

**14-687. Governing body vested with control of hospitals; management by governing body or trustees; pension and deferred compensation plans for employees; contracts insuring employees and dependents; expenditures for recruitment or retention of professional staff; lease or rental of hospital.** Upon the establishment and building of a hospital by such cities, the governing bodies thereof are hereby vested with the authority to manage and control such hospital or such governing body may appoint three trustees from the citizens of such city with reference to their fitness for such office, who shall constitute a board of trustees for the hospital. The trustees shall within 10 days after their appointment organize a board of hospital trustees by the election of one of their number as chairman, one as secretary and one as treasurer. The board of hospital trustees is authorized to establish and fund pension and deferred compensation plans for hospital employees and to procure contracts insuring hospital employees, their dependents, or any class or classes thereof, under a policy or policies of life, disability income, health, accident, accidental death and dismemberment and hospital, surgical and medical expense insurance. The employee's contribution, if any, to the plan and to the premium for such insurance may be deducted by the employer from the employee's salary when authorized in writing by the respective employee. The board of hospital trustees may also expend such funds as deemed necessary in recruitment or retention of professional staff including, but not limited to, the purchase of professional liability insurance for such staff. The trustees shall receive no compensation for their services and shall serve at the pleasure of the governing body of such city.

The governing body of the city shall have the power by resolution to rent, lease or let the hospital to any person, persons, corporation or society upon such terms and conditions as the governing body of the city may deem to the best interest of the city. Upon the expiration of the lease, the governing body of the city at the time of the expiration of such lease shall have the power to make and execute a new lease to any person, persons, corporation or society upon such terms and conditions as the governing body may deem to the best interest of the city.

**History:** L. 1947, ch. 162, § 3; L. 1971, ch. 49, § 6; L. 1972, ch. 44, § 6; L. 1991, ch. 66, § 6; July 1.