

## CHAPTER 504—S.F.No.2172

*An act relating to investing of sinking funds; amending Minnesota Statutes 1969, Section 475.66.*

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1969, Section 475.66, is amended to read:

**475.66 PUBLIC INDEBTEDNESS; SINKING FUND; SURPLUSES.** There shall always be retained in any sinking fund sufficient cash to provide for the annual payments of principal and interest on the obligations for which the fund was created. Subject to the provisions of any resolutions of the governing body relating to the maintenance of reserves of cash or investments for the security of holders of such obligations, any surplus in any sinking fund above such amount may be invested under the direction of the governing body in any general obligation of the United States, the state of Minnesota or any of its municipalities, and in securities issued by the following agencies of the United States: Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Land Banks, Banks for Cooperatives, and the Federal National Mortgage Association. Such surplus may also be used to purchase any obligation, whether general or special, of the issue for which the fund is created, at such price, which may include a premium, as shall be agreed to by the holder, or may be used to redeem any obligation of said issue prior to maturity in accordance with its terms. The obligations representing any such investment may be sold or hypothecated by the governing body at any time, but the money so received remains a part of such fund until used for the purpose for which the fund was created. Any obligation held in the sinking fund from which it is payable may be cancelled at any time when moneys in such fund are sufficient to pay all other obligations issued prior to July 1, 1961, payable therefrom with interest to maturity or to their earliest redemption dates. Any obligation issued after July 1, 1961, held in the sinking fund from which it is payable may be cancelled at any time unless otherwise provided in the other obligations payable from such fund or in a resolution or ordinance authorizing their issuance.

Approved May 25, 1971.

Changes or additions indicated by underline, deletions by ~~strikeout~~.