

Opinion No. 20-2618

June 21, 1920

BY: HARRY S. BOWMAN, Assistant Attorney General

TO: Mr. Harold H. Aull, Tucumcari, New Mexico.

Use of Sinking Funds for Other Purposes.

OPINION

We have your letter of the 17th instant requesting an opinion from this office regarding the right of the Board of Education to use moneys which have been placed in a sinking fund for the payment of the principal on school bonds for other purposes, with the understanding that such moneys are to be replaced from other funds as soon as received.

In our opinion, money deposited as a sinking fund for the payment of bonds is not available for use for any other purposes, but, if the Board of Education should use such funds, as suggested in your letter, and the fund should be reimbursed, of course, no question could arise. Such a procedure is often followed but it is not authorized.

You could not be compelled to honor a warrant drawn on the sinking fund by the Board of Education if the funds are to be expended for a purpose other than contemplated by the deposit of such fund. The matter is entirely within the discretion of yourself and the Board of Education.