City of Saco, Maine
Personal Property Disposition Policy
June 4, 2007

A. Introduction:
   1. Each City employee is expected to be responsible for and care for any city
      equipment or property in his or her possession. When the equipment or property
      has reached the end of its useful life the city must properly dispose of the asset and
      attempt to obtain any residual value the asset may have.
   2. The following policy details how to properly dispose of City of Saco property.

B. Real Property vs. Personal property:
   1. The fundamental difference between real and personal property is that personal
      property is generally movable and real property generally is not moveable. For
      example: Land, buildings and other structures are real property, while personal
      property consists of office equipment, vehicles, large mobile equipment, supplies
      and scrap.
   2. The City Council, on October 4, 2004, amended the policy for disposition of tax
      or sewer lien acquired property, which governs the disposal of real property
      acquired by the city through the foreclosure process. Chapter 81, Article 1, Section
      81, “Sale of city-owned real property,” of the city Code established the procedures
      for the sale of city owned real property. The remainder of this policy is therefore
      concerned with the disposal of personal property.
   3. Identification Process:
      a) The identification of city property as surplus is the responsibility of
         each department. The City Administration Department will coordinate
         the disposal of surplus property.
   4. Generally, all revenues generated from the sale of surplus property will be
      receipted into the Fund that the asset was purchased from.

1. Exceptions may be:
   a. Assets purchased with grant funds in which the grant provided
      for the asset’s disposition.
   b. A sale of assets that has been court ordered and the proceeds
      are required to go towards a specific purpose.
   c. Assets deemed by the City Administrator as having potential
      value to trade-in against the purchase of a like-kind new asset.
   d. The Finance Department will ensure a proper accounting of
      funds as mandated by Federal and State statutes, as applicable.
C. Disposal Process:

1. Each Department Head will identify when there is no longer a need for specific City property, i.e., vehicles, equipment, office furniture, and/or other office related equipment.

2. All items, excluding computer and telecommunications equipment, will be itemized and submitted by the Department Head to the City Administration Department.

3. The City Administration Department will identify the surplus property that may have some use in other city departments and circulate via e-mail a list detailing the available property.

4. The e-mail will state that the items will be declared surplus by a specific date allowing when possible a minimum of ten (10) working days after the day the e-mail is sent.

5. If no claims have been made by other city departments within the time established, the items will be processed to be declared surplus by the City Council and disposed of by one of the methods outlined below.

6. When computer and telecommunications equipment is identified as no longer being needed within the department, for example due to a change in job responsibilities, or the elimination of a position, the Information Technology Department is to be contacted.

7. Information Technology will then make the determination of whether or not the equipment has reached the end of its useful life, or should be placed in service in another work area within the city.

8. When Information Technology determines that the equipment should be declared as surplus, Information Technology will then be responsible for sending a list of the items to the City Administration Department. The items will be processed to be declared surplus by the City Council and disposed of by one of the methods outlined below.

9. Routine replacement of computer and telecommunications equipment is determined by Information Technology in accordance with a replacement schedule.

10. The Department Head will decide based on the established replacement schedule for vehicles and in consultation with the person responsible for fleet management within the department which vehicles may be redistributed within the city or sold as surplus.

11. The individual responsible for fleet management within each department will obtain their Department Head’s approval and then send a
list of surplus vehicles to the City Administration Department which will indicate which vehicles are to be declared surplus and which vehicles may be used by other departments.

12. City Administration will then distribute a list with the available vehicles. All remaining vehicles will be processed to be declared surplus by the City Council and disposed of by one of the methods outlined below.

13. The City Administrator or designee, shall be authorized to sign the titles and/or powers of attorney whenever motor vehicles, mobile equipment or other personal property requiring a title are being sold or disposed of.

14. Upon declaration of an item as surplus, departments may be responsible for providing a holding place for the items until the proper disposal can be made and/or a storage area becomes available for use. The goal will be to move the items through the disposition process as quickly as possible so that storage will not be an issue.

15. The City Council will determine how the items will be declared surplus after recommendation by the City Administrator.

a. SALES UNDER $3,000 - The City Administrator or designee shall conduct the sale of any municipal supplies, materials and equipment no longer required by the City, of value less than three thousand dollars ($3,000) on request of the proper department head unless otherwise prescribed by state law.

b. SALES $3,000 OR MORE - No municipal property, supplies, materials and equipment valued at three thousand dollars ($3,000) or more, and no real estate regardless of its value shall be offered for sale unless and until the City Council so orders. If such sale is authorized, it shall be conducted in the same manner, and subject to the same procedures, as herein before required for purchases in amounts in excess of three thousand dollars ($3,000), except that in the case of sales, awards shall be to the highest and best bidder, considering such factors, where appropriate, as the use to which the property will be put after the sale, and the positive effect upon the City of such use, if any. The Council shall have the right to reject all bids. There is no local preference for sales of municipal property. The procedure in this subsection shall not apply to re-conveyance to the former owner of property taken on tax or sewer lien (See Chapter 81 of the City’s Code.)
D. The following disposal options are recommended to be used in accordance with the primary goal of maximizing the value to be received for the item and balancing that with the greatest level of efficiency possible in disposing of the item, while protecting the public interest:

1. State Surplus Program, if present and applicable.

2. Sell at public auction or sealed bid sale (specialty items with a value greater than $25,000).

3. Trade-in (applicable if buying like-kind property, e.g. a loader traded in for another loader. Note: trade-ins are expected to have gone through the surplus property process).

4. General sale (can be combined with other governmental agencies).

5. Offer for sale on the city’s web site or an established web site.

6. Sell or donate to a non-profit organization or another governmental agency.

7. Scrap, salvage or recycled items do not need to be declared surplus by the City Council. (metals, paper, cardboard, wood, plastics, glass may at various times have some residual value. Departments are required when economically feasible to submit to the Recycling Director at Public Works these items in order to be included in the city’s sub-contracted recycling program).

8. The police chief, upon completion of the annual bicycle public auction, has the authority to dispose of unsold bicycles in any manner deemed appropriate.

E. Police Evidence (Found & Abandoned Property):

1. Police evidence, confiscated items, or found and abandoned property that have come into the custody of the Police Department are to be disposed of in accordance with State of Maine law.

2. Once property has been in the possession of the City of Saco Police Department for a period of more than 60 days following conclusion of all legal proceedings related to the property; or conclusion of the investigation if no criminal action is filed, then the city may dispose of unclaimed property as follows:

   a. An inventory describing the unclaimed property shall be prepared.

   b. A notice of intent to dispose of the unclaimed property described in the inventory prepared pursuant to paragraph (a) of
this subsection shall be published. The notice shall be posted in three public places in the City of Saco, and shall also be published in a newspaper of general circulation in the jurisdiction of the City of Saco. The notice shall include a description of the unclaimed property as provided in the inventory, the address and telephone number of the Police Department and a statement in substantially the following form: NOTICE The City of Saco Police Department has in its possession the unclaimed personal property described below. If you have any ownership interest in any of that unclaimed property, you must file a claim with the City of Saco, Office of the City Administrator, within 30 days from the date of publication of this notice, or you will lose your interest in that property.

c) A copy of the notice described in paragraph (b) of this subsection shall also be sent to any person that the city has reason to believe has an ownership or security interest in any of the unclaimed property described in the notice. A notice sent pursuant to this paragraph shall be sent by regular mail to the last known address of the person.

d) Prior to the expiration of the time period stated in a notice issued pursuant to this section, a person may file a claim that presents proof satisfactory to the city that the person is the lawful owner or security interest holder of any property described in that notice. The city shall then return that property to that person.

e) State law affords the person seeking the return of property other remedies should the city fail to promptly return the property.

f) Title to all unclaimed property described in a notice issued pursuant to this section shall pass to the city free of any interest or encumbrance thereon in favor of any person who has:

3. A security interest in the property and to whom the city mailed a copy of the notice described in paragraph (b) of this subsection in accordance with paragraph (c) of this subsection; or - Any ownership interest in the property.

4. The City of Saco may transfer good and sufficient title to any subsequent purchaser or transferee. Any department, agency or officer of the state or any political subdivision whose official functions include the issuance of certificates or other evidence of title shall be immune from civil or criminal liability when such issuance is pursuant to a bill of sale issued by the city.

F. Forfeited/Confiscated/Seized Property:
1. Property, which is forfeited by a court as a result of criminal activity, may be disposed of in accordance with this policy. Proceeds, net of expenses, shall be kept separate and deposited into a special account (arrest forfeiture account) for the specific purpose the funds may have been designated for.

2. Federal (United States Code, Part 1, Chapter 46, Section 981) and State (Title 21, Chapter 13, Section 881) Criminal Forfeiture Law dictate the process for the disposal of items obtained. The procedure in the Federal and State Statutes are to be followed prior to the expenditure of any proceeds obtained under this section.

3. Generally, proceeds from the sale of personal property, any personal property itself and any monies directly obtained via the forfeiture laws are used to supplement, and not supplant, the normal budgetary process of the police department.

G. Employee Responsibility:

1. The policy of the City of Saco is that city personnel NOT use any city equipment, property, materials or scrap for their own personal use, unless previously authorized by the City Administrator. If city property is determined to have no value; it is to be properly disposed of according to this policy, recycled or placed in trash.

2. Employees may attend public sales and/or auctions and purchase city property.

H. Expenditure of Funds:

1. The expenditure of funds received from any of the above-cited sources will follow the city’s Purchasing Policy and Procedure.
CITY OF SACO, MAINE
SURPLUS PROPERTY DISPOSITION FORM

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Department Manager/Designee's signature  Date

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