

ORDINANCE NO. FCO 2016-25

AN ORDINANCE OF THE FLOYD COUNTY BOARD OF COMMISSIONERS  
AMENDING ORDINANCE NO. 18

WHEREAS, the Floyd County Board of Commissioners approved an ordinance creating an endowment at the Community Foundation of Southern Indiana to hold the proceeds from the sale of Floyd Memorial Hospital, as a permanent endowment for the benefit of Floyd County; and

WHEREAS, the Floyd County Council also approved a substantially similar ordinance creating an endowment at the Community Foundation of Southern Indiana to hold the proceeds from the sale of Floyd Memorial Hospital and Health Services ("Hospital"), as a permanent endowment for the benefit of Floyd County; and

WHEREAS, the Ordinance provides that upon receipt, the Net Proceeds from the sale of the Hospital shall be transferred to the Community Foundation of Southern Indiana; and

WHEREAS, the Floyd County Board of Commissioners now desires to amend Ordinance No. 18 (the "Ordinance") to add additional language restricting further amendments to the Ordinance.

NOW THEREFORE, BE IT ORDAINED BY THE County Board of Commissioners of Floyd County Indiana, that Ordinance No. 25 shall read as follows:

Section 1. Nonreverting Fund. There is hereby created a nonreverting fund titled Hospital Fund, for the receipt of the Proceeds from the sale of Floyd Memorial Hospital.

Section 2. Deposit of the Proceeds. The Floyd County Treasurer and Floyd County officials shall deposit the Proceeds of the sale of the Hospital into the Hospital Fund upon closing of the sale of the Hospital in accordance with the Agreement.

Section 3. Designated Proceeds. Upon receiving the Proceeds, the Floyd County Auditor and Treasurer are hereby directed to transfer Five Million Dollar (\$5,000,000.00) from the Hospital Fund to a nonreverting capital fund to be established for the payment of current capital needs of Floyd County and payment of unreimbursed closing costs. In 2017, 2018, and 2019, the County will receive an additional payment of Proceeds. The Auditor and Treasurer are hereby directed to transfer Six Million Dollars (\$6,000,000) from the Proceeds it receives in 2017 from the Hospital Fund to a nonreverting capital fund. In 2018, the County Auditor and Treasurer are hereby directed to transfer Two Million Dollars (\$2,000,000) from the Proceeds it receives in 2018 from the Hospital Fund to a nonreverting capital fund. In 2019, the County Auditor and Treasurer are hereby directed to transfer Two Million Dollars (\$2,000,000) from the Proceeds it receives in 2019 from the Hospital Fund to a nonreverting capital fund. All such permitted transferred funds from the Hospital Fund to a nonreverting capital fund in 2016, 2017,

2018, and 2019 shall collectively be the Designated Proceeds. The Proceeds less the Designated Proceeds shall be the Net Proceeds.

Section 4. Establishing an Endowment with a Community Foundation. Pursuant to IC 36-1-14-1(c), Floyd County shall donate the Net Proceeds to the Community Foundation of Southern Indiana ("CFSI") under the following conditions:

1. CFSI retains its status as a charitable nonprofit community foundation.
2. CFSI shall retain all rights to the donation, including investment powers.
3. CFSI shall do the following:
  - a. Hold the donation as a permanent endowment.
  - b. Distribute the income from the donation to Floyd County as directed by resolution of the fiscal body of Floyd County;
  - c. Return the donation to the Floyd County general fund if it:
    - i. loses its status as a public charitable organization;
    - ii. is liquidated; or
    - iii. violates any condition of the endowment set by the fiscal body of Floyd County.

Section 5. It shall take the unanimous vote of both the Floyd County Council and the Floyd County Board of Commissioners to amend Sections 3, 4, or 5 of this Ordinance or any portion of this Ordinance that affects the amount of money donated to or when the money shall be donated to CFSI. It shall take a unanimous vote of both the Floyd County Council and the Floyd County Board of Commissioners to repeal this Ordinance.

Section 6. This Ordinance shall take effect upon adoption of the Board of Commissioners and approval of the County Council.

Adopted and approved this 6<sup>th</sup> day of November, 2016.

Floyd County Board of Commissioners,  
Floyd County, Indiana

  
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Steve Bush, President

  
\_\_\_\_\_  
Mark Seabrook

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Charles A. Frieberger

Attest:

A handwritten signature in black ink, consisting of several loops and flourishes, positioned above a horizontal line.

Auditor