



**SAN MIGUEL COUNTY**  
**Treasurer & Public Trustee**  
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## 2021 BUDGET MESSAGE

### SAN MIGUEL COUNTY PUBLIC TRUSTEE OFFICE

The 2021 San Miguel County Public Trustee budget has been prepared to comply with the budget requirements of House Bill 12-1329 which went into effect in 2012. This legislation removed the budget process for the Public Trustee Office from the County General Fund to a separate Public Trustee Budget which is adopted by Public Trustee Resolution and submitted to the Board of County Commissioners for review.

A Public Hearing regarding the proposed 2021 budget will be held on Tuesday September 29, 2020 at 10:30 am at the outside entry to the office of the Public Trustee. As the 2021 budget is less than fifty thousand dollars, Public Notice of the meeting shall be posted in three public places in San Miguel County consistent with Colorado regulations. Such posting places are the Public Trustee message board at the San Miguel County Courthouse at 305 W. Colorado Avenue in Telluride, the Placerville Post Office located on Front Street in Placerville and the Norwood Post Office located on Grand Avenue in Norwood.

Detailed budget information is available for review during normal business hours in the office of the Public Trustee. For public convenience, the budget is also posted on the Public Trustee department page at [www.sanmiguelcountyco.gov](http://www.sanmiguelcountyco.gov) and at <http://foreclosures.sanmiguelcountyco.gov> under the heading Foreclosure Reports and Budget Information.

The Public Trustee is responsible to the residents and voters in the county in which she serves. It is my obligation to follow Colorado Revised Statutes pertaining to this office and apply such regulations fairly and consistently no matter the parties involved. The primary duties of this Office are activated when a borrower signs a Deed of Trust associated with a promise to repay a debt to a lender. The borrower grants certain powers in the Deed of Trust to the Public Trustee of the County in which the property is located.

When a loan is repaid or forgiven or the Deed of Trust is no longer required to secure a loan, the lender makes a request to the Public Trustee to release the lien. This office ensures the lender has properly documented this request so the lien is effectively cleared from the owner's title. Once determining the request is properly made, the Public Trustee executes the release and forwards the release to the office of the County Clerk and Recorder for recording so the release becomes public record. Recording fees are forwarded to the Clerk and Recorder and the release fee of \$15.00 is retained by the Public Trustee. 2021 Releases of Deeds of Trust are projected at 666 releases or \$10,000 in revenue, a small increase in revenue over budgeted 2020 revenue.

In recent years, the Public Trustee has seen a decline in releases of deed of trusts, meaning fewer properties were paid off or refinanced. With historic low interest rates, we are seeing a slight uptick in releases in 2020 as people refinance their homes. I project this increase will hold steady in 2021.

When a loan falls into default, the lender may exercise its right to demand that the Public Trustee foreclose on the secured property. Foreclosure and related fees range from a minimum of \$150.00 per foreclosure to 1/32 of 1% of the amount borrowed or currently owed. Due to varying economic conditions from year to year, it is difficult to accurately

estimate the anticipated fees as this relies upon the misfortune or financial condition of property owners. The Public Trustee earns the fees associated with a foreclosure upon sale of the foreclosed property or closing of the foreclosure file.

I anticipate a continued low volume in foreclosures filings for 2021 with projected revenue at \$1,000 for foreclosure fees in 2021. The foreclosure filings were halted for federal loans in 2020 due to the Covid-19 Pandemic and it is not clear when foreclosure filings may resume. Once foreclosure moratoriums end, we could see an increase in foreclosure filings, however I have not projected increased foreclosure income projections due to this uncertainty which may extend into 2021.

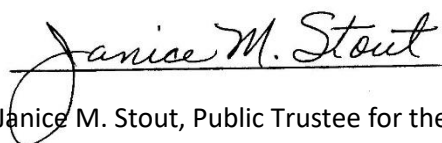
Total revenue from 2021 Public Trustee operations is budgeted at \$11,000 while 2021 budgeted expenses of the Public Trustee operations are projected at \$15,006.00, slightly lower than 2020 budget levels. Operating expenses remain relatively constant considering the fixed Public Trustee salary mandated by state regulations (providing fees generated or reserved offset such salary). Legal services will be contracted with an outside attorney only if assistance cannot be obtained through the county attorney. All efforts will be made to keep expenses as low as possible. The budget shortfall will come from the Public Trustee Salary Reserve Account established in 2009.

After consideration of 2021 projected revenues and expenses, a net loss of \$4,006.00 is anticipated for the Public Trustee office. The 2021 projected net loss is slightly higher than the 2020 projected net loss of approximately \$2,500.00 due to the continued decline in foreclosures. The Public Trustee Salary Reserve funds previously established as allowed by Colorado regulations will decrease but will be adequate for several more years when foreclosure filings and fees fail to meet required expenses of the office.

The Public Trustee budget has been prepared consistent with and similar to those submitted by the Public Trustee for the County General Fund prior to the change in budget regulations in 2012. Fee revenue based on anticipated expenses will be transferred to the County General Fund quarterly. All operating expenses of the office will be paid out of the County General Fund. At year end, all Public Trustee revenues earned in excess of those previously transferred for expenses will be transferred to the County General Fund leaving a small operating balance of \$1,500 in the Public Trustee fee account.

If you have any questions or comments about the 2021 budget, you are encouraged to attend the Public Hearing on Tuesday September 29, 2019 at 10:30 a.m. at the east entry steps to the San Miguel County Courthouse located at 305 West Colorado Avenue in Telluride Colorado. You may contact me at 970-728-4451 with questions regarding this proposed budget or submit written comments to [jans@sanmiguelcountyco.gov](mailto:jans@sanmiguelcountyco.gov) for budget consideration.

Respectfully submitted.



Janice M. Stout, Public Trustee for the County of San Miguel, State of Colorado