

unencumbered balance legally appropriated sufficient to cover the obligations of this contract.

Finding said contract and bond in proper legal form, I have this day noted my approval thereon, and return same to you herewith, together with all other data submitted to me in this connection.

Respectfully,  
JOHN G. PRICE,  
*Attorney-General.*

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2685.

DISAPPROVAL, DEFICIENCY BONDS OF JERSEY RURAL SCHOOL DISTRICT, LICKING COUNTY, OHIO, IN AMOUNT OF \$3,600.

COLUMBUS, OHIO, December 14, 1921.

*Department of Industrial Relations, Industrial Commission of Ohio, Columbus, Ohio.*

Re: Deficiency bonds of Jersey rural school district, Licking county, Ohio, \$3,600.

GENTLEMEN:—The bonds under consideration were issued under authority of House Bill No. 254, 109 O. L. 191. Under the provisions of said law the preparation and submission by the clerk of the board of education of a proper financial statement of the district as of March 1, 1921, is jurisdictional to the authority of the board of education to authorize the issuance of deficiency bonds. The financial statement submitted by the clerk under authority of said law as it appears in the transcript of proceedings submitted for my examination is defective in two particulars:

(1) It fails to show in detail the outstanding unfunded indebtedness of the district as of March 1, 1921, whether represented by notes, other certificates of indebtedness, accounts payable or otherwise, with dates of maturity thereon. This information is required by paragraph 2 of section 2 of House Bill No. 254. The transcript as submitted certifies simply that the district has outstanding unfunded indebtedness in the shape of notes amounting to \$3,200.00. The notes are not itemized nor does it show when they fall due. So far as appears from the transcript the due date thereof may have been subsequent to July 1, 1921.

(2) The clerk has failed to certify under oath the amount of the existing deficiency as required by the last paragraph of section 2 of said law.

By reason of the defects above indicated it is my opinion that the financial statement prepared by the clerk was not sufficient to meet the requirements of the law referred to and that the board of education was at the date of the adoption of the bond resolution without authority to issue deficiency bonds. I therefore advise the department of industrial relations that said bonds are not valid and binding obligations of said school district and advise that they decline to purchase the same.

Respectfully,  
JOHN G. PRICE,  
*Attorney-General.*