

	POLICY TITLE: City of Greenwood – Disposal of Surplus Assets Policy	POLICY NO: 2024-11
	AUTHORITY: Council for the Corporation of the City of Greenwood	CLASSIFICATION: Municipal Assets
	EFFECTIVE DATE: August 19,2024	MOTION: (171-24)
	SUPERSEDES:	

**1. Purpose**

To identify the proper procedures for disposing of assets declared as surplus. Assets may be deemed surplus and eligible for disposal if they are:

- a) obsolete
- b) replaced
- c) worn out
- d) too costly to maintain; or
- e) no longer used.

**2. Scope**

That the City of Greenwood surplus assets are to be disposed of in as a sustainable manner as possible, with consideration being given to least impact to the environment and best opportunity to maximize revenue.

This Policy applies to all assets (excluding land) owned by the City of Greenwood.

**3. Accountabilities**

- 3.1** Council, and through delegated authority, the Chief Administrative Officer (CAO) and Directors, are authorized to dispose of City Surplus Assets through the implementation of this Policy; for communicating its contents to the City staff; and for ensuring that this Policy’s principles are understood and applied. The Council of the City of Greenwood or the CAO, may direct staff to act in a manner different than this Policy if circumstances warrant.
- 3.2** Managers and supervisory staff are responsible for ensuring that the Disposal of Surplus Assets Policy is clearly understood and complied within their departments.
- 3.3** All staff are responsible for ensuring this Policy is adhered to.

**4. Policy**

- 4.1** The City will dispose of all surplus assets in a manner which minimizes the environmental impact and maximizes the financial return to the City and fully complies with any environmental and safety issues. The needs of the greater community should also be considered, especially where the surplus asset has little market value.
- 4.2** The disposal of all surplus assets must be approved by the City of Greenwood Council prior to disposal.
- 4.3** Senior Managers are encouraged to give notification of surplus equipment to all Senior Managers prior to disposal, to ensure that the equipment is not required by another department.

- 4.4** Surplus assets with little or no market value (including recycling market value) are to be destroyed/disposed of in a safe and environmentally acceptable manner.
- 4.5** For usable items with an estimated individual value of less than \$1,000, the Chief Administrative Officer (CAO) may approve that the surplus asset be disposed of by providing it to an interested school or non-profit corporation, association, or entity at no cost thereto, or by way of sale to another municipality or through an auction. Any unwanted items or unclaimed items may be disposed of at the discretion of the Chief Administrative Officer. Optional disposal methods include:
- Third party auctions
  - Online auctions or resale web sites
  - Recycling (for revenue if available)
  - Sale to another municipality, organization or individual where it is deemed fair market value is being received.
- 4.6** For usable items with an estimated individual value in excess of \$1,000, the Chief Administrative Officer (CAO), in consultation with Council, will determine the method of disposal that will maximize the revenue potential and consider the sustainable impacts. Items are disposed of “as is and where is” with no further liability on the part of the City and purchasers must be made aware of these conditions. The Chief Administrative Officer (CAO) may determine that it is more cost effective to offer the item as trade-in towards the purchase of new or similar equipment and not go through the bid process.
- Optional disposal methods include:
- Third party auctions
  - Online auctions or resale web sites
  - Recycling (for revenue if available)
  - Sale to another municipality, organization or individual where it is deemed fair market value is being received (for municipalities the City may consider lower than fair market value where support for other local governments is in order)
  - Dismantling for partial sale
  - Other methods that may be determined by the Senior Manager or Department Director that reflect the revenue and sustainability intent of this Policy.
- 4.7** For clarity, disposal of surplus assets to employees, or relations thereof, must be made at the fair market value of the asset, through an open bidding system.
- 4.8** All funds from the sale of surplus assets are to be accounted for as revenue for the City of Greenwood and must not be used for the benefit of any employee or employee group. Revenues received will be assigned to the appropriate reserve fund as defined by the Chief Administrative Officer (CAO). In cases of garage sales, Council or the Chief Administrative Officer may approve that funds be assigned to a charity.

## **5. Disposition Process**

- 5.1** Any item that is determined by the Chief Administrative Officer (CAO) or Council to have a resale value shall adhere to the following order of disposal:

1. If a prior need is identified, the Asset will be offered for sale at fair market value to a local not for profit organization within the Municipality.
2. Offered for sale to the general public in one of the following manners, as determined by the Corporate Officer:
  - a) A public auction lasting a minimum of two (2) weeks
  - b) A public sale that is:
    - i. Advertised a minimum of two (2) weeks prior to the sale through a variety of means including the local newspaper, electronic means, posted public notice, or other format as per section 94 of the *Community Charter, Public Notice*;
    - ii. Has a minimum bid price to be determined prior to the sale;
    - iii. Is determined through bids received in sealed envelopes and date stamped on receipt of tender.

**5.2** Sale of a Fixed Asset to a Municipal employee is permitted provided that the employee has participated in the public auction or public sale process.

**5.3** If the minimum bid price is not received for an Asset offered for sale to the general public at a public auction or sale, the item shall be disposed of at the discretion of the Chief Administrative Officer as follows:

1. Sold to the highest bid received, or
2. Donated to a local not for profit organization, or
3. Disposed of in a waste disposal system or recycling system.

**5.4** Prior to the selling or disposal of any computer equipment, the hard disk must be erased.

**5.5** A list of all items disposed of, including serial number, make and model if applicable, must be forwarded to the Financial Clerk in order to remove the item from the Municipality's tangible capital asset schedule.

**5.6** An annual report to Council must be provided listing all disposals, the method of disposal and the value (if any) obtained.

## **6. Exclusions**

**6.1** The Council and/or the Chief Administrative Officer have the authority to approve an alternate disposal process from those identified in this Policy especially as it may relate to unique opportunities or emergency situations. Other Senior Managers may provide advice to Council or the CAO as to alternate means of disposal.

**6.2** Land is excluded from this Policy.

## **7. Prohibitions**

The Following Activities are Prohibited:

- Disposal of assets at no cost to Council or employees of the City of Greenwood where the asset has a reasonable market value; and
- Disposal of assets at no cost to businesses or individuals where the asset has a reasonable market value.