

**DISPOSAL OF ASSETS**  
**POLICY**  
**October 2022 January 2025**

The purpose of this policy is to insure that assets such as vehicles, equipment, and supplies are disposed of in a uniform and systematic manner. This process guarantees the taxpayers of Columbus that the City has taken reasonable steps to maximize any return for the original investment. It is the responsibility of the City Administrator to document this procedure and provide the information as described to the City Council.

**STEPS FOR DISPOSAL:**

1. When a Department Head identifies an asset that is no longer needed, they will submit a written report to the City Administrator detailing the specifics of the item(s) to be liquidated. Such information shall include the make, model, year built, condition, accessories, etc., and estimated value of the item. The report shall also include the reason why the item should be disposed of, or why it is no longer of any use to the department. If the City Administrator approves the initial request, the department head will then contact the other City Departments, including each City owned utility, to determine if there is use for the asset by any other Department. Items that are broken, unserviceable or no longer usable may be recycled or disposed of with consent of the Administrator and Treasurer if the estimated value is less than \$100, with proceeds being allocated according to this policy.
2. If any other City Department is interested in obtaining the asset, they should make that request to the City Administrator, detailing how the asset would benefit their Department and why it is necessary. ~~All requests should be forwarded to the City Council for consideration.~~ If approved, the assets shall be transferred to the requesting department. The asset description shall be provided to the Treasurer and transferred from one department to the other departments fixed capital asset list. A monetary sale of any item from one department to another must be approved by ~~the City Council~~ **Administrator**.
3. If no other department has use of the asset(s), ~~or the City Council does not approve a transfer among City departments,~~ the Department head shall submit a proposed disposal plan to the City Administrator. The disposal plan shall include a recommendation regarding how the item could be disposed of. The recommendation may include advertising the item for sale with a posted price, listing the item on an online auction with or without a "reserve price," or utilizing other free or low-cost methods. All assets being disposed of shall be sold in 'as is' condition with no guarantees as to working condition or any other expressed or implied warranties. This disposal plan shall be presented to the ~~City Council~~ **Administrator** for consideration ahead of implementation.
4. If the assets are not disposed of according to the ~~Council~~ **Administrator's** approved plan in step 3, an amended disposal plan should be presented to the City Council for further consideration. If repeating the effort to market the asset is reasonably likely to have similar results as the initial attempt, the ~~City Council~~ **Administrator** may decide to post the asset and entertain written offers from area organizations, businesses or private persons to obtain what value can be achieved.
5. If the asset does not sell ~~the City Council may authorize~~ the City Administrator to **may** offer to, or accept offers from, community non-profit organizations to receive the asset from the city at no cost. Such offers must be official requests approved by the leadership and/or membership of the community non-profit organization. The request must be made in writing and should state the intended purpose of the item and the community use.
6. If there is no interest in the item(s) being disposed of, the Department Head originally submitting the request shall dispose of the item as appropriate.

7. The Police Department shall be exempt from steps 1-6 of this asset disposal process for all equipment and/or vehicles obtained through the Department of Defense LESO (Law Enforcement Support Office) program. This program allows ownership of excess Department of Defense equipment ownership to be transferred to federal, state, and local law enforcement agencies.

Assets obtained under the LESO program must be used/kept for a minimum of 365 days once received, before it may be disposed of. The Chief of Police shall make a determination when an item(s) shall be disposed of after the 365 days and notify the city administrator of the pending disposal.

The disposal of assets obtained under the LESO program will be primarily an online auction or other means recommended by the police department and approved by the City Administrator.

Proceeds from these disposals shall be maintained separately in the general ledger and applied specifically towards the purchase of additional vehicles or equipment for the police department. These purchases will be made following the city's current purchasing policy.

**Regardless of disposal method, any proceeds from the disposal shall be considered sale proceeds. Any costs to dispose of the item shall be borne by the separate expenditure account –Disposal of Fixed Asset.**

#### **RECEIPTING AND USE OF PROCEEDS:**

The proceeds from any and all sales (excluding assets related to Revolving Loan Funds and LESO program) shall be placed in a separate revenue account – Disposal of Fixed Assets.

The proceeds shall be held until such time as the City Council approves the use of the funds to make other capital purchases. Proceeds from non-utility assets are combined with others assets available for future capital expenditures, and are not restricted by department. Typically, requests for capital expenditures are addressed as part of the annual budget process, and must meet purchasing policy requirements.

#### **REPORTING REQUIREMENTS**

~~In addition to the action items listed above, quarterly the City Administrator shall prepare a report for the City Council of all activity regarding the disposal of assets including item, sale price or disposal method, if not sold.~~

Monthly the Treasurer will report the balance in the revenue account – Disposal of Fixed Assets – created for the sale proceeds to the Council as part of the monthly Financial report.