

2080.

DISAPPROVAL, BONDS OF COITSVILLE TOWNSHIP RURAL SCHOOL DISTRICT IN AMOUNT OF \$20,000.

COLUMBUS, OHIO, May 14, 1921.

Industrial Commission of Ohio, Columbus, Ohio.

Re: Bonds of Coitsville township rural school district in the amount of \$20,000.

GENTLEMEN:—I have examined the transcript for the above bond issue and decline to approve the same for the following reasons:

(1) The resolution providing for said bond issue is defective in that it fails to make a determination or a finding that the school district is unable to pay the indebtedness to be refunded at maturity by reason of its limits of taxation. The resolution contains a recital "that it appears to the board of education to be to the best interests of Coitsville township rural school district to extend the time of payment of its indebtedness." The provisions of section 5658 G. C. are mandatory with respect to the findings required to be made by the board of education.

(2) The bond resolution on its face indicates an attempt to anticipate salaries thereafter falling due. In other words, it is apparently the intention of the board of education to issue refunding bonds to pay salaries of teachers which are not yet due. Under section 5658 it is only permissible to issue such bonds to pay obligations which have accrued.

(3) The bond resolution fails to fix the rate of interest the bonds shall bear.

(4) The transcript fails to show that the bonds have been offered to and rejected by the board of commissioners of the sinking fund.

(5) The transcript contains no financial statement showing the ability of the school district to pay the bonds at maturity.

I therefore advise the industrial commission not to accept the bonds.

Respectfully,

JOHN G. PRICE,
Attorney-General.

2081.

DISAPPROVAL, REFUNDING BONDS OF JEFFERSON VILLAGE SCHOOL DISTRICT, MEDINA COUNTY, OHIO, IN AMOUNT OF \$3,000.

COLUMBUS, OHIO, May 14, 1921.

Industrial Commission of Ohio, Columbus, Ohio.

Re: Refunding bonds of Jefferson village school district, Medina county, in the amount of \$3,000.

GENTLEMEN:—I have examined the transcript for the above bond issue and decline to approve the same for the following reasons:

(1) The bond resolution fails to provide for the levy and collection of an annual tax sufficient in amount to pay the interest upon and create a sinking fund for