



# Surplus Property Disposal Policy

## PURPOSE

The purpose of the Surplus Property Disposal Policy is to provide a framework for the disposal of the City's property that is deemed surplus to the City's requirements. In so doing this policy is intended to:

1. Ensure that only assets that do not provide the minimum level of basic services are disposed of.
2. Ensure that assets are not disposed of when the disposal of the asset or the terms of disposal of the asset, could disadvantage the City or community financially or otherwise.
3. Ensure that all disposals are fair, equitable, transparent, competitive and consistent with the best interests of the City of Milton

## SCOPE

The Surplus Property Disposal Policy is applicable to all Departments/Persons of the City of Milton, and all assets owned by the City of Milton, except, immovable assets including buildings, land, or equipment attached thereto.

## DEFINITIONS

1. Assets: An asset shall mean any resource controlled or owned by the City of Milton, from which the City expects to derive economic benefit or use for service delivery to the general public.
2. Disposal: Disposal shall mean a process of preparing, negotiating and concluding a written contract, where necessary, which involves the transfer of control or ownership of an asset or property, considered by the City to be surplus, by means of a sale, trade, lease or donation.
3. Surplus property: The term "surplus property" when used in this policy means materials, supplies, equipment or other goods which in the opinion of the Department Head:
  - a. Has no further beneficial usefulness to the City or any of its departments.
  - b. Cannot economically be made useful to the City or any of its departments.

## APPROVAL OF DISPOSALS

If, in the opinion of the department head, the City Administrator or designee, there is surplus property, he/she shall determine the best method of disposing/selling/exchanging of the asset(s).

## METHODS OF DISPOSALS

1. Surplus property, as determined above, may be disposed of by sealed bid, auction or a fixed value may be assigned and the item(s) sold at the assigned price. A Class II public notice shall be made of any such bid, auction or sale, and shall include specific items offered together with the minimum bid or fixed price set for each item.
2. No item purchased by or for the City shall be sold, transferred or given to any employee of the City of Milton or the immediate family member of any employee, even through the sealed bid process, pursuant to the provisions of Wis. Statutes §175.10. Employees may participate in public auction or sale of City property.
3. In the event the surplus property cannot be sold after following the above procedures, he/she may direct the Department Head in writing to dispose of the surplus property.
4. At any time the Common Council may give consideration to a charitable donation, local school district or local non-profit.
5. No item purchased by the City shall be given or sold to a private individual or business except as described in this policy.

## **DISPOSITION OF FUNDS**

All proceeds, after expense of sale, shall be allocated by the methods outlined below:

### **Enterprise funded assets**

If an asset(s) was purchased with enterprise funds, all proceeds from the sale of the asset(s) shall be deposited into the enterprise fund in which the original purchase was sourced.

### **Non-Enterprise funded assets**

If the intent of the disposal was to offset the acquisition of a newer asset, those funds shall be used to reduce the purchase price of the new acquisition. If proceeds were greater than anticipated, the remaining proceeds shall be deposited into the Park Fund.

If the intent is to dispose of the asset without acquiring/replacing a similar asset, those funds shall be deposited into the Park Fund.

If the disposal of the asset(s) is de minimis in nature (i.e. scrap) those funds shall be deposited into the Park Fund.