

## Surplus Property and Storage Operations

### DESCRIPTION OF MAJOR SERVICES

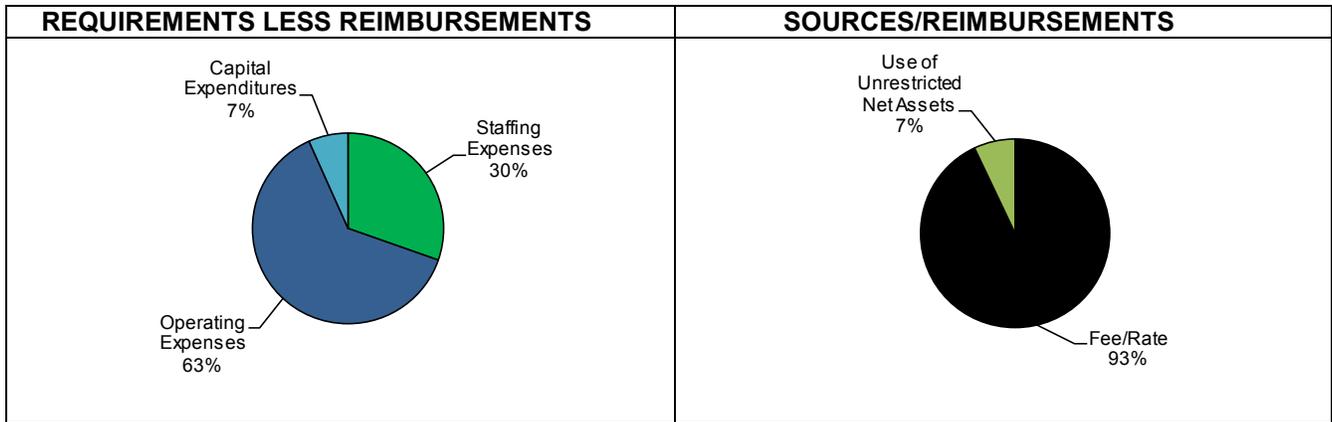
Surplus Property and Storage Operations manage County storage and excess property, internally reallocating used items to departments, distributing equipment to approved community-based organizations, and contracting with auctioneers and recyclers. Detailed reporting is required under County policy and state law.

#### Budget at a Glance

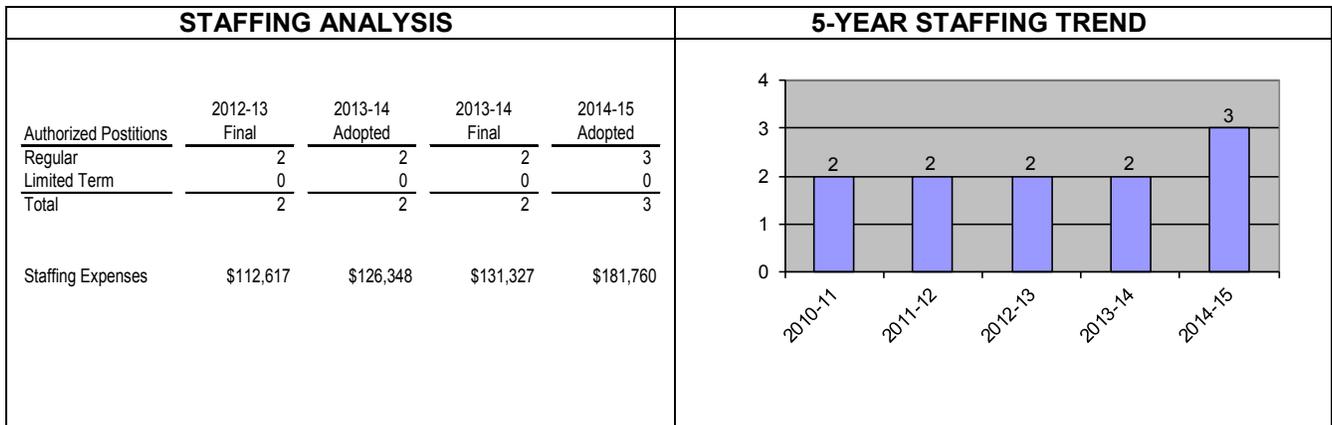
|  |            |
|--|------------|
| Requirements Less Reimbursements*      | \$598,004  |
| Sources/Reimbursements                 | \$555,876  |
| Net Budget                             | (\$42,128) |
| Estimated Unrestricted Net Assets      | \$220,605  |
| Use of Unrestricted Net Assets         | \$42,128   |
| Total Staff                            | 3          |
| <small>*Includes Contingencies</small> |            |

As an Internal Service Fund (ISF) of the Purchasing Department, operational costs of this program are managed through a 0.75% rate assessed on purchases of furniture and equipment frequently received at Surplus Property and by user rates for Storage Operations. Unrestricted net assets available at the end of a fiscal year are carried over for working capital or equipment replacement. Any excess or shortage is incorporated into the rate structure for the following fiscal year.

### 2014-15 ADOPTED BUDGET



### BUDGETED STAFFING



## ANALYSIS OF 2014-15 ADOPTED BUDGET

GROUP: Administration  
 DEPARTMENT: Purchasing  
 FUND: Surplus Property and Storage Operations

BUDGET UNIT: IAV-PUR  
 FUNCTION: General  
 ACTIVITY: Surplus

|                         | 2010-11<br>Actual | 2011-12<br>Actual | 2012-13<br>Actual | 2013-14<br>Actual | 2013-14<br>Final<br>Budget | 2014-15<br>Adopted<br>Budget | Change From<br>2013-14<br>Final<br>Budget |
|-------------------------|-------------------|-------------------|-------------------|-------------------|----------------------------|------------------------------|---|
| <b>Requirements</b>     |                   |                   |                   |                   |                            |                              |   |
| Staffing Expenses       | 102,719           | 107,184           | 111,814           | 127,702           | 131,327                    | 181,760                      | 50,433                                    |
| Operating Expenses      | 301,165           | 244,293           | 242,209           | 230,052           | 240,754                    | 376,244                      | 135,490                                   |
| Capital Expenditures    | 0                 | 0                 | 0                 | 0                 | 0                          | 40,000                       | 40,000                                    |
| Contingencies           | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Total Exp Authority     | 403,884           | 351,477           | 354,023           | 357,754           | 372,081                    | 598,004                      | 225,923                                   |
| Reimbursements          | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Total Appropriation     | 403,884           | 351,477           | 354,023           | 357,754           | 372,081                    | 598,004                      | 225,923                                   |
| Operating Transfers Out | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Total Requirements      | 403,884           | 351,477           | 354,023           | 357,754           | 372,081                    | 598,004                      | 225,923                                   |
| <b>Sources</b>          |                   |                   |                   |                   |                            |                              |   |
| Taxes                   | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Realignment             | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| State, Fed or Gov't Aid | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Fee/Rate                | 360,903           | 332,147           | 352,031           | 483,032           | 375,000                    | 555,630                      | 180,630                                   |
| Other Revenue           | 0                 | 0                 | 15,120            | 396               | 1,500                      | 246                          | (1,254)                                   |
| Total Revenue           | 360,903           | 332,147           | 367,151           | 483,429           | 376,500                    | 555,876                      | 179,376                                   |
| Operating Transfers In  | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Total Sources           | 360,903           | 332,147           | 367,151           | 483,429           | 376,500                    | 555,876                      | 179,376                                   |
| Net Budget*             | (42,981)          | (19,330)          | 13,128            | 125,675           | 4,419                      | (42,128)                     | (46,547)                                  |
|                         |                   |                   |                   | Budgeted Staffing | 2                          | 3                            | 1   |

\*Net Budget reflects Total Sources less Total Requirements for Internal Service and Enterprise funds. When Net Budget is negative, it means that the department will be using assets that have been carried over from the prior year.

## MAJOR EXPENDITURES AND REVENUE IN 2014-15 ADOPTED BUDGET

Requirements of \$598,004 consists primarily of operating expenses which include COWCAP, insurance charges, facilities charges, professional services, and transfers out to fund administrative support provided by staff in the Purchasing Department's general fund budget unit.

Sources of \$555,876 include auction revenue; revenue from the storage and surplus handling rates; proceeds from recycling with outside vendors and revenue from Human Services for the participation of Community Based Organizations in the Surplus Property Program.

This budget unit is showing a negative net budget of \$42,128 which is primarily due to one-time capital expenditures which are funded by assets carried over from the prior year.

## BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are increasing by \$225,923 which includes increases in staffing expenses due to the addition of a new Storekeeper position, increased operating expenses including funding for enhanced auction services, and increased capital expenditures to allow for the replacement of a forklift which has exceeded its useful life.

Sources are increasing by \$179,376 due to an increase in the handling rate from 0.5% to 0.75%, which is assessed on purchase orders for commodities which are most frequently received at the Surplus Division for processing. This increase will allow the department to fund an additional position to address increased workload as well as enhance disposition activities at the surplus warehouse.

## STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing expenses of \$181,760 fund 3 budgeted regular positions. This includes the addition of 1 Storekeeper position due to a 50% increase in the volume of surplus property since 2009-10 and the increased workload to



recycle and reuse a larger percentage of surplus items in adherence to the Green County San Bernardino initiative.

**2014-15 POSITION SUMMARY**

| <u>Division</u>              | <u>Regular</u> | <u>Limited Term</u> | <u>Total</u> | <u>Filled</u> | <u>Vacant</u> | <u>New</u> | <u>Total</u> |
|------------------------------|----------------|---------------------|--------------|---------------|---------------|------------|--------------|
| Surplus Property and Storage | 3              | 0                   | 3            | 2             | 0             | 1          | 3            |
| Total                        | 3              | 0                   | 3            | 2             | 0             | 1          | 3            |

| <b>Surplus Property and Storage</b> |                     |
|-------------------------------------|---------------------|
| <u>Classification</u>               |                     |
| 1                                   | Stores Supervisor I |
| 2                                   | Storekeeper         |
| 3                                   | Total               |

