

3301.

APPROVAL, TRANSCRIPT OF PROCEEDINGS OF PROPOSED SALE TO THE NORFOLK AND WESTERN RAILWAY COMPANY OF TRACT OF ABANDONED OHIO CANAL PROPERTY IN PIKE COUNTY, 1.45 ACRES.

COLUMBUS, OHIO, July 5, 1922.

*Department of Highways and Public Works, Division of Public Works, Columbus, Ohio.*

GENTLEMEN:—Receipt is acknowledged of your letter of June 28, 1922, submitting for my examination a transcript, in duplicate, showing proceedings relating to the proposed sale to The Norfolk and Western Railway Company of a tract of abandoned Ohio canal property in Pike county containing 1.45 acres, more or less.

I note that appraisal of the property in question has been made by the Superintendent of Public Works at the sum of \$244.00; and that accordingly the sale is proposed to be made at private sale.

Finding as I do that the proceedings as disclosed by the transcript are in conformity with law, I am indicating my written approval to the proposed sale by signing the duplicate transcript, herewith returned.

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

3302.

GRISWOLD ACT—SECTION 2295-14 G. C. CONSTRUED—UNTIL ALL BONDS OUTSTANDING ON JANUARY 1, 1922, ARE RETIRED, MUNICIPAL, SCHOOL DISTRICT AND COUNTY SINKING FUND TRUSTEES CONTINUE TO EXIST—WHEN TREASURER SUCCEEDS TO FUNCTIONS OF SINKING FUND TRUSTEES—SEE OPINION NO. 3371, JULY 21, 1922.

1. *As used in the Griswold act, section 2295-14 G. C., the phrase "bonds \* \* \* to be retired by means of a sinking fund" designates all bonds outstanding on the first day of January, 1922; and as used elsewhere in the same act, the term "serial bonds" refers only to bonds issued since that date for which the tax levying machinery of section 5649-1b of the General Code, is provided.*

2. *Until all bonds outstanding on the first day of January, 1922, are retired, municipal, school district and county sinking fund trustees and commissions continue to exist and have full charge of the payment of all bonds issued by their respective subdivisions regardless of the date of issuance, with authority to manage and invest the funds raised by taxation for such purposes.*

3. *The treasurer of the subdivision does not succeed to any of the functions of the former sinking fund authorities of his subdivision either with respect to bonds issued prior to January 1, 1922, or with respect to bonds issued after that date until all bonds outstanding on the first day of January, 1922, have been retired and the "bond payment fund" provided for by section 2295-14 G. C. does not come into existence as such until such bonds have been retired. Until such time it is the duty of bond issuing authorities, such as the county commissioners, to continue to offer all*

*bonds to the sinking fund authorities under statutes requiring such offer to be made. The treasurer of the subdivision is not authorized to purchase such bonds nor otherwise to control the proceeds of bond retirement levies until the sinking fund authorities go out of existence, at which time he will succeed to the functions, and the bond issuing authorities must thereafter offer the bonds issued by them to such treasurer.*

COLUMBUS, OHIO, July 5, 1922.

*Bureau of Inspection and Supervision of Public Offices, Columbus, Ohio.*

GENTLEMEN :—You have requested the advice of this department as follows :

“Section 2295-14 as enacted in 109 O. L. 347, provides that the sinking fund trustees of any county, or municipality or board of sinking fund commissioners of any school district shall continue to exercise the powers provided in sections 2976-18 to 2976-27, inclusive, 4511 to 4522, inclusive, 3932 and 7613 to 7619, inclusive, of the General Code and all other provisions of law relating to its powers, until all outstanding bonds of such county, municipality or school district to be retired by means of a sinking fund shall have been paid ; and thereupon it shall be deemed to be abolished and its functions and powers relating to the purchase and sale of securities, etc., shall be deemed to be transferred to the treasurer of the county, municipality or school district.

*Question 1:* In case a county, municipality or school district has at this time only serial bonds outstanding, which are not to be retired by means of a sinking fund under the general interpretation of the meaning of that term, that is the creation of a fund to retire bonds at their maturity, which fund in the meantime may be invested until such time as the maturity of the bonds requires its use, is the board of sinking fund trustees of a county or a municipality or the board of sinking fund commissioners of a school district, under such circumstances abolished?

*Question 2:* If your holding is that when there are no longer any bonds outstanding except serial bonds, the sinking fund commission is abolished by law, has the county treasurer, who seems to be the successor of the sinking fund commission, power to invest funds which are standing to the credit of the bond payment fund in the same way that the sinking fund commission was authorized to invest funds to the credit of the sinking fund?

*Question 3:* In the event that the sinking fund commission is abolished, when the county commissioners issue bonds will they be required, first, to offer them at par and accrued interest to the treasurer of the county under the provisions of section 2976-27 of the General Code?”

Section 2295-14 of the General Code, referred to in your letter, provides as follows :

“The board of sinking fund trustees of any county or municipality or the board of sinking fund commissioners of any school district shall continue to exercise the powers provided in sections 2976-18 to 2976-27, inclusive, 4511 to 4522, inclusive, 3932 and 7613 to 7619, inclusive, of the General Code and all other provisions of law relating to its powers, until all outstanding bonds of such county, municipality or school district to be retired by means of a sinking fund shall have been paid ; and thereupon it shall be deemed to be abolished and its functions and powers relating to the purchase and

sale of securities, receipt, deposit and investment of taxes, assessments and other funds raised for the payment of bonds and funded debts, the application of such funds to the payment of bonds and other indebtedness and all its other powers and functions as set forth in said provisions of law as amended in this act shall be deemed to be transferred to the treasurer of the county, municipality or school district, and all moneys, securities and other assets then in the custody and possession of such board shall be transferred and delivered to such treasurer. Thereafter all said moneys, securities and assets and all moneys received by the county, municipality or school district for the payment of the interest and principal of its bonds or other funded debts and all inheritance taxes and all other taxes and revenues which were theretofore payable, by virtue of provisions of law, into its sinking fund shall be paid to its treasurer and placed and held by him in a separate fund to be known as 'Bond Payment Fund' and subject to the provisions of law relating to transfer to other funds, said fund shall be applied by him to the purposes for which the sinking fund had theretofore been applicable."

In connection with this temporary provision attention must be called to other provisions of the so-called Griswold act of which it is a part. Thus the act amends certain sections of the General Code having to do with sinking funds and their administration. Prior to the passage of the Griswold act there was statutory provision for a county sinking fund (sections 2976-18 to 2976-27, inclusive), for a school district sinking fund (sections 7613 to 7619, inclusive), and a municipal sinking fund (sections 4511 to 4522, inclusive). The officers charged with the administration of these several sinking funds were, generally speaking, to provide for a levy for interest and sinking fund purposes, to receive the proceeds thereof, to invest them in securities or hold them in reserve, and to take up the matured funded obligations of the several subdivisions as they became due, applying for this purpose the sum held in reserve and converting the securities into cash. This was particularly true of the municipal sinking fund, the provisions with respect to which were definite and detailed. It was also the case with respect to the county sinking fund; but the situation with respect to the school district sinking fund was slightly different, in that the tax levy was to be made not by the sinking fund commissioners of the school district, but by the board of education itself; but all the other functions above mentioned were reposed in the commissioners of the sinking fund, the establishment of which body was in theory at least a mandatory duty of the board of education. See section 7614 of the General Code, prior to its amendment, and 109 O. L. 345.

At that time, and since January 1, 1913, the Constitution, Article XII, section 11, provided that no bonded indebtedness could be incurred unless legislative provision was made for levying and collecting annually by taxation an amount sufficient to pay the interest and to provide a sinking fund for the retirement of the indebtedness at maturity. Notwithstanding this language in the constitution, it was held by this department that it was lawful to issue serial bonds in the sense that maturities might be unequal, i. e., arranged in convenient series. This holding was generally acquiesced in. It was further held, however, that the constitution required a levy of an aliquot part of the whole indebtedness each year during the life of the entire indebtedness, regardless of the maturities of the respective series. To illustrate this feature of the former holding, it was said that while it was lawful for bonds to be issued maturing in series beginning, say, five years after the date of issuance and running in substantially equal maturities, through the entire period of the indebted-

ness, yet the constitution as applied to such an issue would require a sinking fund levy to be made in each of the first four years of the period of the indebtedness though no bonds should mature during those years. In other words, the constitution and the statute as they then stood united in requiring sinking fund levies to be made regardless of the fact that the bonds matured in series; or stated conversely, it was unlawful to omit any levy on account of the principal of a debt simply because during the years for which taxes were being levied no part of that principal was to mature; though on the other hand it was not unlawful to provide for serial maturities. The principle, shortly stated, was that the levy of taxes should be made on a sinking fund basis regardless of maturities.

This was so, as previously stated, both because the statutes required it, and because the constitution required it. These statutes and constitutional provisions did not affect the maturities of the bonds but only the machinery of levying taxes for the payment of principal and interest.

In considering the law as it was prior to the enactment of the Griswold act one case remains to be dealt with, namely, that wherein bonds might have been issued in series of substantially equal maturities falling due in each of the years for which it would be possible to levy taxes; in other words, a case in which the series were arranged as to maturities substantially as they are now required to be arranged by the Griswold act, section 2295-12 of the General Code. In such a case the question arises as to whether bonds so issued are any the less sinking fund bonds, or to use the language of section 2295-14 "bonds \* \* \* to be retired by means of a sinking fund" because of such circumstances. In such a case it might well be that, as the bureau puts it in its letter, the bonds would not be "retired by means of a sinking fund under the general interpretation of the meaning of that term, that it, the creation of a fund to retire bonds at their maturity, which fund in the meantime may be invested until such time as the maturity of the bonds require its use." This is the only way in which such a statement would be true, but that it would be true in such a case cannot be gainsaid; for the money raised by taxation for principal and interest in any year would not need to be greater in amount than enough to pay the principal and interest maturing in that year; and especially when the maturity dates were close to the tax settlement period there would be no practical advantage in investment of the proceeds of the tax levies for the short period intervening between settlement date and date of payment.

But while bonds so issued prior to the enactment of the Griswold act were not "sinking fund bonds" in this generally accepted sense, it does not follow that the proceeds of the tax levies made for their retirement did not constitute a "sinking fund" in the sense in which that term was used in the constitution and statutes at the time. The contrary is the case. If the bonds were issued subsequently to January 1, 1913, the constitution itself required sinking fund levies to be made; while the statute designated the bond retirement levy as a "sinking fund" in all cases, as has been seen. So in the statutory and constitutional sense the levies made for the retirement of bonds, as has been described, were sinking fund levies even though it would not be practicable or necessary in such a case for all the machinery provided by law for the administration of sinking fund generally to be applied for their retirement.

But it must be conceded that we are dealing not with the laws that existed prior to the enactment of the Griswold act, but with the interpretation of that act itself, and particularly with the construction of that provision of section 2295-14 which mentions "bonds \* \* \* to be retired by means of a sinking fund." While therefore the examination of the pre-existing law is helpful, and in the absence of other evidence of legislative intent embodied in the Griswold act itself might afford

the only clue to that intent, yet the status of the pre-existing law is after all secondary evidence of the legislative intent in the enactment of the Griswold act when compared with the provisions of that act itself. Reference has previously been made herein to the fact that the Griswold act amends certain of the sinking fund sections. It does not repeal them outright. Thus, section 4506 of the General Code dealing with municipal sinking funds is so amended in the Griswold act as to read as follows:

“Municipal corporations having outstanding bonds or funded debts shall, through their councils and in addition to all other taxes authorized by law, levy and collect annually a tax upon all the real and personal property in the corporation sufficient to pay the interest and provide a sinking fund for the extinguishment of *all bonds and funded debts heretofore issued and incurred* and the taxes so raised shall be used for no other purpose whatsoever.”

See also section 4513, part of the same group of sections, which was amended to read as follows:

“On or before the first Monday in May of each year, the trustees of the sinking fund shall certify to council the amount of tax necessary to provide a sinking fund for *the future payment of bonds heretofore issued by the corporation*, for the payment of interest on such bonded indebtedness, and the rents due on perpetual leaseholds of the corporation not payable from a special fund, and the expenses incident to the management of the sinking fund. The council shall place the several amounts so certified in the tax ordinance before and in preference to any other item and for the full amount certified. Such taxes shall be in addition to all other taxes authorized by law.”

These sections dealing with municipal sinking funds and sinking fund commissions, are in a sense temporary, as they relate to the levy of taxes for the retirement of bonds “heretofore issued,” so that when all bonds “heretofore issued” have been retired these sections will perhaps cease to operate. Let it be noted, however, that they make no discrimination as between bonds issued in series and bonds issued with equal maturities. That is to say, the Griswold act itself provides by these amendments, and quite apart from section 2295-14 which is now under examination, that the municipal sinking fund trustees shall continue to raise and administer tax levies for the payment of all bonds “heretofore issued” and the interest thereon. Moreover, they state that such tax levies shall be to “provide a sinking fund” for the retirement of such bonds. It is not to provide a sinking fund for the retirement of non-serial bonds heretofore issued that the municipal sinking fund trustees are authorized and required to act, but to provide a sinking fund for the retirement of all bonds heretofore issued. It is thus clear that the General Assembly in passing the Griswold act, and in particular, by amending sections 4506 and 4513 of the General Code, conceived of all bonds issued prior to the time when the Griswold act should take effect as “sinking fund bonds” in some sense at least.

So also in amending the county law, like language was used. Section 2976-26 as amended 109 O. L. 345, provides as follows:

“On or before the first Monday in May of each year, the trustees of the sinking fund shall certify to the board of county commissioners the rate of

tax necessary to provide a sinking fund for the payment at maturity of bonds heretofore issued by the county and for the payment of interest on said bonded indebtedness. The amount so certified shall be set forth in the annual budget of the county commissioners without diminution."

Note, again, that the provision is not that the sinking fund shall be thus raised for the payment of equal maturity bonds or non-serial bonds heretofore issued, but that it is that the trustees of the sinking fund shall certify a rate sufficient to provide a sinking fund for all bonds heretofore issued. In other words, so far as municipal and county sinking funds and the functions of municipal and county sinking fund trustees are concerned, all bonds issued prior to the effective date of the Griswold act are to be treated as sinking fund bonds. In other words, ignoring for the time being section 2295-15 of the General Code and having regard only to the sections last above examined, exclusive authority is vested in the municipal and county sinking fund trustees respectively, to levy taxes for and provide for the payment of all bonds "heretofore issued."

The Griswold act is perhaps less clear in its treatment by way of amendment of section 7614 of the General Code dealing with school district sinking funds. Instead of providing, as in the case of the municipal and county sinking fund authorities, that the commissioners of the sinking fund of the school district shall raise and administer a sinking fund for the payment at maturity of bonds "heretofore issued," this section directs the board of education to provide a tax levy "for the payment of its serial bonds as they mature, and a sinking fund for the payment of its other bonded indebtedness, which funds shall be managed and controlled by a board of trustees." However, this change in expression is partly accounted for by the different form of the pre-existing law with respect to school districts as compared with that relating to municipal corporations and counties respectively. It is worthy of note that sections 7613, 7615 and the other sections in the school district sinking fund law were left unrepealed. Thus, section 7613, still in effect, orders the board of education of a district having a bonded indebtedness, to provide a sinking fund for the payment of all such bonded indebtedness. In the sense then in which the phrase "sinking fund" is used in section 7613 all tax levies for bond retirement purposes are sinking fund levies though the bonds are serial bonds in the limited sense above discussed. Without going into detail in the consideration of the school district law, and dealing only with the question immediately at hand, it is the opinion of this department that section 7614 of the General Code as amended, does not require any different conclusion to be reached with respect to school district bond retirement levies and their administration than that which has been reached in the other two cases; so that for all the reasons that have heretofore been discussed, all bonds issued by a school district prior to the effective date of the Griswold act must be regarded as "other bonded indebtedness" to be extinguished by means of a "sinking fund" within the meaning of section 7614 as amended, and not as serial bonds within the meaning of the section regardless of their maturities.

Another feature of the Griswold act which ought to be taken into consideration before arriving at a final conclusion with respect to the meaning of section 2295-14 is that embodied in sections 2295-12 and 5649-1b of the General Code as enacted therein. The first of these sections need not be quoted. It now requires all bonds "hereafter issued" to be "serial bonds maturing in substantially equal annual installments beginning not earlier than the date fixed by law for the final tax settlement between the county treasurer and the political subdivision or taxing district next following the inclusion of a tax for such issue in the annual budget by the county auditor." Section 5649-1b begins by requiring the measure under which

bonds are issued or authorized to "contain a levy of taxes sufficient to pay the interest and principal of the bonds as they mature." This resolution is to be certified to the county auditor. It is then provided that

"the county auditor, without further action by the tax-levying authority of the subdivision, shall include said annual levies in the appropriate annual budgets submitted by him to the budget commissioners as provided in section 5649-3c of the General Code, including the county budgets."

After a proviso for the substitution of other revenues where available, this section concludes with the following words:

"The sum thus included in any budget submitted to the budget commissioners shall not be reduced by said commissioners and shall be given by said auditor and commissioners and other taxing authorities all the precedence and priorities provided by law for interest and sinking fund levies."

The outstanding proviso of this new provision is the vesting in the county auditor of the authority and duty to make the interest and retirement levies for the kind of bonds with which it deals. Prior to the enactment of the Griswold act, such levies were made from year to year by the ordinary tax levying authorities, i. e., the council or sinking fund trustees of a municipal corporation, the commissioners or sinking fund trustees of a county and the board of education of a school district. These levies were not automatic, so that if the proper levying authorities should fail to act in a given year the levies would not be made.

In the same connection, section 5649-1 of the General Code, also amended in the Griswold act, may be taken into consideration and sheds a great deal of light on the problem under discussion. It provides as follows:

"In any taxing district, the taxing authority shall, within the limitations and in the manner prescribed by law, levy a tax sufficient to provide for interest and maturity payment purposes for all serial bonds issued by any political subdivision, and for interest and for sinking fund purposes of all bonds heretofore issued by such political subdivision, which tax shall be placed before and in preference to all other items, and for the full amount thereof."

In fact, this section contains the key to the question, for it distinctly contrasts the following:

- (1) All serial bonds issued by any political subdivision.
- (2) Interest and sinking fund purposes of all bonds heretofore issued by any such political subdivisions.

In other words, this section assumes that all bonds heretofore issued are sinking fund bonds, and by inference declares that the only "serial bonds" are bonds which have not been "heretofore issued." Without prolonging the discussion, it seems to this department that the foregoing examination and analysis of sections found in the Griswold act itself has made it apparent that "a serial bond" within the meaning of the sections so far examined, is a bond issued in conformity with the requirement of section 2295-12, and to which section 5649-1b of the General Code applies. Now, section 5649-1b does not apply to bonds "heretofore issued." The taxes necessary to provide for the payment of bonds "heretofore issued" are not to be levied by the county auditor. It is only bonds, the measure authorizing the

issuance of which has been certified to him as therein required, that are subject to his authority with respect to the levy of taxes; and no bonds "heretofore issued" are in this class.

For the foregoing reasons then it is the opinion of this department that a "serial bond" within the meaning of the Griswold act generally, is a bond issued in maturities complying with section 2295-12 of the General Code, the tax levies for which are to be made in the manner provided in section 5649-1b of the General Code. An issue of bonds, the maturities of which may accidentally conform to the requirements of section 2295-12, but the tax levies on account of which are to be made by taxing authorities other than the county auditor, and in a manner other than that provided for in section 5649-1b of the General Code, is not "serial," at least generally speaking.

These conclusions point the way to the correct interpretation of section 2295-14. Within the meaning of that section, a bond "to be retired by means of a sinking fund" is a bond, the tax levies for which are not to be made by the county auditor under section 5649-1b of the General Code.

Accordingly, the answer to the bureau's first question is in the negative.

This conclusion may make an answer to your second and third questions unnecessary. Assuming, however, that there may be some taxing district in which all bonds outstanding on the first of January, 1922, have been retired, so that the abolition of the sinking fund trustees or commissioners, and the consequent transfer of their powers and functions to the treasurer of the subdivision which in that event would follow under section 2295-14 has taken place, they will be briefly considered.

Section 2295-14 provides that upon the abolition of the sinking fund authorities theretofore existing

"its functions and powers relating to the purchase and sale of securities, receipt, deposit and investment of taxes, assessments and other funds raised for the payment of bonds and funded debts, the application of such funds to the payment of bonds and other indebtedness and all its other powers (sections 2976-18 to 2976-27, inclusive, 4511 to 4522, inclusive, 3932 and 7613 to 7619 inclusive of the General Code) and all other provisions of law relating to its powers \* \* \* as amended in this act shall be deemed to be transferred to the treasurer of the county, municipality or school district, and all moneys, securities and other assets then in the custody and possession of such board shall be transferred and delivered to such treasurer. Thereafter all said moneys, securities and assets and all moneys received by the county, municipality or school district for the payment of the interest and principal of its bonds or other funded debts and all inheritance taxes and all other taxes and revenues which were theretofore payable, by virtue of provisions of law, into its sinking fund shall be paid to its treasurer and placed and held by him in a separate fund to be known as 'Bond Payment Fund' and subject to the provisions of law relating to transfer to other funds, said fund shall be applied by him to the purposes for which the sinking fund had theretofore been applicable."

This language is very explicit, and on the basis thereof it seems clear that in a county (to which your second question seems to relate) the county treasurer will, after the abolition of the sinking fund trustees, acquire the power to invest the funds standing to the credit of the bond payment fund. It is equally clear, however, that this succession of power does not take place until the abolition of the



sinking fund trustees. There is nothing in the Griswold act vesting in the treasurer of a subdivision the power or duty to provide for the payment even of "serial bonds" until all the "sinking" fund bonds as defined in this opinion are retired. With respect to counties, sections 2976-19, and other similar sections remain in full force and effect. The section referred to requires the trustees of the county sinking fund to provide for the payment of all bonds issued by the county, and all interest maturing thereon, and provides that "all taxes, assessments and other moneys collected for such purposes or held in the county treasury to the credit of the sinking fund, shall be subject to investment and disbursement by them in the manner provided by law." In other words, though the tax levies are to be made as provided in section 5649-1b in the case of bonds which are to be designated as "serial bonds" within the principles laid down in this opinion, yet the levies when collected are to be paid over to and administered by the sinking fund trustees as long as they remain in existence. So also with respect to the municipal and school sinking fund authorities. This is made apparent on the face of the Griswold act itself, for section 4517 of the General Code is so amended in the Griswold act as to read as follows:

"The trustees of the sinking fund shall have charge of and provide for the payment of all bonds issued by the corporation and the interest maturing thereon. They shall receive from the auditor of the city or clerk of the village all taxes, assessments and moneys collected for such purposes and invest and disburse them in the manner provided by law. For the satisfaction of any obligation under their supervision, the trustees of the sinking fund may sell or use any of the securities or moneys in their possession."

Observe that the trustees of the sinking fund are under this section to have charge of and provide for the payment of *all bonds*, and are to receive all taxes, etc., and invest them. Section 7614 applying to school districts has already been quoted herein, and with the remaining unamended sections of the law relating to school district sinking funds, makes it clear that there is to be no separation of the function of administration of the proceeds of tax levies for the retirement of "sinking fund" bonds and "serial bonds" at any time. The entire function is to remain vested in the existing sinking fund authorities until all those bonds which have been herein defined to be "sinking fund" bonds have been retired, at which time it is to be transferred intact to the treasurer of the subdivision.

Putting it in another way, so long as there are both "sinking fund" bonds and "serial bonds" to be dealt with, the existing sinking fund authorities are to continue; but when all the bonds of the first class are retired, then the "bond payment fund" is to come into existence and the treasurer is to succeed to the powers and duties of the sinking fund authorities and discharge them in accordance with the statutes relative to such powers and duties.

The answer to the bureau's third question must be likewise qualified. That is to say, the county sinking fund commission will not be abolished until all bonds of the county outstanding on the first day of January, 1922, are retired. When that happens, however, the bureau's third question will arise, and inasmuch as it might conceivably happen at any time (though the early occurrence of such an event is at least highly improbable), the question will be answered.

When the sinking fund commission is abolished, section 2295-14 declares that the treasurer shall succeed to all functions and powers relating to the purchase and sale of securities, and all other powers and functions of the sinking fund commission as "set forth in said provisions of law as amended in this act." There is a

slight ambiguity here, for while section 2976-27, which is the particular section about which the bureau inquires is referred to in section 2295-14, it is not *amended* in this act. This difficulty is, however, more apparent than real. It is believed that the phrase "as amended in this act" should be interpreted as a reference to the groups of sections mentioned in the first sentence of section 2295-14, rather than to the particular sections within those groups that are actually amended and re-enacted in the Griswold act. In this sense the General Assembly was referring to sections 2976-18 to 2976-27 inclusive "as amended in this act" by the express amendment of one of these sections. That is to say, in this sense, the amendment and re-enactment of section 2976-26 was an amendment of the whole act relating to the powers and duties of the county sinking fund trustees. In fact, it is believed that the treasurer succeeds to all functions, i. e. steps fully into the place of the sup- planted sinking fund authorities for the purpose of all sections dealing with such sinking fund authorities by virtue of the language "and all other provisions of law relating to its powers" found in the first clause of section 2295-14.

It follows, therefore, that when the time comes for the transfer of functions of the sinking fund trustees of a county to the county treasurer, it will be the duty of the county commissioners under section 2976-27 of the General Code to offer bonds issued by them first to the county treasurer as successor to the powers and duties of the sinking fund trustees. But as has already been stated in dealing with the bureau's second question, there is neither any requirement for the offer of such bonds to the county treasurer nor any authority on the part of the county treasurer to purchase such bonds or any other bonds until all bonds outstanding on the first day of January, 1922, have been retired.

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

3303.

DISAPPROVAL, BONDS OF RUSHVILLE UNION SCHOOL DISTRICT,  
 FAIRFIELD COUNTY, \$9,000.

COLUMBUS, OHIO, July 5, 1922.

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

Re: Bonds of Rushville Union School District, Fairfield county, \$9,000,  
 for the repair of a school building.

GENTLEMEN:—The resolution of the board of education of Rushville Union School District authorizing the issuance of the bonds under consideration provides that said bonds shall be of \$500.00 denomination, numbered from one to eighteen, inclusive. The first bond of the series falls due March 1, 1928 and one bond falls due on March 1st of each year thereafter to and including March 1, 1938. Thereafter said bonds fall due one each six months, commencing September 1, 1938, and ending September 1, 1941. The postponement of the maturity of the first bond of the series until March 1, 1928, is in violation of section 14 of the Griswold act, which in part provides that the first bond of an issue shall mature not earlier than the final tax settlement with the county treasurer next following the inclusion of