Policy

POL.COR.13.19
Asset Transfers to Corporations Policy

Policy Type: Corporate Policy (Approved by Council)
Date Approved: May 6, 2013
Department: Administration
Staff Report: CAO.13.03
By-Law No.: 2013-20

Policy Statement

This policy is intended to address asset transfers to corporations as required by paragraph 1 of section 7 of Ontario Regulation 599/06.

Purpose

The purpose of this policy is to permit transfers of municipal assets to corporations owned or controlled by the Municipality in accordance with applicable Legislation.

Application

Assets may be transferred to a Corporation at any time, and from time to time, as authorized by Council, on such terms and conditions as Council may determine.

Definitions

Act means Municipal Act, 2001including Regulations made under it.

Asset means Real property and personal property of the municipality and its agencies, boards, commissions and corporations.

Asset Ledger is the book of record for the Town’s Tangible Assets containing historical value, change in values and accumulated depreciation.

Corporation means a corporation incorporated in accordance with Section of the Act and Section 3 of Ontario Regulation 609/06.

Fair Market Value means the present value of an asset that the present market will bear or that has been appraised within the past 2 years by a qualified appraiser

TOWN means Town of The Blue Mountains

Procedures

The Municipality may transfer such assets of the Municipality as it sees fit to corporations owned by the Municipality on the following terms:

a) The Municipality shall ensure that all applicable legislation, including but not limited to the *Municipal Act, 2001*, S.O. 2001, c.25, is adhered to in any asset transfers;

b) Prior to transfer of Municipal assets, Municipal staff shall determine the current fair market value of the asset or assets, which determination may involve use of an appraiser, but such an appraisal shall not necessarily be required where staff is of the opinion that a fair market value can otherwise be accurately determined;

c) Any asset transfer must be approved by Municipal Council in advance of the transfer;

d) The Municipal Council shall be permitted to attach such terms and conditions to the asset transfers as it deems necessary, including but not limited to:

    i) specifying the permitted use of the assets;

    ii) providing for an obligation on the corporation to transfer back the asset upon the happening of an event or events;

    iii) restricting or prohibiting further transfer of the assets;

    iv) attaching a purchase price of the asset, to be paid or owed to the Municipality by the corporation;

    v) such other terms or conditions as deemed advisable.

e) Where any asset transfer is made below market value, or where any grant is given to a corporation, the Municipal treasurer shall prepare a statement of the value of any grant to a corporation or an estimate of the fair market value of any other assistance provided at less than fair market value to a corporation;

f) The Treasurer shall record the disposition of or transfer of the Town asset in accordance with PSAB and Town accounting policies.

g) Where the Province of Ontario has contributed funds to any asset being transferred, the Municipality shall give notice to every Minister that made part of the contribution if such notice is required by Provincial Legislation or otherwise by law;

h) Where the Province of Ontario has granted a right in an agreement with the Municipality, the Municipality shall obtain the consent of the Province before transferring the right.

Exclusions

Not applicable to asset transfers within departments of the municipality.

References and Related Policies

Municipal Act, 2001 and any references and/or related policies

Section 7 of Ontario Regulation 599/06

FS.08.07 Disposal of Physical Assets

Consequences of Non-Compliance

See Progressive Discipline Policy.

Review Cycle

Once per Term of Council.