

1413.

DISAPPROVAL, BONDS OF CARTHAGE TOWNSHIP RURAL SCHOOL DISTRICT—ATHENS COUNTY—\$18,000.00.

COLUMBUS, OHIO, January 14, 1930.

Re: Bonds of Carthage Township Rural School District, Athens County, Ohio,
\$18,000.00.

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

GENTLEMEN:—The transcript relative to the above issue of bonds discloses that a resolution was passed declaring the necessity of this bond issue as provided in Section 2293-19, General Code, and certified to the county auditor; that pursuant to the provisions of this section, the county auditor certified to the board of education the estimated annual levy throughout the life of these bonds which will be required to pay the interest on and retire the bonds as .00111 plus mills. Pursuant to this certification notice of election was published in accordance with the requirement of Section 2293-21, General Code, which notice provided in part as follows:

“The estimated average additional tax rate outside of the fifteen mill limitation as certified by the county auditor is 1.11 plus mills.”

However, the ballot as submitted to the electors presented the following question:

Shall bonds be issued by the Carthage Township Rural School District, Athens County, Ohio, for the purpose of purchasing a site and erecting a fire-proof school building, in the sum of \$18,000.00, and a levy of taxes be made outside of the fifteen mill limitation, estimated by the county auditor to average .00111 mills for a maximum period of 24 years to pay the principal and interest of such bonds.”

The financial statement submitted discloses that the tax valuation for the year next preceding the passage of the resolution authorizing these bonds was \$1,201,200.00. It is evident that with a duplicate of this size the average annual levy which will be required to pay the interest on and retire bonds in the amount of \$18,000.00 maturing serially over a period of not more than twenty-four years is approximately 1.11 mills. In other words, the tax which will be required to meet the interest and principal requirements of this issue is approximately one thousand times as much as the tax authorized by the electors.

In Opinion No. 1404 rendered today to Hon. Isaac E. Stubbs, Prosecuting Attorney, Cambridge, Ohio, the syllabus is as follows:

“When the question of issuing bonds is submitted to the electors of a subdivision pursuant to the provisions of the Uniform Bond Act and the question carries by one vote, authorizing the issue and a tax levy outside of the fifteen mill limitation to pay the interest and principal of such bonds, in the event such levy has been miscalculated and is in fact approximately twenty-six per cent greater than authorized by the electors, such election is invalid and the people of such subdivision may not be taxed pursuant thereto.”

In view of the foregoing, I am of the opinion that the issuance of these bonds is invalid and accordingly advise against their purchase.

Respectfully,
GILBERT BETTMAN,
Attorney General.