

2. Apparently, from a reading of the bond resolution, the interest and sinking fund requirements with respect to this issue of bonds are to be met exclusively by an annual levy of taxes on the grand duplicate of the county. No provision is made in the bond resolution for an annual levy of taxes on the taxable property of the township to pay the township's share of the cost and expense of this improvement, nor is any provision made therein for a levy of taxes on the taxable property of the county to meet any deficiency in the collection of any such township taxes or of said assessments.

I assume that the division of the cost and expense of this road improvement between the state and the county is under the authority of section 1213-1 G. C. In this case said statute provides that the part of the cost and expense of the improvement, assumed in the first instance by the county, shall be divided among the county, the state, the township or townships and property owners in certain portions therein specified. Under the provisions of this section as well as of those of section 1217 G. C., the county commissioners may by appropriate resolution assume on behalf of the county, the township's share of the cost and expense of said improvement. No such proceedings on the part of the county commissioners, however, are found in said transcript.

I know of no provision of law authorizing the board of county commissioners to exempt the owners of property abutting on said improvement from the payment of at least 10 per cent of the cost and expense of said improvement, exclusive of damages and claims, and the transcript does not show otherwise than in the provisions of the bond resolution above referred to, any proceedings by said board attempting to provide for said exemption. For the reasons above noted, the bond resolution is not in the form required by law.

The transcript does not show that a copy of the bond resolution has been certified to the county auditor in the manner required by section 5649-1b G. C.

The transcript does not contain a financial statement of the fiscal affairs of said county applicable to the validity of this bond issue as is required to be made by section 2295-3 G. C.

For the above reasons this bond issue is disapproved, and you are advised not to purchase the same.

Respectfully,
 JOHN G. PRICE,
Attorney-General.

3524.

DISAPPROVAL, BONDS OF SARDIS RURAL SCHOOL DISTRICT, MONROE COUNTY, \$12,000, FOR PURPOSE OF ERECTING SCHOOL HOUSE.

COLUMBUS, OHIO, August 19, 1922.

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

Re: Bonds of Sardis Rural School District, Monroe County, \$12,000 for the purpose of buying a new site and constructing a new school house in said district.

GENTLEMEN:—On an examination of the transcript submitted to me of the proceedings of the board of education of said rural school district relating to the above

issue of bonds, I find that I am required to disapprove the same for the following reasons:

The resolution of the board of education providing for this issue of bonds provides for the maturities of bonds numbered up to fifteen inclusive in the denomination of \$300 each on September 15th of the year 1923 and succeeding years thereafter up to and including the year 1937. The said resolution further provides that bonds numbered 16 to 35 inclusive in the denomination of \$375 each shall mature March 15th, 1938, and semi-annually on March 15th and September 15th of each year thereafter up to and including the year 1947.

It is obvious that the above noted provisions of the bond resolution fixing the maturities of the bonds covering this issue violate the provisions of section 2295 G. C. (section 14 of the Griswold Act, 109 O. L. 344) in two particulars—in the first place said resolution provides for the payment of a large part of said bonds in semi-annual installments, whereas the provisions of said section require said bonds to be paid annually. In the second place it appears from said bond resolution that bonds in the amounts of \$300 are to be paid annually from 1923 to 1937 inclusive and thereafter \$700 of said bonds are to be paid every year from 1938 to 1947 inclusive. This provision of the bond resolution violates both the letter and the spirit of said section of the General Code above noted, which requires said bonds to be paid in substantially equal annual installments.

It does not appear from the transcript that prior to the adoption of the resolution of the board of education providing for this issue of bonds, that the clerk of said board of education, as the fiscal officer thereof, made any certificate to said board of education with respect to the estimated life of the improvement, and with respect to the maximum maturity of the bonds covering said issue as required by sections 2295-7 and 2295-10 G. C., 109 O. L. 336, 338.

The transcript shows that this school district has an existing bonded indebtedness in the amount of \$35,000. It does not show, however, that said board of education has provided for the appointment of a board of sinking fund commissioners of said school district as required by section 7614 G. C. and that the proposed bond issue was offered to said board of sinking fund commissioners prior to the offer of the same to the Industrial Commission as required by section 1465-58 G. C.

It appears that at the general election in November, 1920, the electors of said school district by vote authorized the said board of education to issue bonds in the amount of \$50,000 for the purpose of buying a site and constructing a new school house in said school district to take the place of one that had been condemned by the Department of Workshops and Factories, Industrial Commission of Ohio, and it appears that of said total amount of bonds thus authorized to be issued, the sum of \$35,000 has been issued and sold.

It is not exactly clear from the transcript whether under this present proposed issue the amount of \$12,000 is for the purpose of obtaining additional funds for the construction of the building authorized by a vote of the electors, or for the purpose of purchasing a site for and constructing a school building, or if said bond issue is for the alleged purpose above named. I do not think the resolution providing for said issue of bonds is sufficient for the purpose either as an issue of bonds under section 7629 or under 7630-1 G. C., as amended.

For the reasons above mentioned, I am of the opinion that such bond issue is not valid and that you should not purchase the same.

Respectfully,
JOHN G. PRICE,
Attorney-General.