

**Manitoulin-Sudbury District Services Board  
POLICY & PROCEDURES MANUAL**

Section: H. Ontario Works	Effective Date: July 2009
Topic: 4.Assets	Replaces: November 2004
Subject: 4.1.Recreational Vehicles	
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**POLICY**

**Authority**                    **OW Act: Sec. 7(3)**  
                                      **OW Directives: Dir. 4.5**

At time of application, the Case Manager is to advise the applicant of the following:

- Assets such as boats, trailers, house trailers, recreational vehicles (RV's), snowmobiles, motorcycles, etc., are considered to be assets if they are not necessities for the applicant. For example, an applicant living on an island may need a boat for transportation. In this instance it would be considered a necessary asset and therefore excluded from consideration.
- **Must be put up for sale in the first month of assistance unless** the value of this particular asset combined with any other assets considered "liquid" is **below** the asset level for the benefit unit.
- Where as a condition of eligibility the asset must be put up for sale, it must be reviewed every **month** to ensure reasonable efforts are being made to liquidate those assets. (i.e. confirm item is for sale, confirm reasonable price with red book, dealers, etc)
- The individual should be given a reasonable amount of time to liquidate the asset(s). For example: If there are indications that the person will only require assistance for a very short time (e.g., until his/her EI comes in or for a period of less than two months), it may be reasonable to issue OW Financial Assistance, without requiring the participant to sell off his/her assets. Also, the season and time of year should be considered as it may not be reasonable to expect an immediate or quick sale of a snow machine in summer months.

**PROCEDURE**

Once the non-necessary asset has been sold the liquid asset amount will only be the amount of monies received **after** loans or encumbrances have been considered.

See the following examples:

**Example One:**            A participant has an \$8000 snowmobile and has been advised that this non-necessary asset must be liquidated. He sells the snowmobile for \$8000 and pays back the outstanding loan for the snowmobile of \$2000. He is left with \$6,000 cash and has no other assets thus he is ineligible as his liquid asset level is above \$572.

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<b>EXAMPLE 1</b>	<b>\$</b>
selling price	\$8,000
less loan repayment	\$2,000
net value	\$6,000
allowable asset level	\$ 572
<b>Over Asset Limit</b>	<b>\$5,428</b>

**Example Two:** A participant has an \$8,000 snowmobile and \$150 in the bank. However, he has an outstanding loan on the snowmobile for \$7,800. The participant is not required to put the item up for sale in the first month of assistance since the value of his asset combined with his other assets considered “liquid” is below his allowable asset level. Therefore he is eligible for assistance. The CM might want to discuss with the client his plan for loan repayments since his OW assistance cheque will not cover that cost.

<b>EXAMPLE 2</b>	<b>\$</b>
selling price	\$8000
less loan repayment	\$7800
net value	\$200
allowable asset level	\$ 572
<b>eligibility</b>	<b>yes!</b>

**NOTE:** Case Manager to review case every six (6) months as Loan is repaid, the value of assets will increase and the client may be required liquidate the asset to maintain their eligibility.

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**Example Three:** A participant is married with one child and has been advised that his recreational trailer is a non-necessary asset. He sells the trailer for \$4,800 and pays off the loan of \$2,800. He is left with \$2,000 cash. He is **ineligible** as his asset level is **\$ 370** higher than acceptable limits.

<b>EXAMPLE 3</b>	<b>\$</b>
selling price	\$4,800
less loan repayment	\$2,800
net value	\$2,000
allowable asset level	\$1,630
<b>Over Asset Limit</b>	<b>\$ 370</b>

**Note: Any amount over the participant's asset level makes them ineligible for a month.** The Case Manager verifies that the loan was paid and may issue assistance if participant is in need following the month of ineligibility.