

Repair and Replacement

General Statement

In order to ensure the continued fiscal responsibility of the Union WELL Inc., and to enable the proper and timely repair, replacement, and refurbishing of damaged and outdated equipment, furnishings and facilities, and to provide for funding, which will assist in emergency situations, the Repair and Replacement Fund has been created.

Guidelines and Procedures

Establishment of a major repair, replacement and refurbishment reserve for Union WELL Inc. equipment, furnishings, and facilities at a level of .5 times the current total replacement value of Union WELL Inc. furnishings and equipment plus \$100,000 (The WELL value is 1/3 the value of fitness equipment each year) and that this reserve requirement shall be determined and updated annually by application of the then current cost-of-living index to the acquisition cost of furnishings and equipment and to the \$100,000 addition.

This reserve will be funded by transfers prior to June 30 of each fiscal year, with funds available after payment of the current year's operating obligations, in an amount of \$25,000 plus .5 times the then current total replacement cost of Union WELL Inc. furnishings and equipment.

Any interest earned on these reserve funds shall be credited to the reserve funding as an addition to the annual funding requirement stated above.

The annual transfer and earned interest funding shall be required only for any fiscal period the reserve is funded at an amount less than its level of \$100,000.00.

Expenditure of these reserve funds shall be made only and specifically for the purpose of major repairs to or refurbishing of equipment, furnishings or facilities and/or replacement of existing equipment or furnishings.

Expenditure of these funds should not be to augment other allocated or unallocated reserve funds nor for usual and regular current operating expenses.

Change History

Adopted: September 24, 1975

Updated: December 9, 2013

Updated: May 9, 2002

Updated: May 11, 1990