

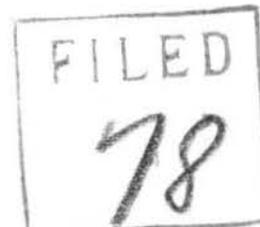
COUNTY HEALTH CENTERS:

EXPENDITURES:

Counties in Missouri maintaining County Health Centers are liable for expense of providing warrants for use in paying obligations of such Health Centers, and are also liable for cost of publishing the detailed financial statement of the county for the preceding year as it relates to County Health Centers, all to be paid out of the County General Revenue Fund.

June 4, 1953

Honorable Earl Saunders  
Prosecuting Attorney  
Jefferson County  
Hillsboro, Missouri



Dear Mr. Saunders:

This will be the opinion by this office which you requested in your letter of recent date, following the request of Mr. Wallace V. Coleman, County Clerk of your county for an opinion from your office on the questions:

- 1) "Is the County General Revenue Fund or the Health Unit Fund liable for the payment of office supplies including warrants purchased by or for the use of the health unit," and
- 2) "Is the County General Revenue Fund or the Health Unit Fund liable for the payment of the cost for the publication of the annual sworn statement of the County Health Unit.?"

The answer to each of the foregoing questions depends upon the construction of different sections of the Public Health and Welfare Act relating to county health centers.

The County Health Center Act constitutes the authority to establish a county health center as an entire county entity, that is, the project embraces the whole of the county and touches, by taxation, all of the property within the borders of any county establishing, maintaining and operating any such health center. Section 205.010, Laws of Missouri, 1951, page 779, (Section 205.010, Cumulative Supplement, Laws of Missouri, 1951, page 203), states that, if upon a petition of at least ten per cent or more of the qualified voters of any such county, as determined by the vote for Governor

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at the preceding general election, so praying, the County Court, after due notice, shall submit the question to the qualified voters of the county at the next general election, or at a special election called for the purpose of creating a county health center, the proposition of levying an annual tax not in excess of ten (10%) cents on each One Hundred (\$100.00) Dollars assessed valuation of property in the county for the maintenance thereof.

Section 205.020, Laws of Missouri, 1951, page 780 (Section 205.020, Cumulative Supplement, Laws of Missouri, 1951, page 203), provides that the qualified voters of any such county may vote upon the proposition to levy the tax "for a county health center and the maintenance and operation of the same." That section further provides that if two-thirds majority of the votes cast shall vote in favor of such tax the County Court shall proceed to levy and collect such tax and deposit the same in the county treasury to the credit of the Health Center Fund, and such fund shall be expended as hereinafter (in said Act) provided.

Subsection 2 of Section 205.040, Laws of Missouri, 1951, page 782 (Subsection 2, Section 205.042, Cumulative Supplement, Laws of Missouri, 1951, page 204), reads as follows:

"The county treasurer of the county in which such county health center is located shall be treasurer of the board of trustees. The treasurer shall receive and pay out all the moneys under the control of the board, upon its order as provided in this act, but shall receive no compensation from such board."

Subsection 4 of Section 205.045, Laws of Missouri, 1951, page 782 (Section 205.042, Cumulative Supplement, Laws of Missouri, 1951, pages 204 and 205), in speaking of the health center trustees reads, in part, as follows:

"\* \* \* They shall have the exclusive control of the expenditures of all moneys collected to the credit of the county health center fund, \* \* \* \* \* 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

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drawn by the county court upon properly authenticated vouchers of the board of health center trustees."

These two subsections of said Section 205.045, Laws of Missouri, 1951, page 782 (Section 205.042, Cumulative Supplement, page 204, Laws of Missouri, 1951), provide that the county treasurer shall receive and pay out all monies under the control of the board, as it appears, because the funds are public money. These funds must be deposited under said Subsection 4 to the credit of the health center fund and must be paid out only upon warrants ordered drawn by the County Court upon properly authenticated vouchers of the Board of Health Center Trustees. We believe that the provision that the fund shall be deposited to the credit of the County Health Center Fund does not change the fund from being public county funds. Nowhere in the County Health Center Act is there any provision for the Trustees as a Board, or otherwise, to issue warrants. That function is plainly imposed upon the County Court and the County Clerk. Section 50.180, RSMo 1949, provides that when the County Court shall ascertain that any sum of money shall be due from the county, the Court shall order its clerk to issue therefor a warrant. Section 50.190, RSMo 1949, provides that every county warrant shall be signed by the president of the Court and shall be attested by the clerk. Section 54.140, RSMo 1949, makes it the duty of the County Treasurer to separate and divide the revenues of the county into separate funds as they come into his hands and to pay out the revenues thus subdivided on warrants issued by the order of the Court upon the respective funds so set aside and subdivided and not otherwise.

It would appear clear, we believe, that with such duties as these sections provide to be performed by the County Courts and County Clerks of the respective counties in regard to the ordering issued and the issuing, the signing and the countersigning of warrants, that the County Court, at the hands of its clerk, should provide and have available the blank warrants which should be drawn upon the funds of the County Health Center. The only duty under the County Health Center Act imposed upon the Trustees in such matters is that they shall present properly authenticated vouchers to the Court in support of the purchases or contractual obligations created by the Board in its operation and maintenance of the Health Center. A warrant, if issued by the Health Center Board would be a nullity. The Board may direct the expenditures of the funds of the Health Center, but, under the Act, it has no power to issue a warrant against such funds.

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We do not find any authority in the County Health Center Act for the County Court to purchase office supplies, including warrants for the use of the County Health Center. If, as in this instance appears to be the case, the County Court of Jefferson County, Missouri, has purchased blank warrants for use in discharging the duly authenticated obligations created by the Board of Trustees of the County Health Center, the county, not the Trustees, is obligated to pay for the same.

As this office views the provisions of the County Health Center Act as provided in Laws of Missouri, 1951, page 779, and as contained in the Cumulative Supplement to Laws of Missouri, 1951, pages 203 to 205, inclusive, the answer to your first question is that the County General Revenue Fund is liable for the payment of warrants purchased for the use of the County Health Center. This must be the procedure under the provisions in said Subsections 2 and 4, supra, of said Section 205.045, Laws of Missouri, 1951, page 782 (Section 205.042, Cumulative Supplement, Laws of Missouri, 1951, pages 204, 205), which respectively (Subsection 2) states: "\* \* \* The treasurer shall receive and pay out all the moneys under the control of the board, upon its order as provided in this act, \* \* \*." Subsection 4: "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." However, if the County Health Center upon the action of its Board of Trustees and on its own initiative obligates the center in the purchase of office supplies or other property, not the duty of the county to supply, as provided by law, such obligations must be discharged by paying therefor out of the County Health Center Fund, upon the properly authenticated vouchers of the Health Center Board presented to the County Court, by means of warrants ordered drawn by the County Court, signed by the Presiding Judge of the Court, attested by the County Clerk of the County and paid by the County Treasurer acting as treasurer of said health center and custodian of its funds.

Your second question states:

"Further, with reference to Sec. 205.090  
and Sec. 50.810 R.S. Mo. 1949

"Is the County General Revenue Fund or  
the Health Unit Fund liable for the pay-  
ment of the cost for the publication of  
the annual sworn statement of the County  
Health Unit?"

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Section 205.090, Laws of Missouri, 1951, page 784, and Section 205.090, pages 205, 206, Cumulative Supplement, Laws of Missouri, 1951, read as follow:

"1. On or before the seventh day of January in each year, the board of health center trustees shall file with the county court a report of their proceedings with reference to the county health center and a sworn statement of all receipts and expenditures during the preceding calendar year.

"2. The board of health center trustees shall prepare and submit to the county budget officer a budget for the ensuing year at the time and in the manner provided by the county budget law applicable to such county."

Sections 50.800, 50.810 (to which you call our attention in your second question) and other succeeding sections, define the procedure with respect to publishing county financial statements each year. The detailed provisions of Section 50.810 do not appear to be especially pertinent to the answer to your second question. Said Section 50.810 provides for the application of the standard column width measure that would take the least space in the preparation of the statement by the publisher; that the publisher shall file two proofs of publication with the County Court. The Court shall forward one proof to the State Auditor and shall file the other in the office of the Court. The County Court, so this section states, shall not pay the publisher until such proof of publication is filed with the Court and shall not pay the person designated to prepare the statements for the preparation of the copy for such statement until the State Auditor shall have notified the Court that his copy of publication has been received, and that it complies with the provisions of Section 50.810. Thus, it appears that the form of the statement and the payment and the amount of payment to be made to the publisher for the publication of the statement are the only provisions, and indirect ones at that, that Section 50.810 has in its terms relating to this question. We deem it unnecessary, therefore, to quote from any section of the statute relating to "County Financial Statements," as contained in Chapter 50 except parts of Section 50.800, RSMo 1949. Section 50.800 in some of its subsections covering different requirements of a county financial statement is pertinent here and must be applied in connection with Section 205.090, Laws of Missouri, 1951 (Section 205.090, Cumulative

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Supplement, pages 205, 206, Laws of Missouri, 1951.)

The subsections of Section 50.800, as they relate to this question, under the subject of "County Financial Statements", RSMo 1949, read, as numbered, as follow:

"On or before the first Monday in March of each year after the taking effect of this law the county court of each county in this state shall prepare and publish in some newspaper of general circulation published in such county, if such there be, and if not by notices posted in at least ten places in such county, a detailed financial statement of the county for the year ending December thirty-first, preceding.

\* \* \* \* \*  
\*\* \* \* \* \*

"4. Said statement shall show the total valuation of the county for purposes of taxation, the highest rate of taxation the constitution permits the county court to levy for purposes of county revenue, the rate levied by the county court for the year covered by the statement, division of the rate levied among the several funds and total amount of delinquent taxes for all years as of December thirty-first.

"5. The statement shall show receipts into each and every fund separately. First, from the general tax book; second, from railroad tax book; third, from billiard and other table licenses; fourth, ferry licenses; fifth, from land back tax books; sixth, from personal delinquent lists; seventh, fines and penalties; and eighth, from other sources. The total receipts for the year into all funds shall be shown in the recapitulation.

"6. Disbursements shall be shown in detail and each and every warrant issued shall be

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shown separately except as herein expressly provided. Date of warrant, number, person to whom issued and purpose for which issued shall be shown. Under separate heading in each fund the statement shall show what warrants had been paid (or to pay which funds were in the hands of the county treasurer as of December thirty-first) and under a separate heading what warrants were outstanding and unpaid for the lack of funds on that date with appropriate balance or overdraft in each fund as the case may be."

Section 11 of said Section 50.800 provides that at the end of the statement the person designated by the County Court to prepare the financial statement required by the statutes, shall append his certificate that he has checked the records of the county and that the above and foregoing statement is complete and correct as to every item of information required by the statutes; that he has checked every receipt from every source whatsoever and every disbursement of every kind and to whom and for what purpose disbursement was made, the certificate to be appropriately dated.

Subsection 1 of Section 205.090, Laws of Missouri, 1951, page 784 (Section 205.090, Cumulative Supplement, Laws of Missouri, 1951, pages 205, 206), supra, requires the filing on or before the 7th day of January of each year, a report of the proceedings by the Health Center Trustees with reference to the County Health Center and a sworn statement of all receipts and expenditures during the preceding calendar year. The only purpose and end this requirement may serve is to advise the County Court of facts for the benefit of the person appointed to prepare the financial statement of the county for the preceding year for publication as required by the statute. This report and statement is not, in its academic sense at least, required to be supplied for an audit. It is merely informative. Subsection 4 of Section 205.045, Laws of Missouri, 1951 (Subsection 4, Section 205.042, Cumulative Supplement, Laws of Missouri, 1951, pages 204, 205) provides, as we have seen, that the Board of Health Center Trustees "shall have exclusive control of the expenditures of all moneys collected to the credit of the county health center fund." The County Court, therefore, has no duty to perform respecting the fund, except to order warrants drawn to be paid out of said fund "upon properly authenticated vouchers of the board of health center trustees." The County, as a whole, in which any such Health Center is located and maintained, is entitled to know what the annual tax levy at the

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rate fixed on each One Hundred Dollars of the assessed valuation of property in the county has brought into the fund the previous year and how it has been spent. This report, therefore, is the first step required, we believe, in the process of preparing the annual financial statement of the county for the previous year for publication as it affects the receipts coming into and which have been paid of the County Health Center Fund. Said subsection merely requires that such report and statement shall be filed with the County Court. There is no provision whatsoever in the County Health Center Act requiring the Trustees of the County Health Center to publish said report and statement, much less to pay for the cost of the publication thereof. It is, therefore, clearly apparent that Section 205.090, supra, requires the report and statement only for the purpose of aiding the County Court and the County Clerk in the preparation of the annual statement, according to the terms of Section 50.800, RSMo 1949, supra. This statement naturally and inevitably should contain the facts supplied in such report and sworn statement by the County Health Center Trustees of all receipts and expenditures during the preceding calendar year affecting the County Health Center Fund. The terms of Subsection 1 of said Section 50.800, RSMo 1949, supra, provide that the County Court of each county in this State, on or before the first Monday of March in each year, shall prepare and publish a detailed financial statement of the county for the year ending December 31st, preceding. It follows that each county in this State must bear the expense out of a sum set apart in the County Budget for such purpose derived from the general revenue fund of the county for the preparation and publication of such detailed financial statement. It also is apparent that the County Health Center Trustees, or Board, are not liable for the payment of the cost of any part of said detailed annual statement although the facts respecting the receipts and expenditures during the preceding year of the County Health Center Fund as submitted by the County Health Center Trustees in their report and sworn statement under said Section 205.090, supra, is included, as we believe it must be, in the detailed financial statement of the county for the preceding year published by the County Court. The question of the publication by County Courts in this State of a detailed financial statement of the county for the preceding year was before the Supreme Court of this State in the case of State ex rel. Taylor, Attorney General, vs. D. P. Wade, Members of the County Court of Ozark County, Missouri, 360 Mo. 895, 231 S.W. (2d) 179. The Court held that the publication of such statement by the

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County Court of the several counties of this State is mandatory. In order that the public may be kept informed as to the receipt and expenditure of public funds by means of the publication of said detailed statement, the Court, l.c. 899, 900, said:

"\* \* \* Certainly the enactment of these statutes for the publication of detailed information about the financial affairs of counties, with the requirement of filing proof of publication with the state auditor, was a sufficient demonstration of the interest of the State therein. Of course, the interest of the State is plain enough in having counties, which are political sub-divisions of the State, fully disclose their financial affairs to their own inhabitants, to the public generally and to the state auditor. Such publicity as to the source and use of public funds has been considered essential to the proper conduct of county government for more than 100 years. (See Laws 1841, p. 57.) It is now more important than ever since it provides means for determining compliance with the county budget laws. \* \* \*."

The Court held in that case that the County Courts of the several counties of this State shall set apart in their respective budget a sufficient sum to pay for the publication of such detailed statement. So holding, the Court, l.c. 901, further said:

"\* \* \* So here, while the Legislature did not fix the exact amount to be included in the budget, its direction in these statutes that such a statement must be prepared and published annually is a mandate to the county court to include a reasonable amount for that purpose in each year's budget; \* \* \*."

As this office construes the above-cited statutes, and views the decision cited by our Supreme Court, this constitutes our answer to your second question.

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CONCLUSION.

Considering the premises, it is the opinion of this office that:

1) The County General Revenue Fund in any county in this State maintaining a County Health Center, is liable for the payment of warrants used in the payment of obligations incurred by Trustees of a County Health Center ordered issued by the County Court upon properly authenticated vouchers of the Board of Health Center Trustees, and that the County Health Center Fund is not liable for such supplies;

2) That each county in this State maintaining a County Health Center is liable for the payment of the cost of the publication of a detailed financial statement of the county for the preceding year ending on December 31st, under the terms of Section 50.800, RSMo 1949, including the facts contained in the report of their proceedings with reference to the County Health Center and a sworn statement of all receipts and expenditures during the preceding calendar year submitted to the County Court by the Board of Health Center Trustees as provided in Section 205.090, Laws of Missouri, 1951, page 784 (Section 205.090, Cumulative Supplement, Laws of Missouri, 1951, pages 205, 206), to be paid out of the General Revenue Fund of any such county, and that the County Health Center Fund is not liable for the payment of the cost of any part of such detailed financial statement of the county for the preceding year.

The foregoing opinion, which I hereby approve, was prepared by my Assistant, Mr. George W. Crowley.

Yours very truly,

JOHN M. DALTON  
Attorney General

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