

2016 Code of Alabama

Title 11 - COUNTIES AND MUNICIPAL CORPORATIONS.

Title 3 - PROVISIONS APPLICABLE TO COUNTIES AND MUNICIPAL CORPORATIONS.

Chapter 81 - MUNICIPAL AND COUNTY BONDS.

Article 1 - General Provisions.

Section 11-81-19 - Investment of sinking funds generally; reports as to investment or deposit of sinking funds; contracts for purchase of savings certificates.

Universal Citation: [AL Code § 11-81-19 \(2016\)](#)

Section 11-81-19Investment of sinking funds generally; reports as to investment or deposit of sinking funds; contracts for purchase of savings certificates.

All sinking funds provided for the retirement of bonds shall be invested in bonds of such subdivision or in bonds of the United States or in bonds of the State of Alabama or in bonds of any county in the State of Alabama or any municipal corporation of the State of Alabama, or deposited in a bank on interest; provided, however, that the proceedings authorizing any funding or refunding bonds may prohibit the investment of the sinking fund for such bonds and require that such sinking fund shall be used exclusively in the purchase for retirement or in the redemption of such funding or refunding bonds.

All sinking funds created by resolutions or ordinance heretofore adopted must be properly set aside each year in accordance with the resolution or ordinance providing for the same and a report made thereof and filed with the clerk of the municipality or

with the probate judge of the county, as the case may be, showing in detail how said sinking fund is invested or deposited.

All contracts now in effect for purchasing savings certificates under the law as it heretofore existed shall continue as legal investments.

(Acts 1927, No. 478, p. 534; Acts 1935, No. 195, p. 575; Code 1940, T. 37, §265.)