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## DISAPPROVAL, BONDS OF THE VILLAGE OF RITTMAN, WAYNE COUNTY, OHIO—\$13,750.00.

COLUMBUS, OHIO, August 25, 1927.

Re: Village of Rittman, Wayne County, Ohio, \$13,750.00.

*Industrial Commission of Ohio, Columbus, Ohio.*

GENTLEMEN:—The transcript for the above bond issue shows that the ordinance authorizing the bonds was passed April 18, 1927. The ordinance recites that the bonds are issued in anticipation of the collection of special assessments. The transcript does not show the passage of an ordinance levying special assessments and a letter from the village clerk dated July 28, 1927, states that the assessing ordinance has not been passed but will be as soon as the contract is let.

Section 3914, General Code, provides as follows:

“Municipal corporations may issue bonds in anticipation of the collection of special assessments. Such bonds may be in sufficient amount to pay that portion of the estimated cost of the improvement or service for which the assessments are levied. In the issuance and sale of such bonds the municipality shall be governed by all restrictions and limitations with respect to the issuance and sale of other bonds, and the assessments as paid shall be applied to the liquidation of such bonds. Municipal corporations may borrow money and issue notes, due and payable not later than two years from the date of issue, in anticipation of the levy of special assessments or of the issuance of bonds as provided in this section. The notes shall not exceed in amount that portion of the estimated cost of the improvement or service for which the assessment is levied. The proceeds of bonds issued in anticipation of the collection of assessments and all of the assessments collected for the improvement shall be applied to the payment of the notes and interest thereon until both are fully paid; and thereafter said assessments shall be applied to the payment of said bonds and interest thereon. Council ordinances and proceedings relating to the issuance of such bonds or notes shall not require publication.”

It is the obvious purpose of this section to limit the amount of the bond issue to the actual cost of the improvement. In order to effectuate this purpose, provision is made for temporary financing, by the issuance of notes in anticipation of the *levy* of the assessments. The inference is plain that bonds cannot be issued in anticipation of the levy of assessments but only in anticipation of the collection of assessments. It follows, therefore, that the ordinance levying special assessments must be passed prior to the ordinance authorizing the issue of bonds.

I am therefore of the opinion that the bonds issued pursuant to the ordinance passed April 18, 1927, are not legal and valid, and you are therefore advised not to purchase the same.

Respectfully,  
EDWARD C. TURNER,  
*Attorney General.*