

A RESOLUTION OF THE COUNTY COMMISSIONERS IN SUPPORT OF  
THE COUNTY FOUNDATION CONCEPT

WHEREAS, Floyd County entered into an Asset Purchase Agreement (“APA”) dated June 29, 2016 with the Floyd Memorial Hospital and Health Services, the Floyd Memorial Medical Group, FMMG, LLC, FMMG Pain Mgmt., LLC, Harrison Family Medicine, LLC, (collectively “Floyd Memorial”), and Baptist Healthcare System, Inc. (“Baptist”), for the transfer of Floyd Memorial’s assets to Baptist; and

WHEREAS, Floyd County continues to receive proceeds from the transfer of assets to Baptist;

WHEREAS, Floyd County is contemplating the formation of a county foundation for the retention of future proceeds derived from the transfer of assets to Baptist;

WHEREAS Indiana State Senator Ron Grooms and Indiana State Representative Ed Clere are expected to introduce legislation effecting the current laws regulating the establishment and operation of county foundations in order to accomplish the following goals:

1. That when a county donates the proceeds of the sale of a utility or a facility, or the amount of a gift, to a county foundation, the county and the county foundation shall agree that investment and distribution of the proceeds is governed by the Uniform Prudent Management of Institutional Funds Act (IC 30-2-12);
2. That the county fiscal and executive bodies shall (1) develop a prudent investment policy pursuant to the requirements of IC 30-2-12 and (2) establish a policy that governs the distribution of principal and income from the foundation.
3. That legislation provides that an expenditure or transfer of any portion of the principal donation shall be made solely by the mutual agreement of the county’s fiscal and executive bodies.
4. That the county foundation shall be audited at least annually by an independent third party auditor and that a management board be created that meets at least quarterly with an investment adviser for a compliance and performance update.
5. That the legislation will allow the county foundation to: (1) use money from the principal amount of the donation as a pledge of money to bonds, leases, or other obligations; and (2) to pay bonds issued by the county.
6. That the department of local government finance may not reduce a county’s property tax levy because of: (1) the transfer of the proceeds of money from the sale of a utility or a facility; (2) a distribution from the county foundation

to the county; or (3) a return of the donation to the general fund of the county.

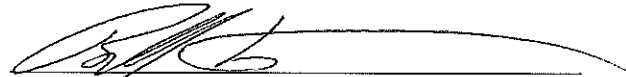
NOW, THEREFORE, BE IT RESOLVED BY THE Council of Floyd County, Indiana, that:

1. The Floyd County Commissioners fully supports Indiana State Senator Ron Grooms and Indiana State Representative Ed Clere's efforts to pass legislation supporting the amendment of current laws regulating the establishment and operation of county foundations in the State of Indiana as outlined in Paragraphs 1 through 6 above.

Adopted and approved this 20 day of February, 2018.

BOARD OF COMMISSIONERS OF  
FLOYD COUNTY, INDIANA

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Member

  
\_\_\_\_\_  
Member

ATTEST:

  
\_\_\_\_\_  
County Auditor