

would be a corresponding lack of funds with which to pay a part of the warrants so issued. These warrants which were registered must be paid in the order of their registration out of the first moneys available. They may, therefore, absorb the funds of the district so that current warrants cannot be paid, causing them to be registered in turn.

If provision is made in the budget for these warrants and a levy made to pay them the credit of the district will be maintained because all warrants will then be paid. On the other hand, if no levy is made to take care of these warrants and the delinquent taxes cannot be collected because no one will purchase the property for the amount of the taxes it is easy to see that the district will gradually become obligated for warrants that it has issued and cannot obtain any money to pay. As before stated, the budgeting is for the purpose of the levy and the purpose of maintaining the credit of the district.

### Opinion No. 81

#### School Districts—Budget—Warrants.

HELD: It is not necessary to include in the budget of school districts the outstanding registered warrants. It is advisable to do so, however, for the purpose of the levy.

February 18, 1933.

I have your letter requesting an opinion of this office as to the necessity of including in the budget of school districts the outstanding registered warrants. It is not necessary to budget warrants previously issued by the district for the purpose of authorizing their payment as they have presumably been issued against budgeted items in the previous years. It is advisable, however, to include these warrants in the budget for the purpose of the levy. The question is one of good judgment and good business management rather than one of legal requirements under existing law.

Warrants can be legally issued in anticipation of the collection of taxes levied. If the taxes are not fully collected and warrants have been issued to the full amount anticipated there