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SPRINGFIELD

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FILE NO. S-1316

COUNTIES:

**Whether Separate County Funds
May Be Combined for Investment
Purposes.**

Honorable John W. Cox, Jr.
State's Attorney
Jo Daviess County
Galena, Illinois 61036

Dear Mr. Cox:

I have your letter wherein you ask whether separate county funds may be combined for investment purposes. The county treasurer, or auditor, is required to keep a separate account with each fund pursuant to section 5 of "AN ACT in relation to the budgets of counties not required by law to pass an annual appropriation bill" (Ill. Rev. Stat. 1975, ch. 34, par. 2105):

"The county treasurer shall keep a separate account with each fund to show at all times the cash balance thereof, the amount received for the credit of such fund, and the amount of the payments made therefrom. The county auditor in each county under township organization containing over seventy-five thousand (75,000) inhabitants and the county clerk in each other county shall keep a similar account with each fund, and in addition shall maintain an account with each appropriation of each fund to show: (a) the amount appropriated, (b) the date and amount of each transfer from or to such appropriation and the appropriations to which or from which transfers were made, (c) the amount paid out under the appropriation, (d) the amount of outstanding obligations incurred under the appropriation, (e) the amount of the encumbered balance of the appropriations, and (f) the amount of the free balance of the appropriation."
(Emphasis added.)

The treasurer has authority to invest county funds pursuant to "AN ACT relating to certain investments of public funds by public agencies". (Ill. Rev. Stat. 1975, ch. 85, par. 901 et seq.) Section 5, quoted above, does not explicitly prohibit the commingling of funds for investment purposes. It only requires that separate accounts be kept. There is no necessity to interpret the language "shall keep a separate account with each fund to show at all times" to mean that a separate bank account must be maintained for each fund. A

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separate record of each fund showing the requisite information is sufficient.

I therefore am of the opinion that separate county funds may be combined in a single investment account unless a particular county fund is expressly required by statute to be kept separate for purposes of investment.

Very truly yours,

A T T O R N E Y G E N E R A L