

COUNTY HOSPITAL FUNDS: A county hospital board may not invest
COUNTY HOSPITAL BOARD: public funds in bonds or other securities
COUNTY TREASURER: unless expressly authorized by statute.

OPINION NO. 478

December 22, 1966

This opinion should be accompanied
by Op. No. 223 - 1975.

Honorable Thomas P. Baker
Prosecuting Attorney
Putnam County
Unionville, Missouri



Dear Mr. Baker:

This opinion is rendered in response to your inquiry concerning the accumulated funds of a county hospital wherein you ask:

- "1. May the Board of Trustees of a county hospital invest any or all of a maintenance fund of the hospital collected pursuant to Section 205.200 RSMo., Supp?
- "2. If so, what type of investment is proper?
- "3. If so, must the county court approve the investment?"

The statute which we must apply is Section 205.190 RSMo. Supp. which reads in pertinent parts as follows:

"The trustees shall, * * * qualify * * * and organize as a board of hospital trustees * * *.

"2. The county treasurer of the county in which such hospital 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 said board, as ordered by it, * * *".

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"4. The board of hospital trustees shall make and adopt such bylaws, rules and regulations for their own guidance and for the government of the hospital as may be deemed expedient for the economic and equitable conduct thereof, not inconsistent with sections 205.160 to 205.340 and the ordinances of the city or town wherein such public hospital is located.* * * They shall have the exclusive control of the expenditures of all moneys collected to the credit of the hospital fund, * * * the purchase or construction of any hospital buildings, * * * set apart for that purpose; provided, that all moneys received for such hospital shall be deposited in the treasury of the county to the credit of the hospital fund, and paid out only upon warrants ordered drawn by the county court of said county upon the properly authenticated vouchers of the hospital board.* * *".

A study of the above quoted statutes establishes that the Board has "exclusive control of the expenditures of all moneys collected to the credit of the hospital fund", that such funds must be deposited with the county treasurer for safe-keeping and "paid out only upon warrants drawn by the County Court of said county upon the properly certified vouchers of the hospital board." Money can only be paid out upon vouchers of the hospital board for expenditures. Inasmuch as the county hospital and the county hospital board are creatures of statute, "they can exercise the following powers and no others: (1) those granted in express words; (2) those necessarily or fairly implied in or incident to the powers expressly granted; (3) those essential to the declared objects and purposes of the corporation - not simply convenient but indispensable." (Lancaster v. Atchison Co., 180 S.W.2d 706, 708). We find no statute authorizing the hospital board to invest surplus money in bonds, etc. We, therefore, answer your first question in the negative.

Your second and third questions are predicated upon the first question and by force of our answer to the first question, they become moot and will not be discussed further.

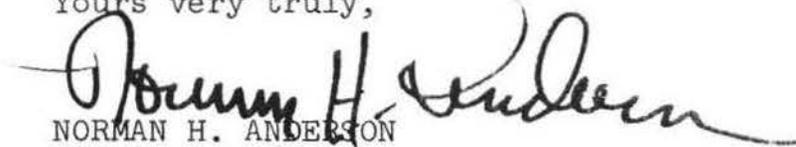
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CONCLUSION

It is our opinion that a County Hospital Board may not invest public monies in bonds or other forms of investment unless expressly authorized by statutes under which they are organized or governed.

The foregoing opinion which I hereby approve was prepared by my assistant, Richard C. Ashby.

Yours very truly,


NORMAN H. ANDERSON
Attorney General