

Rural Municipality of Heart's Hill No. 352

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4.16 DISPOSAL of RM ASSETS

DEFINITION:

An asset is an item of economic value that may be converted to cash. If it is determined by Council that an asset is no longer useful to the Municipality, it shall be disposed of.

POLICY:

Prior to disposal, Council shall approve of the disposal of the asset and the appropriate method of disposal. The appropriate method of disposal should maximize the greatest economic value for the Municipality.

Methods of Disposal:

1) Trade-in:

- An asset may be traded in for another asset of similar use and purpose.

2) Public Offering:

- Assets with an estimated value of over \$500.00:

Council shall instruct the Administrator to advertise the asset for sale by tender. The tender advertisement shall include the “as is, where is” and the “Council reserves the right to reject any or all bids” clauses to inform the potential buyers that the Municipality is not liable for any parts or repairs that asset may need. The decision to accept or reject any or all tenders shall be made by a resolution of Council. Tendering advertisements shall be placed on the Municipality’s website and Facebook pages, in at least one locally circulated newspaper or newsletter and the SARM classifieds.

- Assets with an estimated value of less than \$500.00:

The asset shall be advertised locally for sale and sold at a rate established by Council. The advertisement shall include the “as is, where is” and “will be sold to the first individual that provides payment in full to the Municipality” clauses.

If the asset does not sell, the asset shall be re-advertised in the same locations for two weeks, informing the public that Council will accept the highest offer for the asset. At the next sitting of Council, by resolution Council shall accept the highest offer and release the asset upon receipt of payment.

3) Donation, Recycling, or Waste

- If after attempting to sell an asset and it is determined that the asset does not have a saleable value, Council by resolution may dispose of the asset through donation, recycle or waste.

RATIONALE:

If an asset has reached the end of its life or is obsolete to the operations of the Municipality, it shall be disposed of. The disposition of assets procedures will support the process that maximizes economic value for the organization, is transparent, non-discriminatory and considers environmental impacts.

AUTHORITY:

The Municipalities Act, 141.1, 143(1), 144.2