

public ditch, drain, dams, sewer, river, stream, watercourse, and waterbody, natural or artificial, lying wholly or partly within the district. Any work performed in accordance with the purposes of this act may include, but is not limited to, stream and watercourse clean up and maintenance and stream and watercourse bank and bed repair and stabilization.

Sec. 3. **WORK; MUNICIPALITIES.** Any work to be undertaken and paid for from the water maintenance and repair fund under this act shall be ordered by the board of managers of the district according to law. Before the commencement of any work so ordered, any affected municipality shall be notified in writing by the district about the proposed work and estimated costs. Within 30 days following receipt of the written notice, any affected municipalities may notify the district in writing that it will perform the work ordered by the district. If the municipality undertakes such work, it shall be paid as previously prescribed by the district from the water maintenance and repair fund. If any affected municipality fails to perform any work ordered by the board of managers, the district may have such work performed in any other manner as authorized by law.

Sec. 4. **EFFECTIVE DATE.** This act is effective for each district named in section 1 upon approval by a majority of the board of managers of the respective districts, and upon compliance with the provisions of Minnesota Statutes, Section 645.021.

Approved April 7, 1980

CHAPTER 502—H.F.No. 1987

An act relating to local government; regulating financial reports of certain municipal hospitals and nursing homes; amending Minnesota Statutes, 1979 Supplement, Sections 471.697, Subdivision 1; and 471.698, Subdivision 1.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes, 1979 Supplement, Section 471.697, Subdivision 1, is amended to read:

471.697 FINANCIAL REPORTING; AUDITS; CITIES OF MORE THAN 2,500 POPULATION. Subdivision 1. In any city with a population of more than 2,500 according to the latest state or federal census, the city clerk or chief financial officer shall:

(a) Prepare a financial report covering the city's operations including operations of municipal hospitals and nursing homes, liquor stores, and public utility commissions during the preceding fiscal year after the close of the fiscal year and publish the report or a summary of the report, in a form as prescribed by the state auditor, in a newspaper in the city or, if there be none, post copies in three of the most public places in the city. The report shall contain financial statements

Changes or additions indicated by underline deletions by ~~strikeout~~

and disclosures which present the city's financial position and the results of city operations in conformity with generally accepted accounting principles. The report shall include such information and be in such form as may be prescribed by the state auditor;

(b) File the financial report in his office for public inspection and present it to the city council after the close of the fiscal year. One copy of the financial report shall be furnished to the state auditor after the close of the fiscal year; and

(c) Submit to the state auditor audited financial statements which have been attested to by a certified public accountant, public accountant, or the state auditor within 180 days after the close of the fiscal year, except that the state auditor may upon request of a city and a showing of inability to conform, extend the deadline. The state auditor may accept this report in lieu of the report required in clause (b) above.

A municipal hospital or nursing home established before June 6, 1979 whose fiscal year is not a calendar year on August 1, 1980 is not subject to this subdivision but shall submit to the state auditor a detailed statement of its financial affairs audited by a certified public accountant, a public accountant or the state auditor no later than 120 days after the close of its fiscal year. It may also submit a summary financial report for the calendar year.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 471.698, Subdivision 1, is amended to read:

471.698 FINANCIAL REPORTING; CITIES OF LESS THAN 2,500 POPULATION. Subdivision 1. In any city with a population of less than 2,500 according to the latest state or federal census, the city clerk or chief financial officer shall:

(a) Prepare a detailed statement of the financial affairs of the city including operations of municipal hospitals and nursing homes, liquor stores, and public utility commissions in the style and form prescribed by the state auditor, for the preceding fiscal year showing all money received, with the sources, and respective amounts thereof; all disbursements for which orders have been drawn upon the treasurer; the amount of outstanding and unpaid orders; all accounts payable; all indebtedness; contingent liabilities; all accounts receivable; the amount of money remaining in the treasury; and all items necessary to show accurately the revenues and expenditures and financial position of the city;

(b) File the statement in his office for the public inspection and present it to the city council within 45 days after the close of the fiscal year;

(c) (1) Publish the statement within 60 days after the close of the fiscal year in a newspaper published in the city; or

(2) If there is no newspaper in the city, the clerk shall, at the direction of the city council, publish the statement in the official newspaper published elsewhere or post copies in three of the most public places in the city; or

Changes or additions indicated by underline deletions by ~~strikeout~~

(3) If city council proceedings are published monthly or quarterly, showing to whom and for what purpose orders are drawn upon the treasurer, the annual statement to be published as required by this section may be summarized in such form as the state auditor may prescribe; and

(d) Submit within 90 days after the close of the fiscal year a copy of the statement to the state auditor in such summary form as the state auditor may prescribe.

A municipal hospital or nursing home established before June 6, 1979 whose fiscal year is not a calendar year at the time of the effective date of this act is not subject to this subdivision but shall submit to the state auditor a detailed statement of its financial affairs audited by a certified public accountant, a public accountant or the state auditor no later than 120 days after the close of its fiscal year. It may also submit a summary financial report for the calendar year.

Approved April 7, 1980

CHAPTER 503—H.F.No. 2067

An act relating to financial institutions; modifying director's residence requirements for industrial loan and thrift companies; providing for a report to the commissioner in the event of a change of control; requiring insurance or guarantee of certificates of indebtedness sold or issued for investment; exempting certificates of indebtedness from the regulation of securities; amending Minnesota Statutes 1978, Sections 53.06; 53.09, Subdivision 2; Chapter 53, by adding a section; and Minnesota Statutes, 1979 Supplement, Section 80A.15, Subdivision 1.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1978, Section 53.06, is amended to read:

53.06 **DIRECTORS, RESIDENCE.** At least three-fourths of the directors of any industrial loan and thrift company shall be residents of the county in which the industrial loan and thrift company maintains its principal place of business ~~and, an adjacent county or any county in which the industrial loan and thrift company maintains a place of business pursuant to this chapter.~~ Each director shall own and hold shares of common stock of the industrial loan and thrift company, unencumbered, with a par value of not less than \$500.

Sec. 2. Minnesota Statutes 1978, Section 53.09, Subdivision 2, is amended to read:

Subd. 2. **REPORT TO COMMISSIONER.** (1) Each industrial loan and thrift company shall annually on or before the first day of February file a report with the commissioner stating in detail, under appropriate heads, its assets and liabilities at the close of business on the last day of the preceding calendar year. ~~Such~~ This report shall be made under oath in the form prescribed by the commis-

Changes or additions indicated by underline deletions by ~~strikeout~~