

RESOLUTION 19-10

To Create and To Fund A Capital Improvement Reserve Account
For
The Golden Age Manor Nursing Home

WHEREAS, Polk County maintains and operates the Golden Age Manor Nursing Home as an enterprise fund with the intent of recovering the expenses, including depreciation, that are incurred for the provision of nursing home care and services to its residents through user charges on a continuing basis;

WHEREAS, enterprise funds function with Excess/Deficit of Revenues over Expenses before Transfers resulting in an increase or decrease to the capital equity accounts. This Excess/Deficit is defined by the audited financial statement of the Golden Age Manor for the years ended December 31, 2008 and 2007. (See page 10 displaying this Excess as \$616,063 for year ending 2008).

WHEREAS, Polk County maintains and operates the Lime Quarry an enterprise funds that has reserve accounts funded by net surplus for the replacement of lands and/or equipment as such capital assets are depreciated, depleted(lands) or otherwise require replacement or modernization; and

WHEREAS, Polk County Policy 911, *Capital Assets Policy*, defines capital assets and capital improvements and provides control and accountability over the county's capital assets; and:

WHEREAS, it is good business practice to establish a Capital Improvement Reserve Account for the Golden Age Manor Nursing Home for the purpose of funding capital modernization and replacement of the buildings and equipment of the Golden Age Manor Nursing Home.

NOW, THEREFORE, BE IT RESOLVED that the Polk County Board of Supervisors creates the capital improvement reserve account within the chart of accounts of the Golden Age Manor Nursing Home for the purpose of funding building and equipment replacement, modernization, but excluding cost of repairs and routine maintenance.

BE IT FURTHER RESOLVED that the Polk County Board of Supervisors directs said capital reserve account to be funded on an annual basis, commencing in 2010 and each year thereafter, in the amount of the previous year's Excess of Revenue over Expenses, but in such amount not to exceed, and limited by, that year's depreciation of capital assets of the Golden Age Manor Nursing Home, as determined by the annual audit.

BE IT FURTHER RESOLVED that the Polk County Board of Supervisors directs the Administrator of the Golden Age Manor Nursing Home to manage and keep the capital improvement reserve account consistent with Polk County Policy 911, *Capital Asset Policy*, and other relevant Polk County policies, with the oversight and administration of the Golden Age Manor Governing Committee and other instruction, as provided by County Auditor, as may be appropriate.

Funding Amount: Initial Funding From 2009 Excess of Revenue over Expenses as may be limited by the amount of 2009 Depreciation, as determined by County Audit.

Funding Source: Golden Age Manor Nursing Home Excess of Revenue over Expenses as limited by the Amount of Depreciation of the Golden Age Manor Nursing Home

Date Finance Committee Advised: _____

Finance Committee Recommendation: _____

Effective Date: Upon Passage.

Approved as to form: Jeffrey B. Fuge
Jeffrey B. Fuge, Corporation Counsel

Dated Submitted to County Board: March 16, 2010

County Board Action: accepted

Submitted and Sponsored By the Golden Age Manor Governing Committee

Robert Dueholm
Robert Dueholm

Gerald Newville
Gerald Newville

Patricia Schmidt

David Ollman
David Ollman

Robert Blake

This Resolution was enacted by the Polk County Board of Supervisors by a vote of 14 for and 8 against on the 16th day of March 2010.

Bryan Beseler, Polk County Board Chairperson

Dated: _____

Attest: _____
Carole Wondra, County Clerk

Dated: _____