

## Part 5. Managing Board for Field Crest Care Center

205.01. **Establishment of Managing Board.** That the City of Hayfield operate, manage and allow for the operation of a managing board in accordance with Minnesota Statutes and all acts and amendments thereto.

205.02. **Authority.** That the City of Hayfield retains all authority over the care center's obligation, auditing, allowance and payments of operating expenses.

205.03. **Composition.** Subdivision 1. **Membership.** That in accordance with the above mentioned statute an operating board of the nursing home is created as follows:

- a. That a Board of Directors to be appointed by the City includes no less than seven persons and no more than nine persons.
- b. That no member be an employee of Field Crest Nursing Home.
- c. That the members be non-paid volunteers, but shall be reimbursed for their expenses in their ordinary course of acting under the board.
- d. The Board shall include the following:
  1. At least one city council member;
  2. A senior citizen representative;
  3. A member of the business community;
  4. A member of the financial community;
  5. A representative of the rural area;

Remaining members may be filled from any one or more of other category of persons.

Subd. 2. **Terms.** The terms of the nursing home board shall be for a period of three years. A person may replace himself or herself for one time period only. The initial appointments to board shall be as follows:

- a. Four members for a three year term;
- b. Three members for a two year term;
- c. Two members for a one year term;
- d. In succeeding years the terms shall be filled as needed.

205.04. **Responsibilities of Managing Board.** Said board shall give continuity, leadership and direction for the Field Crest Nursing Home. The care center board shall be granted the maximum amount of authority and responsibility permitted under law allowing for the care center board and city to function in an arrangement legally allowing the city council to meet its obligation as owner of the facility but not get bogged down in all of the details necessary for such an operation. The board is to have oversight of the care center in the following areas:

- a. Patient care including the protection of health, safety, property and rights of residents.
- b. General administration including the budget, salary scales and benefits and facility funds.
- c. Maintenance of the facility, its equipment and grounds.

- d. Compliance with all regulatory requirements for the facility.

205.05. **Recommendations of the Managing Board.** Said board shall be an advocate for the care center, its residents and staff, and is required to make certain recommendations as follows:

- a. A yearly operating budget;
- b. Salary scales and benefits programs for employees as well as working conditions;
- c. Capital improvements;
- d. New or revised policies for the care of the residents and the operation of the facility;
- e. Strategic plans and goals;

205.06. **Duties and Powers of the Managing Board.** Members appointed by the city council have two duties:

- a. A duty of care that imposes upon a board member an obligation to perform his or her responsibility in good faith and in a diligent and responsible manner.
- b. A duty of loyalty that imposes upon a board member an obligation to exercise his or her authority for the benefits of the facility, rather than for any personal gain or benefit.

In the event that any of these provisions are found to violate state law or statute, the remaining provisions may be retained.