commissioners of Itasca county and upon compliance with Laws 1959, Chapter 368.

Approved March 17, 1961.

CHAPTER 115-S. F. No. 431

[Not Coded]

An act relating to the creation of hospital districts by the county of Roseau, the organization and administration thereof, the annexation of territory thereto, the construction, equipment, acquisition, and operation of district hospitals, nursing homes, and board and care homes therein, and the issuance of bonds therefor; validating actions heretofore taken relative to said matters by said county and the Roseau area hospital district; repealing Laws 1957, Chapter 539, and Laws 1959, Chapter 8.

Be it enacted by the Legislature of the State of Minnesota:

- Section 1. Hospital districts, county of Roseau authorized to create; annexations thereto. Subdivision 1. The board of county commissioners of the county of Roseau may, when requested so to do by resolution of the governing body of each of four or more cities, towns, and villages within the county, by resolution create a hospital district comprising part of or the entire area of such cities, villages, and towns, provided that the area of each city, village, and town to be included is contiguous at one or more points to that of another, and provided further that the most recent assessed valuation of all taxable property within the area is not less than \$1,500,000.
- Subd. 2. Alternatively, the resolution required by subdivision 1 with respect to any city, village, or town may be initiated by petition filed with the governing body thereof, signed by qualified electors of the city, village, or town, equal in number to 25% of the number of such electors voting at the last preceding election of officers thereof and residing within the area proposed by the petitioners to be included within the hospital district, requesting an election thereon. The governing body shall within 30 days from such filing call a special election within the area proposed to be included, upon 2 weeks' publication of notice of such election in a newspaper serving the area and ten days' posted notice in three

public places within the area, and shall designate one or more voting precincts and polling places therefor, for the purpose of such election. If the majority of the qualified electors residing within said area shall vote in favor of the resolution, said governing body shall forthwith present the same to the board of county commissioners.

- Subd. 3. Any unorganized congressional township, and any unorganized portion of such a township, shall be eligible for inclusion in whole or in part within a hospital district upon the same conditions and by the same procedure and with the same force and effect as if it were an organized town, except that proceedings for its inclusion may be initiated by written request to the board of county commissioners, in lieu of a resolution, signed by that member of said board representing the district in which the area proposed to be included is situated, and any petition for an election on a resolution requesting such inclusion shall be filed by the petitioners with the board of county commissioners, which shall thereupon provide for and defray the expenses of a special election within such area in the same manner as herein required of the governing body of a city, village, or town.
- Subd. 4. After the creation of a hospital district, any area contiguous thereto at any point may be annexed to such district by resolution of the board of county commissioners, upon the same conditions and by the same procedure as herein provided for the inclusion of such area in a newly formed district. All territory annexed shall be subject to taxation like other property within the district for the support of its facilities and for the payment of principal and interest becoming due after the annexation on bonds of the district, whether authorized before or after the annexation.
- Sec. 2. District hospital board; members; organization and finances. Subdivision 1. The district hospital board may authorize and direct the construction and equipment or the acquisition and equipment and the betterment of a district hospital, a nursing home, and a board and care home, or any of them, to be operated under the supervision of the district hospital board. The hospital board shall consist of not less than six nor more than fifteen members appointed by the board of county commissioners. As nearly as may be one-third of the members of the first board shall be appointed for a term to expire two years from May 1 next following such appointment, one-third for a term to expire four years from such date, and one-third for a term to expire six years from such

date, each of which members shall hold office until his successor is appointed and qualified. Successors to the original board members shall each be appointed for terms of six years and shall serve until their successors are appointed and qualified. Terms of all members shall expire on May 1. The terms of any members appointed over and above the number initially appointed shall be so fixed as to cause the terms of one-third of all members to expire every two years, as nearly as possible. In case of a vacancy on the hospital district board, whether due to death, removal from the district, inability to serve, or resignation, the board of county commissioners at its next regular meeting shall make an appointment to fill such vacancy for the then unexpired term. Members of the district hospital board shall be entitled to mileage of ten cents per mile, each way, for every mile necessarily traveled for attending meetings of the board, not to exceed 12 meetings in any one year. The expense of acquisition, betterment, administration, operation, and maintenance of any such hospital or home shall be paid from the revenue derived therefrom and any donations or grants received for such purpose and, to the extent necessary, from ad valorem taxes which shall be certified by the district hospital board to the board of county commissioners and levied by that board solely upon the taxable property situated within the district. All revenues received shall be kept in the hospital district fund by the treasurer of the hospital district, and all such taxes when collected shall be credited to said fund.

Subd. 2. At its first regular meeting after May 1, the hospital district board shall elect a chairman, vice-chairman, clerk, and treasurer. The chairman shall preside at all meetings of the said board, shall sign orders upon the treasurer for claims allowed by such board, and shall perform all duties usually incumbent upon such an officer. The clerk shall record the minutes of all meetings of the hospital board, shall countersign all orders upon the treasurer, and shall be the custodian of all books and records of the district. The treasurer shall be the custodian of all moneys received by the district, and shall pay out money only on orders signed by the chairman and clerk. Each order shall state the nature of the claim for which it is issued, the name of the payee, and the fund on which it is drawn, and may be so drawn that when signed by the treasurer in an appropriate place it becomes a check on the depository of funds of the hospital district. In case of absence, inability, or refusal of the chairman, clerk, or treasurer to execute and disburse orders in payment of any claim duly

allowed by the hospital board, the board may declare any of the said offices vacant and fill the same by appointment. The hospital board may also appoint a deputy to perform any and all functions and duties of any of said officers, subject to the supervision and control of such officer.

- Sec. 3. Powers. Subdivision 1. Each hospital district created or reorganized under this act shall have all the powers necessary and convenient so that it may provide for the acquisition, betterment, operation, maintenance, and administration of such hospital and nursing home facilities as the hospital board shall determine to be necessary and expedient. The enumeration of specific powers herein is not intended to restrict the power of the board to take any action which, in the reasonable exercise of its discretion, is necessary or convenient for the furtherance of the purpose for which the district exists, and which is not otherwise prohibited by law, whether or not the power to take such action is necessarily implied from any of the powers herein expressly granted.
- Subd. 2. Specifically, every district, acting through its hospital board, may:
- (1) Employ nursing, administrative, and other personnel, legal counsel, engineers, architects, accountants, and other qualified persons, who may be paid for their services by monthly salaries, hourly wages, and pension benefits, or by such fees as may be agreed upon;
- (2) Cause reports, plans, studies, and recommendations to be prepared;
- (3) Lease, purchase, and contract for the purchase of real and personal property by option, contract for deed, conditional sales contract, or otherwise, and acquire real or personal property by gift;
- (4) Lease or construct, equip, and furnish necessary buildings and grounds and maintain the same;
- (5) Adopt, by resolution, rules and regulations for the operation and administration of any and all hospital and nursing home facilities under its control, and for the admission of persons thereto;
- (6) Impose by resolution, and collect, charges for all services and facilities provided and made available by it;
 - (7) Levy taxes as hereinafter prescribed;

- (8) Borrow money and issue bonds as hereinafter prescribed;
- (9) Procure insurance against liability of the district or its officers and employees or both, for torts committed within the scope of their official duties, whether governmental or proprietary, and against damage to or destruction of any of its facilities, equipment, or other property;
- (10) Sell or lease any of its facilities or equipment as may be deemed expedient;
- (11) Cause audits to be made of its accounts, books, vouchers, and funds by competent public accountants.
- Bond issue, tax levy. The acquisition and betterment of any such hospital, nursing home, and board and care home may be financed in whole or in part by the issuance of general obligation bonds in the manner provided in Minnesota Statutes, Chapter 475, except that the amount of bonds issued for any hospital district and outstanding at any time, less cash and investments held in a sinking fund irrevocably appropriated for the payment thereof, may equal but shall not exceed \$500,000. The proceedings for the issuance of the bonds shall be instituted and completed by the hospital board. Notice of the election on the bonds shall be published in each legal newspaper published in the district, not less than ten days before the election, and all qualified electors residing in the district shall be entitled to vote at the election, each at the polling place for the voting precinct in which he resides, as established for state and county elections. Taxes for the payment of the bonds shall be levied by the district hospital board on all taxable property within the hospital district and certified to the county auditor for collection in accordance with said chapter 475, and shall not be subject to any statutory limitation as to rate or amount. The bonds shall not constitute indebtedness for any purpose of the county or of any city, village, or town and shall be payable solely from taxes on properties within the hospital district.
- Sec. 5. Validation. All actions and proceedings heretofore taken by the county of Roseau preliminary to and in the formation of hospital districts, and all actions and proceedings heretofore taken by said county and by the Roseau Area Hospital District preliminary to and in the acquisition and betterment of hospital, nursing home, and board and care home facilities and in the issuance of bonds therefor are hereby legalized and validated. Said district and all other dis-

tricts so formed shall hereafter be governed in accordance with the provisions of this act, but nothing herein shall impair the obligation of any covenant or agreement heretofore made for the security of any bond issued by said county or by or on behalf of said Roseau Area Hospital District.

- Sec. 6. Repeal. Laws 1957, Chapter 539, and Laws 1959, Chapter 8, are repealed.
- Sec. 7. Effective date. This act shall become effective upon approval by resolution adopted by a majority of the board of county commissioners of the county of Roseau and upon compliance with the provisions of Laws 1959, Chapter 368; provided that this act shall become effective as to the Roseau Area Hospital District, and as to any other hospital district heretofore formed by the county of Roseau, only after its approval by resolution adopted by a majority of the hospital board of such district, and upon compliance with the provisions of Laws 1959, Chapter 368, as to such resolution.

Approved March 17, 1961.

CHAPTER 116—S. F. No. 464

[Not Coded]

An act relating to the town of Grand Lake in St. Louis county, providing for police protection therein.

Be it enacted by the Legislature of the State of Minnesota:

- Section 1. Town of Grand Lake, police protection. In the town of Grand Lake in St. Louis county, the electors of the town shall have power at a special election called for that purpose, or at the regular annual meeting, to authorize the town board to provide for police protection.
- Sec. 2. Special election to be held. A special election of the electors of such town may be called for the purpose of voting upon the proposition set forth in section 1, by the town board, upon its own motion, or shall be called by the town board upon a petition of 20 percent of the qualified electors of such town, based upon the number of such electors as shown by the poll list of voters at the next preceding election prior to the making of the petition. Notice of the election shall be given by posting notice thereof in three of the