

CHAPTER 118**DEPOSITORIES OF PUBLIC FUNDS**

NOTE: L. 1925, c. 173, s. 1, as amended, supersedes the provisions of L. 1909, c. 362, s. 1; L. 1919, c. 419, s. 6; L. 1919, c. 423; and L. 1921, c. 313.

118.01 DEPOSITORY BONDS.

Where collateral secures deposit of county funds, the assignment should run from the depository bank to the county treasurer. OAG July 1, 1941 (140-A-13).

Pledge of assets to secure deposit of public funds. 12 MLR 407.

Liability of bank for fiduciary's misappropriation of public funds in bank. 18 MLR 471.

118.04 SECTION 9.11 SUPERSEDED IN PART.

Circumstances under which a surety may compel a creditor to resort to security. 15 MLR 95.

118.05 DEPOSITORIES IN CITIES OF THE FIRST CLASS; SECURITIES IN LIEU OF BONDS.

Depositaries of city public funds may, with the approval of the city council, deposit government bonds as collateral in lieu of furnishing the statutory bonds. OAG July 5, 1945 (140-b-3).

118.10 DEPOSITORIES INSURED UNDER FEDERAL ACT EXCUSED FROM GIVING SECURITY TO EXTENT OF INSURANCE COVERAGE.

Pledge of assets by national bank to secure deposits by federal government agencies. 25 MLR 368.

Where deposits are insured by federal deposit insurance corporation, a bank may act as depository for an amount not to exceed \$5,000 without furnishing security or bond. OAG March 18, 1943 (140-F-8).

118.11 LIMITATION OF DEPOSITS DEPENDENT ON CAPITAL AND SURPLUS; APPLICATION.

Public deposits of county funds are controlled by section 385.07; but deposits of state, town, city, village, borough and school district funds by section 118.11. OAG Jan. 9, 1947 (140-a-1).

118.12 DEPOSIT OF TOWN AND SCHOOL DISTRICT FUNDS WITH COUNTY TREASURER IN CERTAIN CASES.

School boards may purchase federal securities with funds on hand and not presently needed. OAG Aug. 13, 1945 (159-a-13).

Where school board raised funds under the procedure prescribed in section 475.14, and decided to defer building, and by unanimous vote invested the funds in United States bonds, the board members are not personally liable in case of a depreciation in value of the bonds. OAG July 11, 1946 (159-A-13).

118.13 INVESTMENT OF FUNDS.

Where it is made the duty of the county treasurer to keep safely securities deposited with him by towns and school districts, a depository charge may be paid by the county. OAG May 2, 1945 (450-A-6).

While district-owned federal securities remain in possession of the school treasurer, he assumes full responsibility. He is not responsible when the securities are on deposit with the county treasurer. OAG June 27, 1946 (451-A-5).