

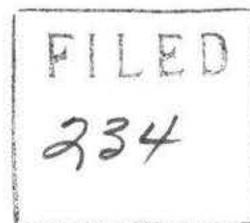
LIBRARIES:  
COUNTY LIBRARIES:

A library district which desires to invest its funds in accordance with provisions of Section 182.800, RSMo Supp. 1971, should do so by drawing a warrant on a city or county treasury where such funds are deposited for the amount of the investment. The investment should be held by the board of trustees of the library district in the name of the district.

OPINION NO. 234

November 10, 1972

Mr. Charles O'Halloran  
State Librarian  
Missouri State Library  
308 East High Street  
Jefferson City, Missouri 65101



Dear Mr. O'Halloran:

This is in response to your request for an opinion on the following question:

"Section 182.800, RSMo, (H.B. 104, 75th General Assembly) provides that a library district may invest its funds and that interest accrued from such an investment shall be credited to the library district fund from which the money was invested.

"Section 182.020 and Section 182.140 provides that funds belonging to a library district be deposited in the treasury of the county or of the city.

"May a library district invest its funds on its own behalf, or must this investment be made by the county treasurer or the city finance office?"

The relative statutory sections to your request are as follows:

"The governing board of any free library district may invest funds of the district. The board may invest the funds in either open time deposits for ninety days or certificates of deposit in a depository selected by the board, if the depository has deposited securities under the provisions of sections 110.010 and

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110.020, RSMo; or in bonds, redeemable at maturity at part, of the state of Missouri, of the United States, or of any wholly owned corporation of the United States; or in other short term obligations of the United States. No open time deposits shall be made or bonds purchased to mature beyond the date that the funds are needed for the purpose for which they were received by the district. Interest accruing from the investment of funds in such deposits or bonds shall be credited to the library district fund from which the money was invested." (Section 182.800, RSMo Supp. 1971)

"2. The proceeds of the levy, together with all interest accruing on same, with library fines, collections, bequests and donations in money shall be deposited in the treasury of the county and be known as the 'county library fund', and be kept separate and apart from other moneys of the county, and disbursed by the county treasurer only upon the proper authenticated warrants of the county library board." (Section 182.020.2, RSMo 1969)

"2. The tax specified in the notice, subject to the provisions of this section, shall be levied and collected, from year to year, in like manner with other general taxes of the city. The proceeds of the levy, together with all interest accruing on same, with library fines, collections, bequests and donations in money shall be deposited in the city treasury and shall be known as the 'city library fund', and shall be kept separate and apart from other moneys of the city, and disbursed by the proper city finance officer only upon proper authenticated warrants of the city library board of trustees." (Section 182.140.2, RSMo 1969)

Sections 182.020.2 and 182.140.2 provide that funds collected by the library are to be deposited in the city or county treasury, as the case may be, in a separate library fund to be dispersed only upon the proper authenticated warrants of the library board.

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Section 182.800 provides that the governing board of the library district may invest funds in certain securities. When a library board desires to invest funds under the provisions of Section 182.800, it should draw its warrant on the city or county treasury for the amount it desires to invest. The investment should be held by the board of trustees in the name of the library district. Interest received by the district as well as the principal of such investment at maturity should be deposited in the library fund in the city or county treasury.

CONCLUSION

It is, therefore, the opinion of this office that a library district which desires to invest its funds in accordance with provisions of Section 182.800, RSMo Supp. 1971, should do so by drawing a warrant on a city or county treasury where such funds are deposited for the amount of the investment. The investment should be held by the board of trustees of the library district in the name of the district.

The foregoing opinion, which I hereby approve, was prepared by my assistant, Charles A. Blackmar.

Yours very truly,



JOHN C. DANFORTH  
Attorney General