

ORDINANCE 179

AN ORDINANCE ESTABLISHING A PUBLIC CHARITABLE FOUNDATION

The City Council of the City of Bird Island does ordain as follows:

SECTION I. RECITALS

The City Council of the City of Bird Island, Minnesota, in full recognition of the needs of the citizens of the City of Bird Island for recreational, health, and other public or charitable purposes, determines that the establishment of a Public Charitable Foundation for the purpose of receiving and administering funds for recreational, health, and other public or charitable purposes, may provide substantial benefits to the citizens of Bird Island and substantially improve the quality of life for the residents of the City in general; and that accordingly, the establishment of the Bird Island Community Improvement Foundation is in the public interest.

SECTION II. ESTABLISHMENT OF FOUNDATION

There is hereby established a perpetual and permanent public charitable foundation for the City of Bird Island, for recreational, health, athletic and other public or charitable purposes, not including any religious or sectarian purposes, to be officially called and known as the "Bird Island Community Improvement Foundation" hereinafter referred to as the "Foundation".

SECTION III. PURPOSES OF THE FOUNDATION

The purposes of the Foundation is exclusively to receive and to administer funds for recreation, health, athletic and other public or charitable purposes, not including any religious or sectarian purpose, for the benefit of the residents of Bird Island, and to that end to take and hold by bequest, devise, gift, grant, purchase, lease, or otherwise any property, real, personal, tangible, or intangible, or any undivided interest therein, without limitation as to amount or value; to sell, convey, or otherwise dispose of any such property and to invest, reinvest, or deal with the principal or the income thereof in such manner as, in the judgment of the Board of Trustees of said Foundation, will best promote the purposes of the Foundation.

SECTION IV. ESTABLISHMENT OF BOARD OF TRUSTEES

There shall be and hereby is established a Board of Trustees for the purpose of administering the funds of the Foundation in accordance with the purposes herein set forth. The Board of Trustees shall consist of five (5) persons, as follows: The Mayor of the City of Bird Island (ex-officio), one Council Person (ex-officio), and three other members appointed by the City Council of the City of Bird Island, all of whom shall be residents of the City of Bird Island. The Mayor and Council Person shall serve on said Board of Trustees so long as he/she holds such public office, and the three remaining members of the Board of Trustees shall each serve on said Board for terms of one, two, and three years, respectively, and thereafter each member and their successor in office shall serve for three year terms. No members shall serve on the Board for more than nine (9) consecutive years. The City Council may, by resolution, require that the members be bonded in an amount determined by the City Council in its discretion, at the sole expense of the City.

SECTION V. POWERS OF BOARD OF TRUSTEES

The Board of Trustees shall have the power and authority to do any act or thing incidental to or connected with the foregoing purposes or in advancement thereof.

SECTION VI. CITY OF BIRD ISLAND SHALL BE TRUSTEE OF FOUNDATION; ACCOUNTING

The City of Bird Island, a municipal corporation, shall be at all times considered the Trustee of all funds received by the Foundation, to be administered by the City of Bird Island by and through the Board of Trustees, as above established. An annual accounting of all funds received by the Foundation and paid out therefrom the income thereon and the expenses relating to the Foundation shall be included in the annual City of Bird Island Financial Statement. The City of Bird Island shall at all times be considered the owner of all funds received by the Foundation, to be held in the Trust for the uses and purposes hereinbefore stated and described.

SECTION VII. LIMITATIONS ON POWER OF BOARD OF TRUSTEES

The Board of Trustees shall not engage in any activities, acts, or actions which would make any investments of the funds of the Foundation in any manner subject to tax laws; and shall not engage in any activities, acts, or actions which might destroy the tax deductibility of gifts, bequests, or devises by donors to the Foundation, it being the intent of the City Council that all such bequests, devises, and gifts made and transferred to the Foundation by any donor shall be deductible for income tax and death tax purposes.

SECTION VIII. BOOKS AND RECORDS OF THE FOUNDATION; LOCATION THEREOF

All books, records, statements of account, and any and all other information relating to the Foundation and administration thereof shall be permanently located at the office of the City Clerk of the City of Bird Island, and shall at all times be opened for inspection by the public.

SECTION IX. BOARD OF TRUSTEES MAY FORMULATE BY-LAWS FOR THE CONDUCT OF ITS BUSINESS

The Board of Trustees shall at all times have the power to make, establish and formulate by-laws and amendments thereto, for the efficient conduct of its business as authorized by this ordinance.

SECTION X. TRANSFERS TO THE FOUNDATION; HOW MADE

Gifts, bequests, devises, or other transfers to the Foundation may be accomplished by making checks, drafts, or bequests payable to the "Bird Island Community Improvement Foundation". All such gifts, bequests, and transfers from any third party or parties shall be acknowledged by the City of Bird Island by means of a resolution of the City accepting such gift or bequests for the purposes hereinbefore set forth.

SECTION XI. This Ordinance Shall Take Effect From and After its Passage and Publication.

Passed and adopted by the City Council of Bird Island, Minnesota, this 13 day of November, 1995.

Mayor Paul Setzepfandt

Deb Lingl, City Clerk