

POLICY	
Policy Number: FIN-2022-006	Date Approved: December 20, 2022
Department: Corporate Services (Finance)	Date Reviewed:
Asset Transfers to Corporations Policy	

1. **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.

2. **Purpose**

The purpose of this policy is to permit Transfers of Municipal Assets to corporations owned or controlled by The Corporation of The Town of Kirkland Lake in accordance with applicable legislation.

3. **Scope**

This policy applies to Council, Municipal Employees and persons or firms under contract to the Municipality.

This policy applies to all Municipal Assets as defined below.

This policy applies to Transfers of Municipal Assets to corporations owned or controlled by the Municipality in accordance with applicable legislation.

This policy does not apply to Asset Transfers within and between Departments of the Municipality.

4. **Definitions**

Act: *Municipal Act, 2001* including Regulations made under it.

Asset(s): A resource with economic value with an expectation that it will provide a future benefit. An asset can include real and personal property, monies, securities, equipment, intellectual property, and any resource that could deliver a prospective profit and/or benefit.

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

Contracted Services: Persons or organizations contracted by the municipality to provide services to the municipality.

Council: The Mayor and Members of The Corporation of The Town of Kirkland Lake Council.

Fair Market Value: 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.

Municipality: The incorporated entity operating as The Corporation of The Town of Kirkland Lake ("the Town", and/or "Town of Kirkland Lake") and its agencies, boards, commissions and corporations.

Municipal Council: The Mayor and Members of the duly elected Council of The Corporation of The Town of Kirkland Lake.

Municipal Service Corporation: A corporation incorporated in accordance with Section 203 of the *Municipal Act*, 2001, and pursuant to Ontario Regulation 599/06.

Municipal Staff: Employees of The Corporation of The Town of Kirkland Lake, unless otherwise stated.

Transfer: A change of ownership from one party to another.

Treasurer: The Treasurer of The Corporation of The Town of Kirkland Lake, or designate as identified by the Treasurer.

5. Policy & 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) 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.
- b) 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;
- c) Prior to the 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;
- d) Any transfer of Asset(s) must be approved by Council in advance of the Transfer.

- e) 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.
- f) Where any Asset Transfer is made below market value, or where any grant is given to a corporation, the 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;
- g) The Treasurer shall record the disposition of, or Transfer of, the Town Asset in accordance with PSAB and the Municipality's accounting policies.
- h) 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;
- i) 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.

6. Summary

This policy demonstrates good governance, accountability, and transparency in the use of public Asset(s) and adherence to the requirements of applicable legislation.