

3132.

## DISAPPROVAL, BONDS OF MEDINA CITY SCHOOL DISTRICT, MEDINA COUNTY, \$14,000.00.

COLUMBUS, OHIO, February 15, 1926.

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

Re: Bonds of Medina city school district, Medina county, \$14,000.00.

GENTLEMEN:—The foregoing bonds are issued under the provisions of section 7629, General Code. The tax valuation of the school district amounts to \$7,408,530.00. From September 1, 1924, bonds were issued under the provisions of section 7629 G. C. in the sum of \$14,000.00, and thereafter on December 23, 1924, the board of education provided for an additional issue of \$14,000.00, which is the issue now at hand. On March 7, 1925, this department rendered to the Retirement Board of the State Teachers Retirement System, Opinion No. 2269, as follows:

“Re: Bonds Medina village school district, Medina county, \$14,000.00.

GENTLEMEN:—The transcript submitted in connection with the above bond issue discloses that the valuation of the taxable property as furnished is in the sum of \$7,408,530.00.

Section 7629 G. C. as amended in 109 O. L., page 252, provides in part as follows:

‘The board shall pay such bonds and the interest thereon when due, and provide that no greater amount of bonds be issued in any year than would equal the aggregate of a tax at the rate of two mills, for the year next preceding the last issue.’

It is therefore observed that the total amount of bonds that could be issued under the provisions of this section in any one year would be approximately \$14,800.00. As the statute specifically refers to the ‘aggregate of a tax,’ it must necessarily be inferred that the tax year is to be considered in the determination of the limitation.

Transcript contains the further notice that this board of education has outstanding an issue of bonds dated September 1, 1924, in the sum of \$14,000.00, issued under the provisions of section 7629 G. C. The first payment of interest on the foregoing bonds falls due on April 1, 1926, and the first maturity of bonds on October 1, 1926. The same maturities are given to this issue. It is therefore apparent that both issues are made in the same tax year, for the reason that the first collection of taxes levied for the payment of the bonds in each case is to be made on the 1925 duplicate. This must be construed as in violation of the provisions of section 7629, G. C.

I am therefore of the opinion that this issue is in excess of the limitation as provided for the 1925 tax year, based upon the duplicate of this school district, and for that reason said bonds have not been legally issued. You are therefore advised not to purchase said bonds.”

Following the proceedings in connection with this issue wherein on January 21, 1925, said bonds were awarded to The Herrick Company, Cleveland, Ohio, for the amount thereof and accrued interest on the date of delivery plus the sum of \$496.33, there has been no further legislation except that on January 26, 1926, when the board of education passed a resolution, which recites as follows:

Whereas, the \$14,000.00 Medina, Ohio, village school district 5½% school bonds were properly advertised in accordance with law, and

Whereas, the bonds now remain unsold and,

Whereas, Blanchet, Thornburgh and Bowman, Toledo, Ohio, have offered this board, par and accrued interest to date of delivery,

Now therefore, be it Resolved, That said bonds be awarded to said Blanchet, Thornburgh and Bowman, Toledo, Ohio, at their bid."

It will, therefore, be observed that the same issue of bonds as now presented was disapproved by this department on March 7, 1925, and the same objection must necessarily apply to the issue at this time, and you are, therefore, advised not to accept the bonds.

Respectfully,

C. C. CRABBE,

*Attorney General.*

3133.

APPROVAL, CONTRACT BETWEEN STATE OF OHIO AND THE ELECTRIC POWER EQUIPMENT COMPANY, COLUMBUS, OHIO, COVERING CONSTRUCTION AND COMPLETION OF THE ELECTRICAL CONTRACT FOR FRONT AND FOURTH FLOOR OF HOSPITAL, OHIO STATE UNIVERSITY, AT EXPENDITURE OF \$4,690.00. SURETY BOND EXECUTED BY THE AMERICAN SURETY COMPANY OF NEW YORK.

COLUMBUS, OHIO, February 17, 1926.

HON. GEORGE F. SCHLESINGER, *Director, Department of Highways and Public Works, Columbus, Ohio.*

DEAR SIR:—You have submitted for my approval a contract between the State of Ohio, acting by the Department of Highways and Public Works for and on behalf of the Board of Trustees of Ohio State University, and the Electric Power Equipment Company of Columbus, Ohio. This contract covers the construction and completion of the electrical contract for the front and fourth floor of the present hospital, Ohio State University, and calls for an expenditure of \$4,690.00.

You have submitted the certificate of the Director of Finance to the effect that there are unencumbered balances legally appropriated in a sum sufficient to cover the obligations of the contract. There has further been submitted a contract bond upon which the American Surety Company of New York appears as surety, sufficient to cover the amount of the contract.

You have further submitted evidence indicating that plans were properly prepared and approved, notice to bidders was properly given, bids tabulated as required by law and the contract duly awarded. Also it appears that the laws relating to the status of surety companies and the workmen's compensation have been complied with.

Finding said contract and bond in proper legal form, I have this day noted my approval thereon and return the same herewith to you, together with all other data submitted in this connection.

Respectfully,

C. C. CRABBE,

*Attorney General.*