

Clause 9 in Report No. 5 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on March 29, 2018.

9

Disposal of Surplus Assets - 2017

Committee of the Whole recommends adoption of the following recommendation contained in the report dated March 1, 2018 from the Commissioner of Finance:

1. Council receive this report for information.
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Report dated March 1, 2018 from the Commissioner of Finance now follows:

1. Recommendation

It is recommended that Council receive this report for information.

2. Purpose

This report advises Council of all actions taken by the Procurement Office regarding the disposal of obsolete, damaged or surplus tangible capital assets, excluding land, buildings and furniture, from January 1, 2017 to December 31, 2017.

In accordance with the Disposal of Surplus Assets Policy updated on April 20, 2017, a report shall be submitted to Council, on an annual basis, regarding the disposal of surplus assets.

3. Background

The Region has had a formal policy for disposing of surplus assets since 2003

On August 22, 2003, a formal policy was created that prescribed how the Region's assets were to be disposed of once they reached the end of their useful life. The policy was recently revised and the updated policy was adopted by

Council on [April 20, 2017](#). Authority was delegated to the Director, Procurement Office to dispose of Regional surplus assets to maximize their residual value, excluding land, buildings, and furniture.

This policy identifies the approaches through which the Region disposes of its surplus assets, and protects confidential and sensitive data, in compliance with the Municipal Freedom of Information and Protection of Privacy Act and the Personal Health Information Protection Act.

Disposal of surplus assets is required to be reported annually

The Disposal of Surplus Assets policy requires that the Commissioner of Finance report to Council regarding the disposal of surplus assets, on an annual basis.

Methods of disposal are prescribed in the policy

The Disposal of Surplus Assets policy delegates authority to the Director, Procurement Office, to dispose of surplus assets using the following methods:

1. Trade-in the asset;
2. Offer the asset free of charge to other Regional departments;
3. Offer the asset at its net residual value to local municipalities; or
4. Sell the asset through an open and transparent process.

Where applicable, assets may also be disposed of through the Ontario Stewardship Program, a not-for-profit organization whose primary objective is to keep materials out of landfills, and to recover as much value as possible from these materials at the end of their useful life.

If the above methods of disposal are unsuccessful or deemed inappropriate, the Procurement Office, in consultation with the Regional Department responsible for the asset will determine the most appropriate method of disposing of the asset in an environmentally sustainable manner.

If the asset is of nominal value, it may be donated for charitable or benevolent purposes at the discretion of the appropriate Commissioner.

Disposal proceeds were transferred to replacement reserves

Proceeds from the disposal of surplus assets will be transferred to the appropriate asset replacement reserve, as determined by the Commissioner of Finance.

4. Analysis and Implications

Vehicles and equipment disposed of in 2017 resulted in revenue of \$328,653

The total value of surplus vehicles and equipment disposed of in 2017 is reflected in Table 1. The proceeds of these disposals were transferred, in full, to the reserve accounts identified in Table 1.

Table 1
Surplus Vehicles and Equipment Proceeds

Description	Net Proceeds	Reserve
14 cars and light duty vehicles, Fleet Services	\$82,152.58	Vehicle Replacement Reserve
3 Diesel Generators, Wastewater Services	\$7,500.00	Wastewater Capital Replacement Reserve
18 Ambulances, Paramedic and Senior Services	\$239,000.00	Vehicle Replacement Reserve
Total Proceeds	\$328,652.58	

In addition to the proceeds generated from the disposal of surplus assets, the Region donated the following:

- 60 mobile radios from York Regional Police to the Consul General of Saint Lucia for their hurricane recovery efforts in Saint Lucia, Antigua, and Barbuda,
- Three decommissioned ambulances as approved by Council on [June 23, 2016](#). Two of these ambulances were donated to St. John's ambulance of York Region to support volunteer efforts in York Region, and the third one was donated to the Caribbean North Charities Foundation to support St. Jude Hospital in Vieux Fort, St. Lucia, and;
- Surplus restorative dentist equipment to Smiles Foundation, a Canadian charitable organization that provides free and affordable

dental care and primary health education to underprivileged children and their families in the Dominican Republic.

5. Financial Considerations

Proceeds from the disposal of surplus assets have been transferred to the respective departments' asset replacement reserves.

6. Local Municipal Impact

There is no local municipal impact associated with this report. No local municipalities expressed an interest in acquiring any of the assets identified in this report at their net residual value.

7. Conclusion

The surplus assets identified in this report were disposed of in accordance with the Region's Disposal of Surplus Assets Policy. A total of \$328,652.58 in proceeds was generated through the disposal of these surplus assets.

For more information on this report, please contact Jerry Paglia, Director, Procurement Office, at ext. 71650.

The Senior Management Group has reviewed this report.

March 1, 2018

Attachment (1)

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Accessible formats or communication supports are available upon request

SUMMARY OF SURPLUS ASSETS SOLD

Department	Branch	Net Proceeds (\$)
Transportation Services	Fleet Services – 14 Vehicles	\$82,152.58
Environmental Services	Wastewater Services – 3 Diesel Generators	\$7,500.00
Community and Health Services	Paramedic and Seniors Services – 18 Decommissioned Ambulances	\$239,000.00
TOTAL		\$328,652.58

**Transportation Services
Fleet Services – Surplus Vehicles
January 1, 2017 to December 31, 2017**

Description	KM	Method of Disposal	Purchase Cost (\$)	Net Proceeds (\$)	Reason for Disposal
2006 GMC Sierra 2500 Light Duty pickup	233,401	North Toronto Auction	\$32,175.85	\$3,826.18	High mileage, rusted, and was past 7 year useful lifecycle
2006 GMC Savana 3500 Medium Duty Van Cargo	203,825	North Toronto Auction	34,999.14	7,350.65	High mileage, required costly repairs, and was past 7 year useful lifecycle
2006 GMC Sierra 1500 Light Duty Pickup	113,381	North Toronto Auction	28,695.95	5,887.30	Required repairs, and was past 5 year useful lifecycle
2006 Ford Escape Light Duty SUV Compact Hybrid	100,595	North Toronto Auction	38,766.50	1,492.73	Required repairs, and was past 5 year useful lifecycle
2007 Freightlin M2112V Heavy Duty Dump Plow	140,915	North Toronto Auction	283,374.36	20,464.30	High mileage, rusted, and was past 10 year useful lifecycle
2008 Ford Ranger Light Duty Pickup	158,358	North Toronto Auction	18,852.92	3,500.74	Unit was past 5 year lifecycle
2009 Chevrolet Silver 1500 Light Duty Pickup	67,905	North Toronto Auction	15,485.52	8,707.78	Required extensive repairs, and was past 5 year lifecycle
2011 Ford Fusion Car Passenger Compact 4 Door	146,682	North Toronto Auction	16,737.91	462.17	Involved in accident, and vehicle was written off *
2011 Ford Fusion Car Passenger Compact 4 Door	163,808	North Toronto Auction	16,737.91	1,331.14	High mileage, rusted, and was past 5 year lifecycle
2011 Chevrolet Tahoe Light Duty SUV Full Size	149,671	North Toronto Auction	32,181.60	9,530.42	High mileage, and was past 5 year lifecycle
2015 Dodge Caravan Light Duty Van Cargo Mini	18,789	North Toronto Auction	29,373.22	2,300.00	Involved in accident, and vehicle was written off *
2006 Kubota F3680 Boulevard Mower	1,222	North Toronto Auction	21,450.00	5,877.13	Worn out, required repairs, and was past 10 year lifecycle
2006 Spaulding 4TD Hot Mix Transporter	1,323	North Toronto Auction	25,755.00	3,297.34	Worn out, required repairs, and was past 10 year lifecycle
2008 Marathon HMT8000DT Hot Mix Transporter	1,161	North Toronto Auction	26,249.50	8,124.70	Worn out, required repairs, and was past 10 year lifecycle
TOTAL (14)			\$620,835.38	\$82,152.58	

*Due to the car being involved in an accident, cost of replacement funded by Insurance and Risk, Finance Department

**Environmental Services
Wastewater Services
Surplus Generators from Leslie Street Pumping Station
January 1, 2017 to December 31, 2017**

Description	Running Time*	Method of Disposal	Purchase Cost (\$)	Net Proceeds (\$)	Reason for Disposal
1.0 Megawatt Genset Diesel Engine and Generator	982.3 hours	Trans Canada Engines	Unknown ¹	\$2,500.00	End of useful life/Did not meet capacity of system upgrades
1.0 Megawatt Genset Diesel Engine and Generator	1017.6 hours	Trans Canada Engines	Unknown ²	2,500.00	End of useful life/Did not meet capacity of system upgrades
1.5 Megawatt Genset Diesel Engine and Generator	537 hours	Trans Canada Engines	Unknown ³	2,500.00	End of useful life/Did not meet capacity of system upgrades
TOTAL (3)				\$7,500.00	

*As of March 29, 2012

Note: Starting with the fiscal year 2009, York Region, together with all other government organizations, was required to report information on the Region's tangible capital assets, in compliance with the Canadian Institute of Chartered Accountants' Public Sector Accounting Board (PSAB) Handbook, Section 3150. As these generators were purchased earlier than 2009, the purchase cost is not available.

¹²³The three generators were purchased in approximately the following years:

- ¹ 1983
- ² 1983
- ³ 1995

Community and Health Services

Paramedic and Senior Services
 Surplus Decommissioned Ambulances
 January 1, 2017 to December 31, 2017

Description	KM	Method of Disposal*	Purchase Cost (\$)	Net Proceeds (\$)	Reason for Disposal
2012 Ford E350 Demers Type III	174,842	DEMERS AMBULANCES	\$162,122.85	\$13,000.00	End of useful life/Required extensive repairs
2014 Ford E350 Demers Type III	206,914	DEMERS AMBULANCES	180,797.70	17,500.00	End of useful life
2012 Ford E350 Demers Type III	205,582	DEMERS AMBULANCES	162,122.80	13,500.00	End of useful life
2014 Ford E350 Demers Type III	203,335	DEMERS AMBULANCES	180,797.74	17,500.00	End of useful life
2012 Ford E350 Demers Type III	217,096	DEMERS AMBULANCES	162,122.85	12,000.00	End of useful life/Required extensive repairs (transmission)
2012 Ford E350 Demers Type III	227,628	DEMERS AMBULANCES	162,122.85	15,000.00	End of useful life/Required extensive repairs
2012 Ford E350 Demers Type III	223,251	DEMERS AMBULANCES	162,122.80	5,000.00	End of useful life/Required extensive repairs (engine)
2011 Ford E350 Demers Type III	212,040	DEMERS AMBULANCES	161,688.93	13,000.00	End of useful life/Required extensive repairs (engine)
2012 Ford E350 Demers Type III	219,945	DEMERS AMBULANCES	162,122.85	15,000.00	End of useful life/Required extensive repairs (engine)
2012 Ford E350 Demers Type III	223,856	DEMERS AMBULANCES	162,122.80	13,500.00	End of useful life
2014 Ford E350 Demers Type III	202,345	DEMERS AMBULANCES	180,797.74	17,500.00	End of useful life
2011 Ford E350 Demers Type III	199,909	DEMERS AMBULANCES	161,688.93	13,000.00	End of useful life/Required extensive repairs (engine)
2011 Ford E350 Demers Type III	235,470	DEMERS AMBULANCES	161,688.93	13,000.00	End of useful life/Required extensive repairs (engine)
2012 Ford E350 Demers Type III	211,059	DEMERS AMBULANCES	162,122.85	13,500.00	End of useful life

Description	KM	Method of Disposal	Purchase Cost (\$)	Net Proceeds (\$)	Reason for Disposal
2012 Ford E350 Demers Type III	200,860	DEMERS AMBULANCES	162,122.85	13,500.00	End of useful life
2012 Ford E350 Demers Type III	238,683	DEMERS AMBULANCES	162,122.80	5,000.00	End of useful life/Required extensive repairs (engine)
2012 Ford E350 Demers Type III	231,859	DEMERS AMBULANCES	162,122.80	15,000.00	End of useful life/Required extensive repairs (engine)
2012 Ford E350 Demers Type III	210,453	DEMERS AMBULANCES	162,122.85	13,500.00	End of useful life
TOTAL (18)			\$2,972,933.92	\$239,000.00	

*All ambulances were traded in to Demers, Ambulance Manufacturer Inc.