

August 21, 1974

OPINION LETTER NO. 272
Answer by letter-Mansur

Honorable James A. Noland, Jr.
State Senator, District 33
Osage Beach, Missouri 65065



Dear Senator Noland:

This is in response to your request for an opinion from this office as follows:

"Can the county health board of a county of the third class (Dallas County) require or request the county treasurer of such county to transfer funds in the health board's general account presently in a regular bank account and not necessary to meet current normal operating expenses to an interest bearing bank account, certificates of deposits, or other interest bearing investment? Can the county treasurer legally so invest the funds of the health board, and if so, will the interest earned accrue to the benefit of the health board or to the general revenue account of the county?

"Funds on deposit in the general account of the Dallas County Health Department are in excess of what is necessary to meet the current normal operating expenses of the board and are not presently earning interest."

County health centers may be established under Sections 205.010 to 205.155, inclusive, RSMo.

Section 205.042, subdivision 4, RSMo, provides in part as follows:

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". . . All moneys received for the county health center shall be deposited in the county treasury to the credit of the county health center fund, and paid out only upon warrants ordered drawn by the county court upon properly authenticated vouchers of the board of health center trustees."

Under this statutory provision, all moneys received for the county health center must be deposited in the county treasury to the credit of the county health center fund.

Depositories for county funds in the county treasury are governed by Sections 110.130 to 110.260, RSMo, inclusive.

Section 110.150, RSMo Supp. 1973, provides as follows:

"1. The county court, at noon on the first day of the May term in each odd-numbered year, shall publicly open the bids, and cause each bid to be entered upon the records of the court, and shall select as the depositories of all the public funds of every kind and description going into the hands of the county treasurer, and also all the public funds of every kind and description going into the hands of the ex officio collector in counties under township organization, the deposit of which is not otherwise provided for by law, the banking corporations or associations whose bids respectively made for one or more of the parts of the funds shall in the aggregate constitute the largest offer for the payment of interest per annum for the funds; but the court may reject any and all bids.

"2. The interest upon each fund shall be computed upon the daily balances with the depository, and shall be payable to the county treasurer monthly, who shall place the interest on the school funds to the credit of those funds respectively, the interest on all county hospital funds and hospital district funds to the credit of those funds, the interest on county health center funds to the credit of those funds and the interest on all other funds to the credit of the county general fund.

"3. The county clerk shall, in opening the bids, return the certified checks deposited with

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him to the banks whose bids are rejected, and on approval of the security of the successful bidders return the certified checks to the banks whose bids are accepted." (Emphasis supplied)

Section 110.170, RSMo, provides that the county court shall make an order designating the successful bidders as depositories of the funds belonging to the county treasury and the county treasurer or ex officio collector shall immediately upon making of the order transfer to the depositories part or parts of the funds respectively left to the depositories under the selection.

The trustees of the county health center have only such authority as is expressly given by statute and such implied authority as is necessary to make effectual the purposes of the authority expressly given. King v. Maries County, 249 S.W. 418 (Mo. 1923).

Under the above statutes, funds belonging to the county health center are to be deposited in the county treasury. It is the duty of the county court to select a depository for funds going into the hands of the county treasurer; and it is the duty of the county treasurer under Section 110.170, RSMo, to deposit the funds belonging to the county health center with the depository selected by the county court. The interest upon the county health center funds is to be credited to the credit of the county health funds.

We enclose herewith Opinion No. 177 issued by this office on December 20, 1963, to Mr. Robert B. Mackey, to the effect that the county court is not limited to demand deposits only, but may, when such can be prudently done without detriment to the county, place a portion of the funds on interest-bearing time deposits, open account, but not in certificates of deposit or bonds or other investment.

It is our view therefore that all funds belonging to the county health center in a county of the third class shall be deposited in the county treasury to the credit of the county health center fund, and it is the duty of the county treasurer to deposit said funds in the county depositories selected by the county court and all interest on said funds paid by the county depository shall be credited to the county health fund. Said

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funds may be deposited in interest-bearing time deposits, open account, but not in certificates of deposit or bonds or other investments.

Yours very truly,

JOHN C. DANFORTH
Attorney General

Enclosure: Op. No. 177
12-20-63, Mackey