

**AN ORDINANCE ADOPTING AN UNCLAIMED PROPERTY POLICY ADDING TITLE 20
CHAPTER 4 SECTION 408 TO THE MANCHESTER MUNICIPAL CODE**

WHEREAS, the City of Manchester comes into possession of unclaimed personal property on a regular basis, by abandonment and other means, and the city needs a process to follow dispose of such property properly,

NOW THEREFORE BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF MANCHESTER, TENNESSEE THAT THE FOLLOWING LANGUAGE BE ADDED TO TITLE 20 OF THE MANCHESTER MUNICIPAL CODE:

“20-408. Unclaimed Property Policy

(1) Unclaimed Property – Definition, Exceptions.

“Unclaimed property” as used in this ordinance includes all property that comes to be in the possession of the City through abandonment or other means. Tennessee’s Uniform Unclaimed Property Act applies to the unclaimed property the City is holding for other organizations or individuals and for which the City has had no contact with the apparent owner for a minimum of one year up to the maximum statutory period.

“Unclaimed property” includes, but is not limited to:

- a. Uncashed payroll checks
- b. Uncashed disbursement checks
- c. Uncashed miscellaneous checks
- d. Credit balances in accounts receivables
- e. Utility deposits
- f. Unclaimed personal property

Exceptions: “Unclaimed property” does not include:

- a. Real property;
- b. city surplus property;
- c. any weapon, including but not limited to firearms or knives; or
- d. property that is seized and/or forfeited through law enforcement action.

(2) Due Diligence Required for Unclaimed Property.

- (a) Before reporting unclaimed property to the Tennessee Department of Treasury, the City must exercise due diligence by attempting to notify the individual who is the apparent owner of the property in writing that the City is in possession of unclaimed property belonging to the individual in an amount of \$50.00 or greater. The notice must also include information on how the apparent owner can claim the property.
- (b) The written notice must be sent via first-class or registered mail to the last known address of the apparent owner.
- (c) Such written notice must be sent not more than one hundred (180) days, nor less than sixty (60) days, before filing the report with the Tennessee Department of Treasury.
- (d) If an apparent owner of unclaimed property consented to receive electronic mail communications from the City, the city shall send the notice by both first-class mail to the apparent owner's last known mailing address and by electronic mail, unless the City has reason to believe that the apparent owner's electronic mail address is not valid.
- (e) The notice of the apparent owner must contain in a heading that reads substantially the same as the following: "Notice: The State of Tennessee required us to notify you that your property may be transferred to the custody of the Treasurer if you do not contact us within thirty (30) days after the date of this notice."
- (f) Mail returned as "undeliverable" is evidence that the apparent owner cannot be located. When the apparent owner cannot be located, the property is considered abandoned and the City must report it to the Tennessee Department of Treasury as unclaimed property.
- (g) No written notice is required to be sent to an apparent owner when the property that comes into the possession of the City is not at least \$50.00. The property must be submitted to the Tennessee Department of Treasury with the other unclaimed property that comes into the possession of the City during each respective calendar year.

(3) Methods of Disposal of Unclaimed Property.

- (a.) Methods of disposal which may be used by the purchasing agent shall include:
 - 1. Sales at public auction, publicly advertised and held;
 - 2. Sale under sealed bids, publicly advertised, opened and recorded; or
 - 3. Sale by internet auction.
- (b.) Notice of any public auctions and sales under the sealed bids, as provided in this part, shall be publicly advertised and publicly held. Notice of intended sale by public auction or sale under sealed bid shall be published by the purchasing agent in at least one (1) newspaper of general circulation in Coffee County. Such notice shall specify and reasonably describe the property to be sold, the date, time, place, manner, and conditions of sale, all as previously determined by the purchasing agent in accordance with the regulations of the City. The advertisement shall be printed in the public notice or equivalent section of the newspaper and shall be run not less than one (1) day. The auction or sale under sealed bid shall be made not sooner than seven (7) days after the last day of publication nor later than fifteen (15) days after the last day of publication of the required notice, excluding Saturdays. Sundays, and holidays. Prominent notice shall be posted conspicuously for ten (10) days prior to the date of disposal, excluding Saturdays, Sundays, and holidays, in at least two (2) public places in the county. Furthermore, notice shall be sent to the county clerk and such notice shall be posted in the county courthouse unless otherwise directed by the purchasing agent.
- (c.) Notice of intended disposal by internet auction shall be posted on the City's website notifying the public of such intended internet sale. Such notice shall identify the website and provide a link to the online auction website in which any citizen may view and/or bid on any article. The website notice shall be displayed on a basis of twenty-four (24) hours a day, seven (7) days per week. The website notice shall reasonably describe the property to be sold, the date(s), time, manner, and conditions of sale, all as previously determined

by the internet auction provider in accordance with the contract and/or signed agreement with the City.

(d.) The purchasing agent shall furnish the governing body a list of all unclaimed personal property disposed of, the method of disposal of such property, and the price obtained as a result of the sale of any unclaimed property.

(4) Disposition of proceeds of sale of Unclaimed Property.

(a.) All funds received from the sale of unclaimed property from any City department shall be paid by the purchasing agent into the City treasury. The purchasing agent shall certify to the City treasurer the expense incurred in making the sale or otherwise disposing of such property, including the costs and expenses of storage during the period of such property was in the possession of the City. All funds received from the sales of unclaimed personal property shall be paid into the general fund.

(b.) If the owner of any article of unclaimed personal property sold presents satisfactory proof to the City that they were the owner of any article sold within a period of thirty (30) days after the sale, they shall be entitled to the proceeds of the sale thereof, less their proportionate share of the expenses of the sale.”

Each section, subsection, paragraph, sentence and clause of this ordinance is declared to be separable and severable. The invalidity of any section, subsection, paragraph, sentence or clause shall not affect the validity of any other provision of the ordinance. All ordinances and parts of ordinances, which are inconsistent with the provisions of this ordinance, are hereby repealed to the extent of such inconsistency.

This ordinance shall become effective upon its final passage by the Board of Mayor and Aldermen.

Passed First Reading: October 3, 2023

Passed Second Reading: November 7, 2023

Attest: Lisa Myers
Lisa Myers, City Recorder

Marilyn Howard
Marilyn Howard, Mayor