

## Surplus Property and Storage Operations

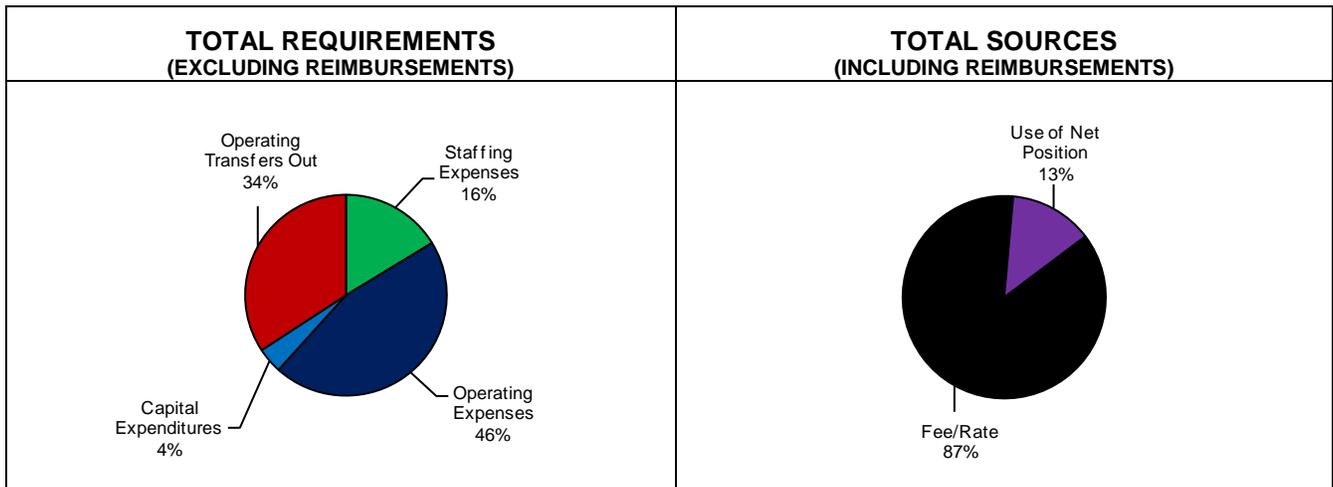
### DESCRIPTION OF MAJOR SERVICES

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                      |             |
|---|-------------|
| Total Requirements (Excl. Reimb.)       | \$1,460,994 |
| Total Sources (Incl. Reimb.)            | \$1,266,500 |
| Use of / (Contribution To) Net Position | \$194,494   |
| Total Staff                             | 4           |

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

### 2016-17 RECOMMENDED BUDGET



## ANALYSIS OF 2016-17 RECOMMENDED BUDGET

GROUP: Administration  
DEPARTMENT: Purchasing  
FUND: Surplus

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

|  | 2012-13  | 2013-14   | 2014-15 | (A)<br>2015-16  | 2015-16   | (B)<br>2016-17     | (B-A)                                  |
|--|----------|-----------|---------|-----------------|-----------|--------------------|--|
|  | Actual   | Actual    | Actual  | Modified Budget | Estimate  | Recommended Budget | Change From Prior Year Modified Budget |
| <b>Requirements</b>                    |          |           |         |                 |           |                    |  |
| Staffing Expenses                      | 111,815  | 127,702   | 140,812 | 241,957         | 193,318   | 237,893            | (4,064)                                |
| Operating Expenses                     | 242,209  | 230,052   | 350,366 | 905,488         | 856,082   | 663,069            | (242,419)                              |
| Capital Expenditures                   | 0        | 0         | 78,695  | 40,000          | 0         | 60,000             | 20,000                                 |
| Total Exp Authority                    | 354,024  | 357,754   | 569,873 | 1,187,445       | 1,049,400 | 960,962            | (226,483)                              |
| Reimbursements                         | 0        | 0         | 0       | 0               | 0         | 0                  | 0                                      |
| Total Appropriation                    | 354,024  | 357,754   | 569,873 | 1,187,445       | 1,049,400 | 960,962            | (226,483)                              |
| Operating Transfers Out                | 0        | 0         | 0       | 0               | 0         | 500,032            | 500,032                                |
| Total Requirements                     | 354,024  | 357,754   | 569,873 | 1,187,445       | 1,049,400 | 1,460,994          | 273,549                                |
| <b>Sources</b>                         |          |           |         |                 |           |                    |  |
| Taxes                                  | 0        | 0         | 0       | 0               | 0         | 0                  | 0                                      |
| Realignment                            | 0        | 0         | 0       | 0               | 0         | 0                  | 0                                      |
| State/Fed/Other Government             | 0        | 0         | 0       | 0               | 0         | 0                  | 0                                      |
| Fee/Rate                               | 352,031  | 483,032   | 536,840 | 1,222,900       | 1,366,608 | 1,266,500          | 43,600                                 |
| Other Revenue                          | 15,120   | 396       | 3,534   | 246             | 3,062     | 0                  | (246)                                  |
| Total Revenue                          | 367,151  | 483,428   | 540,374 | 1,223,146       | 1,369,670 | 1,266,500          | 43,354                                 |
| Operating Transfers In                 | 0        | 0         | 0       | 0               | 0         | 0                  | 0                                      |
| Total Financing Sources                | 367,151  | 483,428   | 540,374 | 1,223,146       | 1,369,670 | 1,266,500          | 43,354                                 |
| <b>Net Position</b>                    |          |           |         |                 |           |                    |  |
| Use of/ (Contribution to) Net Position | (13,127) | (125,674) | 29,499  | (35,701)        | (320,270) | 194,494            | 230,195                                |
| Est. Net Position Available            |          |           |         |                 |           | 316,429            |  |
| Total Est. Unrestricted Net Position   |          |           |         |                 |           | 510,923            |  |
| Budgeted Staffing*                     | 2        | 2         | 3       | 4               | 4         | 4                  | 0                                      |

\*Data represents modified budgeted staffing

Note: Unlike governmental funds, the 2015-16 Modified Budget and Estimate columns do not include information on Estimated Net Position Available or Total Estimated Unrestricted Net Position because GAAP requires that internal service and enterprise funds include line items such as depreciation, which are not budgeted, in the Net Position calculation.

## MAJOR REQUIREMENTS AND SOURCES IN 2016-17 RECOMMENDED BUDGET

Requirements of \$1.5 million consist primarily of Operating Expenses which include rents and leases, non-inventoriable equipment, 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 \$1.3 million include auction revenue, revenue from the storage and surplus handling rates, proceeds from recycling with outside vendors and a reimbursement from Human Services for the participation of Community Based Organizations in the Surplus Property Program.

## BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are increasing by \$273,549, which include increased Operating Transfers Out for costs associated with purchasing or leasing additional warehouse space and the existing warehouse facility's retrofit. Sources are increasing by \$43,354 due to an increase in live auction and handling revenue.



## ANALYSIS OF NET POSITION

The department is budgeting a Use of Net Position in the amount of \$194,494. This is in adherence to Federal OMB 2 CFR 255 which requires the department to achieve a balance between the rates charged and maintaining an adequate working capital reserve.

### 2016-17 POSITION SUMMARY\*

| Division                     | 2015-16           |      |         |         | 2016-17     |   | Limited | Regular |
|------------------------------|-------------------|------|---------|---------|-------------|---|---------|---------|
|                              | Modified Staffing | Adds | Deletes | Re-Orgs | Recommended |   |         |         |
| Surplus Property and Storage | 4                 | 0    | 0       | 0       | 4           | 0 | 4       |         |
| Total                        | 4                 | 0    | 0       | 0       | 4           | 0 | 4       |         |

\*Detailed classification listing available in Appendix D.

### STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing Expenses of \$237,893 fund four budgeted regular positions.

