

to sponsor a sidewalk, street and storm sewer project within the corporation, is sufficient in the event said resolution does not directly or indirectly provide for the expenditure of public monies of the village. However, in the event that the village is to pay any part of the cost of the project, the action of council must be by ordinance and the same would be subject to referendum. The proper procedure would be for the village to follow the ordinary legislative steps required to bring about any improvement to the point of letting the contract and then, in lieu of letting the contract, as provided by law, the legislation by resolution as outlined in your letter, can be taken, granting the sponsoring of the construction of the improvement to the board of county commissioners.

Therefore, in specific answer to your question, it is my opinion that county commissioners and villages are authorized under Section 2450-2, et seq., General Code, to adopt resolutions providing that the board of county commissioners sponsor the construction of sidewalk, street and storm sewer improvement projects within municipal corporations within their county as Works Progress Administration projects, providing none of the cost of the same is paid by said villages. However, if the villages pay any part of such cost, the action of council providing for the expenditure of the money of the village on such project must be by ordinance and must follow the usual legislative steps required in such case.

Respectfully,

HERBERT S. DUFFY,
Attorney General.

2661.

STATE BRIDGE COMMISSION—BRIDGE COMMISSION OF ANY COUNTY OR CITY—WHERE ONLY REVENUES PLEDGED—BONDS DO NOT MEET QUALIFICATIONS ENUMERATED IN SECTION 2296-15a G. C.—INELIGIBLE AS SECURITY FOR DEPOSIT OF PUBLIC MONEYS.

SYLLABUS:

Bonds issued under the provisions of Section 1084-1, et seq., General Code, by the State Bridge Commission or the bridge commission of any county or city, pledging only the revenues of said bridges, do not

meet the qualifications of those bonds enumerated in Section 2296-15a, General Code, and are ineligible as security for the deposit of public moneys.

COLUMBUS, OHIO, July 5, 1938.

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

GENTLEMEN: I am in receipt of your letter of recent date wherein you request my opinion as to whether or not Sandusky Bay Bridge revenue bonds are acceptable to secure the deposit of public funds.

Section 2296-15a, General Code, effective April 16, 1937, specifically enumerates the securities eligible as security for public deposits. That part of this section pertinent to the question herein considered reads as follows:

“* * * * * * * * *

The following securities shall be eligible for the purposes of this section:

Bonds or other obligations of the United States, for the payment of the principal and interest of which the faith of the United States is pledged, including bonds of the District of Columbia;

Farm loan bonds issued under the provisions of the act of congress known as the federal farm loan act, and amendments thereto;

Bonds and other obligations of this state;

Bonds and other obligations of any county, township, school district, municipal corporation, or other legally constituted taxing subdivision of this state, which is not, at the time of such deposit, in default in the payment of principal or interest on any of its bonds or other obligations, for the payment of the principal and interest of which the full faith and credit of the issuing subdivisions are pledged;

Bonds of other states of the United States which have not during the ten years immediately preceding the time of such deposit thereof defaulted in payments of either interest or principal on any of their bonds.

* * * * * * * * *”

Sections 1084-1, et seq., General Code, provide and establish the State Bridge Commission and define its powers and duties. The bonds issued by the State Bridge Commission or the bridge commission of any county or city are not bonds or other obligations of

the United States, farm loan bonds, bonds and other obligations of this state, nor are they bonds or other obligations of any county, township, school district, municipal corporation or other legally constituted taxing subdivision of the state and therefore could not qualify under the provisions of Section 2296-15a, General Code.

To lend support to this contention that they are not eligible, I direct your attention to Section 1084-10, General Code, which is a section providing for the issuance of bridge revenue bonds, and it will be noted from the following part of this section hereafter quoted that such bonds are purely revenue bonds and are not pledging the full faith and credit of the Bridge Commission:

“* * * Bonds issued under this act shall contain a statement on their face that the state or such county or city shall not be obligated to pay the same or interest thereon except from the revenue of such bridge or bridges. * * *”

Therefore, these bonds, for this reason alone, if for none other, could not qualify under the provisions of Section 2296-15a, General Code.

There is one other point that I wish to clear up at this time and that is that part of Section 1084-10, General Code, which reads as follows:

“Such bonds shall be lawful investments of banks, savings banks, trust companies, trustees and of the trustees of the sinking funds of municipalities and the counties, and *shall be acceptable as security for the deposit of public moneys in the same manner and to the same extent as other bonds of the county or city issuing such revenue bonds.*”

It must be understood that Section 1084-10, *supra*, became effective September 2, 1935. Section 2296-22, General Code, effective April 16, 1937, reads as follows:

“The provisions of this act shall supersede those of any and all prior acts relative to the deposits of public moneys as herein defined, the payment of interest thereon or the giving of security therefor. All public moneys shall be deposited pursuant to the provisions of this act and not otherwise, anything to the contrary in any such prior laws notwithstanding.”

Therefore, in specific answer to your inquiry, I am of the opinion that bonds issued under the provisions of Section 1084-1, *et seq.*, General Code, by the State Bridge Commission or the bridge com-

mission of any county or city, pledging only the revenues of said bridges, do not meet the qualifications of those bonds enumerated in Section 2296-15a, General Code, and are ineligible as security for the deposit of public moneys.

Respectfully,

HERBERT S. DUFFY,
Attorney General.

2661A.

APPROVAL—BONDS, CITY OF TOLEDO, LUCAS COUNTY, OHIO, \$14,000.00, PART OF ISSUE DATED NOVEMBER, 1, 1923.

COLUMBUS, OHIO, June 30, 1938.

Retirement Board, State Teachers Retirement System, Columbus, Ohio.
GENTLEMEN :

RE: Bonds of City of Toledo, Lucas County, Ohio,
\$14,000.00 (Limited).

I have examined the transcript of proceedings relative to the above bonds purchased by you. These bonds comprise part of an issue of intercepting sewer bonds in the aggregate amount of \$490,000, dated November 1, 1923, bearing interest at the rate of 5% per annum.

From this examination, in the light of the law under authority of which these bonds have been authorized, I am of the opinion that bonds issued under these proceedings constitute valid and legal obligations of said city.

Respectfully,

HERBERT S. DUFFY,
Attorney General.