

securities and pay such obligations in cash, or they could use such securities in payment of such obligations. If the trustees of the sinking fund were authorized by statute to borrow money, the meaning of the word "use" might be extended to include the right to hypothecate their securities to enable the trustees to carry out the authority granted them of borrowing money, but, in the absence of any authority to borrow, the meaning of this word, in my opinion could not be extended to granting the sinking fund trustees the authority to borrow money. Apparently, however, the word "sell" as used in this sentence refers to securities and the word "use" refers to money, for clearly the word "sell" could not be construed to refer to money as used in said sentence. Under this construction, this sentence would provide that, for the satisfaction of any obligation under their supervision, the trustees of the sinking fund may sell any of the securities or use any of the money in their possession.

To say that such trustees have the authority to borrow money, would result in authorizing them to evidence such indebtedness by the issue of bonds, notes or certificates of indebtedness. The Uniform Bond Act limits the right to issue such evidences of indebtedness to taxing authorities of subdivisions, which in the case of a municipal corporation is the legislative body. While the trustees of the sinking fund of a city constitute a board of tax commissioners, such board is in no sense a taxing authority, and I know of no statute granting the right to the trustees of the sinking fund of a city to issue evidences of indebtedness. If such trustees have no right to borrow money, it would follow, of course, that they would have no right to pledge any of the investments in their possession as security for any loan.

It is my opinion therefore that the trustees of the sinking fund of a municipality may not legally borrow money using investments in their possession as security for such loan.

Respectfully,  
 JOHN W. BRICKER,  
*Attorney General.*

---

3531.

APPROVAL, BONDS OF VILLAGE OF SYLVANIA, LUCAS COUNTY,  
 OHIO—\$6,000.00.

*Industrial Commission of Ohio, Columbus, Ohio.*

---

3532.

APPROVAL, BONDS OF BARBERTON CITY SCHOOL DISTRICT, SUM-  
 MIT COUNTY, OHIO—\$70,000.00.

COLUMBUS, OHIO, December 1, 1934.

*Retirement Board, State Teachers Retirement System, Columbus, Ohio.*