



**THE ATTORNEY GENERAL
OF TEXAS**

AUSTIN, TEXAS 78711

**CRAWFORD C. MARTIN
ATTORNEY GENERAL**

April 23, 1971

Hon. J. W. Crumley
Assistant County Attorney
Wood County Courthouse
Quitman, Texas 75783

Opinion No. M-841

Re: May any of the following expenses be paid out of the Interest and Sinking Fund maintained to retire Wood County Flood Control Bonds: (1) Lake keepers salaries; (2) Upkeep and insurance on lake keepers homes on county lake property; (3) Electricity for county lakes; (4) Patrol boats and motors; and, (5) Cost and repair of trucks involved in the maintenance of the lakes.

Dear Mr. Crumley:

You have written our office and asked the following question:

"Would it be legal to pay out of the Interest and Sinking Fund for the Wood County Flood Control Bonds the following expenses:

1. Lake keepers salaries;
2. Upkeep and insurance on lake keepers homes on county lake property;
3. Electricity for county lakes;
4. Patrol boats and motors; and,
5. Cost and repair of trucks involved in the maintenance of the lakes?"

Article 839, V.C.S., states:

"No city or county treasurer shall honor any draft upon the interest and sinking fund provided for any of the bonds of such city or county, nor pay out nor divert any of the same, except for the purpose of paying the interest on such bonds

or for redeeming the same, or for investment in such securities as may be provided by law."

The language of the statute is quite specific in its prohibition that the money in interest and sinking funds provided for bonds may be used only for the purpose of paying interest on the bonds or for redeeming the same, or for investment in such securities as may be provided by law, and for no other purpose.

In addition, Attorney General's Opinion WW-1084 (1961), a copy of which is enclosed, states:

"The moneys in the interest and sinking funds may not be used for additional projects since such moneys may be used only for the purpose of paying the interest on such bonds, or redeeming the same, or for investment in securities as may be provided by law..."

Therefore, the answer to your question is no.

S U M M A R Y

Interest and Sinking Funds provided for bonds of any city or county may be used only for the purpose of paying the interest on such bonds or for redeeming the same, or for investments in such securities as may be provided by law, and for no other purpose.

Yours very truly,

CRAWFORD C. MARTIN
Attorney General of Texas

by: Nola White
NOLA WHITE
First Assistant

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Prepared by A. J. Gallerano
Assistant Attorney General

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