



Surplus Asset Disposal Policy

Approved: 2020-01-21

Motioned by Deputy Chair Van Kroonenburg

"I move that Village of Bible Hill re-adopt the Surplus Asset Disposal Policy with amendments to require the use of a data destruction application prior to computer disposals, and to modify the internal sale procedure to include all full-time staff, Commissioners and the Fire Chief."

Seconded by Commissioner Kennedy

Motion carried

Purpose

1. To define an equitable and transparent process to identify and dispose of surplus assets.

Definitions

2. In this policy,
 - a. "administrative data" means the file storage folder structure utilized in day-to-day operations restricted to Village employees and does not include the file storage system utilized by Commissioners.
 - b. "Clerk and Treasurer" means the person appointed and employed by the Village as Clerk and Treasurer as described in the Municipal Government Act.
 - c. "employee" means any person employed by the Village.
 - d. "fire brigade" means the Bible Hill Fire Brigade.
 - e. "fire brigade member" means any member of the Bible Hill Fire Brigade.
 - f. "immediate family member" means father, mother, child.
 - g. "Minister" means the Minister of the Nova Scotia Department of Municipal Affairs.
 - h. "software application" means a reputable security product capable of permanently destroying all storage drive data to the Canadian CSEC ITSG-06 standard.
 - i. "spouse" means persons who
 - i. are married to each other;
 - ii. are married to each other by a marriage that is voidable, but which has not been voided by order of a court;
 - iii. have gone through a form of marriage that is void and have cohabited within the preceding twelve months; or
 - iv. are living together as husband and wife.
 - j. "surplus assets" means vehicles, furniture, tools, equipment, computers, telephones, appliances, building materials, supplies, and materials that are obsolete, unsuitable for use, surplus to the requirements of, or no longer needed by the Village, but still have reasonable value. The term does not include real estate or items being disposed as solid waste.
 - k. "Village" means the Village of Bible Hill.
 - l. "Village Commission" and "Village Commissioners" have the same meanings as defined in the Municipal Government Act.

Principles Supporting Policy

3. The Village may, from time to time, find that it has surplus assets.

4. The Municipal Government Act provides authority to the Village to
 - a. sell or lease personal property at market value
 - i. after obtaining the consent of the Minister if the value of property exceeds twenty-five thousand dollars;
 - b. sell or lease property at less than market value to a non-profit organization that the Village Commission considers to be carrying on an activity that is beneficial to the Village,
 - i. after obtaining the consent of the Minister;
 - ii. following a special meeting of the electors respecting the sale where the value of property exceeds ten-thousand dollars; and
 - iii. passed by at least a two-thirds majority of the Village Commissioners present and voting.

Terms of Policy

5. The decision to declare an item or items as surplus assets will be based in terms of future use, economic benefit in disposal, and storage space available.
6. Employees of the Village, including the Clerk and Treasurer, shall submit, on the prescribed form, details regarding items requested to be considered for declaration as surplus assets. If the assets are not suitable for public sale or donation for reasons such as security of information or public health, those reasons shall be indicated on the form, along with the recommended method of disposal.
7. The declaration of an item or items as surplus assets will be authorized by the Clerk and Treasurer of the Village.
8. Disposal approval will be authorized by motion of the Village Commission for surplus assets with individual market values in excess of \$1,500. Disposal approval will be authorized by the Clerk and Treasurer for surplus assets with individual market values not in excess of \$1,500.
9. The following disposal methods of surplus assets will be considered, in combination with the legislative requirements of the Municipal Government Act described in paragraph 4:
 - a. **trade-in** (Where economic benefit can be obtained through the trade-in of a surplus asset against the acquisition cost of a new item, this will be first consideration for disposal);

- b. **internal sale** (Where the use of a surplus asset was directly by a Commissioner, full-time employee or Fire Chief in the business of the Village or fire brigade (i.e. computers, iPads), and where the surplus asset did not have access to Village administrative data or such data is destroyed by way of software application, Commissioners, full-time employees and the Fire Chief may be provided equal opportunity to purchase the surplus asset at market value. Where more than one individual seeks to purchase a surplus asset, one individual shall be selected by draw.);
 - c. **external sale** (Surplus assets with individual market values in excess of \$5,000 will be offered for sale in either a public sealed tender process or a public meeting. In either case, the surplus assets will be sold to the highest bidder. Sealed tenders must be submitted on the prescribed form and successful tenderers must pay in full by cash, debit, credit or certified cheque within seven business days of notification of award. In the event that the highest tenderer fails to pay within the seven days, the next highest bid will be accepted. In the event that a tenderer submits more than one bid, only the highest will be considered. Surplus assets with individual market values not exceeding \$5,000 or otherwise not suitable for public sale will be offered for sale by invitation at market value to an arm's length purchaser at the discretion of the Clerk and Treasurer.);
 - d. **donation** (Where assets may have value to charitable or non-profit agencies, consideration will be given to donate surplus assets to a charity or non-profit agency operating within the Village); or
 - e. **landfill** (Where surplus assets are not usable, broken and not repairable, and take up useable storage space, or where surplus assets that are not donated to a charitable or non-profit organization and fail to sell in an external sale process, last consideration will be given to authorizing removal of the surplus assets for disposal in regular garbage collection or delivery to a solid waste facility.).
10. Surplus assets will be safeguarded by the Clerk and Treasurer until approved disposal takes place.
11. The Village will not sell or give surplus assets to the spouse or immediate family member of any Commissioner or employee of the Village.
12. The Village will not sell or give surplus assets to any Commissioner, employee or fire brigade member, other than by way of (9b).

13. Before surplus assets are offered to the public for sale, a notice shall be placed on the Village's website for at least 30 days, to advise local charitable and non-profit organizations of the opportunity to request acquisition of the surplus asset at no cost.
14. The extent and method of advertising will be done in a cost-effective manner to ensure that such advertising costs do not exceed the anticipated sale proceeds and may be limited to the Village's website.
15. Market value shall be determined by the Clerk and Treasurer by way of conducting reasonable research of available sales data. Means of obtaining market value may include research of advertised sales of similar assets via the internet, print publications, appraisal and/or the opinion of third parties. When possible, market value shall be calculated on the average asking price or sale price of two or more similar assets of like condition. The extent and method of market value research will be done in a cost-effective manner to ensure that such research costs do not exceed the anticipated sale proceeds. For purposes of an external sale, market value shall be determined to be equal to the highest bid.
16. Surplus assets with data storage capability shall be restored to factory defaults. Where administrative data was previously accessed by a surplus asset, all data stored on the device shall be destroyed by way of software application. Where data destruction by way of software application is not successful, the data storage device(s) of the surplus asset will be mechanically destroyed or stored indefinitely.

Policy Document Attestation

Date of Notice to Village Commission of Intent to Consider: 2020-01-14

Date of Passage of Policy: 2020-01-21

I certify that this Policy was adopted by Village Commission as documented above:

Leslie J. Bennett

Chair

February 11 - 2020

Date

William D. Bell, CPA, CA

Clerk and Treasurer

2020 - 01 - 23

Date