

Submitted by: Chair of the Assembly at
the Request of the Mayor
Prepared by: Purchasing Department
For reading: September 27, 2011

CLERK'S OFFICE

APPROVED

Date: 9-27-11 ANCHORAGE, ALASKA
AR No. 2011-264


1 A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROPRIATING
2 FIFTY-FOUR THOUSAND EIGHT HUNDRED DOLLARS (\$54,800) FROM
3 ANTICIPATED UNEARNED PROGRAM REVENUES FROM THE PURCHASING
4 DEPARTMENT AREAWIDE GENERAL FUND (101) TO THE PURCHASING
5 DEPARTMENT 2011 OPERATING BUDGET, FOR THE PAYMENT OF FEES AND
6 EXPENSES ASSOCIATED WITH THE DISPOSAL OF SURPLUS/EXCESS
7 MUNICIPAL PROPERTY

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9 THE ANCHORAGE MUNICIPAL ASSEMBLY RESOLVES:

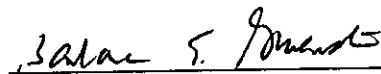
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11 **Section 1.** The sum of Fifty-four Thousand Eight Hundred Dollars (\$54,800) from
12 anticipated Purchasing Department unearned program revenues to the Purchasing
13 Department's contract services budget for the purpose of paying commissions, fees,
14 and miscellaneous expenses associated with the disposal of surplus, excess, and
15 lost and found property.

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17 **Section 2.** This resolution shall be effective immediately upon passage and
18 approval by the Assembly.

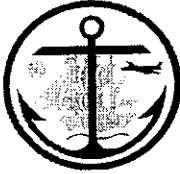
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20 PASSED AND APPROVED by the Anchorage Municipal Assembly this 27th day
21 of September, 2011.

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24 Chair

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27 ATTEST:

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31 Municipal Clerk

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33 **Department of Appropriation:**
34 Purchasing Department: \$54,800



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 550-2011

Meeting Date: September 27, 2011

From: Mayor

Subject: A Resolution of the Municipality of Anchorage Appropriating Fifty-Four Thousand Eight Hundred Dollars (\$54,800) from Anticipated Unearned Program Revenues from the Purchasing Department Areawide General Fund (101) to the Purchasing Department 2011 Operating Budget, for the payment of Fees and Expenses Associated with the Disposal of Surplus/Excess Municipal Property

The attached Resolution is requested to appropriate Fifty-four Thousand Eight Hundred Dollars (\$54,800) from anticipated Purchasing Department unearned program revenues to the Purchasing Department's contract services budget for the purpose of paying commissions, fees, and miscellaneous expenses associated with the disposal of surplus, excess, and lost and found property, and for the purpose of paying for a PeopleSoft Contractor to assist Purchasing with the transition from PeopleSoft to an Electronic Resource Planning (ERP) system.

The Purchasing Department is responsible for the disposal of property that has met its useful life, is excess or surplus to the Municipality, and is ready for disposal action. The Department utilizes various means and methods to accomplish these disposal actions by either trading units in to offset costs of replacement property, direct exchange/sale actions through an invitation to bid process, auction disposal, or through direct donation to non-profit and other community-based organizations. The most common of these processes is the use of a contract auctioneer to sell Municipal property through an outcry auction process.

Estimating the amount of property that will be disposed of from one year to the next is often a best guess based upon actual and historical activity from previous years. This year, the Purchasing Department programmed \$77,000 in direct expenses that would be payable to the contract auctioneer for providing outcry auctions for the Municipality. Both the amount of disposable property and the associated fees have exceeded the Purchasing Department's expectations. The Purchasing Department has also encountered additional expenses for professional services caused by several personnel vacancies in the department that required hiring of outside assistance in the training of new personnel and the processing of contract actions. The combination of these additional expenses has left the department short in the professional services area requiring appropriation of funds to continue disposal of surplus property through the current budget year.

Appropriate Funds for Disposal of Surplus/Excess Municipal Property

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An additional appropriation of \$54,800 is needed to pay the anticipated fees and costs for the remainder of the 2011 calendar year. The gross receipts generated by the sale of Municipal property directly offsets the expenses of the contract auctioneer through anticipated program revenues budgeted by the Purchasing Department.

The accounting detail is as follows:

REVENUE

<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>
101-1912-9499-BP2011	Reimbursed Cost	\$54,800

EXPENDITURE

<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>
101-1912-3101-BP2011	Professional Services	\$54,800

THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ATTACHED RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROPRIATING FIFTY-FOUR THOUSAND EIGHT HUNDRED DOLLARS (\$54,800) FROM ANTICIPATED UNEARNED PROGRAM REVENUES FROM THE PURCHASING DEPARTMENT AREAWIDE GENERAL FUND (101) TO THE PURCHASING DEPARTMENT 2011 OPERATING BUDGET, FOR THE PAYMENT OF FEES AND EXPENSES ASSOCIATED WITH THE DISPOSAL OF SURPLUS/EXCESS MUNICIPAL PROPERTY.

Recommended by: Werner W. Waak, Acting Purchasing Officer

Fund certification: Lucinda Mahoney, CFO
101-1912-9499-BP2011 \$54,800
(Anticipated 2011 Revenues)

Concur: George J. Vakalis, Municipal Manager

Respectfully submitted: Daniel A. Sullivan, Mayor