

1280.

DISAPPROVAL, BONDS OF VILLAGE OF ALGER, HARDIN COUNTY,  
\$6,000.00, TO REFUND CERTAIN INDEBTEDNESS.

COLUMBUS, OHIO, March 17, 1924.

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

Re: Bonds of village of Alger, Hardin County, \$6,000.00, to refund certain indebtedness.

GENTLEMEN:—I have examined the transcript furnished this department in connection with the foregoing issue of bonds and find that I cannot approve the issue for the following reasons:

The resolution passed by council providing for the issuance of bonds recites:

“Section 1. That certain indebtedness heretofore incurred by the village of Alger, State of Ohio, to wit, that incurred in the improvement of Main street from the south corporation line to Shadley street, and Shadley to Front street, in said village, to the amount of thirty-five hundred dollars (\$3,500.00), and that represented by a certificate of indebtedness for the improvement of McConnell street in said village to the amount of (\$2,500.00) twenty-five hundred dollars, all in the sum of six thousand dollars (\$6,000.00), are hereby determined and declared to be an existing, binding and valid obligation of said village.”

These bonds are to be issued under authority of section 3916 G. C., which provides for the extension of time of payment of past due obligations incurred prior to January 1, 1924, by the issuance of bonds or borrowing of money therefor.

Section 3939 G. C. provides for the issuance of bonds by municipalities for specific purposes, including the improvement of streets. The payment of the \$3,500.00 for the improvement of Main street should be provided, or should have been provided heretofore, by the issuance of bonds under the provisions of section 3939 G. C., and there should be no occasion for the issuance of funding bonds for this purpose, at least insofar as the transcript discloses.

The issuance of \$2,500.00 to take up a certificate of indebtedness would not be proper for the reason that a certificate of indebtedness legally issued should provide for the payment thereof, and if issued under section 3913 G. C., payment should have been made as provided therein.

If the obligation is in some other form and issued under any other section than 3913, then provision for the payment thereof should have been made in accordance with the section under which issued, and should have been paid accordingly.

For these reasons, I am of the opinion that refunding bonds cannot be legally issued for the purposes set out in the transcript, and you are advised not to purchase these bonds.

Respectfully,  
C. C. CRABBE,  
*Attorney-General.*