

ROAD DISTRICTS:--Surplus funds remaining after the full payment of the bond issue for which they were collected, may be transferred to the general fund of the District.

1-15  
January 11, 1934.



Mr. H. W. Fly, Secretary,  
Monett Special Road District,  
Monett, Missouri.

Dear Sir:

We are acknowledging receipt of your letter in which you inquire as follows:

"Some years ago The Monett Special Road District issued bonds to the amount of Fifty Thousand Dollars at which time there was provided a levy of Fifteen Cents on the Hundred Dollar valuation to take care of principal and interest. Two years ago there was sufficient funds collected to pay bonds and interest in full with about Eight Hundred Dollars surplus, after which time no levy has been made. In a few months the last of the series of these bonds will be due.

Will you kindly advise what disposition may be made of the remaining Eight Hundred Dollars on hand which has been collected for bond and interest purposes?

We are aware of the fact that money collected for interest and sinking funds cannot be used for other purposes until such indebtedness has been paid, however, it is almost an impossible task to return this money to the taxpayer in an equitable manner. Hence, we are asking your opinion as to whether it can be transferred to the general fund without violating the law."

It appears from your letter that your district had voted a bond issue of \$50,000.00, and that the levy from time to time had been made for the purpose of paying the interest and retiring the bonds as they became due. There is now sufficient money on hand to retire the last of the bond issue, and when the last bond is retired there will be a

small surplus resulting.

The money resulting from the levy made for the purpose of paying off a bond issue, of course, could be expended only for that purpose. Such funds were property of the Road District. Since the bonds have all been paid off, there is no necessity for the continued existence of the fund to pay off the bond issue. The surplus funds remaining after the payment of the bond issue belong to the District, and we find no provision which prohibits the transfer of the surplus to the general revenue fund of the District.

It is therefore the opinion of this Department that the surplus money remaining after the discharge of the bond issue may lawfully be transferred to the general fund of the Road District.

Very truly yours,



Assistant Attorney General.

APPROVED:

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Attorney General.

FWH:S