

**School Districts—Sinking Fund—Investment of.**

The Board of Trustees of a School District do not have powers to invest any portion of a sinking fund in bonds of other school districts.

March 13, 1917.

Miss May Trumper,  
Superintendent of Public Instruction,  
Helena, Montana.

Dear Madam:

You have submitted to me the question of whether or not the Trustees of a School District may invest any portion of the sinking fund in bonds of other School Districts.

Section 2020 of Chapter 76 of the 1913 Session Laws, provides that the Board of Trustees may with the surplus of such sinking fund, when the same shall be \$1000.00 or more, purchase any of the out-

standing bonds issued by the Board. But if for any reason such bonds cannot be purchased, such sinking fund shall be invested by the Treasurer under direction of the Board of Trustees, at such times as the Board shall direct, in interest-bearing bonds of the United States or of the State of Montana. Where an investment is made of the sinking fund, such investment must be made in the manner prescribed by statute. The only provision in our statutes for the investment of the sinking fund of a school district is in these two classes of bonds. And therefore it is not within the power of the Board of Trustees of a school district to invest any portion of their sinking fund in school district bonds.

Respectfully,

S. C. FORD,

Attorney General.