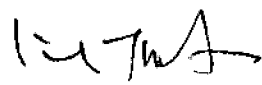
The increased charge will result in an additional \$6,600 of annual General Fund revenue.

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RECOMMENDATION

It is recommended that the City Council adopt the attached resolution amending the City's Fee and Charge Report to increase the dishonored check fee to \$10.00.

Respectfully submitted,

  
MICHAEL L. MEDEMA  
Revenue Officer

RECOMMENDATION APPROVED:

  
WALTER J. SILPE, City Manager

Attachment

All Districts  
April 16, 1985



# CITY OF SACRAMENTO

DEPARTMENT OF FINANCE

REVENUE DIVISION

March 29, 1985  
RD:851063-ADM:MLM:ld

Budget and Finance Committee  
Sacramento, California

Honorable Members in Session:

SUBJECT: DISHONORED CHECK FEE

CITY MANAGER'S OFFICE  
**RECEIVED**  
MAR 29 1985

SUMMARY

The attached report recommends the City Council approve an increase of the dishonored check fee from \$5.00 to \$10.00.

DISCUSSION

The City should recover costs associated with the collection of dishonored checks. The fee recommended by the attached report achieves this goal.

RECOMMENDATION

It is recommended that the Budget and Finance Committee recommend that the City Council approve the fee increase proposed by the attached report.

Respectfully submitted,

RECOMMENDATION APPROVED:

\_\_\_\_\_  
SOLON WISHAM, JR.  
Assistant City Manager

MICHAEL L. MEDEMA  
Revenue Officer

Attachment

All Districts  
April 9, 1985

**RESOLUTION NO. 85-290**

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION AMENDING THE CITY'S FEE AND CHARGE REPORT  
TO INCREASE THE DISHONORED CHECK FEE TO \$10.00

**APPROVED**  
BY THE CITY COUNCIL

APR 16 1985

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

That the City's Fee and Charge Report is hereby amended as follows: **OFFICE OF THE CITY CLERK**

Dishonored check fee (\$5.00) \$10.00

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK