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SPECIAL TO THE STATESMAN JOURNAL

Bags of pocket knives and corkscrews are available for the public to purchase. The knives and openers were donated to the Portland Airport TSA when they were not allowed to be carried on board an airplane.

## SURPLUS A PLUS TO THE ENVIRONMENT

Oregon program in business of reuse

**Beth Casper**  
Special to the Statesman Journal

**O**regon Surplus Property is in the business of reuse.

But its sustainability efforts make it a green agency regardless of its core mission.

Oregon Surplus Property, a program of the Oregon Department of Administrative Services, acquires equipment and property from the federal government. Those items are transferred to state agencies or nonprofits that need them. State agency property no longer needed is mostly sold to the public. It's a system of reuse unparalleled in other businesses.

"Reuse is the name of our database for tracking all of this property," said Sven Anderson, Oregon Surplus Property Manager. "We think this is primarily the business we are in. We are in the business of figuring out how to reuse this property."

Every state has a similar agency. Before the state surplus agencies can get federal property, every other federal agency and Native American tribes have a chance. So items that are available to the states are often used by more than one federal agency.

But it's not just the agency's mission that makes it green. The green operations and practices within Oregon's Surplus Property agency have meant it excels in sustainability.

When Oregon decides to submit a request to the federal government for property, it reviews the location it is coming from. Not only is that good for the budget, it's good for the environment.

"We pay shipping costs," Anderson said.

THINKSTOCK

### FOR MORE INFORMATION

About the EarthWISE program, go to [www.mcEarthWISE.net](http://www.mcEarthWISE.net) or call 503-365-3188. To contact Garten Services, go to [www.garten.org](http://www.garten.org) or call 503 581-1984.

"We try to acquire property from states closest to us to reduce shipping charges and to minimize transportation pollution."

The agency earned its EarthWISE certification in 2009. The EarthWISE program is a free business environmental assistance program of Marion County. EarthWISE staff helps businesses recycle, save energy, reduce waste and much more. To earn certification, a business meets criteria in six areas. Oregon Surplus Property is one of more than 150 EarthWISE businesses and organizations in Marion County.

Oregon Surplus Property's 16 employees are trained to evaluate the property and determine if an item is good for use in a state agency, needs to be fixed to make it more desirable and how much work it will take to make the item reusable.

"We evaluate the condition of the property constantly," Anderson said. "We are always asking, 'Should it be thrown in trash or could this be used by an agency or the public?' We also have an agency hold area where we collect things in nice condition even if it isn't on the agencies' wish lists."

For all of the property that this state agency stores, it needs a huge warehouse. The 70,000-square-foot warehouse on Salem Industrial Drive NE could be an incredible energy waster. But not the way it's run by Oregon Surplus Property.

**See SURPLUS, Page 3F**

## Finding a way to simplify retirement investments

**QUESTION:** Last year my wife and I moved into a Continuing Care Community. We couldn't be happier. The transition was a bear—but it is wonderful to be free of the expense and obligations of home ownership. We also like having our possessions downsized to just what we really need. We moved while we were still sound of mind and body, but it is a comfort to know that when that changes—as it surely will if we live long enough—we have options right here that will ease the transition for our heirs.

Now, we need to do the same for our financial house. It is becoming more onerous to keep track of everything. At some point it will become impossible. The transition, I assume, would involve settling on an appropriate asset alloca-



**Scott Burns**

PERSONAL FINANCE

tion for this stage of our lives. Then we would need to figure out the most tax-efficient way to get there. After that, we need to find someone—or an institution—who would take over the management of those assets when we can no longer handle it. Where do we start? —J.B., by email

**ANSWER:** Finding an asset manager may be both premature and expensive. Since you are a long way from not being of sound mind, you can consider a program of basic simplification. This would reduce the number of assets you hold to

an amount you can work with rather than having the "scattered asset syndrome" problem that many people have by the time they are in their 70s.

You can, for instance, have a well-diversified portfolio with no more than five or six low-cost index funds. The competition in the exchange-traded fund market continues to reduce expenses so that you can now manage a well-diversified portfolio for less than 0.10 percent a year. The reason to prefer this route is that owning separate funds representing different asset classes allows you to do some smart tax management in taxable accounts.

An even simpler alternative is to select a single fund that presents a balanced portfolio that mixes stocks and

bonds. Either way, you can then arrange with the mutual fund company to make regular redemptions from a chosen fund (or funds) so that the desired cash goes to your checking account. A person with only a slight interest in money can do this quite easily until they are truly no longer competent. In the meantime, you'll be saving somewhere between one and two percent a year in management fees.

**Q:** I am wondering if I should cancel my personal long-term disability insurance policy. For 15 years, I have had a personal LTD policy that will cover about 2/3 of my income until age 65. It was important then because my four children were young and my assets were

**See BURNS, Page 3F**

# Surplus

Continued from Page 1F

The seven roll-up warehouse doors were insulated in 2011. The edges of those doors were sealed to reduce drafts. And the three main roll-up doors are now controlled by remote from the forklifts — making them much more likely to be shut quickly after being opened.

Staff also installed programmable thermostats that turn off the heat at 12:30 p.m. every day.

It makes sense to turn off the heat at 12:30 p.m. because between 1 and 4 p.m. several of the roll-up warehouse doors are open to allow members of the public to peruse and purchase property. The public can find out more about the types of items found there at [www.OregonSurplus.com](http://www.OregonSurplus.com).

Energy savings have been further reduced by switching out old lightbulbs for LEDs. Outside the warehouse, 22 light fixtures with two bulbs each were replaced by LEDs in January 2012.

"Our overall energy costs — both electrical and gas — went down by \$1,200 a month during the heating season," Anderson said. "We've reduced energy

use by 42 percent for the program since 2006."

Inside the warehouse, LEDs will replace old bulbs in early 2016. Salem Electric estimates that within 4 years, the program will have recouped the cost of the bulbs in energy savings. Official estimates show that the indoor lighting replacement will reduce energy use by 74 percent compared to the old lights.

The agency's elimination of garbage is as impressive as its energy reduction.

Oregon Surplus Property used to have a 30-yard dumpster that cost money to rent as well as each time it was emptied. In 2013, a push from an employee who took the county's master recycling class resulted in the agency replacing the 30-yard dumpster with a 2-yard dumpster, a 2-yard co-mingled recycling container and a 2-yard cardboard recycling container. The changes reduced the program's annual costs by \$4,000.

Employees also separate all of the shrink-wrap — miles and miles of it — that wraps up the desks, chairs and other equipment that comes from federal and state agencies. They fill 3 cubic yard containers every three months. Garten picks up the shrink-wrap when it collects



SPECIAL TO THE STATESMAN JOURNAL

A wide assortment of office chairs are available for inspection and purchase at the Salem DAS Surplus warehouse.

the co-mingled recycling from the agency's blue bins.

The 16 employees are encouraged to bring in used batteries from home for recycling through the agency. Employees also are encouraged to bring

good ideas to the team.

"We support our employees who want to go through the Master Recycling training, and I was supported when I took time to go to the training," Anderson said. "It shows that we are com-

mitted to sustainability. But we've also seen the financial benefit of sustainability-related changes."

# Burns

Continued from Page 1F

small. But now I am 54, the kids are gone, my wife is working, and I have assets (good, but not great). I also have terrific genes, and my doctor said that, given my health, he would happily write me disability insurance, even knowing that acci-

dents do happen.

The policy costs me about \$5,000 a year. A good option is through work: I have an LTD policy through work covering 40 percent of salary. I can also buy up to 60 percent coverage and it is less expensive than the personal policy. The only downside to canceling my personal policy is that if I change jobs, I need to hope next company has a long-term disability policy op-

tion.

What should I think with respect to retirement when considering canceling? — **J.B., Austin, Texas**

**A:** With a purchased policy covering two thirds of your income, a policy through work covering 40 percent, and a (not mentioned) policy through Social Security, you're covered for a good deal more than you earn. One thing you can do is reduce

the coverage of the policy you pay for, even if you don't eliminate it.

You have two assessments to make. The first is to make an appointment at the local Social Security office and find out what your disability benefit would be if you were disabled. The second task is to consider how secure your current job is. If your job is secure, the combination of the work policy and Social Se-

curity disability is probably sufficient. So you can add that \$5,000 a year of premium money to your annual savings.

That way, your assets can move from good, toward great.

**Scott Burns** is a syndicated columnist and a principal of the investment firm AssetBuilder Inc. Email questions to [scott@scottburns.com](mailto:scott@scottburns.com).

## BUSINESS CALENDAR

### MONDAY

**High Noon Toastmasters:** Speaking and leadership training in a friendly setting, noon to 1 p.m., Revenue Building, Fishbowl Meeting Room, first floor, 955 Center St. NE. (503) 399-9915, [highnoontostmasters.org](http://highnoontostmasters.org).

**Transtoasters Toastmasters — Open Club:** Learn How to communicate better and overcome the fear of speaking, noon to 1 p.m., Oregon Department of Transportation, 355 Capitol St. NE. \$42 every 6 months dues. (503) 986-3533, <http://3548.toastmastersclubs.org/>

**Bootstrappers Toastmasters:** Meets to

improve individual speaking, listening, evaluation and meeting management skills for adults ages 18 and older. Guests and new members welcome, 6:15 p.m., University of Phoenix, Room 106, 670 Hawthorne Ave. SE. (503) 510-9695.

### TUESDAY

**Business Networking International - Salem Partners for Success:** BNI is the largest business networking organization, offering members the opportunity to share ideas, contacts and most importantly, business referrals, 7 to 8:30 a.m., Chemekeita Center for Business and Industry, 626 High St. NE. (503) 375-2707, [bniregion.com](http://bniregion.com)

.com.

**LeTip of Salem Professionals Net-working:** 7 to 8:30 a.m., Broadway Commons, Keizer Room, 1300 Broadway St. NE. (866) 818-8381, [www.philwebb.us/letip/home.html](http://www.philwebb.us/letip/home.html)

**Networking Exchange Club:** Weekly meeting of men and women working together to make the communities better places to live through programs of service in Americanism, community service, youth activities and its national service project, the prevention of child abuse, noon to 1 p.m., The Night Deposit Whiskey Library, 195 Commercial St. NE. \$30 per quarter for membership. (971) 218-2646.

### THURSDAY

**Salem Star Referrals:** Professional organization dedicated to highest standards of competence and service. Exchange business tips, 6:30 to 8:31 a.m., Rudy's at Salem Golf Club, 2025 Golf Course Road S. (503) 779-6338, [salemstarreferrals.com](http://salemstarreferrals.com).

**My Referral Club of Salem:** A resource for your clients and yourself. It is a group of individuals that enjoys referring business to each other, 9 to 10:15 a.m., Willamette Heritage Center, 1313 Mill St. SE. (503) 399-7881, [salemor.myreferralclub.com](http://salemor.myreferralclub.com).

### FRIDAY

**Silvertongues Toastmasters:** Develop speaking skills by organizing your thoughts, thinking on your feet and building confidence and leadership skills in a friendly and supportive environment. Guests invited, 7:30 to 8:30 a.m., Silverton Community Seventh-Day Adventist Church, 1159 Oak St., Silverton. (503) 873-4198.

### SATURDAY

**Oregon Real Estate Inspectors Association Continuing Education Seminar:** 8 a.m. to 3 p.m., Roth's Salem West Salem, 1130 Wallace Road NW. \$120 member; \$150 nonmember. (503) 371-7457, [oreia.net](http://oreia.net).

# Texas, North Dakota are feeling the oil slump

**Alex Veiga**  
Associated Press

There's a dark side to those delightfully low gas prices: Housing markets are slumping in communities that were recently flush from the U.S. shale oil fracking boom.

Home sales are down sharply this year in North Dakota and the West Texas cities of Midland and Odessa. Home sales have also slowed in El Paso and, more recently, Houston.

The drilling boom, driven by high oil prices and new discoveries, brought tens of thousands of workers to oil fields in several states to run drilling rigs and supply the equipment and services needed to produce crude. Then the price of oil tanked, plummeting by half in late 2014 and reaching levels this year not seen since the financial crisis. Oil companies abandoned drilling projects and began laying off workers.

"When your economic base is undergoing that kind of pressure, your local market is going to feel it," said Jim Gaines, chief economist at the Real Estate Center at Texas A&M University.

Despite the softer sales, home prices have mostly held up in oil-reliant markets, at least so far.

### Frenzy slows

Still, housing is expected to slow further in Texas and North Dakota next year unless the price of oil rebounds strongly, something oil companies, government energy analysts and Wall Street traders do not expect to happen soon.

The U.S. oil boom kicked off toward the end of the last decade as drillers learned to improve the extraction process known as fracking to unlock oil trapped in underground shale rock formations.

The Permian basin in West Texas and the Bakken Formation in western North Dakota quickly became magnets for workers, including many laborers who had been struggling to find work in the home construction industry after the housing bubble burst.

Workers stuffed hotels, sending room rates soaring, as they looked for housing. Others piled into sprawling, hastily erected housing complexes called man-

camps.

"It was not unusual to have a house on

the market and, in less than a week, have multiple offers. It was a crazy market," said Scott Kesner, chairman of the Texas Association of Realtors.

That frenzy began to dissipate early in 2015 as the slump in crude dragged on, and it has since deepened. Crude is trad-

### Odessa, Midland hit

In Texas, no stranger to oil-related housing booms and busts, the impact so far has been most pronounced in Odessa and Midland, cities at the doorstep of the Permian, a key shale oil region that extends from West Texas into New Mexico.

Home sales in Odessa fell 10.6 percent through October this year from a year earlier, according to the most recent information from housing data firm RealtyTrac. Sales declined 8 percent over the same period in nearby Midland.

"They are going to bear the brunt," Gaines said. "They're right there at the point of the spear in the energy sector."

Still, the two cities continue to have a seller-friendly four-month supply of homes for sale. That's more than the two months they had before the oil slump but still representative of a tight market for homes. A six-month supply of homes is what economists consider a balanced market.

In El Paso, home sales have also declined. They're down 8.8 percent in the January-September period from a year earlier.

In Houston, sales began to decline in October, and the median home price has fallen for two months in a row following 41 consecutive months of price increases.

### Less competition

Real estate agents in Houston, where many oil companies have corporate offices, say the loss of oil jobs has resulted in less competition for homes — fewer are fetching offers from multiple bidders.

On the buyers' side, the oil industry's woes are giving some the confidence to put in lower offers, said Tim Surratt, an agent with Greenwood King Properties in Houston.

Still, Houston's economy isn't nearly as reliant on oil as it was in the 1980s, when the city grappled with a slump in oil prices and a savings and loan crisis.

Sales have also slumped in North Da-

kota, sliding 6.3 percent for the January-October period.

In Minot, North Dakota, which is located within the Bakken Formation, the housing market has cooled somewhat af-

ter being red hot for years, said Dorothy Martwick, broker-owner of Century 21 Action Realtors. Now, she said, the scales have tipped more in favor of buy-

## HELP YOUR BUSINESS SAVE MONEY & RESOURCES



### Spotlight on EarthWISE Recertified Business: CB|Two Architects, LLC

CB|Two Architects, LLC is proud to be recertified as an EarthWISE business. CB|Two strives for sustainability through their design services, as well as in their everyday business practices. CB|Two "walks the environmental walk" by reducing waste, reusing materials whenever possible, recycling, and conserving energy.

The free EarthWISE business assistance program can help your business:

- Increase recycling
- Find ways to reduce waste
- Save energy
- Conserve water
- Become more sustainable

CB|Two Architects, LLC is a recipient of the EarthWISE Recertification Program.

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