

**County Funds—Distribution—Banks.**

County funds should be distributed ratably in proportion to the paid in capital stock of banks, disregarding the amount of surplus of any bank.

May 2nd, 1919.

Mr. E. L. Haines,  
County Treasurer,  
Miles City, Montana.

Dear Sir:

I am in receipt of your letter of recent date submitting the following:

“In the case of a bank having a capital of \$150,000.00 and surplus of \$150,000.00 and another having a capital of \$10,000.00 and surplus of \$250,000.00, what is the proper way to distribute county deposits in these banks?”

Section 3003, Revised Codes, as amended by Chapter 88, Session Laws of 1913, provides that: “When more than one such bank be available in any county such deposits shall be distributed ratably among all such banks qualifying therefor, substantially in proportion to the *paid in capital* of each such bank,” etc. In distributing the county funds between these two banks you cannot take into consideration the amount of the surplus but you must distribute such funds in proportion to the paid in capital. In the one bank the paid in capital is \$150,000.00 and in the other \$100,000.00, and, if these are the only banks available, the fund should be distributed as follows: three-fifths (3-5ths) to the bank having a paid in capital of \$150,000.00 and two-fifths (2-5ths) to the bank having a paid in capital of \$100,000.00. If there are more than these two banks available then the funds must be distributed ratably to each in proportion to its paid in capital stock, no attention being paid to the amount of surplus of any bank.

Respectfully,  
S. C. FORD,  
Attorney General.