



MEMORANDUM

TO: Michael J. Cecchini, Police Chief

FROM: Thomas Pletzke, Deputy Police Chief

DATE: June 14, 2012

RE: Potential Revenue Source from "Release Fee" for impounded vehicles

A review of the number of vehicles impounded by the officers of the Bay City Police Department and a comparison of procedures in jurisdictions surrounding Bay City, shows that there is a source of revenue being lost by the City of Bay City by not charging "release fees" for impounded vehicles. Currently no law enforcement agency within Bay County charges a "release fee" for impounded vehicles. The table below shows a report of the number of vehicles impounded by the police department in the past three years, the average number of those vehicles that were actually redeemed by the owner and the revenue generated by the release of those vehicles.

YEAR	IMPOUNDED	AVG REDEEMED	REVENUE
2009	317	257	\$0.00
2010	277	217	\$0.00
2011	303	243	\$0.00
TOTAL	897	717	\$0.00

Recognizing that a number of law enforcement agencies in the Tri-City area charge a "release fee" for releasing impounded vehicles, a survey of those agencies was conducted to determine the range of fees that were being charged. The following table shows the results of that survey.

Agency	Release Fee Charged
Saginaw county Sheriff	\$40.00
Buena Vista P.D.	\$50.00
Flint P.D.	\$190.00
Birch Run P.D.	\$75.00
Montrose P.D.	\$50.00
Clio P.D.	\$75.00
Mount Morris P.D.	\$100.00

The average of the above fees is slightly over \$82.00 per release. A revenue source to consider would be for the Bay City Police Department to begin charging a \$50.00 release fee. The revenue generated had this fee been in place for the past three years indicated in the table on page 1 is represented below.

YEAR	IMPOUNDED	AVG REDEEMED	REVENUE
2009	317	257	\$12,850.00
2010	277	217	\$10,850.00
2011	303	243	\$12,150.00
TOTAL	897	717	\$35,850.00