

ORDINANCE NUMBER 241
AN ORDINANCE CONCERNING MUNICIPAL DISPOSITION OF
UNCLAIMED PROPERTY BY THE TOWN OF HUGO, COLORADO

WHEREAS, certain property held by or under the control of the Town of Hugo, Colorado which is owned by and individual or entity may be unclaimed by the owner; and

WHEREAS, the Town of Hugo desires to establish an administrative procedure for notification and, where possible, transfer of unclaimed property to the owner; and

WHEREAS, the Town of Hugo, desires to dispose of unclaimed property after notification has been provided to the last known owner or owners of the subject unclaimed property, and

WHEREAS, the Town of Hugo desires to enact a local law providing procedure for administration and disposition of unclaimed property.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN OF HUGO,
COLORADO AS FOLLOWS:

Section 1. PURPOSE: The purpose of this ordinance is to provide for the administration and disposition of unclaimed property which is in the possession of or under the control of the Town of Hugo.

Section 2. DEFINITIONS: Unless otherwise required by context or use, word and terms shall be defined as follows:

- (a) "Unclaimed property" means any tangible or intangible property, including any income or increment derived therefrom, less any lawful charges that is held by or under the control of the Town of Hugo and which has not been claimed by its owner for period of time of more than one year after it became payable or distributable.
- (b) "Municipality" means the Town of Hugo, Colorado.
- (c) "Owner" means a person or entity, including a corporation, partnership, association, governmental entity other than this municipality, or a duly authorized legal representative or successor in interest of same, which owns unclaimed property held by the municipality.
- (d) "Town Clerk" shall mean the Officer responsible for administration of this ordinance or designee thereof.

Section 3. PROCEDURE FOR DISPOSITION OF PROPERTY:

- (a) Prior to disposition of any unclaimed property having an estimated value of \$50.00 or more, the Town Clerk or Town Attorney shall send written notice by certified mail, return receipt requested, to the last known address, if any, of any owner of unclaimed property. The last known address of the owner shall be the last address of the owner as shown by the records of the municipal department or agency holding the property. The notice shall include a description of property, the amount or estimated value of the property, and, when available, the purpose of which the property was deposited or otherwise held. The notice shall state where the owner may

make inquiry of or claim the property. The notice shall also state that if the owner fails to provide the Town Clerk with a written claim for the return of the property within sixty (60) days of the date of the notice, the property shall become the sole property of the municipality and any claim of the owner to such property shall be deemed forfeited.

- (b) Prior to disposition of any unclaimed property having an estimated value of less than \$50.00 or having no last known address of the owner, the Town Clerk shall cause a notice to be published in a newspaper of general circulation in the municipality. The notice shall include a description of the property, the owner of the property, the amount or estimated value of the property and, when available, the purpose for which the property was deposited or otherwise held. The notice shall state where the owner may make inquiry of or claim the property. The notice shall also state that if the owner fails to provide the Town Clerk with a written claim for the return of the property within sixty (60) days of the date of publication of the notice, the property shall become the sole property of the municipality and any claim of the owner to such property shall be deemed forfeited.
- (c) If the Town Clerk receives no written claim within the above sixty (60) day claim period, the property shall become the sole property of the municipality and any claim of the owner to such property shall be deemed forfeited.
- (d) If the Town Clerk receives a written claim within the sixty (60) day claim period the Town Clerk shall evaluate the claim and give written notice to the claimant within ninety (90) days thereof that the claim has been accepted or denied in whole or in part. The Town Clerk may investigate the validity of a claim and may request further supporting documentation from the claimant prior to disbursing or refusing to disburse the property.
- (e) In event that there is more than one claimant for the same property, the Town Clerk may, in the Town Clerk's sole discretion, resolve said claims, or may resolve such claims by depositing the disputed property with the registry of the District Court in an interpleader action.
- (f) In the event that all claims filed are denied, the property shall become the sole property of the municipality and any claim of the owner of such property shall be deemed forfeited.
- (g) Any legal action filed challenging the decision of the Town Clerk shall be filed pursuant to Rule 106 of the Colorado Rules of Civil Procedure within thirty (30) days of such decision or shall be forever barred. If any legal action is timely filed, the property shall be disbursed by the town Clerk pursuant to the order of the Court having jurisdiction over such claim.
- (h) The Town Clerk is authorized to establish and administer procedures for the administration and disposition of unclaimed property consistent with this Ordinance, including compliance requirements of other municipal officers and employees in the identification and disposition of such property.

Section 4. SALE OF UNCLAIMED PROPERTY: Sale or disposition of unclaimed property shall be at the discretion of the Board of Trustees of the municipality, based on the recommendation of the Town Clerk.

Section 5. REPEAL: All acts, orders, resolutions, ordinances, or parts thereof, of the Town of Hugo that are inconsistent or in conflict with this ordinance, are hereby repealed to the extent only of such inconsistency or conflict.

Section 6. SEVERABILITY: If any section, subsection, or any smaller part of this ordinance is found invalid or unconstitutional by any court, that portion of the ordinance shall be deemed a separate, distinct, and independent portion of the remainder of the ordinance, and shall not affect the validity of the rest of the ordinance.

Section 7. RECORDING AND AUTHENTICATION: Immediately upon its passage, this ordinance shall be recorded in the Town book of Ordinances kept for the purpose, authenticated by signatures of the Mayor and Clerk, and shall be published as required by law.

Section 8. EFFECTIVE PERIOD: This ordinance shall be effective thirty days following publication.

Adopted and approved this _____ day of _____, 2014.

Patsie E. Smith; MAYOR

ATTEST:

Maria Nestor; TOWN CLERK

Published on _____ in the Eastern Colorado Plainsman.