

CHAPTER 8

FINANCE AND BUSINESS

Article 1. Sales Tax

Sec. 8-1. Citation and Codification.

This article shall be known and may be cited as the Town of Ft. Towson Sales Tax Ordinance.

Sec. 8-2. Definitions.

The definition of words, terms and phrases contained in the Oklahoma Sales Tax Code, Section 1302, Title 68 O.S. Supp. 1965, are hereby adopted by reference and made a part of this article.

Sec. 8-3. "Tax Collector" Defined.

The term "tax collector" as used herein means the department of the Town government or the official agency of the state duly designated according to law or contract authorized by law to administer the collection of the tax herein levied.

Sec. 8-4. Classification of taxpayers.

For the purpose of this article, the classification of taxpayers hereunder shall be as prescribed by state law for purposes of the Oklahoma State Tax Code.

Sec. 8-5. Subsisting State Permits.

All valid and subsisting permits to do business issued by the Oklahoma Tax Commission pursuant to the Oklahoma Sales Tax Code are, for the purposes of this article, hereby ratified, confirmed and adopted in lieu of any requirements for an additional Town permit for the same purpose.

Sec. 8-6. Effective Date.

This article became effective on _____, as prescribed by Title 11 O.S. 1961, Section 61, as amended. This sales tax was approved by a vote of the registered voters of the Town.

Sec. 8-7.

Purpose of Revenues.

It is hereby declared to be the purpose of this article to provide revenues for the building, rebuilding and repair of streets, alleys, curbs, gutters and storm sewers within said Town and for the removal, rebuilding, relocation and repair of water lines, sanitary sewer lines, electrical lines and other utility lines affected by the building, rebuilding and repair of streets.

Sec. 8-8.

Tax Rate; Sales Subject to Tax.

There is hereby levied an excise tax of two percent (2%) upon the gross proceeds or gross receipts received from all sales taxable under the Sales Tax Law of Oklahoma, including but not exclusive of the following:

- (1) Tangible personal property.
- (2) Natural or artificial gas, electricity, ice, steam or any other utility or public service except water.
- (3) Transportation for hire or person by common carriers, including railroads, both steam and electric, motor transportation companies, taxicab companies, pullman car companies, airlines and all other means of transportation for hire.
- (4) Service by telephone and telegraph companies to subscribers or users, including transmission of messages, whether local or long distance. This shall include all services and rental charges having any connection with transmission of any message.
- (5) Printing or printed matter of all types, kinds, and characters and the service of printing or overprinting.
- (6) Service of furnishing rooms by hotels, apartment hotels, public rooming houses and public lodging houses and tourist camps.
- (7) Service of furnishing storage or parking privileges by auto hotels and parking lots.
- (8) Food, confections and all drinks sold or dispensed by hotels, restaurants, or other dispensers, and sold for immediate consumption upon the premises or delivered or carried away from the premises for consumption elsewhere.
- (9) Advertising of all kinds, types and character including any and all devices used for advertising purposes and the servicing of any advertising devices, except as provided in Subsection 15 or Section 9 hereof.
- (10) Dues or fees to clubs, and the sale of tickets or admission to places of amusement,

to athletic, entertainment, recreational events, or dues or fees for the privilege of having access to or the use of amusement entertainment, athletic or recreational facilities, including free or complimentary passes, tickets, dues or fees are hereby declared to have a value equivalent to the sale price of tickets, passes, admissions, fees or dues of like kind or character.

(11) For the purpose of this article, sales of service and tangible personal property made for the purpose of developing real estate even though such real estate is intended for resale as real property, are hereby declared to be sales to consumers or users. Sales of service and tangible personal property, including materials, supplies and equipment made to contractors who use same in the performance of any contract, are hereby declared to be sales to consumers or users and not sales for resale. Sales of tangible personal property to persons who are primarily engaged in selling their services shall be deemed sales to consumers or users and, therefore, taxable. Sales of tangible personal property to peddlers, solicitors, and other salesmen who do to have established places of business shall be therefore taxable.

Sec. 8-9. Exemptions.

There is hereby specifically exempted from the tax levied by this ordinance the gross receipts or gross proceeds exempted from the Sales Tax Law of Oklahoma inclusive but not exclusive of, and derived from the:

- (1) Sale of nonintoxicating beverages taxed as provided by state law.
- (2) Sales of cigarettes and such tobacco products as are taxed by state law.

(3) Sale of raw products from the farm, orchard, or garden, where such sale is made by the producer of such raw products directly to the consumer or user; gross receipts or gross proceeds derived from the sale of livestock, poultry products, and dairy products by the producers; exemptions granted by its subdivision shall not apply when such articles are sold, even though by the producer thereof, at or from an "established business place" not on a farm; neither shall this exception apply unless said articles are produced or grown within the State of Oklahoma. The provisions of this subsection are intended to exempt the sale by livestock producers of livestock sold at special livestock sales. The provisions of this subsection are intended to exempt the sale of dairy products when sold by a dairyman or farmer who owns all of the cows from which the dairy products he sells are produced. The provisions of this subsection shall not be construed to exempt sales of dairy products by any other business. The provisions of this subsection shall not be construed to exempt sales by florists, nurserymen and chicken hatcheries.

(4) Dues paid to fraternal, religious, civic, charitable or educational societies or organizations by regular members thereof, provided such societies or organizations operate under what is commonly termed the lodge plan or system, and provided such societies or organizations do not operate for a profit which inures to the benefit of an individual member or members thereof to exclusion of other members.

(5) Sale of tangible personal property or services to or by churches, except where such organizations may be engaged in business for profit or savings, competing with other person engaged in the same or similar business.

(6) Gross receipts and gross proceeds deriving from the transportation of school children to and from schools in motor and other vehicles.

(7) Transportation of persons where the fare of each person does not exceed ____ cents (\$___), or local transportation of persons within the corporate limits of cities and towns except by taxicabs.

(8) Sale of food in public, common, high school or college cafeterias and lunchrooms operated primarily for teachers and pupils, not operated primarily for the public and not operated for profit.

(9) Carrier sales made directly to consumers or users of newspapers of any other periodicals where any individual transaction does not exceed _____ cents (\$___).

(10) Sales to the United State Government, State of Oklahoma, or any of its political subdivisions.

(11) Sales of gasoline or motor fuel on which the Motor Fuel Tax, Gasoline Excise Tax or special Fuels Tax has been paid to the State of Oklahoma.

(12) Sale of crude petroleum or natural or casinghead gas and other products subject to gross production tax under the provisions of the laws of the State of Oklahoma. This exemption shall not apply when such products are sold to a consumer or user for consumption or use, except when used for injection into the earth for the purpose of promoting or facilitating the production of oil or gas.

(13) Sale of motor vehicles, attached optional equipment and accessories, on which the Oklahoma Motor Vehicle Excise Tax has been paid.

(14) Sales by county, district and state fairs.

(15) Sale of advertising space in newspapers and periodicals and billboard advertising service, and sale of time for radio and television broadcasts of advertising.

(16) Sales for resale to persons regularly engaged in the business of reselling the articles purchased, whether within or without the state, provided that such sales to residents of this state are made to persons to whom sales tax permits have been issued by the Oklahoma Tax Commission as provided by law. This exemption shall not apply to the sales of articles made to persons holding permits when such persons purchase items for their use and which they are not

regularly engaged in the business of reselling; neither shall this exemption apply to sales of tangible personal property to peddlers, solicitors and other salesmen who do not have sales tax permits or established places of business.

(17) Goods, wares, merchandise, and property sold for use in manufacturing, compounding, processing, assembling or preparing for the sale shall be classified as having been sold for the purpose of resale or the subject matter of resale only in the event (a) such goods, wares, merchandise or property are purchased for the purpose of being manufactured into a finished article and if it becomes a recognizable, integral part of the manufactured, compounded, processed, assembled or prepared products or, (b) if it is consumed in the process of manufacturing, compounding, processing, assembling or preparing products for resale.

(18) Sale of machinery and equipment purchased and used by persons establishing new manufacturing or processing plants in Oklahoma, and machinery and equipment purchased and used by persons established in Oklahoma, provided, this exemption shall not apply unless such machinery and equipment is incorporated into, and is directly used in the process of manufacturing property subject to taxation hereunder. The term "manufacturing plants" shall mean those establishments primarily engaged in manufacturing or processing operations, and generally recognized as such.

(19) Sale of tangible personal property manufactured in Oklahoma when sold by the manufacturer to a person who transports it to another state for immediate and exclusive use in some other state.

(20) Sale of an interest in tangible personal property to a partner or other person who after such sale owns a joint interest in such tangible personal property where the Oklahoma Sales or Use Tax has previously been paid on such tangible personal property.

(21) Sales of containers shall be exempt when sold to a person regularly engaged in the business of reselling empty or filled containers, or when he purchases such containers for the purpose of packaging raw products of farm, garden or orchard for resale to the consumer or processor, provided, this exemption shall not apply to the sale of containers used more than once and which are ordinarily known as returnable containers unless a tax under this title is collected and paid to the tax collector with respect to each and every transfer by such person of title or possession of such returnable container if made to any consumer or user within this state; nor shall it apply to the sale of labels or other materials delivered along with items sold but which are necessary or absolutely essential to the sale of the sold merchandise.

(22) Exemptions of poultry and livestock feed and farm machinery as prescribed by the State Sales Tax Code shall be equally applicable as exemptions from the tax herein levied.

(23) Sales of agricultural fertilizer to persons regularly engaged for profit in the business of farming and/or ranching which are exempt from the state sales taxes under provision of Title

68 O.S. Supp 1965, Section 1305 b (a) shall likewise be levied.

Sec. 8-10. Other Exempt Transfers.

Also there is hereby specifically exempted from the tax herein levied the transfer of tangible personal property exempted from the Sales Tax Law of Oklahoma inclusive but not exclusive of the following:

(1) From one corporation to another corporation pursuant to a reorganization. As used in this subsection the term "reorganization" means:

(a) A statutory merger or consolidation.

(b) The acquisition by a corporation of substantially all of the properties of another corporation when the consideration is solely all or part of the voting stock of the acquiring corporation, or of its parent or subsidiary corporation.

(2) In connection with winding up, dissolution or liquidation of a corporation only when there is a distribution in kind to the shareholders of the property of such corporation.

(3) To a corporation for the purpose of organization of such corporation where the former owners of the property transferred are immediately after the transfer in control of the corporation, and the stock or securities received by each is substantially in proportion to his interest in the property prior to the transfer.

(4) To a partnership in the organization of such partnership if the former owners of the property transferred are immediately after the transfer, members of such partnership and the interest in the partnership, received by each, is substantially in proportion to his interest in the property prior to the transfer.

(5) From a partnership to the members thereof when made in kind in the dissolution of such partnership.

Sec. 8-11. Tax Due When; Returns; Records.

The tax levied hereunder shall be due and payable at the time and in the manner and form prescribed for payment of the State Sales Tax under the State Tax Law of the State of Oklahoma.

Sec. 8-12. Payment of Tax; Brackets.

(1) The tax herein levied shall be paid to the tax collector at the time in form and manner provided for payment of state sales tax under the Sales Tax Law of Oklahoma.

(2) The bracket system for the collection of the _____ Town sales tax by the tax collector shall be as the same is hereafter adopted by the agreement of the Town of Ft. Towson, Oklahoma, and the tax collector in the collection of both the _____ Town sales tax and the _____ state sales tax.

Sec. 8-13. Tax Constitutes Debt.

Such taxes, penalty and interest due hereunder shall at all times constitute a prior, superior and paramount claim as against the claims of unsecured creditors, and may be collected by suit as any other debt.

Sec. 8-14. Vendor's Duty to Collect Tax.

(1) The tax levied hereunder shall be paid by the consumer or user to the vendor, and it shall be the duty of each and every vendor in this Town to collect from the consumer or user, the full amount of the tax levied by this article, or an amount equal as nearly as possible or practicable to the average equivalent thereof.

(2) Vendors shall add the tax imposed hereunder, or the average equivalent thereof, to the sales price or charge, and when added such tax shall constitute a part of such price or charge, shall be a debt from the consumer or user to vendor until paid, and shall be recoverable at law in the same manner as other debts.

(3) A vendor as defined herein, who willfully or intentionally fails, neglects or refuses to collect the full amount of the tax levied by this article, or willfully or intentionally fails, neglects or refuses to comply with the provisions or remits or rebates to a consumer or user, either directly or indirectly, and by whatsoever means, all or any part of the tax herein levied, or makes in any form of advertising, verbally or otherwise, any statement which infers that he is absorbing the tax, or paying the tax for the consumer or user by an adjustment of prices or at a price including the tax, or in any manner whatsoever, shall be deemed guilty of an offense, and upon conviction thereof shall be fined not more than state responsibility including costs.

Sec. 8-15. Returns and Remittances; Discounts.

Returns and remittances of the tax herein levied and collected shall be made to the tax collector at the time and in the manner, form and amount as prescribed for returns and remittances required by the State Sales Tax Code; and remittances of tax collected hereunder shall be subject to the same discount as may be allowed by said code for collection of state sales tax.

Sec. 8-16. Interest and Penalties; Delinquency.

Section 217 of Title 68 O.S. Supp. 1965, is hereby adopted and made a part of this article, and interest and penalties at the rates and in amounts as therein specified are hereby levied and

shall be applicable in cases of delinquency in reporting and paying the tax levied by this article. Provided, that the failure or refusal of any taxpayer to make and transmit the reports and remittances of tax in the time and manner required by this article shall cause such tax to be delinquent. In addition, if such delinquency continues for a period of five (5) days, the taxpayer shall forfeit his claim to any discount allowed under this article.

Sec. 8-17. Waiver of Interest and Penalties.

The interest or penalty or any portion thereof accruing by reason of a taxpayer's failure to pay the Town tax herein levied may be waived or remitted in the same manner as provided for said waiver or remittance as applied in administration of the State Sales Tax provided in Title 68, O.S. Supp. 1965, Section 220; and to accomplish the purposes of this section, the applicable provisions of said Section 220 are hereby adopted by reference and made a part of this article.

Sec. 8-18. Erroneous Payments; Claim for Refund.

Refund of erroneous payment of the Town sales tax herein levied may be made to any taxpayer making such erroneous payment in the same manner and procedure, and under the same limitations of time, as provided for administration of the State Sales Tax as set forth in Title 68, O.S. Supp. 1965, Section 227, and to accomplish the purposes of this section, the applicable provisions of said Section 227 are hereby adopted by reference and made a part of this article.

Sec. 8-19. Fraudulent Returns.

In addition to all civil penalties provided by this article, the willful failure or refusal of any taxpayer to make reports and remittances herein required, or the making of any false and fraudulent report for the purpose of avoiding or escaping payment of any tax or portion thereof rightfully due under this article shall be an offense, and upon conviction thereof the offending taxpayer shall be subject to a fine of not more than _____ (\$____) including costs.

Sec. 8-20. Records Confidential.

The confidential and privileged nature of the records and files concerning the administration of the Town sales tax is legislatively recognized and declared, and to protect the same the provisions of Title 68, O.S. Supp. 1965, Section 205 of the State Sales Tax Code and each subsection thereof is hereby adopted by reference and made fully effective and applicable to administration of the Town sales tax as is here set forth in full.

Sec. 8-21. Amendments.

The people of the Town of Ft. Towson, Oklahoma, by their approval of this article at the election hereinabove provided, hereby authorize the mayor and Town council by ordinances duly enacted to make such administrative and technical changes or additions in the method and manner

of administration and enforcing this article as may be necessary or proper for efficiency and fairness except that neither the rate of the tax herein provided or the uses to which said revenue is put shall be changed without approval of the qualified electors of the Town as provided by law.

Sec. 8-22. Provisions Cumulative.

The provisions hereof shall be cumulative, and in addition to any and all other taxing provision of Town ordinance.

Sec. 8-23. Provisions Severable.

The provisions hereof are hereby declared to be severable; and if any section, paragraph, sentence or clause of this article is for any reason held invalid or inoperative by any court of competent jurisdiction, such decisions shall not affect any other section, paragraph, sentence or clause hereof.

Sec. 8-24. Penalty.

Every person convicted of a violation of any provision of this article shall be punished by a fine of not more than _____ dollars (\$____) and costs.

Article 2. Budget

Sec. 8-25. Statements of Condition and Needs; Appropriations.

(1) The Town council shall meet in special session on a date that is agreeable to the majority of the council members on or before September 1 and shall make in writing a financial statement showing the true fiscal conditions of the Town as of the close of the fiscal year on __ __, and an itemized statement of estimated needs and probable income from sources other than ad valorem tax for the current fiscal year. Said statements shall be made as provided by the Oklahoma Statutes, 1971, Title 68, § 2483, and any other applicable provisions of law; and shall be filed with the county excise board on or before September 1. Said statements shall be published as required by law.

(2) The county excise board will then make appropriations for the Town as provided by law.

(3) Supplemental appropriations may be made as provided by Oklahoma Statutes, 1971, Title 68, § 24101, and any other applicable provisions of law.

Sec. 8-26. Transfer of Appropriation Balances.

Unencumbered appropriation balances of items of less immediately urgent need, or any part thereof, may be transferred to other items of appropriation to meet more immediately urgent needs by the county excise board, upon written request of the Town council, as provided by Oklahoma Statutes, 1971, Title 62, §§ 461-463.

Sec. 8-27. Penalty.

Every person convicted of a violation of any provision of this article shall be punished by a fine of not more than _____ dollars (\$____) and costs.

Article 3. Funding, Accounting, etc.

Sec. 8-28. Funding and Accounting Generally.

The revenues and other resources of the Town shall be divided into funds as provided by Oklahoma Statutes, 1971, Title 62, § 331, and other applicable provision of law; and accounted for as provided thereby.

Sec. 8-29. Sinking Fund: Handling, Deposit, Investment, etc.

(1) It shall be the duty of the officers of the Town to handle, deposit, invest, and use the money in the sinking funds of the Town in the manner provided by the Oklahoma Statutes, 1971, Title 62, §§ 431-451, and any other applicable provisions of law.

(2) The Town treasurer shall deposit daily all uninvested sinking fund money in his hands in banks as provided by law.

Sec. 8-30. Investment of Meter Deposits.

Money deposited with the Town as water meter deposits may be invested as provided by Oklahoma Statutes, 1971, Title 11, §§ 10-12.

Sec. 8-31. Penalty.

Every person convicted of a violation of any provision of this article shall be punished by a fine of not more than _____ dollars (\$____) and costs.

Article 4. Deposit of Funds

Sec. 8-32.

Deposit of Funds; Security.

- (1) The funds of the Town shall be deposited as required by law.
- (2) The Town council shall select and designate by resolution a bank within the Town for depository for the funds of the Town. The Town treasurer shall deposit daily all public funds received by Town in this bank. Funds may be transferred from one depository to another as the Council may direct by motion or resolution.
- (3) The deposits of the Town shall be secured by the Unit Collateral System provided by Oklahoma Statutes, 1971, Title 62, Sections 516.1-516.8; and the provisions of these sections are hereby adopted insofar as they are applicable to the Town.

Sec. 8-33.

Penalty.

Every person convicted of a violation of any provision of this article shall be punished by a fine of fifty dollars (\$50.00) and costs.

Article 5. Purchases, Contracts, Etc.

Sec. 8-34.

Councilmen and Other Officers: Purchases, Contracts, Etc.

- (1) No member of this Town council may sell, or furnish for a consideration, any materials or supplies for use of the Town; and any member of the council voting for, or consenting to, or being a part to, such contract or purchase is personally liable as provided by Oklahoma Statutes, 1971, Title 62, Sections 355-357.
- (2) The Town Council shall not make any contract with any of its members, or in which any of its members shall be directly or indirectly interested, such contracts being prohibited by Oklahoma Statutes, 1971, Title 62, Section 271.
- (3) No officer of the Town may become directly or indirectly interested individually in any sale, lease, or contract which he is authorized to make, such being prohibited by Oklahoma Statutes, 1971, Title 21, Section 344.

Sec. 8-35.

Purchases and Sales: Who to Make.

All purchases of supplies, materials, equipment, and contractual services for the Town, and any sales thereof by the Town, shall be made by the Town council, or pursuant to authorizations granted by it, and subject to its supervision and control.

Sec. 8-36. Purchases: When Prior Approval by the Council is Required.

Every contract for, or purchase of, supplies, materials, equipment or contractual services for more than two hundred and fifty dollars (\$250.00) by a Town employee shall require the prior approval of the Town council and under no circumstances may he make such contract or purchase without first obtaining the prior approval of the council.

Sec. 8-37. Purchases: Competitive Bidding.

Before any Town employee makes any purchase of, or contract for, supplies, materials, equipment or contractual services except as otherwise provided below, he shall submit to at least three persons, firms or corporations dealing in and able to supply the same, or to a smaller number if there are not three dealing in and able to supply the same, a request for quotation (or invitation to bid) and specifications, to give them opportunity to bid; and/or publish notice of the proposed purchase in a newspaper of general circulation within the Town. He shall favor a person, firm or corporation in the Town when this can be done without additional cost to the Town; but he shall submit requests for quotation to those outside the Town when this may be necessary to secure bids or to create competitive conditions, or when he thinks that by so doing he can make a saving for the Town; and shall purchase from them when he can make a saving for the Town. All bids shall be sealed and shall be opened in public at a designated time and place. He may repeatedly reject all bids, and again may submit to the same or other persons, firms or corporation the request of quotation (or invitation to bid), and/or again publish notice of the proposed purchase. He shall purchase from the bidder whose bid is most advantageous to the Town, considering price, quality, date of delivery, etc.; and, in case of a tie, may cast lots to determine from whom to make a purchase, or may divide the purchase among those tying, always accepting the bid or bids most advantageous to the Town.

Sec. 8-38. Penalty.

Every person convicted of a violation of any provision of this article shall be punished by a fine of fifty dollars (\$50.00) and costs.

Article 6. Claims

Sec. 8-39. Claims: How Made and Processed.

Claims against the Town shall be made and processed as provided by Oklahoma Statutes, 1971, Title 62, Sections 301-304.2, and any other applicable provisions of law.

Sec. 8-40. Penalty.

Every person convicted of a violation of any provision of this article shall be punished by a fine of not more than fifty dollars (\$50.00) and costs.

Article 7. Sales

Sec. 8-41. Sales: Council to Declare Surplus or Obsolete, Competitive Bidding.

No surplus or obsolete supplies, materials or equipment of the Town of Ft. Towson's may be sold until the council shall have declared them obsolete or surplus. Before a Town employee sells any surplus or obsolete supplies, materials or equipment, except as otherwise provided below, he shall advertise them for sale in a newspaper of general circulation in the Town or in such other manner as he deems necessary adequately to reach prospective buyers to give them an opportunity to make bids. All bids shall be sealed and shall be opened in public at a designated time and place, except when the sale is by auction. The employee may repeatedly reject all bids and advertise again. He shall sell such supplies, materials or equipment to the highest responsible bidder, and if necessary shall cast lots in case of a tie to determine to whom to sell.

Sec. 8-42. Sales: When Competitive Bidding is Not Required.

The mayor may sell the following without giving an opportunity for competitive bidding:

Surplus or obsolete supplies, materials or equipment whose total value does not exceed fifty dollars (\$50.00) in a single transaction.

Sec. 8-43. Penalty.

Every person convicted of a violation of any provision of this article shall be punished by a fine of not more than fifty dollars (\$50.00) and costs.

Article 8. Warrants, Etc.: Disbursement of Funds.

Sec. 8-44. Warrants, etc.: Disbursement of Funds.

Warrants shall be issued and processed, and funds of the Town disbursed, only for legal purposes and in accordance with Oklahoma Statutes, 1971, Title 62, Sections 372, 471-485, and 551-555.

Sec. 8-45. Penalty.

Every person convicted of a violation of any provision of this article shall be punished by a fine of not more than _____ dollars (\$____) and costs.

Article 9. Bonds

Sec. 8-46. Bonds: Issuance, Sale, Etc.

Bonds of the Town shall be issued, sold, paid, and handled in all respects as provided by Oklahoma Statutes, 1971, Title 62, Sections 351 et seq., and other applicable provisions of law.

Sec. 8-47. Penalty.

Every person convicted of a violation of any provision of this article shall be punished by a fine of not more than fifty dollars (\$50.00) and costs.

Article 10. Examination and Audit of Books and Records

Sec. 8-48. Financial Books and Records: Examination and Audit.

(1) The books of the Town treasurer shall be subject to examination by the Town council at all times, as provided by Oklahoma Statutes, 1971, Title 11, § 1026. Likewise, the records of the Town clerk and of all other officers and employees of the Town shall be subject to inspection by the Town council at all times.

(2) The Town council shall designate a qualified public accountant to audit the financial records and transactions of the Town treasurer, the Town clerk, and all other personnel of the Town who keep financial records and make financial transactions, as of the end of every fiscal year at least; and such accountant shall make such audit and shall report to the Town council.

(3) Upon petition of a number of voters of the Town equal at least to one-fourth (1/4) of the number of people voting at the last general Town election for the Town office receiving the highest number of votes, the financial books and records of the Town will be audited by the State Examiner and Inspector, as provided by Oklahoma Statutes, 1971, Title 74, §§ 212 and 215.

Sec. 8-49. Penalty.

Every person convicted of a violation of any provision of this article shall be punished by a fine of not more than fifty dollars (\$50.00) and costs.

Article 11. Insurance

Sec. 8-50. Insurance: Property, Vehicle.

(1) The Town council may insure property of the Town as authorized by Oklahoma Statutes, 1971, Title 11, § 1004 (Twelfth), and Title 19, § 627. Any money received as a result of destruction, damages, or loss of such insured property, shall be accounted for and used as provided by said § 627.

(2) The Town council may purchase insurance to pay damage to persons sustaining injuries or damages to property as a result of negligent operation of motor equipment of the Town, as authorized by Oklahoma Statutes, 1971, Title 36, § 130.1.

Sec. 8-51. Penalty.

Every person convicted of a violation of any provision of this article shall be punished by a fine of not more than fifty dollars (\$50.00) and costs.

Article 12. Telephone Exchanges.

Sec. 8-52. Fee Levied on Telephone Exchanges.

There is hereby levied an annual inspection fee and service charge upon each and every person, firm or corporation operating a telephone exchange in this Town, in an amount equal to _____ (%) of the gross revenues for each current year for exchange telephone transmission service rendered wholly within the limits of the Town, to compensate the Town for the expenses incurred and services rendered incident to the exercise of its police power, supervision, policy regulation and police control of the construction of lines and equipment of said telephone company in the Town. The said inspection fee and charge shall be due and payable to the Town on or before the first day of May of each year, and shall be paid into and appropriated and expended from the General Revenue Fund of the Town.

Sec. 8-53. Fee to be in Lieu of Other Fees, Taxes, etc.

During continued substantial compliance with the terms of this ordinance by the owner of any telephone exchange, the charge levied hereby shall be and continue to be in lieu of all concessions, charges, excise, franchise, license, privilege and permit fees or taxes or assessments except ad valorem taxes; provided, however, that it is not intended hereby to extinguish or abrogate any existing arrangement whereby the Town is permitted to use underground conduit, duct space or pole contacts of said company for the fire alarm and/or police call systems of the

Town.

Sec. 8-54.

Penalty.

Every person convicted of a violation of any provision of this article shall be punished by a fine of not more than fifty dollars (\$50.00) and costs.