

Handbook for County Treasurers of Oklahoma

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Handbook for County Treasurers of Oklahoma

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Introduction

How to Use This Handbook

This is a major revision of the *Handbook for County Treasurers of Oklahoma*.

This handbook revision has been prepared for use primarily by County Treasurers, their deputies, and other employees in the County Treasurer's office to aid them in performing their duties. It is intended as a guide to the responsibilities, duties, procedures, and statutory mandates for that office. This handbook is not meant to be all inclusive and complete, but should include sufficient references and other sources to help the County Treasurers to supplement the information that is provided.



This handbook has been prepared solely as a guide and source of reference for use in day-to-day job activities. It is not intended to be, nor should it be, used as a supplement to, or a replacement for, the Oklahoma State Statutes, opinions of the State Attorney General, and/or policies and procedures issued by the appropriate state agencies (Office of the State Auditor and Inspector and others).

Every effort has been made to incorporate the latest Oklahoma Statutes, opinions, and interpretations. In every instance where a statement in this handbook disagrees with an Attorney General opinion, an interpretation of the Oklahoma Statutes by a responsible state agency or District Attorney, and/or a procedure or policy issued by an appropriate state agency, those opinions, interpretations, procedures, and policies will take precedence over this handbook.

New Technology

This revision of the Handbook for County Treasurers of Oklahoma is an interactive, web-based PDF document that County Treasurers can access directly from the [County Training Program \(CTP\) website](#) under the “Handbook” heading. They can also download the document into their office computer systems.

In addition, County Treasurers can print this handbook as a hard copy. However, a printed copy will not have the interactive capabilities of the on-line copy. Before printing, County Treasurers should be aware that this handbook is about 300 pages long.

County Treasurers can also access other county officers’ handbooks on the CTP website.

Statutes and Other References

The interactive capabilities of this handbook allow County Treasurers to link from references in the handbook to documents on the web.

For example, Using the “Control+Click” function on a reference (in green) on the right-hand side of the pages will link directly to a complete version of a constitutional reference, an Oklahoma Statute, an Attorney General opinion, or other reference on the OSCN website. Additional links are provided in the text to forms, state offices, and other references.

Each reference is situated so that it appears opposite the text to which it applies. Using the “Control+Click” function on any word or groups of words in the text that appear in blue on the screen will link to something related to them.

Each chapter number and name in the Table of Contents is linked directly to that chapter in the handbook. Each table and figure listed in the Table of Contents is linked to that table or figure.

The “find” feature in the software can be used as an index to search for particular items in the handbook. The handbook appears on the screen exactly as it would appear if printed. County Treasurers can also page through the handbook in the same way as with a printed copy.

This handbook is not intended to be a legal source to replace the Oklahoma State Statutes. In many instances, the text paraphrases the Oklahoma Statutes or interprets them in simpler language. For exact and complete statutory information, County Treasurers should refer to the actual Oklahoma Statute.

Organization

The first section (Chapters one through five) of the *Handbook for County Treasurers of Oklahoma* covers county government in Oklahoma. The five chapters in Section I apply to all county offices and employees. This section is intended to provide general information about how county government operates in Oklahoma and to help members of the County Treasurers' offices understand how they affect and are affected by other county entities and procedures.

Section II (Chapters six through eighteen) contains chapters that describe the various duties and responsibilities for the County Treasurer's office.

In Appendix A is a guide to using the Oklahoma Statutes.

Appendix B contains a list of related sources and their addresses and phone numbers. Throughout the handbook, these sources and the materials and publications they provide have been referenced, and in some cases, a link (in [blue](#)) to their websites has been provided. The data in Appendix B is provided for convenience for contacting any of these agencies.

The "find" feature in the software can be used as an index to search for particular items in the handbook. The handbook appears on the screen exactly as it would appear if printed. County Treasurers can also page through the handbook in the same way as with a printed copy.

Procedures

This handbook includes some procedural information for accomplishing the duties of the County Treasurer's office. Many times procedures will vary from one county to another. This handbook is not meant to suggest procedures not mandated by the Oklahoma Statutes or other rulings.

Forms

Since many forms are available on line, and because many counties now develop their own computerized forms, samples of most forms are not included in this version of the handbook. Each time a form is mentioned, its source, such as Office of the State Auditor and Inspector or other agency, is given. In some cases, a link (in blue) is provided to the form or to the appropriate agency to obtain a sample of the form or information about it.

Questions and Comments

Every attempt has been made to provide as complete and accurate a handbook as possible. For any questions, comments, or suggestions, please contact the County Training Program at Oklahoma State University, 405-744-6160, FAX 405-744-8210, email ctp@okstate.edu. Visit the website at <http://agecon.okstate.edu/ctp> for more information on the County Training Program.

SECTION ONE

County Government in Oklahoma

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Chapter One

County Government in Oklahoma

The County Government System in Oklahoma

The 77 counties in Oklahoma serve as extensions or subdivisions of the State of Oklahoma. All counties receive their administrative powers from the state. The Oklahoma Constitution and the Oklahoma Statutes mandate and define all of the duties and responsibilities of all county offices.

Oklahoma Constitution
Article 17 § 2

County officers are elected. Unlike municipal governments, county governments do not make new laws or ordinances. The Oklahoma State Legislature enacts the laws that govern county government and that county governments enforce.

This chapter briefly explains the county government system in Oklahoma and discusses the duties and responsibilities of all county officials, both elected and non-elected.

Powers and Duties of County Government

Oklahoma law states that “each organized county within the state shall be a body corporate and politic and as such shall be empowered for the following purposes:

Oklahoma Constitution
Article 17 § 1
Article 17 § 2

- To sue and be sued
- To purchase and hold real and personal estate for the use of the county and lands sold for taxes as provided by law

19 O.S. § 1
19 O.S. § 3

- To sell and convey any real or personal estate owned by the county, and make such order respecting the same as may be deemed conducive to the interests of the inhabitants
- To execute leases of real property owned by the county to nonprofit corporations organized for the general purpose of historical preservation
- To make all contracts and do all other acts in relation to the property and concerns of the county necessary to the exercise of corporate or administrative power
- To exercise such other and further powers as may be especially provided for by law

Creation and Disillusion of Counties

Creation of Counties

The Oklahoma State Legislature shall provide by general laws for the creation of new counties, the altering or changing of lines, the equitable division of assets and of liabilities, and the original location of county seats in new counties according to the Oklahoma Constitution.

Oklahoma Constitution
Article 17 § 4

Disillusion of Counties

Under certain conditions outlined in the Oklahoma Constitution, The Board of County Commissions of a county shall submit to the qualified electors of that county, a ballot in the next ensuing election with the question, "Shall the county be an unorganized county?" "Yes" or "No."

Oklahoma Constitution
Article 17 § 5

If a majority of the votes are in the affirmative, the county shall be unorganized, be attached to, and be a part of the adjoining county having the lowest valuation of taxable property. The unorganized county shall remain as a district in the adjoining county until such time as the qualified electors vote in favor of separate organized county existence, according to guidelines in the Oklahoma Constitution.

Duties of County Officers

Elected County Officers

Oklahoma law stipulates that each county has six county offices plus the office of the District Attorney, who may serve more than one county. Each office is headed by an elected county officer. Five of these offices were established in the Oklahoma Constitution in 1907.

The following officers are elected by the eligible voters in the county at a general election.

- County Commissioners
Three in each county; one elected by the voters in each of the three districts
- County Clerk
- County Assessor
Created by Oklahoma Statute in 1911; replaced town, city, and township assessors whose offices were abolished that same year
- County Treasurer
- County Court Clerk
- County Sheriff
- District Attorney
An Oklahoma Statute in 1967 created the office and 27 districts and replaced County Attorneys. Voters from one or more counties within a district select a District Attorney to represent that district.

Oklahoma Constitution
Article 17 § 2

Oklahoma Constitution
Article 17 § 2
68 O.S. § 2814

Oklahoma Constitution
Article 17 § 2
Oklahoma Constitution
Article 17 § 2
Oklahoma Constitution
Article 17 § 2
19 O.S. § 215.1

Each elected officer serves a four-year term in office. The officer's terms are staggered so that every two (even-numbered) years, the November general election includes ballots for only certain county officers.

19 O.S. § 131

- The District 1 and District 3 County Commissioners plus the County Treasurer and the County Assessor are elected in one election.
- The District 2 County Commissioner plus the County Clerk, the Court Clerk, the County Sheriff, and the District Attorney are elected in one election.



OSU Extension Facts AGECE 802, “Duties and Responsibilities of Elected County Officials,” contains a table showing the schedule of election years for elected county officers and contains detailed descriptions of the officer’s duties and responsibilities.

County Commissioners

One County Commissioner is elected from each of three districts within the county. These districts must, by law, be approximately equal in population.

19 O.S. § 321

County Commissioners serve on the Board of County Commissioners and act as the principal administrators of the county. Their duties are identified in the Oklahoma Statutes and they include the following activities:

19 O.S. § 339

- Selling or purchasing public land or buildings for the county
- Auditing the accounts of other county officers
- Approving the purchase of operating supplies, equipment, and services contracted for the county
- Supervising county road and bridge construction and maintenance
- Developing personnel policies, designating holidays, and approving salaries for county employees
- Approving payment of the county payroll

19 O.S. § 339(A)(1)
19 O.S. § 339.2

19 O.S. 339(A)(2)

19 O.S. § 339(A)(3)

19 O.S. § 339(A)(10)

19 O.S. § 326
19 O.S. § 153
51 O.S. § 158

- Auditing and approving tort claims against the county 69 O.S. § 1101
- Receiving and approving bids for major purchases or construction projects
- Authorizing and maintaining an inventory of all county property, owned or leased, that is valued at more than \$500 19 O.S. § 1502
- Preparing the county budget in conjunction with other county officers Oklahoma Constitution Article 10 §9-D
- Monitoring the county solid waste program
- Calling county elections for various purposes
- Reapportioning commissioner districts in accordance with Census Bureau criteria 19 O.S. § 321(B)
- Purchasing surety bonds (blanket bonds) to cover all county officers and employees 19 O.S. § 167

19 O.S. § 622
19 O.S. § 326
25 O.S. § 307(E)

The Board of County Commissioners holds a regular monthly meeting at the county seat. All meetings of this board are open to the public except for executive sessions, which can be closed sessions under certain circumstances as defined by the Oklahoma Statutes.

County Clerk

The County Clerk is the principal record keeper of the county. All legal instruments, including plat maps, deeds, mortgages, oil and gas leases, liens, and military discharge papers that are filed with the county by private citizens and public officials are preserved by the County Clerk. Other duties of the County Clerk include the following activities:

19 O.S. § 250
19 O.S. § 284
19 O.S. § 286

- Serving as secretary for the Board of County Commissioners and other county boards such as the County Excise Board 19 O.S. § 243
19 O.S. § 244
19 O.S. § 245
- Recording all appropriations and expenditures for each county office or department 68 O.S. § 2861(E)
68 O.S. § 3005.1(A)
- Preparing warrants or checks for paying county bills and payroll
- When serving as the county’s purchasing agent, purchasing or leasing and maintaining all county supplies and equipment 19 O.S. § 347
62 O.S. § 471
19 O.S. § 1501

- Acting as the registrar of deeds
- Keeping a record of all meeting notices subject to the Open Meetings Laws

19 O.S. § 287

County Assessor

The County Assessor assesses all property for ad valorem taxation and submits the value of each property to the County Equalization Board and later to the State Board of Equalization for approval.

68 O.S. § 2814(1)
68 O.S. § 2815
68 O.S. § 2817
68 O.S. § 2842(B)

After receiving the certified millage rates from the County Excise Board each year, the County Assessor prepares the tax roll, which shows the taxes due on each county property, and forwards the roll to the County Treasurer for tax collection.

68 O.S. § 2869

The County Assessor also performs the following duties:

- Preparing and maintaining permanent records of all real and personal property including cadastral maps
- Implementing the four-year visual inspection program for all property
- Auditing any property for which the estimated fair cash value differs from the value submitted by the taxpayer
- Receiving and reviewing all applications for exemptions
- Serving as a member of the Board of Tax Roll Corrections

68 O.S. § 2827
68 O.S. § 2840

68 O.S. § 2820
68 O.S. § 2823

68 O.S. § 2846

68 O.S. § 2836

68 O.S. § 2871

County Treasurer

The County Treasurer is the chief financial officer for the county and administers all county monies. The County Treasurer receives, deposits, and maintains records for all county monies; redeems county warrants; apportions taxes to various accounts and to local public entities such as schools and cities; keeps records of all payments and expenditures made by the county; and presents county records and financial statements to the State Auditor and Inspector for audit.

19 O.S. § 623
19 O.S. § 624
19 O.S. § 625

The County Treasurer also receives the annual tax roll and tax roll warrant, prepares the ad valorem tax statements, and mails the statements to the property owners. The County Treasurer collects all

68 O.S. § 2869
68 O.S. § 2913

county ad valorem taxes, issues delinquent personal and real property tax notices, and initiates and supervises tax sales on real property for nonpayment of taxes.

County Court Clerk

The County Court Clerk’s primary responsibilities are to record, file and maintain District Court proceedings and maintain books useful for locating past court proceedings. The Court Clerk keeps summaries of court actions in an appearance docket; maintains case files; collects fines, fees, and forfeitures; and distributes or expends collected monies as provided by law. The Court Clerk also issues legal warrants, court orders (as given by a judge), passports, and marriage (as authorized by a judge), beer, pool hall, and other county licenses.

12 O.S. § 22
12 O.S. § 24
12 O.S. § 27
12 O.S. § 28
12 O.S. § 29
12 O.S. § 35.1
28 O.S. § 31

County Sheriff

The County Sheriff is the chief law officer responsible for preserving the peace and protecting life and property in the county. The County Sheriff apprehends persons charged with criminal activity; operates the county jail; serves warrants and process papers of the District Court and other lawful authorities; deals with various nuisances or dangers to the public; and handles safety matters.

19 O.S. § 513
19 O.S. § 514
19 O.S. § 516
19 O.S. § 545

The County Sheriff also coordinates and administers courthouse security.

19 O.S. § 516(B)

County Budget Boards

Counties that have resolved to operate under the County Budget Act have Budget Boards composed of the eight elected county officers listed above. The Budget Board reviews the annual estimate of needs of each county department, revises these estimates if advisable, proposes a budget, conducts public hearings, and adopts a budget. The Budget Board also authorizes transfers of certain funds from one county budget account to another and may make supplemental appropriations to the budget.

19 O.S. § 1403
19 O.S. § 1407

District Attorney

The District Attorney is the chief prosecutor within each of 27 districts in Oklahoma. Most District Attorneys serve more than one county. The District Attorney performs the following duties and may be assisted by one or more Assistant District Attorneys.

19 O.S. § 215.1
19 O.S. § 215.4

- Serves as the criminal prosecutor in District Court

- Assists a grand jury with legal advice, witness examination, and indictments
- Provides witness and victim assistance
- Represents the county in all civil actions or proceedings in which the county is a party
- Serves as the principal legal counsel for county government to give opinions and advice to the Board of County Commissioners and other civil officers of the county when requested by such officers and boards, on all matters in which the county is interested, or relating to the duties of the boards or officers in the county.

19 O.S. § 215.5

Outside Counsel

Please refer to “[Obtaining Legal Advice](#)” in Chapter 7 of this handbook for more information regarding using outside counsel.

Non-Elected County Officers and Boards

County governments in Oklahoma are managed by both elected and non-elected officers. The following list includes officers and board members that might serve the county by appointment:

- County Engineer
- County Extension Office professionals
- County Board of Health/Superintendent of Health
- Emergency Medical Districts Board of Trustees
- County Medical Examiner
- County Safety Director
- Safety Coordinators
- County Board of Equalization members
- County Excise Board members

- Board of Tax Roll Corrections members
- County Emergency Management Director (Formerly the County Civil Defense Director)
- County Board of Public Welfare members
- County Election Board members and County Election Board Secretary
- County Free Fair Board members



OSU Extension Facts No. AGEC 803, “Duties and Responsibilities of Non-Elected County Officials and Boards”, contains detailed information on the duties and responsibilities of non-elected county officers and boards, both appointed and elected.

County Engineer

The County Engineer oversees county highway programs and may assist with maintenance and construction projects. The County Engineer also keeps records of county roadwork costs.

69 O.S. § 624

69 O.S. § 625

69 O.S. § 626

Counties may hire either a full-time or part-time engineer or may enter into a contract with an engineering consultant. Several counties may share the services of one engineer. In some cases, the State Department of Transportation may provide engineering services.

Counties within the eight Circuit Engineering Districts (CED) that have been created in Oklahoma may share an engineer hired by, or under contract to, a district. (Refer to Chapter Thirteen, “Duties of the County Commissioner: Circuit Engineering Districts” in the *Handbook for County Commissioners of Oklahoma*, available on the County Training Program website (<http://agecon.okstate.edu/ctp>).

69 O.S. § 687.1

County Extension Office Personnel

70 O.S. § 3418

The [Oklahoma Cooperative Extension Service \(OCES\)](#) maintains the County Extension Office and hires, with input of the Board of County Commissioners, the County Extension Office Director. OCES represents a federal, state, and county partnership that serves as a link between the state's land-grant University (Oklahoma State University) and the people of Oklahoma. It provides non-biased, research-based information on a variety of topics.

Through County Extension Office personnel, OCES provides educational resources and programs organized into four major areas:

- Agriculture
- Family Life, Nutrition, and Health
- 4-H and Youth Development
- Rural Development

County Board of Health/Superintendent of Health

63 O.S. §§ 1-201-1-210

The County Board of Health consists of five members, two appointed by the State Commissioner of Health, two by the Board of County Commissioners, and one by the District Court. The Board of Health establishes and maintains a county health department, a district health department, or a cooperative health department.

Two or more boards of health may form a health district. County boards of health and/or health districts may join cities, towns, and schools to form cooperative departments of health. The primary purposes of these entities include preventing and controlling disease and other health dangers, educating the public, providing preventive services, keeping vital records, and assisting the State Commissioner of Health. Financing is achieved by county mill levy, state funds, user fees, and sometimes an earmarked sales tax.

For any county without a health department and which does not participate in a district health department, the State Commissioner of Health appoints a county superintendent of health.

Emergency Medical Service Districts Board of Trustees

Emergency Medical Service Districts (ambulance service districts) may be formed by a vote of the people in the area affected. If the service is formed, each district shall have a Board of Trustees of not less than five members, chosen by the Board or Boards of Commissioners in the county or counties included in the districts. The Board of Trustees shall have no less than one member from each county or part of a county included in the district.

Oklahoma Constitution
Article 10 § 9C
19 O.S. § 1702
19 O.S. § 1715

County Medical Examiner

The Oklahoma Chief Medical Examiner appoints medical examiners for each county to investigate the cause and manner of deaths within the county and to make written reports.

63 O.S. § 937
63 O.S. § 938
63 O.S. § 939

County Safety Director

The Board of County Commissioners must appoint a County Safety Director to coordinate all county safety programs. This individual must ensure that safety classes on subjects related to that office are provided at least quarterly for all county employees. (Reference Administrative Rule 380:1-22, Oklahoma Department of Labor, Public Employee Occupational Safety and Health (PEOSH) Division.)

40 O.S. § 403(E)

Safety Coordinators

Each county officer may also appoint a Safety Coordinator to coordinate safety programs for employees in that office. The Safety Coordinators report to the County Safety Director.

40 O.S. § 403(E)

The Association of County Commissioners of Oklahoma (ACCO) publishes the [ACCO Fire and Safety Manual](#), which contains additional information about safety in county offices.

County Board of Equalization Members

The primary duty of the three members of the County Board of Equalization is to ensure equalization of property taxes. The County Board of Equalization hears protests, reviews property tax assessment records, reviews homestead exemption applications, and corrects errors. The board members may raise or lower appraised values of properties, add omitted property to the tax roll, declare certain property non-taxable, and make other tax-related decisions.

68 O.S. § 2861
68 O.S. § 2862
68 O.S. § 2863
68 O.S. § 2864

Members of the County Board of Equalization also serve on the County Excise Board. The Board of County Commissioners, the Commissioners of the Oklahoma Tax Commission, and a District Judge, or a majority of District Judges, each appoints one member to the County Board of Equalization. The County Clerk serves as secretary to this board.

68 O.S. § 3005.1

Course of Instruction Required

Each member of the County Board of Equalization is required, within 18 months of appointment, to attend and successfully complete a course of instruction for the purposes of instructing the members about the duties imposed on the board by law. The course shall be developed by the Oklahoma State University Center for Local Government Technology and shall include subjects similar to those prescribed by law for certification of County Assessors and their deputies.

68 O.S. § 2862

Each member is then required to successfully complete this course within 18 months after the completion of the initial four-year term or within 18 months of the beginning of any succeeding four-year term. Failure of a County Board of Equalization member to successfully complete these courses results in forfeiture of the office. The vacancy shall be filled in the manner provided by law.

County Excise Board Members

The County Excise Board, composed of the members of the County Board of Equalization, oversees and reviews all county, school district, and some city budgets to determine if they are legally and adequately funded within the revenues available.

68 O.S. § 3005.1
68 O.S. § 3006
68 O.S. § 3007

In its functions, the County Excise Board is considered an agency of the state, as a part of the system of checks and balances required by the Oklahoma Constitution. The board is empowered to require adequate and accurate reporting of finances and expenditures for all budget and supplemental purposes. It is also charged with the duty of requiring adequate provision for performance of mandatory constitutional and statutory governmental functions within the means available. However, it shall have no authority to deny any appropriation for a lawful purpose if sufficient income and revenue are provided. This board also performs the following functions:

- Reviews and approves the county budget
- Fixes the tax levy or millage rate

- Gives public notice that the budget and tax levies are open to public discussion

The County Excise Board meets at the county seat on the first Monday of July each year to organize, elect a chairman and vice-chairman, and prepare to perform excise duties for that fiscal year. The County Excise Board may meet from day-to-day or adjourn from day-to-day and time-to-time to complete its business. The County Clerk serves as secretary to the County Excise Board.

Course of Instruction Required

Within the first 18 months of appointment, each member of the County Excise Board is required to attend and successfully complete a course of instruction that consists of at least six hours. After the first four years of service on the board, each member must complete three hours of instruction and three hours thereafter for every four years of service after the expiration of the initial four-year period.

68 O.S. § 3006(C)

The course of instruction shall include the duties and responsibilities of the County Excise Board, including those related to authorized millage rates imposed by local taxing jurisdictions. The course shall be offered by or approved by the Oklahoma State University Cooperative Extension Service.

Board of Tax Roll Corrections Members

Members of the Board of Tax Roll Corrections include the Chairman of the Board of County Commissioners as chairman, the Chairman of the Equalization Board as vice-chairman, and the County Assessor as a member. The County Clerk serves as secretary, but is a non-voting member.

68 O.S. § 2871

This board investigates reports of errors in the certified tax rolls and corrects these errors when warranted. Such corrections might include mathematical errors or missing information such as a homestead exemption.

County Emergency Management Director

The County Emergency Management Director, formerly called the County Civil Defense Director, manages the County Emergency Management Program, which is a coordinated effort of local, state, and federal governments to maintain procedures and resources sufficient to meet emergency situations ranging from natural disasters to enemy attacks.

63 O.S. § 683.11
63 O.S. § 683.12

The County Emergency Management Director also works with the county's Local Emergency Planning Committee (LEPC). These committees are responsible for helping to facilitate communications between facilities that handle hazardous materials and their respective communities. This activity is mandated by the Risk Management Program provisions of the federal Clean Air Act Amendments of 1990.

The County Board of Public Welfare Members

The State Welfare Commission appoints members to the County Board of Public Welfare, which administers state and federal assistance programs for needy persons such as disabled or handicapped adults and children and dependent children.

56 O.S. § 163

County Election Board Members and County Election Board Secretary

The State Election Board appoints two members and two alternates to the County Election Board. The State Election Board also appoints a third member and a third alternate from lists provided by the county central committees of the two political parties with the largest number of registered voters in the state, following the guidelines in the Oklahoma Statutes. The County Election Board members and alternates serve four terms each.

26 O.S. § 2-110
26 O.S. § 2-111

These members are responsible for ensuring that all of the steps necessary to organize, administer, and hold official elections are performed correctly. These steps include printing, distributing, collecting, and counting ballots; delivering them to the State Election Board; and certifying election results.

The State Election Board appoints the County Election Board secretary for a term of four years. The County Election Board secretary is the administrative officer of the County Election Board and has general supervisory authority over all precinct officials and absentee voting board members within the county.

26 O.S. § 2-112 (Eff 11/1/2019)
26 O.S. § 2-117 (Eff 11/1/2019)

The secretary of the County Election Board employs an assistant secretary and other employees necessary to perform the duties of the County Election Board. The secretary also appoints the inspector, judge, and clerk of each precinct, to serve terms of four (4) years each, per guidelines in the Oklahoma Statutes.

26 O.S. § 2-123 (Eff 11/1/2019)
26 O.S. § 2-124 (Eff 11/1/2019)
26 O.S. § 2-125 (Eff 11/1/2019)

County Free Fair Association Board Members

The board of directors of a County Free Fair Association is composed of nine members (directors), who are elected for a term of three years. Three members are elected annually from each County Commissioner's district. These members manage the fairground facilities and conduct the county free fair, junior livestock show, and other events.

2 O.S. § 15-68

Refer to “County Free Fair Association Board” in Chapter Sixteen, “Duties of the County Commissioner: County Officers, Boards, and Departments” in the *Handbook for County Commissioners of Oklahoma*, available on the County Training Program website, (<http://agecon.okstate.edu/ctp>).

Also refer to the [County Free Fair Manual](#) on the Oklahoma State Auditors and Inspector’s web site under “Publications and Forms”: “Publications.”

Other Non-Elected Officers

Other non-elected county officers may serve with other county organizations, which might include the following groups:

- County Law Library Board of Trustees
- City-County Park and Recreation Commission
- Land Use Planning Commission
- County Hospital Board of Control

20 O.S. § 1204
20 O.S. § 1205
20 O.S. § 1208
19 O.S. § 1002
19 O.S. § 1004
19 O.S. § 863.1
19 O.S. § 865.51
19 O.S. § 866.1
19 O.S. § 789
19 O.S. § 790.1

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Chapter Two

Sources of County Revenue

This chapter explains the sources of revenue for counties in Oklahoma and discusses the various revenue funds that counties can operate.

County Funds

The County General Fund

The Oklahoma Constitution and the Oklahoma Statutes authorize counties to create a County General Fund, which is the county's primary source of operating revenue.

Oklahoma Constitution
Article 9, § 10

The County General Fund is typically used to pay most county employees' salaries plus many expenses for county maintenance and operation. It also provides revenue for various budget accounts and accounts that support special services and programs. Table 2-1 shows some options for revenue amounts that could be apportioned to budget accounts that support special services as established by the Oklahoma Statutes.

62 O.S. § 331
68 O.S. § 3009
68 O.S. § 3011

The Board of County Commissioners must review and approve all expenditures made from the County General Fund.

The primary revenue source for the County General Fund is usually the county's ad valorem tax collected on real, personal household (if applicable), business personal, and public service property. Smaller amounts of revenue can come from other sources.

62 O.S. § 331

**Table 2-1. County General Fund Budget
Accounts and Regulations for Special Services**

62 O.S. § 331

Budget Account	Regulated Amount of Deposit
Crippled Children	Oklahoma Supreme Court – State v Malibuie 1981 OK 18 630 P.2d 310 – declared unconstitutional
County Audit	Mandatory to provide one-tenth mill
Governmental	Optional with the Board of County Commissioners
Tick Eradication	Optional with the Board of County Commissioners
Highway Levy for road and bridge construction and maintenance	Optional with the Board of County Commissioners
Free Fair	Optional within the limit of the applicable statute under which the free fair is organized
Free Fair Improvement	Optional within the net proceeds of one mill
Free Fair Additional Improvement	Optional within the net proceeds of one mill
Library	Optional within the net proceeds of one-half mill
Public Health	Optional within the net proceeds of one mill (when coordinated by the State Department of Public Health)
Bovine T.B.	Optional within the limit of \$5,000
Farm and Home Demonstration	Variable with the size of the county (optional within statutory limitations)

In Figure 2-1, a graph shows revenue sources for all county government funds for FY 2017. This graph depicts the average general fund sources for all 77 counties in Oklahoma. Not all counties receive revenue from all of the items included in the graph. For example, not all counties have a county sales tax.

Ad Valorem Tax Collections

Ad valorem means “according to value” or “in proportion to value.” Most people use the terms ad valorem and property tax interchangeably. Property tax is an ad valorem tax because the amount of tax is directly proportional to the taxable value of the property.

Ad valorem taxes are collected on two types of property: real property and personal property.

68 O.S. § 2806
68 O.S. § 2807

Property taxes are measured in mills. A mill is one-thousandth or \$1.00 tax for every \$1,000 of taxable value. Taxable value (assessed value) is equal to the fair cash value multiplied by the assessment percentage or ratio.

The County Excise Board can lawfully set the levy not to exceed fifteen mills (five of which are apportioned for school district purposes). They can then apportion the anticipated revenue among the county, cities, towns, and school districts.

Oklahoma Constitution
Article 10, § 9

Table 2-2 shows the ad valorem taxation process and the responsibilities of the various county offices in that process.



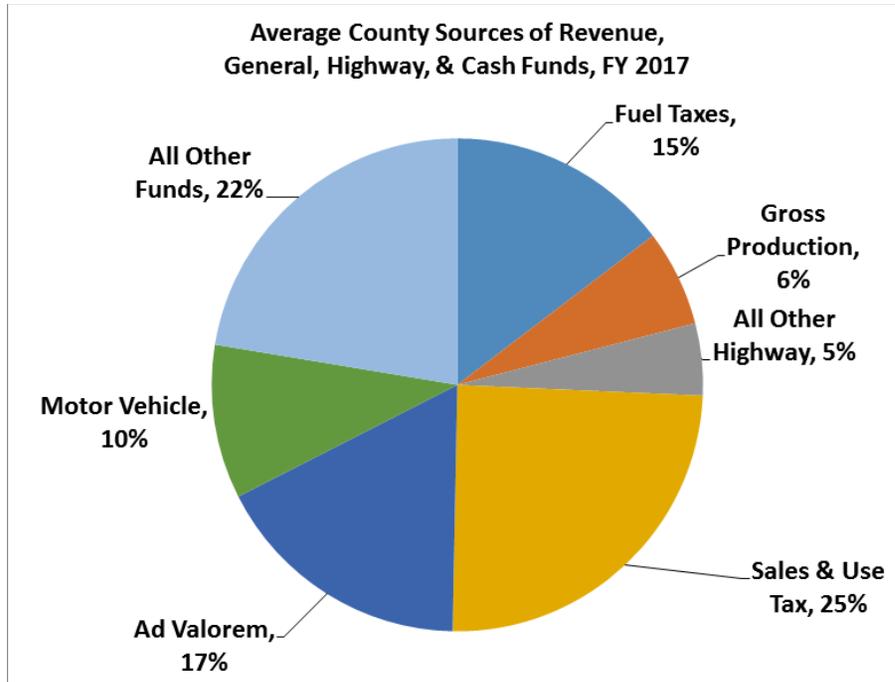
The Oklahoma Constitution limits the real property applied assessment percentage to between 11 and 13.5% of fair cash value and the personal property applied assessment percentage to between 10 and 15%. These amounts can be changed by a county-wide vote of the people.

Oklahoma Constitution
Article 10, § 8



The annual statewide, comprehensive listing, by county, of statewide local government millages is available at <http://www.agecon.okstate.edu/ctp> under “Related Publications.”

Revenue Sources, All County Government Funds, FY 2017



Sources of revenue include all revenues to General, County Highway, and Special Revenue funds. The percent of revenue by source was calculated for each of the seventy-seven counties. Then the average of the seventy-seven counties was computed based on the statistics of the individual counties.

Source: The data for this graph comes from the *Abstract of the General Fund for Counties in Oklahoma, Fiscal Year 2016-2017* published by the Oklahoma Cooperative Extension Service at Oklahoma State University, available at <http://www.agecon.okstate.edu/ctp> under “Related Publications.”



This graph shows a general average of all 77 counties in Oklahoma. Not all counties receive revenue from all of the sources shown. For example, not all counties have a sales tax.

Figure 2-1. Revenue Sources, All County Government Funds, FY 2017

Table 2-2. County Ad Valorem Taxation Process

Office or Board	Activity
County Assessor	Appraises real property and accepts renditions on personal property $\text{appraised value} = \text{fair cash value according to use}$
	Applies assessment ratio to appraised value $\text{appraised value} \times \text{assessment ratio} = \text{gross assessed valuation}$
	Applies applicable exemptions to determine net assessed valuation. $\text{gross assessed valuation} - \text{exemptions} = \text{net assessed (or taxable) valuation}$
	Prepares a summary of the assessment rolls (an abstract of all valuations of taxable property in the county)
	<ul style="list-style-type: none"> • Certifies and presents this summary to the County Excise/Equalization Board and the Oklahoma Tax Commission
County Excise Board	Receives and reviews the County Assessor's summary, which shows the county's tax base Later receives certified values from the State Board of Equalization $\text{(county's total taxable valuation)}$
	<ul style="list-style-type: none"> • Receives and reviews estimates of needs from each department of county government
	Determines exact tax levy and certifies the levies to the County Assessor $\text{levy (up to constitutional limitation)} = \frac{\text{tax revenues needed}}{\text{taxable valuation}} \times 1000$

Table 2-2. County Ad Valorem Taxation Process (Continued)

Office or Board	Activity
County Assessor	Applies the levy to each entry on the assessment rolls $\text{mill rate} \times \text{taxable value} / 1000 = \text{tax}$
	Prepares the tax rolls
	Certifies the tax rolls to the County Treasurer
County Treasurer	Prepares and mails tax statements
	Receives tax payments
	Issues delinquent tax notices and warrants on personal property
	Initiates and supervises tax sales on real property for nonpayment of taxes

Table 2-3 shows a hypothetical computation of the property tax due on an \$80,000 house in a county where the assessment ratio is 12% and the levy is 80 mills.

Table 2-3. Property Tax Calculation

Fair cash value of a home	\$80,000.00
Times the assessment ratio	x .12
Equals assessed value	\$9,600.00
Less homestead exemption	<1,000.00>
Equals net assessed value	\$8,600.00
Times the tax rate (80 mills) or $80/1000 = 0.080$	x 0.080
Equals tax due	\$688.00



The annual statewide, comprehensive listing, by county, of statewide local government millages is available at <http://www.agecon.okstate.edu/ctp> under “Related Publications.”

Real Property

Real property consists of land or a combination of land and building improvements. The County Assessor determines the fair cash value according to how this real estate is being used. Any change in the property during the year, such as new construction or the removal of a building, results in a reassessment. The assessor must reassess each piece of real property at least every four years.

68 O.S. § 2806

Personal Property

Personal property includes individual personal property and business personal property.

68 O.S. § 2807

Individual personal property includes such things as clothing, furniture, tools, jewelry, silverware, sporting equipment, pianos, grain loaders, saddles, and other items.

Business personal property includes commercial, business, and professional equipment such as furniture, machinery, merchandise inventories, merchandise on consignment, and merchandise on leased land.



Counties can elect to abolish household personal property taxes.

Oklahoma Constitution
Article 10, § 8A

For counties that have passed the county option to abolish household personal property and livestock in support of the family, the constitutional 10-mill limitation is increased to compensate for the loss in the tax base and make the tax base revenue neutral in tax collections in the year in which it was passed by a vote of the people.

Other Ad Valorem Funded Budgets

The proceeds of specific revenue sources that can be expended only for specified purposes as restricted by the Oklahoma Statutes are held in special revenue funds. The following funds are examples of special revenue funds that derive revenue from ad valorem tax levies:

- County Health Department
- County Building
- Emergency Medical Services
- Solid Waste Management District - 3 mills
- County Industrial Development Fund – 5 mills
- Cooperative Library – 1~4 mills
- County Sinking Fund

Oklahoma Constitution
Article 10, § 9A
63 O.S. § 1-223

Oklahoma Constitution
Article 10, § 10
Article 10, § 9Ca

Oklahoma Constitution
Article 10, § 35

Oklahoma Constitution
Article 10, § 10A

Oklahoma Constitution
Article 10, § 26
Article 10, § 28

Refer to Chapter Nine, “General Description of Ad Valorem Taxation, in the *Handbook for County Assessors of Oklahoma* for a list of all levies with their legal citations. Refer to OSU Extension Facts AGEC-795, “Ad Valorem Taxes” for additional information.

Exemptions to Ad Valorem Taxation

The Oklahoma Statutes provide for tax exemptions for governmental, educational, religious, and charitable institutions.

68 O.S. § 2887

They also provide for other exemptions such as the homestead exemption.

Homestead Exemption

Persons who own homes in the county are eligible for a homestead exemption provided the home is their actual permanent residence, and they are citizens of Oklahoma.

A homestead is exempt from ad valorem taxation to the extent of \$1,000 of the assessed value.

68 O.S. § 2889

Persons who purchased homes during the past year are eligible for a homestead exemption if the following two criteria apply:

1. The persons were actually living on the property on January 1 of the current taxable year.
2. The deed or other evidence of ownership has been or will be filed for record in the County Clerk’s office prior to February 1 in the year in which the owner first applies for the homestead exemption.

Property owners are not entitled to a homestead exemption if any of the following criteria apply:

- The owner is not actually residing on the property on January 1 of the taxable year.
- The property is rented.
- The deed or other conveyance of title is not on record in the County Clerk's office prior to February 1 of the year in which the owner first applies for the homestead exemption.
- The title to the property is in probate (except for the surviving spouse or minor children living on the property).

Additional Homestead Exemption

An additional homestead exemption is an additional exemption allowed to any homeowner who meets the following conditions:

68 O.S. § 2890

- The homeowner is eligible for a homestead exemption.
- Application for additional homestead must be made annually on or before March 15.
- The homeowner's gross household income is \$20,000 or less for the preceding year.

Ad Valorem Tax Refunds or Credits

A head of household can qualify for a refund or credit of ad valorem tax payments if the following conditions apply:

68 O.S. § 2906

- The person is totally disabled or is 65 years of age or older.
- The person's gross household income is \$12,000 or less.
- The person has been living in the state during the entire preceding year.

A head of household can also qualify for a refund or credit of ad valorem tax payments if the following condition applies:

- The person has been honorably discharged from active service in any branch of the Armed Forces of the United States or Oklahoma National Guard, and has been certified by the United States Department of Veterans Affairs or its successor to have a 100% permanent disability sustained through military action or accident or resulting from disease contracted while in such active service, or is the surviving spouse of this person.

Oklahoma Constitution
Article 10, Section 8E

The remainder of this chapter will focus on other sources of county revenue.

Additional Revenue Sources for the County General Fund

Fees and Collections

Fees and collections are another source of revenue for the County General Fund. They are revenue sources generated by a political subdivision. Fees are charged for services provided. The majority of the services and accompanying fees are established by the legislature, municipal ordinance, or an administrative action by a governing board. Collections are the revenues obtained from the fees.

28 O.S. § 43

For example, the County Clerk collects a fee for recording deeds and other legal documents, and the County Treasurer collects fees associated with collecting delinquent taxes.

28 O.S. § 32

County Sales Tax

County sales tax revenues can also be placed in the County General Fund. Any county with a population of 300,000 or less may levy up to a two percent county sales tax. Counties with populations larger than 300,000 may levy a restricted tax of one-half of one percent or one percent to finance certain facilities.

68 O.S. § 1370
68 O.S. § 1307.2
68 O.S. § 1370.4,



County sales tax revenues can also be kept in a separate revolving fund that has been specifically set up for that purpose.

To institute a county sales tax, the Board of County Commissioners must call an election or an initiative petition must be completed. In either case, an election is held to perform the following activities:

- Implement the tax
- Set the tax levy
- Set the duration of the tax, which may be for a specific or indefinite time period
- Set the use(s) for which the sales tax collections will be used

A simple majority of the eligible voters in the county is required to pass the sales tax.

68 O.S. § 1370

Sales tax revenues may be used for general operations, capital improvements, county roads, or other necessary uses as designated. Such uses must promote the safety, security, and the general well-being of the people of the county.



Incorporated cities and towns are allowed to levy a sales tax. Any municipal sales tax would be in addition to the 4.5 percent levied by the state and the maximum two percent allowed for county government. The amount of a municipal sales tax must be approved by a majority vote of the registered voters at a general or special election.

68 O.S. § 1354

68 O.S. § 2701

68 O.S. § 2705

County Use Tax

The Board of County Commissioners of a county with a county sales tax in place may levy an additional excise (use) tax, at a rate that equals the county sales tax rate. This use tax shall be paid by every person storing, using, or otherwise consuming within the county tangible personal property purchased or brought into the county. These purchases include mail and phone orders and internet purchases from merchants who have no physical presence in Oklahoma. The Board of County Commissioners also sets the purpose(s) for which the use tax is spent.

68 O.S. § 1411

68 O.S. § 2705

Refer to OSU Extension Facts [AGEC-765, "Use Tax for County Government"](#) for additional information on use tax.

State Transfer Payments

The State of Oklahoma makes transfer payments to counties, cities, towns, and school districts, some of which are deposited into the County General Fund. Some state transfer payments may be deposited into various cash funds, which are discussed later in this chapter. State transfer payments are generated primarily from the following sources:

- Motor fuel excise taxes, including gasoline, compressed/liquefied natural gas, and diesel
- Special fuel taxes
- Collections
- Forfeiture taxes
- Motor vehicle license and registration fees
- Gross production tax

68 O.S. § 500.7

47 O.S. § 1104

68 O.S. § 1004

In addition, school districts receive funds from the state rural electric co-op tax according to the number of miles of power lines within each district. Cities and towns receive funds from the state alcoholic beverage tax based on total area and population. Counties and municipalities with racetracks also receive monies from admission fees.

37A O.S. § 5-104

The Oklahoma Tax Commission (OTC) makes transfer payments to the County Treasurer for cities and counties.

Table 2-4 shows the sources and uses of state monies that are transferred to counties.



Refer to the OTC website

(https://www.ok.gov/tax/Forms_&_Publications/Reports_&_Statistics/), which contains several reports such as “Revenue Taxes and Licenses Distributed to County Roads.”

In-Lieu Taxes

In-lieu taxes, which are deposited into the County General Fund, are taxes that substitute for, or take the place of, ad valorem taxes. In-lieu taxes come from the following sources:

- Auto Tax Stamps
- Registration fees and taxes on aircraft
- Registration and licenses for vessels and motors
- Textile taxes
- Farm tractors and equipment

68 O.S. § 5301
68 O.S. § 5302
47 O.S. § 1137.1

3 O.S. § 256

63 O.S. § 4003(A)(2),(B)(2)
63 O.S. § 4023

68 O.S. § 2001
68 O.S. § 5401
68 O.S. § 5402
68 O.S. § 5403
68 O.S. § 5404

Reimbursements

Counties may receive reimbursement revenues such as the following examples, which also go into the County General Fund.

- Visual Inspection: All local jurisdictions (such as school districts or road districts) that benefit from ad valorem assessment pay a pro-rated share of the total visual inspection budget for the County Assessor's program of visual inspection where county properties are visually inspected at least once every four years and revalued annually. This cost is included in the county budget, and the local jurisdictions reimburse their shares of the cost to the county.
- District Attorney: The county initially pays for certain expenses for the District Attorney, but the state, through the District Attorneys Council, reimburses the county for certain expenses that the county is not required to provide, such as maintenance, operation, and capital outlay. Counties must provide the District Attorney with office space, including heating, cooling, and maintenance of that space; a law library and necessary legal subscriptions; and funds for investigation, prosecution, or defense of any action where the county is a party.

68 O.S. § 2817
68 O.S. § 2820
68 O.S. § 2822
68 O.S. § 2823

19 O.S. § 215.36
19 O.S. § 215.37B
19 O.S. § 215.38

Table 2-4. State Transfer Payments to Counties Sources and Uses

Revenue Source/Tax Rate	Use	
	County Roads	County Government
Gasoline Excise Tax (\$.16/gallon) 68 O.S. § 500.4~500.63, 68 O.S. §602 68 O.S. § 603(A)(1)	~33%	
Diesel Excise Tax (\$.13/gallon) 68 O.S. § 500.4~500.7, 68 O.S. § 602 68 O.S. § 603(A)(2)	~34%	
Special Fuel (\$.16/gallon) (7%, 5%, 4%, 2%, or 1%) 68 O.S. §§ 703, 704, 705, 706, 707.1, 707.2, 707.3	30.9961%	
Gross Production Tax on oil (7%, 5%, 4%, 2%, or 1%) 68 O.S. §§ 1001, 1004	Varies by tax rate*	
Gross Production Tax on natural gas 68 O.S. §§ 1001, 1004	Varies by tax rate*	
Motor Vehicle License and Excise Tax 47 O.S. § 6-101, 47 O.S. § 6-114, 47 O.S. § 6-115, 47 O.S. § 1004 47 O.S. § 1105 et.seq., 47 O.S. § 1115~1151, 68. O.S. § 2102~2110	33% **	0.83% **
Counties with Racetracks: Admission Fee Tax 3A O.S. § 207		50% or 100%
Gross Production Tax (asphalt or ores) ³ / ₄ of 1% of value 68 O.S. §§ 1001, 1004	7.14%	

* Percentage to County Highway Fund is basically 0.5% of the value of production. County Bridge and Road Improvement Fund receives additional allocations.

** Several of the motor vehicle items are capped at the amount received in FY 15.

- Election Board Secretary: The county initially pays salaries and fringe benefits for each election board secretary, but the state, through funds appropriated by the state legislature, reimburses the county at a rate not to exceed 135% of the specified salaries. The county files claims for this reimbursement with the Secretary of the State Election Board. The county must supply the election board with appropriate office space.
- Ad Valorem Exemptions: The county may receive reimbursements for ad valorem exemptions such as additional homestead exemptions; exemptions granted for new or expanded manufacturing or research and development facilities; and state owned agricultural land for which no state agency is making an in-lieu ad valorem payment.

26 O.S. §2-118
26 O.S. § 2-119
26 O.S. § 2-121

62 O.S. § 193
62 O.S. § 194

Funds

Cash Funds

Special revenue funds, or cash funds, are created by the Oklahoma Statutes and must be accounted for separately. Accounts within a cash fund are not subject to fiscal year limitations, which means that any cash surplus in an account at the end of a fiscal year remains with that account at the beginning of the new fiscal year. The Oklahoma Statutes may reference cash funds as revolving funds. Cash fund revenues come from many sources including the following sources:

62 O.S. § 331

1. Excise taxes that the State of Oklahoma collects and distributes to counties
2. State of Oklahoma contributions from its General Revenue Fund
3. Local collections of monies

Cash funds differ from the County General Fund in one important way. County General Funds can be apportioned by the County Excise Board according to anticipated receipts. Revenue in cash funds must be actually collected before it can be disbursed. The following are some examples of county cash funds:

- County Sales Tax Fund 68 § 1370 (E)
- County Assessor’s Fee Revolving Fund 68 § 2829.1
- Emergency Management Fund 63 § 683.17
- County Community Service Sentencing Program (CSSP) Fund 22 § 991a 4.1
- County Commissioners’ Litter Reward Fund 22 § 1334
- County Highway Fund 69 § 1503
- County Clerk’s Lien Fee Fund 19 § 265
- County Sheriff’s Service Fee Fund 19 § 514.1
- County Treasurer’s Resale Property Fund 68 § 3137
- County Sheriff’s Trash Dumping Fund (Sheriff’s Environmental Reward Fund) 21 § 1761.1 (A-H)
- County Treasurer’s Mortgage Certification Fee Fund 68 § 1904
- Preservation Fee Fund (Effective July 1, 2001) 68 § 3
- County Lodging Tax Revolving Fund 28 § 32
- County Lodging Tax Revolving Fund 68 O.S. § 1370.9

Cash Fund Appropriations

62 O.S. § 331

Revenues for cash fund accounts are deposited with the County Treasurer upon receipt. Some funds are deposited electronically directly into the county bank account. The County Treasurer creates a miscellaneous receipt upon deposit of any funds.



The revenue deposited with the County Treasurer is NOT available for expenditures until the appropriation of funds is made by the Board of County Commissioners and the County Excise Board or the Budget Board.

At the end of the month, the County Treasurer apportions the received revenue into the proper cash funds. Upon completing the apportionment of funds, the cash appropriation process can begin by completing [SA&I Form No. 308, “Cash Fund Estimate of Needs and Request for Appropriation.”](#)

- Part One, Certification of Funds Available, is completed by the County Treasurer.
- Part Two creates the Estimate of Needs that shows the appropriation account in which the revenue is to be apportioned. This part is completed by the county officer, the Board of County Commissioners, or the County Clerk.
- Part Three involves the County Excise Board (or the Budget Board in counties that have adopted the County Budget Act) reviewing the request to determine that the funds are available and that the funds are allocated according to law.

Upon approval, the form is returned to the County Clerk. Upon receipt of SA&I Form 308, the County Clerk will post to the appropriation ledger. The revenue is now available for the county officer that governs the cash fund to use the funds.

Other Funds

Please refer to [“Funds”](#) in Chapter Four, “The County Accounting System,” for information on county funds.

Audit Structure

Each county in Oklahoma shall, every two years, have an audit made by the State Auditor and Inspector. The audit shall be a financial or performance audit to be determined by the State Auditor and Inspector.

19 O.S. § 171

The county has the option to prepare financials on a fund-basis format or as prescribed by the Governmental Accounting Standards Board (GASB). When using GASB standards, county funds would be categorized and reported using the General Accepting Accounting Principles (GAAP) fund types and classification.

- For county financial audits, primary government only, the financial statements shall be presented on a fund basis format with, at a minimum, the general fund and all other county funds that represent ten percent or greater of total county revenue. All other funds included in the audit shall be presented in the aggregate.

19 O.S. § 171.(C)

Chapter Three

The County Budget Process

Budget Preparation

County Officers, the County Excise Board, and County Budget Boards (in County Budget Act counties) are required by law to perform several very important functions in the process of budget preparation and review.

This chapter discusses the purpose of budgets in general, the elected officials' roles in the annual budget process, and the County Excise Boards' and the Board of County Commissioners' or County Budget Boards' responsibilities and authorities in budget review and approval. It addresses, in particular, the County General Fund budget process. Other funds, such as the Highway Fund, are budgeted and appropriated monthly, rather than annually.

To ensure fiscal responsibility and accountability of public officials to the law and the people that they serve, Oklahoma state law requires all units of local government to prepare an annual financial statement and estimate of needs for certain funds, especially the General Fund. These documents must be available for inspection by state and county review boards and the general public. The county fiscal year in Oklahoma is July 1 through June 30.

The governing board is responsible for ensuring that each county officer and department files a financial statement (annual report form, Office of the State Auditor and Inspector (SA&I) Form No. 1161 or SA&I Form No. 1162, as appropriate) that shows revenues and expenses for the past year and an estimate of expenditures for the next fiscal year. This information is used on SA&I Form No. 2631R97, "Estimate of Needs and Financial Statement." The Board then uses that information to report an itemized statement of estimated needs to the County Excise Board. In counties with a

68 O.S. § 3002
68 O.S. § 3004

Budget Board, the key difference is that the Budget Board submits the proposed budget to the County Excise Board.



To access [SA&I Form 2631R97](#), click on the link for this form. When the web page appears, click on “County” in the “Form Name” list. You will be prompted to open an Excel file.

The Purpose of a Budget

Preparing a well-researched and carefully planned budget should help the money managers perform two important tasks:

1. Reviewing the source and expenditure of funds during the past fiscal year
This step reveals how effectively money has been spent and how efficiently programs and projects have been administered.
2. Proposing expenditures on the basis of revenues anticipated during the coming year
This step shows how to efficiently continue or increase past expenditures, and how to prioritize spending for the next fiscal year.

Forms Related to the Budget Process

The County Clerk, as secretary to the Board of County Commissioners or the Budget Board, acquires all forms related to the county budget process. The County Clerk normally distributes these forms to the county offices.

68 O.S. § 3002
68 O.S. § 3004

The following forms are the primary forms used in the county budget process:

- County officers annual report forms, [SA&I Form No. 1161](#) and [SA&I Form No. 1162](#)
- Cash Fund Estimate of Needs and Request for Appropriation, [SA&I Form No. 308](#) (used monthly only for cash funds)

- Certificate of Levy, SA&I Form No. 2633
- Estimate of Needs and Financial Statement, SA&I Form No. 2631R97
- Officer's Request for Supplemental Appropriation, [SA&I Form No. 388](#)
- Supplemental Estimate, [SA&I Form No. 150](#)
- Transfer of Appropriations, [SA&I Form No. 237](#)

Budget Submissions

The County Excise Board is responsible for approving the budget and appropriations. The County Excise Board revises the budget if needed and appropriates the funds. They may collaborate with the Board of County Commissioners. Some counties, however, have elected to have a County Budget Board, which is largely responsible for budget revisions if the County Excise Board determines that changes are needed.

[Table 3-1](#) summarizes the differences between the two county budget systems.

County Budgets in Counties With the Commissioner/Excise Board Budget Method

Most counties use the Commissioner/Excise Board Budget Method. The Board of County Commissioners prepares and submits Estimates of Needs for the county to the County Excise Board. The County Assessor must also submit an Estimate of Needs for the visual inspection program to the County Excise Board. [Table 3-2](#) shows the fiscal timetable for counties that use the Commissioner/Excise Board Budget Method.

68 O.S. § 3002

**Table 3-1. Differences Between the Two County Budget Systems:
Commissioner/Excise Board System and Budget Board System**

Activity	Commissioner/Excise Board	Budget Board
Estimates available funds and needs for county	County Excise Board by July 1	County Excise Board by a date set by the Budget Board
Holds Budget Conference	County Excise Board	Budget Board
Submits budget	Board of County Commissioners to County Excise Board by August 17	Budget Board to County Excise board by July 1
Makes temporary appropriations	County Excise Board	Not necessary
Handles inadequate provisions for mandatory functions	County Excise Board provides an estimate of needs if the officer in charge does not	County Excise Board returns the budget to the Budget Board, which must respond in 15 days
Trims requests: Reduced amounts that exceed lawful amount Apportions revenues that exceed appropriation amounts	County Excise Board or County Excise Board/Board of County Commissioners jointly	County Excise Board, in limited cases or County Excise Board returns budget to the Budget Board, which must respond within 15 days
Approves balanced, lawful budget	County Excise Board	County Excise Board
Amends budget and supplements	Authorized by the County Excise Board	Authorized by the Budget Board
Approves budget transfers	Board of County Commissioners, which also notifies the County Excise Board	Budget Board

**Table 3-2. Fiscal Timetable for Counties Using
the Commissioner/Excise Board Budget Method**

Date	Activity	Statute Reference
January 1	The County Assessor lists, appraises, and assesses all property for ad valorem taxation, based on the estimated fair cash value on January 1.	68 O.S. § 2831
January 1 to March 15	The County Assessor accepts personal property renditions from individuals and businesses, homestead exemption applications, and manufacturer's exemption applications. NOTE: Homestead exemption applications are accepted all year. They must be filed by March 15 to apply to the current year.	68 O.S. § 2832 68 O.S. § 2892
January 1 to the 4th Monday in April	The County Assessor sends notices to those whose exemptions are denied and to anyone whose property value is being increased from the previous year.	68 O.S. § 2876
While the Board of equalization is in session	The County Assessor begins preparing the assessment roll: the taxable value of property is recorded, the assessment ratio is applied to derive the assessed value, and exemptions are deducted from the assessed value to compute the net taxable value.	68 O.S. § 2842
Before April 30	The County Assessor prepares an exemption reimbursement form to be signed by the Board of County Commissioners and sent to the Oklahoma Tax Commission. The exemption reimbursement form shows the amounts of additional homestead and manufacturer's exemptions that were granted during the previous assessment year. If the OTC approves these exemptions, the State reimburses all or a portion of the taxes lost due to these exemptions. The claims must be approved or disapproved by June 15 each year.	62 O.S. § 193

**Table 3-2. Fiscal Timetable for Counties Using
the Commissioner/Excise Board Budget Method (Continued)**

Date	Activity	Statute Reference
Within 20 days of notice of increase of valuation	Taxpayers must file any complaints regarding assessed value or denial of exemption. The County Assessor holds an informal hearing with the taxpayer and makes a decision within seven days. If the taxpayer is still dissatisfied, the taxpayer must file an appeal with the County Board of Equalization within fifteen days of the date the notice is mailed or delivered.	68 O.S. § 2876
April 1 to May 31	The County Board of Equalization in counties with total assessed valuations of less than one billion dollars hears taxpayers' protests and makes their decisions.	68 O.S. § 2863
Within 30 days after decision of the County Board of Equalization is mailed	If desired, the County Assessor or the taxpayer may appeal any decision of the County Board of Equalization in District Court.	68 O.S. § 2880.1 68 O.S. § 2902
June 15	The County Assessor must file the annual abstract of assessment with the OTC.	68 O.S. § 2867
Within 10 days of receiving certification	The County Assessor files an abstract of assessment (Report to Excise Board) with the County Excise Board.	68 O.S. § 2867
On or before the first Monday in July	Each county and local governmental entity files a record of earnings and costs for the past year and an estimate of needs for the new fiscal year with the Board of County Commissioners or their governing board. The report shows amounts for personnel (including travel), maintenance and operation, capital outlay, and other appropriate items. The County Assessor shall make adequate provisions for the Visual Inspection Program, which each jurisdiction receives. The County Excise Board or the Budget Board shall notify all jurisdictions of any meeting at which discussion or action will take place.	68 O.S. § 3004 68 O.S. § 2822

**Table 3-2. Fiscal Timetable for Counties Using
the Commissioner/Excise Board Budget Method (Continued)**

Date	Activity	Statute Reference
First Monday in July or earlier	The County Excise Board meets to organize, elect officers, set dates for the budget hearings and other public meetings.	68 O.S. § 3006 68 O.S. § 3013 68 O.S. § 3014
By July 1	The County Excise Board holds a budget planning conference with each county officer to discuss personnel needs and to provide the officer with a tentative estimate of available revenues for the new fiscal year.	19 O.S. § 180.65
After beginning of fiscal year	The County Excise Board approves temporary appropriations for the new fiscal year.	68 O.S. § 3020
On or prior to July 25	The County Excise Board apportions the millage as authorized by the Oklahoma Constitution.	Oklahoma Constitution Article 10 § 9 68 O.S. § 3015
On or prior to July 31	The State Board of Equalization shall cause the assessed valuations of any railroad, air carrier, or public service corporation to be certified by the State Auditor and inspector to the County Assessors of each county in which any portion of the property may be located.	68 O.S. § 2860
By August 17	The Board of County Commissioners files the budget document with the County Excise Board.	68 O.S. § 3002
On date set by County Excise Board	Up to ten days of public hearings	68 O.S. § 3012 68 O.S. § 3013
Within 15 days after the budget document is filed	The County Excise Board fixes levies and makes budget appropriations. If property valuations have not been certified, the County Excise Board has 30 days from the time the values are certified to fix levies and make budget appropriations. The County Clerk publishes a notice that budgets and levies are on file for inspection.	68 O.S. § 3014 68 O.S. § 3022
On or before October 1	The County Assessor delivers the tax roll to the County Treasurer and delivers the tax roll abstract to the County Clerk.	68 O.S. § 2869 68 O.S. § 3014

**Table 3-2. Fiscal Timetable for Counties Using
the Commissioner/Excise Board Budget Method (Continued)**

Date	Activity	Statute Reference
First Monday in July or earlier	The County Excise Board meets to organize, elect officers, set dates for the budget hearings and other public meetings.	68 O.S. § 3006 68 O.S. § 3013 68 O.S. § 3014
November 1	The County Treasurer mails tax statements (within 30 days after receiving the tax roll) to property owners.	68 O.S. § 2869 68 O.S. § 3014 68 O.S. § 2915
Before January 1	Taxpayers must pay at least one-half of each property's ad valorem tax levy	68 O.S. § 2913
Before April 1	Taxpayers must pay the second half of each property's ad valorem tax levy.	68 O.S. § 2913

The County Excise Board

Each county has one County Excise Board, which is an agency of the state, created by law, as part of a system of checks and balances required by the Oklahoma Constitution. This board is composed of the members of the County Board of Equalization. These members are appointed in the following manner:

68 O.S. § 2861
68 O.S. § 3005.1

- One member by the Oklahoma Tax Commission
As a matter of practice, the Oklahoma Tax Commission typically seeks the advice of the county's state senator.
- One member by the Board of County Commissioners
- One member by the District Judge or a majority of the District Judges in all judicial districts with more than one District Judge

The County Clerk serves as secretary to the County Excise Board.

The tenure of the County Excise Board must be coterminous with that of the County Commissioners in Districts 1 and 3 and must follow other requirements set forth in the Oklahoma Statutes. The County Excise Board must perform the following functions:

68 O.S. § 2861
68 O.S. § 3005.1(A)

- Require adequate and accurate reporting of finances and expenditures for all budget and supplemental purposes from all county entities
- Provide each county officer with adequate funds for the performance of mandatory constitutional and statutory governmental functions within the financial means available
- Other duties as defined in the Oklahoma Statutes

68 O.S. § 3007
68 O.S. § 3014
68 O.S. § 3006
68 O.S. § 3007

The County Excise Board meets at the county seat on the first Monday in July each year, or on a date determined by County Excise Board members. The board organizes and elects, for the upcoming fiscal year, one of its members as chairman and another member as vice-chairman to perform certain duties as required by law.

Abstract of Assessed Valuations

Within ten days after receiving the certificates of assessment of centrally assessed properties (all the railroads, air carriers, and public service corporations), and the equalized value of real and personal property of the county, the County Assessor prepares and files an Abstract of Assessed Valuations for the county and each municipal subdivision within the county with the County Excise Board. These values are used in preparing the county budgets.

Who Submits Budgets

The following entities should prepare and submit budgets to the County Excise Board on SA&I-prescribed forms:

- The Board of County Commissioners (except in counties with budget boards)
- The governing body of each city and town (except Municipal Budget Act cities)
- The board of education of each school district and technology center
- Any taxing entity that requires a levy, such as a library, health organization, EMS, or other entity.

68 O.S. § 2867

68 O.S. § 3002

11 O.S. § 17-209

Budget Planning Conference

The County Excise Board holds a budget planning conference with each principal officer and department head before July 1 to discuss personnel needs for the next fiscal year. Prior to this meeting, the board provides the principal officers with an estimate of probable revenues for the next fiscal year.

19 O.S. § 180.65(E)

County Officers Annual Report

Following the budget planning conference, each county officer prepares the county officer's annual report on [SA&I Form No. 1161](#) or [SA&I Form No. 1162](#), the county officers' annual report forms, which are provided by the County Clerk. This report is actually two reports: a financial report of earnings and expenditures and an estimate of needs. This report must be submitted to the Board of County Commissioners (through the County Clerk acting as the secretary to the Board) by the first Monday in July and consists of the following information:

19 O.S. § 345

- An estimate of earnings for the past year
- A report of expenditures for the past year
- An estimate of needs for the coming year

68 O.S. § 3004

The estimate of earnings and the report of prior expenditures show the income received along with the costs of operating the office in the outgoing fiscal year. The estimate of needs is an itemized statement of the funding needed to operate the office during the upcoming fiscal year.

Role of Board of County Commissioners

19 O.S. § 345
68 O.S. § 3002
68 O.S. § 3003
68 O.S. § 3004

On the first Monday in July, the Board of County Commissioners is required by law to meet to begin the following processes:

- Review the county officers' annual reports
- Prepare the county's financial statement for the fiscal year ended June 30
- Prepare the county's annual estimate of needs for the next fiscal year ending June 30

County's Annual Budget Report

The county's annual financial statement and annual estimate of needs prepared on [SA&I Form No. 2631R97](#) by the Board of County Commissioners constitute the county's annual budget report (except in counties with budget boards.) Although not designed to meet the statutory requirements of the County Budget Act applicable to budget board counties, some budget board counties have found this form to be useful and do use it.

68 O.S. § 3002
68 O.S. § 3004
68 O.S. § 3005

The financial statement should show an accounting of county monies received and disbursed during the previous fiscal year.

The itemized estimated budget for the next fiscal year should include the following information:

- The probable expenses of all elected officers and their departments for the coming year
- The amount required by law for any sinking fund
- Probable income from ad valorem taxes and sources other than ad valorem taxes



The Oklahoma Statutes do specifically prohibit the Board of County Commissioners from including any revenue from nonrecurring sources in this income estimate.

68 O.S. § 3003

Publication of Financial Statement and Budget

When it is completed, the Board of County Commissioners must have printed a full and accurate statement of the assessments, receipts, and expenditures of the preceding year. This is a financial statement.

68 O.S. § 3002
19 O.S. § 345

Each financial statement and estimate of needs must be published in one issue in some legally qualified newspaper. The publication format is prescribed by the State Auditor and Inspector as shown in Exhibit Z of SA&I Form 2631R97. An affidavit showing the publication must be attached when the financial statements and estimates of need are filed with the County Excise Board.

68 O.S. § 3002

Presentation of Financial Statement and Budget to the County Excise Board

Before August 17, the Board of County Commissioners must submit the completed financial statement and estimated budget to the County Excise Board and sign the statement of certification, which certifies that the documents are filed in the County Clerk's office. Usually the County Clerk, serving as secretary to the County Excise Board, files the documents in the County Clerk's office and signs the certificate.

68 O.S. § 3002

Review and Approval of the County Budget

In approving the county budget, the County Excise Board should follow certain procedures:

68 O.S. § 3007

- Examine the financial statements of the county officers to determine the true fiscal condition of each fund and the accounts within each fund as of June 30 and request additional information when necessary
- Examine the estimates of need for the following criteria:
 1. Determine if a request is lawful and adequate
 2. Provide for mandatory items that are not included

- Compute the total revenues available to each fund
- Revise the budget in whole or part through the following steps when the total estimate of needs exceeds the total revenues available:
 1. Reduce items for functions authorized, but not required, by constitutional law or statutory law
 2. If necessary, then reduce items for functions required by statutory law
 3. If necessary, then reduce items for functions required by constitutional law

The County Excise Board does not have the authority to deny an appropriation for a lawful purpose if the revenue and income are available.

Neel v Board of County
Com'rs of Cherokee County,
Okla., 617-P2d 201 (1980)



The County Clerk files all budgets with the Office of the State Auditor and Inspector.

The County Excise Board shall fix the time and place for public hearings regarding budgets. The notice of these hearings shall be provided in one publication of general circulation. Any taxpayer may appear for or against any part of the statements of estimated needs for the current fiscal year. The County Excise Board shall have the power to call in the county official or person in charge for examination concerning estimated needs. Budget hearings may last up to ten days.

68 O.S. § 3012
68 O.S. § 3013

Publication of Approved Budget

The County Clerk must publish a notice one time in a newspaper of general circulation in the county stating that the approved budget is completed and is on file for inspection by any citizen at the County Clerk's office.

68 O.S. § 3022

Transfer of Appropriations

The County Clerk receives requests for transfers of appropriations as secretary to the governing board. If the governing board makes any transfers of appropriations, the County Clerk makes the proper entries in the appropriation ledger and then notifies the County Excise Board in writing.

62 O.S. § 461

A transfer of appropriations occurs when monies are transferred within a fund from an account with a surplus to another account that needs additional revenues. Monies can be transferred within a fund but cannot be transferred from one fund to another fund except in Budget Board counties under limited circumstances. Thus, a transfer of appropriations neither increases nor decreases the fund's balance.

19 O.S. § 1420

In Budget Board counties, if at any time during the budget year it appears probable that revenues available will be insufficient to meet the amount appropriated, or that due to unforeseen emergencies there is temporarily insufficient money in a particular fund to meet the requirements of appropriation in the fund, the County Budget Board shall take such action as it deems necessary. For that purpose, it may amend the budget to reduce one or more appropriations or it may amend the budget to transfer money from one fund to another fund, but no appropriation for debt service may be reduced and no appropriation may be reduced by more than the amount of the unexpended and unencumbered balance. No transfer shall be made from the debt service fund to any other fund except as may be permitted by the terms of the bond issue or applicable law.

A transfer of appropriations may occur between budget accounts in the County General Fund. For example, a transfer of appropriations within the County General Fund may be made from the nonexpended and nonencumbered balance of the appropriation of a county office with less urgent needs to the account of a county office with immediate urgent needs.

AG Opinion No. 85-20

County officers make requests to the governing board for a transfer of appropriation on SA&I Form No. 237 entitled "[Transfer of Appropriations.](#)" The following information must be provided when requesting a transfer of appropriation:

- The additional needs that require a transfer of appropriation
- The reason for the additional needs
- A detailed list of items
- A detailed list of items proposed to be canceled in the account from which the transfer is made
- The written consent of the county officer in charge of the account from which the transfer is made

A transfer of appropriations requires the approval of the governing board, which permits both the transfer and the cancellation or reduction of the appropriation in the original account.



A General Fund appropriations account must have at least \$1.00 in it before any monies can be transferred into it. Monies cannot be transferred into a zero-balance account.



In budget board counties, the Office of the SA&I recommends that transfers of funds between funds occur only under limited special circumstances. Restricted funds cannot be transferred to another fund.

Transfers for Error Correction

Transfers to correct errors are sometimes necessary. However, these transfers need to be noted as error corrections so that they are not included in the fiscal year-end financial statement. Since the purpose is to correct an error of an item accidentally paid from the wrong account or accidentally deposited into the wrong account, the transfer should be netted out of either revenue or expenditures. If the error is from a previous fiscal year, then it should be netted out of the beginning balance. Use [SA&I Form No. 240](#) (See Standard Operating Procedure (SOP) #12 and 13 in the Chart of Accounts.)

Transfers for Emergency and Transportation Revolving (ETR) Loans

When the county receives an Emergency and Transportation Revolving (ETR) loan, those proceeds are to be deposited into a trust and agency account, because ETR loans are not technically county funds. The funds needed for the road project should then be transferred into the appropriate highway fund. When the highway fund has enough revenue available to repay the loan, the funds would be transferred back to the ETR. The county then issues a voucher to the Circuit Engineering District to repay the ETR loan. By using this method, the revenue and expenditures will not be overstated on the county's financial statements. (See SOP #4 in the Chart of Accounts.)

Supplemental and Additional Appropriations

All requests for supplemental or additional appropriations are filed with the County Clerk as secretary to the County Excise Board and the County Budget Board. Requests are made on SA&I Form No. 388, [“Officer’s Request for Supplemental Appropriations.”](#) These requests must include

68 O.S. § 3007
68 O.S. § 3021

specific information: The Board of County Commissioners would have completed SA&I Form No. 150, “[Supplemental Estimate](#),” or the County Budget Board would have completed a similar document.

The requests must include specific information:

- Date of request
- Statement of amount and purpose
- A financial statement, as of the close of the preceding month, which indicates the following items:
 - * Current expense
 - * Amount of cash unexpended
 - * Amount of taxes in process of collection
 - * Amount of uncollected portion of estimated income other than ad valorem tax for current fiscal year
 - * Amount of warrants outstanding and interest earned and accruing
 - * Amount of expended balance of fund
 - * Surplus or deficit in revenue, if any

If sufficient “surplus” revenue is shown, the County Excise Board may approve the supplemental and additional appropriation. If the revenue is insufficient, the County Excise Board may revoke or cancel any previous appropriation and replace it with a supplemental and additional appropriation required for the good of the public.

Interfund Loans (Temporary Transfers)

If at any time during the budget year it appears to the County Treasurer that a particular fund temporarily has insufficient monies to meet the appropriation requirements of that fund, the County Excise Board, at the request of the County Treasurer and upon notification to the Board of County Commissioners, may temporarily transfer money from one fund to any other fund with the permission of the county officers in charge of the fund that the money will be temporarily

68 O.S. § 3021

transferred from. No transfer shall be made from the debt service fund to any other fund except as may be permitted by the terms of the bond issue or applicable law.



Any funds temporarily transferred shall be repaid to the original fund from which they were transferred within the fiscal year that the funds were transferred.

68 O.S. § 3021

Temporary Appropriations (Commissioner/Excise Board Budget Counties)

From July 1 each year until the time the various county budgets are approved, County Excise Boards can appropriate the amount of available funds estimated for the fiscal year for temporary appropriations.

68 O.S. § 3020

If the County Excise Board approves a temporary appropriation, that appropriation must be merged into the annual appropriation, and any warrants drawn against the temporary appropriation must be charged against the final approved annual appropriation for the current fiscal year, including capital outlay items.

City or Town Budgets in Counties Where County Excise Boards are Responsible for the Budget

The governing body of each city and town must prepare a financial statement that shows the true fiscal condition of all its accounts and funds as of June 30. This body should also prepare an itemized statement of estimated needs and probable income from sources other than ad valorem taxes for the new fiscal year. The financial statement and estimate of needs must be supported by schedules or exhibits that show, by categories, the amount of all receipts and disbursements.

68 O.S. § 3002

Statement of Estimate of Needs

The statement of estimate of needs must be itemized to show, by classes, the following information:

- The amounts necessary for the current expenses of the city or town for each officer and department
- The amount required by law to be provided for any sinking funds (debt purposes)

- The probable income that will be received from all sources other than ad valorem taxes

The financial statement and estimate of needs must be published in a legally qualified newspaper within the county. Financial statements and estimates of need for towns must be filed with the County Excise Board on or before August 22. Statements and estimates for cities must be filed with the board on or before August 27.

Revenue received during the past fiscal year from any nonrecurring source, such as the sale of land, gifts, windfalls, forfeitures, and federal aid allotments are not to be included in the estimate of probable income.

68 O.S. § 3003

School District Budgets in Counties Where County Excise Boards are Responsible for the Budget

The Board of Education of each independent school district must meet on the first Monday in July of each year, and the Board of Education of each dependent school district must meet on the second Tuesday in July of each year to prepare a financial statement for the previous year ending June 30.

The financial statement shows a list of monies received and disbursed during the previous fiscal year. In addition to the financial statement, an estimate of needs should be prepared that includes the following information:

- The current expenses of the school system
- The amount required by law for any sinking fund
- Probable income from sources other than ad valorem taxes (Revenue from non-recurrent sources are not included.)

The financial statement and estimates of all school boards, on [SA&I Form No. 2631R97](#), must be filed with the County Excise Board (or the County Clerk) on or before October 1 of each year.

68 O.S. § 3002

County Budgets in Counties With County Budget Boards

Table 3-3 shows the fiscal timetable for counties with Budget Boards. The initial activities by the County Assessor in preparing the abstract of valuations are the same as in counties that use the Commissioner/Excise Board budget method. The primary difference between the two methods is that the Budget Board, not the Board of County Commissioners, considers the estimates of needs and prepares the proposed budget to present to the County Excise Board. The budget is also completed and approved much earlier in a Budget Board county.

The County Budget Act

The County Budget Act allows the eight elected county officials to work as a unit in preparing the county budget. The County Budget Act is structured to accomplish the following responsibilities:

19 O.S. §§ 1401, et. seq. ~ 1421

- Establish a budget procedure for county governments
- Establish uniform fiscal procedures for the preparation, adoption, execution, and control of budgets
- Enable a county to make financial plans for both current and capital expenditures
- Make the financial condition and needs of the county available to the public and to investors
- Assist a county with governmental accounting, auditing and financial reporting standards

19 O.S. § 1403

Once a county elects to come under the County Budget Act, this act takes precedence over any other state laws applicable to the county budget. Any action of the Board of County Commissioners to implement or repeal the application of this act must be effective at the beginning or the end of a budget year.

The County Budget Board

A County Budget Board is established once the Board of County Commissioners votes to have the budget procedures come under the County Budget Act. The Budget Board consists of eight elected county officers and should be structured in the following manner:

19 O.S. §§ 1401, et. seq. ~ 1421

- The chairman is the chairman of the Board of County Commissioners.
- The vice-chairman is elected by the County Budget Board members and serves in the chairman's absence.
- The secretary is the County Clerk.

If a vacancy occurs, the county officer's Chief Deputy may fulfill the Budget Board position until such time a new county officer is appointed or elected.

19 O.S. § 180.81
AG Opinion 96-15

Meetings

The following rules apply to County Budget Board meetings:

19 O.S. § 1407

- The County Budget Board must hold regular meetings on dates set by that board.
- The chairman or any two budget board members can call special meetings.
- A quorum comprises a majority of all members of the County Budget Board in office and is required to transact business.
- Any official action in adopting or revising the county budget requires a majority vote of all members of the County Budget Board.

**Table 3-3. Fiscal Timetable for Counties Using
the Budget Board Budget Method**

Date	Activity	Statute Reference
January 1	The County Assessor lists, appraises, and assesses all property for ad valorem taxation, based on the estimated fair cash value on January 1.	68 O.S. § 2831
January 1 to March 15	<p>The County Assessor accepts personal property renditions from individuals and businesses, homestead exemption applications, and manufacturer’s exemption applications.</p> <p align="center">NOTE: Homestead exemption applications are accepted all year. They must be filed by March 15 to apply to the current year.</p>	<p>68 O.S. § 2832 68 O.S. § 2892 68 O.S. § 2902</p>
January 1 to the 4th Monday in April	The County Assessor sends notices to those whose exemptions are denied and to anyone whose property value is being increased from the previous year.	68 O.S. § 2876
While the Board of Equalization is in session	The County Assessor begins preparing the assessment role: the taxable value of property is recorded, the assessment ratio is applied to derive the assessed value, and exemptions are deducted from the assessed value to compute the net taxable value. The County Assessor delivers the assessment role to the County Board of Equalization.	68 O.S. § 2842
Before April 30	The County Assessor prepares exemption reimbursement forms to be signed by the Board of County Commissioners and sent to the Oklahoma Tax Commission. The exemption reimbursement forms show the amounts of additional homestead and manufacturer’s exemptions that were granted during the previous assessment year. If the OTC approves these exemptions, the State reimburses all or a portion of the taxes lost due to these exemptions. NOTE: The claims must be approved or disapproved by June 15 each year.	62 O.S. § 193
Within 20 days of notice of increase in valuation	Taxpayers must file any complaints regarding assessed value or denial of exemption. The County Assessor holds an informal hearing with the taxpayer and makes a decision within seven days. If the taxpayer is still dissatisfied, the taxpayer must file an appeal with the County Board of Equalization within fifteen days.	68 O.S. § 2876

Table 3-3. Fiscal Timetable for Counties Using the Budget Board Budget Method (Continued)

Date	Activity	Statute Reference
April 1 to May 31	The County Board of Equalization in counties with total assessed valuation less than one billion dollars hears taxpayers' protests and makes its decisions. In counties with greater than one billion dollars valuation, sessions begin the 4th Monday in January and, if necessary, may extend beyond May 31.	68 O.S. 2863
Within 30 days after decision of the County Board of Equalization was mailed	If desired, the County Assessor or the taxpayer may appeal any decision of the County Board of Equalization in district court.	68 O.S. § 2880.1
On or before a date set by the Budget Board	The County Excise Board provides a tentative estimate of anticipated revenues, from all sources, classified by funds.	19 O.S. § 1411
On or before a date set by the Budget Board	Each county officer and department head prepares a record of earnings and costs for the past year and an estimate of needs for the new fiscal year and meets with the Budget Board. The report shows amounts for personnel, maintenance and operation, capital outlay, and other appropriate items. The County Assessor prepares the Estimate of Needs for Visual Inspection. The Budget Board must notify taxing entities.	68 O.S. § 3004 19 O.S. § 1411 68 O.S. § 2822
By June 1	The Budget Board completes a budget for each fund.	19 O.S. § 1410, 1417
By June 10	The Budget Board must give public notice of a budget hearing.	19 O.S. § 1412

Table 3-3. Fiscal Timetable for Counties Using the Budget Board Budget Method (Continued)

Date	Activity	Statute Reference
By June 15	The Budget Board must hold a public hearing on the proposed budget.	19 O.S. § 1412
June 15	The County Assessor must file the annual abstract of assessment with the OTC.	68 O.S. § 2867
By June 23	The Budget Board adopts the budget.	19 O.S. § 1413
By July 1	The Budget Board files the approved budget with the County Excise Board, the County Clerk, and the Office of the SA&I.	19 O.S. § 1413 19 O.S. § 1414
Varies	If the County Excise Board finds that revisions are needed to the budget, the Budget Board must submit a corrected budget within 15 days.	19 O.S. § 1414(A.2,3,4)
Within 15 days	The County Excise Board computes appropriations and levies taxes The County Clerk, as secretary to the County Excise Board, certifies the approved budget to the Budget Board, the County Treasurer, and the Office of the SA&I. After filing the budget with the Office of the SA&I, any taxpayer may file protests against any alleged illegality of the budget.	19 O.S. § 1414 19 O.S. § 1415
Before July 31	The State Board of Equalization certifies the valuation of locally assessed property and the valuation of centrally assessed property to the County Assessor. After this time, the Board may amend the initial budget and approve the final budget,	68 O.S. § 2860 19 O.S. § 1420
On or before October 1	The County Assessor delivers the tax roll to the County Treasurer and delivers the tax roll abstract to the County Clerk.	68 O.S. § 2869 68 O.S. § 3014
November 1	The County Treasurer mails tax statements (within 30 days after receiving the tax roll) to property owners.	68 O.S. § 2869 68 O.S. § 2915
Before January 1	Taxpayers must pay at least one-half of each property's ad valorem tax levy.	68 O.S. § 2913
Before April 1	Taxpayers must pay the second half of each property's ad valorem tax levy.	68 O.S. § 2913

Report of Estimated Revenues and Expenses

Each county officer, department head, and commission must submit a report of estimated revenues and expenditures on a form provided by the County Budget Board. The information must be reported in the following manner:

19 O.S. § 1411(B)

1. Actual revenues and expenditures during the preceding fiscal year
2. Budget estimates for the current fiscal year
3. Actual revenues and expenditures for a period of six to nine months for the current fiscal year
4. Estimated actual revenues and expenditures for the current fiscal year
5. Estimated revenues and proposed expenditures for the new budget year

Prior to submitting this report, each county officer and department head must meet with the County Budget Board to discuss their needs.

19 O.S. § 1411

Budget Preparation

The County Budget Board must prepare a budget for budgeted county funds 30 days prior to the beginning of the fiscal year. These budgets provide a complete financial plan for the upcoming budget year.

19 O.S. § 1410

The Office of the SA&I prescribes the budget format, and it must include the following information:

19 O.S. § 1410

- Revenues and expenditures for the preceding fiscal year
- Estimated revenues and expenditures for the current fiscal year
- Estimated revenues and expenditures for the new budget year

19 O.S. § 1410

The following procedures must be followed when reporting the estimates of revenues and expenditures:

- The estimate of revenues must include the probable income by source that the county is empowered to collect or receive at the time the budget is adopted.
- The estimate of revenues must be based on past and anticipated receipts.

- Revenues from the ad valorem tax must be budgeted within the amount estimated by the County Excise Board as being available for appropriation.
- Expenditures must be budgeted within the estimated revenues for each fund.
- Miscellaneous expenditures cannot exceed 10 percent of the estimated revenues for a fund.

Three basic events occur before and during the budget preparation process:

1. Anticipated revenues by source and fund are provided by the County Excise Board. 19 O.S. § 1411(A)
2. The County Budget Board reviews the budget requests of each county officer and department head. 19 O.S. § 1411(C)
3. The County Budget Board revises the budget requests when justifiable and then finalizes the proposed budget.

The County Budget Board sets the date for receiving the County Excise Board’s report of anticipated revenues.

Classifying Revenues and Expenditures

Revenues must be classified by sources. Expenditures are reported by functions within each fund. The Office of the SA&I “Chart of Accounts/Standard Operating Procedure” prescribes the accounting system used to classify revenues and expenditures. Functions for reporting expenditures and revenues are classified according to the following categories:

19 O.S. § 1417

- Personnel Services (1001-1999)
- Maintenance and Operations (2001-3999)
- Capital Outlay (4001-4999)
- Debt Service (5001-5999)
- Intergovernmental (6001-6999)
- Revenues (9000-9599)

The Chart of Accounts form is also located on the County Training Program website agecon.okstate.edu/ctp under “Resources.”

Public Hearings and Protests

The County Budget Board must hold a public hearing on the proposed budget no later than fifteen days before the new fiscal year. The date, time, and location of the hearing plus the proposed budget summaries must be published in a newspaper with a general circulation within the county at least five days before the hearing. Any person can present comments, questions, or criticisms at the public hearing.

19 O.S. § 1412

Budget Adoption

After the public hearings and at least seven days before the new fiscal year, the County Budget Board must adopt a budget for each fund. When adopting a budget, the County Budget Board has the following responsibilities:

19 O.S. § 1413

19 O.S. § 1415

- To increase, delete, or decrease items in each budget if necessary
- To ensure that expenditures do not exceed the estimated revenues in any fund

19 O.S. § 1413(A)

Once a budget is adopted, it must be filed, along with the affidavit and proof of publication, with the County Excise Board and the County Clerk. After approval by the County Excise Board, it is certified to the Office of the SA&I on or before the first day of the budget year. When the adopted budget is filed, the following criteria take effect:

19 O.S. § 1413(B)

- The budget is in effect the first day of the new fiscal year.
- The budget constitutes an appropriation for each fund subject to the final approval of the County Excise Board.

19 O.S. § 1413(C)

From the day the adopted budget is certified to the Office of the SA&I, a taxpayer has fifteen days to file a protest.

County Excise Board's Role

In counties under the County Budget Act, the County Excise Board has the following duties and powers:

19 O.S. § 1411

- To provide estimates of anticipated revenues on or before the date set by the County Budget Board
- To examine the adopted budget
- To strike unlawful items from the adopted budget and reduce unlawful amounts to authorized levels
- To return the adopted budget to the County Budget Board if mandatory items or amounts are not provided, or if appropriations from ad valorem tax revenues exceed the revenues available.
- To approve the adopted budget if it is within the income and revenues available
- To compute levies
- To certify the approved budget to the County Budget Board, the County Treasurer, and the Office of the SA&I

19 O.S. § 1414

19 O.S. § 1414(A)

19 O.S. § 1414(A, B)

19 O.S. § 1414(C)

19 O.S. § 1414(A)

The County Budget Board has fifteen days from the return of a budget to revise and resubmit it to the County Excise Board.

Amended Budget

The County Budget Board can amend budgets to allow for the following items:

- Supplement or reduce appropriations
- Transfer appropriations
- Transfer special fund balances

19 O.S. § 1420

19 O.S. § 1418

19 O.S. § 1420

19 O.S. § 1419

19 O.S. § 1420(C)

Amendments for supplemental appropriations must be adopted by an official action of the County Budget Board. Copies of the supplemental appropriation must be filed with the County Clerk, the County Excise Board, and the Office of the SA&I.

Receiving Assistance and Audits

Office of the State Auditor and Inspector

Personnel at the Office of the State Auditor and Inspector (SA&I) can advise county officers on procedural and technical matters that relate to accounting and budget procedures.

74 O.S. § 212.1

The Office of the SA&I must perform an audit every two years of all of the books, records, and accounts of all of the officers of each county. The SA&I must file a copy of all audits with the Governor, the District Attorney, and the County Clerk.

19 O.S. § 171
19 O.S. § 174

The Office of the SA&I must transmit a copy of the letter of transmittal of each audit report to every legal newspaper published in the county where the audit report is filed with the County Clerk.

19 O.S. § 174.1

The Office of the SA&I may also require an audit of the books and records of any county official or custodian of any of the funds of the county after the death, resignation, or removal of office of any county official.

The District Attorney

The County Excise Board may require the District Attorney to attend any of its sessions when passing upon the validity or invalidity of items of appropriation. This board may also request the District Attorney's opinion in writing.

68 O.S. § 3008

Understanding County Finances

One extension fact sheet may be of interest to county officers regarding county finances. OSU Extension Facts AGEC-901 discusses "Financial Analysis for County Government." OSU Extension Facts AGEC-902 is titled "Comparison of County Government Finances" and compares assessed values in counties. (Both fact sheets currently under revision.)

Another publication of interest published by the [Oklahoma Cooperative Extension Service at OSU](#) is the "Abstract of County Government General, Highway, and Special Revenue Funds in Oklahoma," found under "Related Publications."

Chapter Four

The County Accounting System

Standardized Chart of Accounts and Operating Procedures

The Oklahoma Statutes mandate that the Oklahoma State Auditor and Inspector shall prescribe a uniform system of bookkeeping for use by all county officials in Oklahoma to afford a suitable check upon their mutual acts and ensure a thorough inspection, and to ensure the safety of the state and county funds. Effective July 1, 2020, the new Chart of Accounts and Standard Operating Procedures was mandated for county government in Oklahoma by the State Auditor and Inspector.

72 O.S. § 214

The Chart of Accounts (COA) becomes a framework for the systematic reporting and accounting for county government transactions. The classification and coding structure becomes an effective system when used throughout the budgeting, accounting, and reporting cycles.

The Standard Operating Procedures (SOP) is designed to provide step-by-step instructions compiled by the Office of the State Auditor and Inspector to help carry out complex routine financial transactions. The SOP is specific to county government financial accounting and will provide proper accountability and reporting of county revenue and expenditures.

All elected officials should be familiar with the mandated accounting structures. For complete instructions and explanation, please refer to the Chart of Accounts and Standard Operating Procedures manual, which is available at <http://agecon.okstate.edu/ctp/resources.asp>.

Account Structure

Funds

The accounting systems in counties in Oklahoma are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Each account within a fund records a more narrowly defined activity that fits within the broader goals of the fund. For example, the County General Fund includes accounts for the County Clerk's, the Court Clerk's, the County Sheriff's, and other county offices' expenditures.

For accounting and financial management, each county has a combination of several distinctly different fiscal and accounting entities or funds, as shown below. Each fund has a separate set of accounts and functions that are independent of other funds and accounts. The accounting process in Oklahoma counties uses three broad categories of funds. For a complete listing of funds, see the Chart of Accounts.

- General Fund

This fund is used to account for all financial resources, except those required to be accounted for in another fund. These financial resources are usually for tax supported activities.

- Special Fund (1100-1999)

A special fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The uses and limitations of each Special Revenue Fund are specified by the legal authority creating it, and the resources of a given Special Revenue Fund generally cannot be diverted to other uses.

- Capital Projects Fund (2000-2999)

A capital projects fund is created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

- Debt Service Fund (3000-3999)

A debt service fund is established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. This fund is sometimes referred to as a “Sinking Fund.”

- Special Assessments Fund (4000-4999)

Special assessments funds are trust and agency funds used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other government units, and/or other funds.

- Enterprise Fund (5000-5999)

An enterprise fund is established to account for operations financed and operated in a manner similar to private business enterprises.

- Internal Service Fund (6000-6999)

An internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost reimbursement basis.

- Trust and Agency Fund (7000-7999)

Trust and agency funds are used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments, and/or other funds.

- General Fund Assets (8000-8999)

- General Long-Term Debt (9000-9999)

Department Account

The Department is the smallest organizational unit for which budget and accounting information is to be processed and measured within a fund. Each county office presents a departmentalized budget within the appropriate fund. See the Chart of Accounts for a complete listing of Departments.

Expense Account

A Department account is a category within a fund and is made up of items of appropriation. An expense account is also called an appropriation account. Items of appropriation include salaries, travel, maintenance and operations, computer operations, and capital outlays. See the Chart of Accounts for a complete listing of accounts.

Transfer of Appropriations

A transfer of appropriations typically occurs when monies are transferred within a fund from an account with a surplus to another account that needs additional revenues. Monies can be transferred within a fund and sometimes are transferred from one fund to another fund. Thus, a transfer of appropriation within a fund neither increases nor decreases the fund's balance. The Oklahoma Statutes allow Budget Board counties to transfer monies between funds in limited circumstances.

62 O.S. § 461
19 O.S. § 1410
19 O.S. § 1418

Please refer to “[Transfer of Appropriations](#)” in Chapter Three, The County Budget Process, for a detailed explanation.

Transfer of Special Fund Balance

A transfer of special fund balance occurs when monies are transferred to the County General Fund from a special fund that is no longer needed. The laws that govern the special fund must be followed before the fund can be discontinued. (See SOP#10 of COA.)

19 O.S. § 1419
62 O.S. § 333
62 O.S. § 445

Warrants

A warrant is a claim against an appropriation account for payment of salaries, an item purchased, a service provided, or basically any expense incurred by the county. The County Clerk prepares all warrants, which are then approved by the governing board and signed by the chairman of that board.

19 O.S. § 347
62 O.S. § 471
62 O.S. § 475

The County Clerk delivers a signed warrant to the County Treasurer for registration and then sends the warrant to the employee or vendor to whom the payment is due. Each warrant includes the department, fund, and account to be charged for the expenditure.

Banks that handle the county's monies notify the County Treasurer when a vendor has claimed a warrant. When money is available in a specific account, the County Treasurer redeems the warrant by writing a County Treasurer's Check to the bank. All warrants must be redeemed by a check signed by the County Treasurer.

Some counties now use checks. A warrant serves as a check.

62 O.S. § 471(B)

County Bank Accounts

All monies received in the County Treasurer's office must be deposited into accounts in banks designated as county depositories by the Board of County Commissioners. County depositories may include banks, trust companies, credit unions, and savings and loan associations within Oklahoma. The two basic checking accounts are the Official Depository Account and the General Account. Multiple banks are typically used.

19 O.S. § 121

Official Depository Account

The Official Depository Account is a trust or agency account maintained by the County Treasurer. All county officers must deposit with the County Treasurer all monies received by virtue of their offices. The County Treasurer is then responsible for depositing this money into the Official Depository Account and crediting each county officer's depository account for the amount deposited.

19 O.S. § 681

19 O.S. § 682

All withdrawals from the Official Depository Account must be made on the official voucher of the county officer who made the deposit.

The General Account

Various monies collected by county officers and placed in the Official Depository Account must be transferred to the appropriate funds at the close of each month (on or before the second Monday following the close of the calendar month). This money is transferred using a county officer's official voucher. Monies accruing to a fund maintained by the county are transferred to the county's General Account.

19 O.S. § 684

The General Account is the county's principal checking account and contains all funds other than those in the Official Depository Account.



The county General Account is not the same as the [County General Fund](#) described in Chapter Two, *Sources of Revenue*. The County General Fund is one of several funds contained in the General Account.

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Chapter Five

Governmental Tort Claims Act

The Tort Claims Act in Oklahoma

The original tort claim statute was passed in 1978 under the title, “Political Subdivision Tort Claims Act,” and numerous revisions have been made since then. This chapter covers only the latest form of those Oklahoma Statutes and only those portions of the Oklahoma Statutes that apply to county government.

The Governmental Tort Claims Act allows Oklahoma citizens to file claims and bring suits against state and county entities. In the Governmental Tort Claims Act, the State of Oklahoma waives its sovereign immunity and the sovereign immunity of political subdivisions of the state, including counties.

A tort is defined as a legal wrong, independent of contract that involves the violation of a duty that results in a loss to any person, association, or corporation caused by an act by public officials within the scope of their employment.

Tort claims are claims brought by citizens against the county for damages. For example, if a person breaks a leg because of county roadwork, that individual might bring a claim against the county.

51 O.S. §§ 151, et. seq. ~170
19 O.S. § 4

Tort Claims are filed with the County Clerk, who then presents them to the Board of County Commissioners.

A tort claim is not a lawsuit. The Board of County Commissioners must listen to tort claims, and in cooperation with their insurance provider or adjustor, determine whether they are justified. They must then deny the claim or award damages to the claimant. If the claimant's claim is denied, the claimant has the option to file a lawsuit. In some counties, the safety committee considers claims.

Figure 5-1 shows the steps in the tort claims process.

Liability Insurance

The county may secure liability insurance in any of the following ways:

51 O.S. § 169

- The county may insure itself against any and all liabilities it might incur for death, injury, or disability of any person or damage to property, real or personal.
- The county may insure any employee for liability from acts or omissions within the scope of their employment.
- The county may insure against the expense of defending a claim against the county.

The county may insure itself or its employees against any loss, damage, or liability as defined in the Oklahoma Statutes. Any insurance secured by the county is considered a proper expenditure of county funds and may be provided in one or more of the following ways:

- Self-insurance
- Insurance from any authorized insurer
- Any other insurance secured in accordance with other methods provided by law

Two or more counties, by interlocal agreement, may jointly secure insurance by any of the methods stated above.

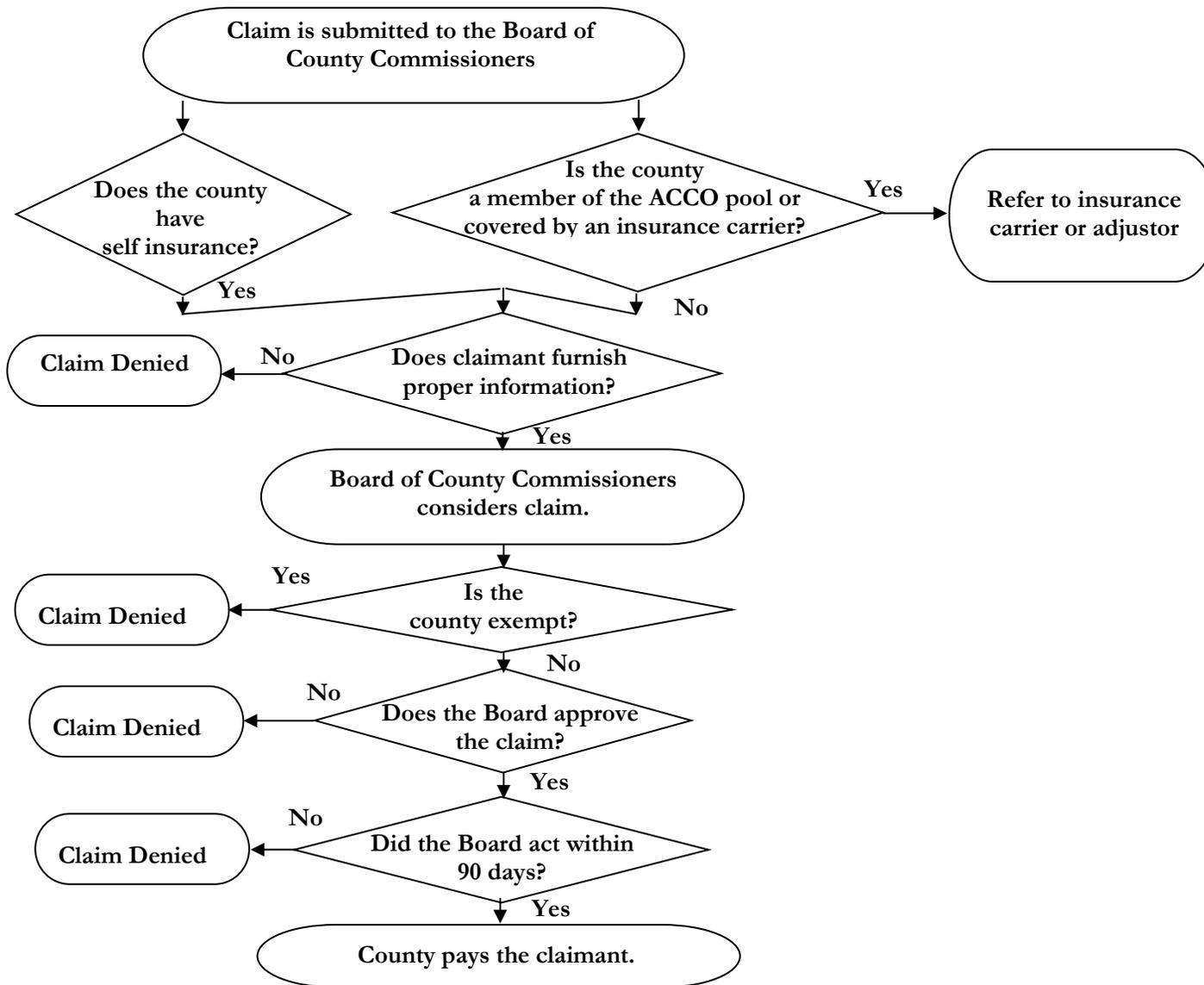


Figure 5-1. The Tort Claim Process

Filing Claims

All county officials should be aware that any person could file a claim against the county or its employees under the Governmental Tort Claims Act.

Definitions

The following definitions explain some of the terminology in the act:

- Action - a court proceeding in which one party brings suit against another party
- Agency - any board, commission, committee, department, or other entity designated to act for the county
- Claim - any written demand presented by a claimant, in accordance with the Governmental Tort Claims Act, to recover money from the county as compensation for an act or omission of the county or its employees that has caused damage to the claimant.
- Claimant - a person or authorized representative who files a claim under this act. Only the following may be claimants and all claims for one occurrence or accident must be aggregated as one claim:
 - * Any person holding an interest in real or personal property who suffers a loss
 - * The individual actually involved in the accident or occurrence
 - * An administrator or personal representative in the case of death
- County - a political subdivision of the state
- Employee - any person authorized to act in behalf of the county whether acting on a temporary or permanent basis, with or without pay, or on a full or part-time basis. Independent contractors or employees of independent contractors while acting in the capacity of an independent contractor are not included.
- Loss - death or injury to the body or rights of a person; damage to real or personal property

- Scope of employment - performance by an employee acting in good faith within the duties of his office or tasks assigned by a competent authority but not including corruption or fraud

Written Claim Procedures

Any person with a claim against the county must file a written claim with the County Clerk of the county in which the accident or occurrence happened within one year after the loss. If the person is incapacitated and unable to present the claim, the time is extended up to an additional ninety days. When the claim is for death resulting from the accident or occurrence, the personal representative may present notice within one year after the loss.

51 O.S. § 156
51 O.S. § 157

- Written notice of the claim must state the following information:
 - * The date, time, and place of the accident or occurrence
 - * The circumstances of the loss
 - * The compensation sought for the loss
 - * The name, address, and phone number of the claimant or the authorized agent

Failure to supply any of this information will not invalidate the claim, however, unless the claimant refuses to furnish it.

Determining Liability

Extent of Liability

The following amounts are the county's total liability for a single accident or occurrence:

51 O.S § 154

- Twenty-five thousand dollars for any claim, or any claimant with more than one claim for loss of property
- One hundred twenty-five thousand dollars (\$125,000) for any claim for any other loss



For counties with populations of (300,000) or more, the maximum liability is one hundred seventy-five thousand dollars (\$175,000.00)

- One million dollars (\$1,000,000) for any number of claims

Additional Claims

The Oklahoma Statutes prevent claimants from filing for extra "punishment" damages. Claimants cannot file a claim or bring action that includes a request for punitive damages (additional payment to act as a punishment to the county or county employee), nor can they file a claim asking for exemplary damages (additional payment or judgment to warn others not to commit similar acts).

51 O.S. § 154(C)

Sometimes claimants will file claims that bring action against other parties in addition to the county. In situations where the claim includes the county as one party in a claim against several parties, the Oklahoma Statutes provide that the county is only liable for that percentage of total damages that corresponds to its percentage of total negligence.

51 O.S. § 154(G)

Exemptions from Liability

The county is not liable for loss if a claim results from certain actions as described in the Oklahoma Statutes. The following situations are a partial list of exempted claim actions that apply to counties.

51 O.S. § 155

- Claims for loss resulting from legislative functions
- Claims for loss resulting from judicial, quasi-judicial, or prosecutorial functions
- Claims for loss resulting from execution or enforcement of a lawful court order
- Claims for loss resulting from adoption, or enforcement of, or failure to adopt or enforce a law
- Claims for loss resulting from performance or the failure to perform an act or service which is at the discretion of the county or its employees
- Claims for loss resulting from civil disobedience, riot, insurrection, or rebellion or the failure to provide law enforcement or fire protection
- Any claim based on the theory of attractive nuisance

- Claims for loss resulting from snow or ice conditions or temporary or natural conditions on any public way or place due to weather conditions, unless caused by negligence on the part of the county
- Claims for loss resulting from entry upon property where the entry is expressed or implied by law
- Claims for loss resulting from natural conditions of state, county, or other political subdivision property
- Claims for loss resulting from assessment or collection of taxes, special assessments, license or registration fees, or other fees imposed by law
- Claims for loss resulting from licensing powers or functions
- Claims for loss resulting from inspection powers or functions, including failure to make an inspection or making an inadequate inspection of any property, real or personal, to determine whether the property complies with the law or contains a hazard to health or safety
- Any claim covered by any worker's compensation act or any employer's liability act
- Claims for loss resulting from the absence, condition, location, or malfunction of a traffic sign or signal unless it is not corrected by the county within a reasonable time after knowledge of the situation, or has existed long enough that the county should have knowledge



The county is not liable if it initially fails to place a sign or signal if the decision to do so is a discretionary act by the county.

- Claims that are limited or barred by other law
- Claims for loss resulting from misrepresentation, if unintentional
- Claims for loss resulting from an act of omission by an independent contractor or its employees, subcontractors or suppliers

- Claims for loss resulting from theft by a third person of money in the custody of a county employee unless the employee was negligent or committed a wrongful act or omission
- Claims for loss resulting from interscholastic or other athletic contests sponsored or conducted by or on state or county property
- Claims for loss resulting from participation approved by a local board of education and held within a building or on the grounds of the school district before or after normal school hours or on weekends
- Claims for loss resulting from any court ordered or administratively approved work release program
- Claims for loss resulting from activities of the National Guard, the militia, or other military organization when on duty under the lawful orders of competent authority
- Claims for loss resulting from providing, equipping, operating, or maintaining a prison, jail, or correctional facility, including injuries resulting from parole or escape of a prisoner or by one prisoner to another prisoner
- Claims based on loss from providing, equipping, operating, or maintaining any juvenile detention facility, or injuries that result from a juvenile detainee's escape, or injury by a juvenile detainee to any other juvenile detainee
- Claims based on a manufacturer's product liability or warranty, either expressed or implied
- Claims or actions based on the theory of indemnification or subrogation
- Claims based on an act or omission of an employee in the placement of children
- Claims for loss resulting from acts or omissions done in conformance with current recognized standards
- Claims for loss resulting from maintenance of the state highway system unless the claimant proves negligence

- Claims for loss resulting from any confirmation of the existence or nonexistence of any effective financing statement on file in the Office of the Secretary of State made in good faith by an employee of that office
- Claims for loss resulting from any court-ordered community sentence

Settling Claims

If the county is not exempt from liability, the Board of County Commissioners must hear the claim and decide whether to award the claimant any damages.

If the county participates in a self insurance program or has coverage through an insurance carrier, the claim should be considered in cooperation with the insurance carrier or adjustor, and the settlement of the claim should be referred to the insurance carrier or adjustor.

Claim Denial

A claim is considered to be denied by “operation of law” if the county fails to approve the entire claim within 90 days, unless the county denies the claim or reaches a settlement before ninety days.

51 O.S. § 157

If the claim is deemed denied in 90 days or less, the county must notify the claimant within five days of the claim denial.

When claimants’ claims are denied, they have the option to file a lawsuit against the county. Claimants have 180 days after claim denial to take court action.

51 O.S. § 157(B)

Claim Settlement

The county, after conferring with authorized legal counsel, can settle or defend against a claim or suit subject to prescribed procedural requirements. The county can also appropriate money to settle the claim.

51 O.S., § 158

Employee Defense

In all suits or proceedings by or against a county, the name in which a county shall sue or be sued shall be, "Board of County Commissioners of the County of _____," but this provision shall not prevent county officers, where authorized by law, from suing in their official name for the benefit of the county.

19 O.S., § 4
Effective 1/11/2019

Suit may be brought against a county by naming a county officer as identified in the Oklahoma Statutes when it is alleged that the officer in their official capacity is directly or vicariously liable to the plaintiff in an action not arising out of contract. Otherwise, suit may be brought against a county by naming the Board of County Commissioners of the County of _____; in actions against the Board not arising out of contract. Upon motion, the Court may substitute a county officer identified in the Oklahoma Statutes in their official capacity for the Board upon showing that the county officer is better suited to represent and defend the county under the particular facts of the case.

19 O.S. § 161

Additional amendments further require the county to defend employees when liability is sought for any violation of property rights or any rights, privileges, or immunities secured by the Constitution or laws of the United States as long as the employee was acting within the scope of his or their employment.

51 O.S. § 162
51 O.S. § 163(C)

When a judgment or settlement is entered in any court of the United States, the State of Oklahoma, or any other state for violation of property rights or any rights, privileges, or immunities secured by the constitution or laws of the United States, payment must be made by the county up to the limits set by the law.

County's Right to Recover Monies

The county has the right to recover from the employee the amount spent by the county in the defense, settlement, or judgment if it is shown that the employee's conduct that caused the action was fraudulent or corrupt or if the employee fails to cooperate in the action.

51 O.S. § 162(C)

Settlement and Payment

The county may, after conferring with authorized legal counsel, either settle the claim or defend against any suit that might be brought. In the event a settlement is reached which exceeds \$10,000 and an applicable contract or insurance policy will not pay the payment required, the settlement must be approved by the District Court and entered as a judgment. If the county is covered by a contract or insurance policy, the terms of the contract or policy will govern the rights and obligations of the county concerning investigation, settlement, payment, and defense of the claims or suit. The insurer, however, cannot enter into a settlement that exceeds the amount of the insurance without approval of the county.

51 O.S. § 158

Payment Limitations

The county is not responsible, under any circumstances, neither to pay nor indemnify any county employee for any punitive or exemplary damages, nor to pay for any defense, judgment, settlement, costs, or fees that are paid or covered by any applicable policy or contract of insurance.

In any civil rights judgment, the county can only pay or indemnify the percentage of fees and costs in the total award that the percentage of the award of actual damages bears to the total judgment awarded. The county can only indemnify its employees for actual damages, fees, and costs.

51 O.S. § 162 (D)

CAUTION: A highly recommended good practice is for County Officials to use the information in this chapter as a guide only. Please refer to the Oklahoma Statutes for more detailed explanations. Also as a recommended good practice, county officers should consult their District Attorney for more details on tort claims and for legal advice and assistance.

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SECTION Two
Office of the
County Treasurer of Oklahoma

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Chapter Six

Office of the County Treasurer

The office of County Treasurer in the State of Oklahoma was created in the Oklahoma Constitution and has all of the rights and authorities of a constitutionally established office.

Oklahoma Constitution
Article 17 § 2

Because of its origin, the office of County Treasurer is referred to as a Constitutional Office rather than a Statutory Office, and a County Treasurer is referred to as a Constitutional Officer.

Filing as a Candidate for County Treasurer

To file for the office of County Treasurer in an Oklahoma county, candidates must meet the following qualifications:

- Candidates must be registered voters and have maintained current principal residences in the county in which they are filing for six months immediately preceding the first day of the election filing period.
- Candidates must be members of the political party under which they are filing or be registered to vote as an independent if filing as an independent candidate, for six months immediately preceding the first day of the election filing period.
- Candidates cannot file for any other county office when filing as a candidate for County Treasurer in any election. A Special Election and a Regular Election held on the same date shall be considered one election.

19 O.S. § 131.1

19 O.S. § 132

26 O.S. § 5-105

26 O.S. § 5-106

- A county officer is eligible to become a candidate for another county office or state office without resigning their current position.
- Persons cannot file as a candidate for County Treasurer for 15 years after the following actions:
 - * Receiving a conviction of a misdemeanor involving embezzlement
 - * Receiving a conviction of a felony
 - * Having entered a plea of guilty or nolo contendere to either of the above
 - * Awaiting an appeal of a guilty plea or conviction for either of the above

19 O.S. § 131(D)

26 O.S. § 5-105a

Candidates must personally sign and file a Declaration of Candidacy form (available from the county election board secretary), which contains an oath that they are qualified to be a candidate and to hold office.

26 O.S. § 5-101
 26 O.S. § 5-103,
 26 O.S. § 5-111.1
 26 O.S. § 5-111
 19 O.S. § 138.17

All candidates for County Treasurer are required to file a notarized statement of financial interests with the County Election Board subject to the same requirements as set forth by the Ethics Commission under Rules of the Ethics Commission in the Oklahoma Constitution.

Oklahoma Constitution
 Article 29, Section 3

Filling the Office of County Treasurer

Term of Office

The County Treasurer’s term of office is four years and begins on the first Monday in July following the election the preceding November. The County Treasurer’s term corresponds to the county fiscal year, which is July 1 to June 30.

19 O.S. § 131(B)

However, if the office becomes vacant before the preceding County Treasurer’s term expires, the newly elected County Treasurer should assume office immediately. The following list includes some of the reasons a County Treasurer might vacate an office before the term expires.

51 O.S. § 3.1
 51 O.S. § 10(B)

- Death or resignation

51 O.S. § 8

- Removal from office or failure to qualify as required by law
- Final judgment against the officer for breach of the Official Bond
- Change of residency to outside the county
- Conviction of any felony or violation of official oath; providing no appeal is pending and final judgment has not been rendered
- A guilty or nolo contendere plea entered in a state or federal court for any felony or violation of the official oath

Conditions of Office

County Treasurers must give personal attention to the duties of their office and must abide by the following conditions of office:

- A County Treasurer cannot hold another political office in Oklahoma or the United States, or serve as a deputy in another political office.
- County Treasurers must carry out their duties in a conscientious, appropriate, and professional manner.

Oklahoma Constitution
Article 2 § 11

51 O.S. § 6(A)

WARNING: Any county officers who willfully fail or refuse to perform the duties of their offices according to law, are guilty of a misdemeanor.

21 O.S. § 345
21 O.S. § 347

Vacancies

In Counties with Populations up to 600,000

When the office of County Treasurer in counties with populations up to 600,000 becomes vacant for any reason, the Board of County Commissioners shall appoint an individual to fill the vacancy.

51 O.S. § 10(B)

If a County Treasurer vacates the office before the filing period for the next general election, and the current term does not end in the year following that election, the Board of County Commissioners must call a special election at the time the appointment is made. The dates for the special election shall be the same as the next succeeding filing period, primary election, runoff primary election, or general election for county officers. The appointee can be a candidate in the special election if otherwise qualified.

The first or chief deputy or assistant shall carry on the duties of the office in the event of the death, removal or resignation of the County Treasurer, until a successor is appointed or elected.

19 O.S. § 180.65

If a County Treasurer vacates the office within thirty days prior to a scheduled general election, no appointment needs to be made.

51 O.S. § 11

In Counties with Populations Above 600,000

If a County Treasurer in a county with a population above 600,000 vacates the office, the vacancy shall be filled at a special election to be called by the Oklahoma Governor within thirty days after the vacancy occurs. However, if the vacancy occurs after March 1 of any even-numbered year and if the term of office expires the following year, no special election shall be called. The Governor can appoint an individual to serve in the interim period, and that appointee can be a candidate in the special election.

26 O.S. § 12-111(B)

Resignations

If a County Treasurer resigns, a written resignation must be filed with the County Clerk. This resignation is effective on the date it is filed with the board unless some other time is specified. All resignations of all county officers must be filed in the County Clerk's office, except for County Commissioners who file their resignations with the Oklahoma Governor.

51 O.S. § 9(1)(4)

Removal

The removal of a County Treasurer or any other county official requires a civil and/or legal process.

22 O.S. §§ 1181 – 1196
51 O.S. § 91

Assuming the Office of County Treasurer

The Oath of Office or Affirmation

Oklahoma law requires that all public officers, before assuming the duties of their offices, must affirm and subscribe to an oath or affirmation similar to the sample oath of office/affirmation shown in Figure 6-1.

Oklahoma Constitution
Article XV
51 O.S. § 36.2A

OATH OF OFFICE/AFFIRMATION

Oklahoma Constitution
Article XV, Section 1
Article XV, Section 2

“I, _____, do solemnly swear
(or affirm) that I will support, obey, and defend the Constitution of the United States, and the
Constitution of the State of Oklahoma, and that I will not, knowingly, receive, directly or
indirectly, any money or other valuable thing, for the performance or nonperformance of any
act or duty pertaining to my office, other than the compensation allowed by law; I further swear
(or affirm) that I will faithfully discharge my duties as _____
_____ to the best of my ability.”

(sign here) _____

Subscribed and sworn to before me

this _____ day of _____ A. D., _____.

Notary Public

My commission expires _____

(Seal)

Figure 6-1. Sample Oath of Office/Affirmation for County Officers

The District Judge usually administers the oath of office to the County Treasurer on the first Monday in July following the election. The signed oath must be filed with the County Clerk.

51 O.S. § 36.1
51 O.S. § 36.6

Violating either oath or affirmation can result in a felony conviction and imprisonment and forfeiture of the office or position.

51 O. § 36.2A
51 O. § 36.3

Blank forms are available from the [Oklahoma Secretary of State](#) at no charge.

The Blanket Bond

Upon assuming office, the County Treasurer should ensure that the Board of County Commissioners has purchased a sufficient surety contract, or blanket bond on behalf of the County Treasurer and all employees in the County Treasurer's office. This bond is like an insurance policy, which protects the county from any misconduct or wrongdoing committed by the County Treasurer or any deputies while performing their duties. This bond covers the county up to the insurance limit of the bond, and is in force throughout the terms of office. A copy of this bond should be kept on file in the County Treasurer's office.

19 O.S. § 167

The typical bond amount for the County Treasurer is at least \$50,000. However, the County Treasurer or the Board of County Commissioners can request an additional bond if the financial responsibilities exceed the present bond coverage. The county is responsible for appropriating the funds for this additional bond.

19 O.S. § 622
19 O.S. § 637

If the County Treasurer fails to obtain the additional bond as requested by the Board of County Commissioners within 20 days of the request, the office shall be declared vacant, and another County Treasurer will be appointed in accordance with the statutes.

19 O.S. § 638

Serving as County Treasurer

Office Organization

When first organizing the office, a recommended good practice is for the County Treasurer to take the following factors into consideration:

- Number of deputies and their abilities
- Funds available for deputies
- County size and office workload
- Type of management structure preferred

A recommended good practice is that a newly elected or appointed County Treasurers may find it helpful to take advantage of existing organizational structures and knowledgeable personnel and make changes only as necessary until they become more familiar with the office.

Office Locations

The County Treasurer must maintain an office and keep all records at the county seat. The Board of County Commissioners must provide office space, record storage, and supplies at the county seat for all county offices. They must also provide official seals to all county officers.

19 O.S. § 133
19 O.S. § 447

A county officer can establish an additional office or offices at any location within the county. The additional office can only receive documents for the sole purpose of collecting them and delivering them to the main county seat office. Any document delivered to the additional county office for filing or recording is not considered filed or recorded until it is delivered and recorded at the main county seat office.

19 O.S. § 133

A county employee who is employed at an additional office by one county officer may perform duties on behalf of another county officer if specifically authorized by each county officer on whose behalf the employee is performing duties.

Hours and Holidays

All county offices within each county should be open during the same hours as determined by mutual agreement among the county officials. Office hours must be posted in a prominent place easily seen by the public. The Board of County Commissioners and members of the County Excise Board designate county holidays.

19 O.S. § 136
19 O.S. § 350

Office Personnel

First Deputy or Chief Deputy

The County Treasurer must designate a First Deputy or Chief Deputy who will fulfill the duties of the office during any absence, or in the event of death, removal from office, or resignation, until a successor is designated.

19 O.S. § 180.65(A)
19 O.S. § 180.65(B)

During periods when the principal officer is absent, the First Deputy or Chief Deputy shall be bonded in the same manner and for the same amount as the principal officer.

19 O.S. § 180.65(B)



The designation of the Chief Deputy must be approved by the Board of County Commissioners and entered into the minutes of the regular meeting at which the approval is given.

Deputies

Personnel who report to the County Treasurer normally hold the title of Deputy County Treasurer. In practice, the titles of Chief Deputy or First Deputy, Second Deputy, and Third Deputy or Deputy Assistant are used. These titles generally imply a hierarchy of experience and responsibility.

The numerical rank of any deputies, to be effective, must be designated with the County Treasurer's signature and filed with the County Clerk.

19 O.S. § 180.65(B)

The County Treasurer should have sufficient deputies to adequately perform the necessary duties of the office. If the County Treasurer determines that additional deputies are needed based on the office workload, proposals for increases in personnel must be made to the County Excise Board and the Board of County Commissioners or the Budget Board, depending on the county. These boards

19 O.S. § 180.65(E)

19 O.S. § 180.65(D)

will consider such requests based on the county budget and other county officials' needs. The Board of County Commissioners has the authority to recommend the total amount of funds to be used for the combined salaries in each of the county offices.

Duties and Job Descriptions

A recommended good practice is that written job descriptions be provided for deputies, which might prove helpful in understanding the work of the County Treasurer's office. Job descriptions can be expanded in detail and can provide valuable information to new employees, reduce training time, and help reduce errors.

To best serve the customers of the office, a good recommended practice is for all employees to know all of the duties of the office of the County Treasurer.

Figure 6-2 shows an example of a County Treasurer's office organizational chart based on position and job duties. In this example, the First Deputy or Chief Deputy is primarily responsible for supervising accounting and bookkeeping activities.

The Second Deputy is responsible for collecting and processing tax receipts and for managing the physical office. Third Deputies or Deputy Assistants are responsible for various functions under the First and Second Deputies.

Employee Requirements, Salaries, and Benefits

Please refer to “Sample 2018 Personnel Policy” available from The Association of County Commissioners of Oklahoma (ACCO) (<https://www.okacco.com/policies--procedures.html>) and the Oklahoma Public Employees Retirement System (OPERS) handbook (www.opers.ok.gov – “publications/forms”) for information on office personnel requirements, nepotism, salaries, and benefits.

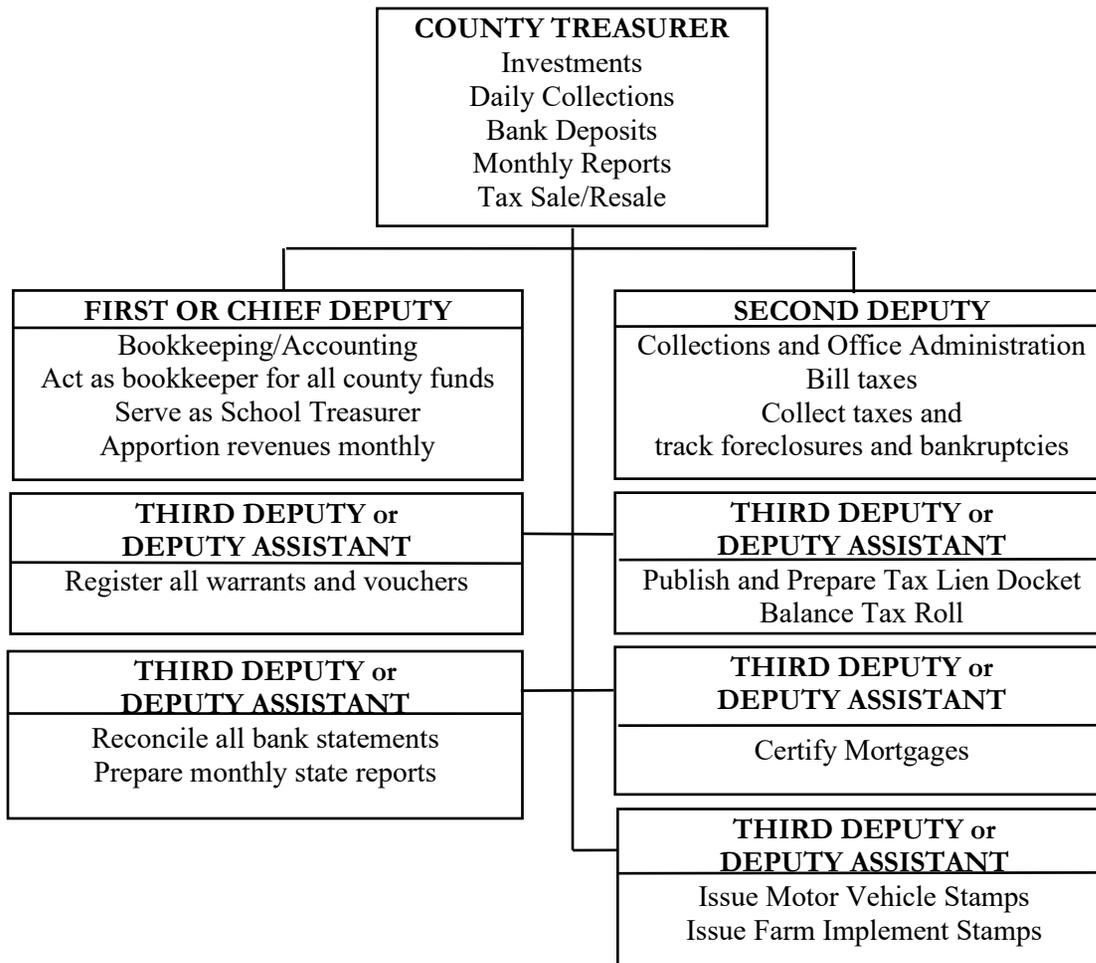


Figure 6-2. Sample Organization Chart for the Office of County Treasurer

Personnel Policies

The Board of County Commissioners establishes personnel policies for all county employees with the majority vote of all county officers.

19 O.S. § 339(A)(9)

Guidelines for timesheets, and sick leave, vacation, and special leave documents are included in the County Policy Handbook. Each individual County Treasurer employee should have a copy of this handbook. Each employee is required, per county policy, to sign a statement that they have received a copy of this handbook.

Timesheets

According to the County Policy Handbook, timesheets are provided by the County Clerk to all other county officers.

A highly recommended good practice is that the County Treasurer maintains personnel records in the County Treasurer's office for all of their office employees.

A highly recommended good practice is that the County Treasurers be aware of any office reports that are required to be completed for their office and ensure that they are being completed and provided to the proper recipients.

The County Seal

The County Treasurer shall obtain and keep a seal to be used as the official seal of the county. The Board of County Commissioners shall provide a county seal for all county officers.

19 O.S. § 325

No other seal shall be used by the County Clerk or other officer; and the impression of the seal hereby required to be kept by the stamp, shall be sufficient sealing in all cases where sealing is required.

The board of commissioners shall, at the expense of the county, provide official seals for each of said officers, where the same are required by law.

19 O.S. § 447

Inventory Procedures

Upon assuming office, the County Treasurer should perform an inventory of all office equipment and make sure that all equipment that is recorded as assigned to that office is present. The inventory should include (but is not limited to) all items worth \$500.00 or more.

19 O.S. § 178.1
19 O.S. § 1502 (B)(2)
19 O.S. § 1501



Inventories should be performed whenever a county official changes in preparation for an SA&I exit audit.

Each county officer must file a copy of the inventory in the County Clerk's office. The County Clerk serves as custodian and repository of all county inventory records, files, and reports.

19 O.S. § 178.3

The County Clerk is authorized to destroy all inventory records, files, and reports on file in her office of any county inventory that have been disposed of for three years or more providing that a full audit of the inventory account has been made by the Office of the SA&I.

19 O.S. § 178.3

Purchasing Procedures

All county purchasing is centralized in a single office and carried out by a single purchasing agent. The county purchasing agent may be the County Clerk or a deputy appointed by the County Clerk. The County Treasurer should determine who is the county purchasing agent and discuss purchasing procedures with that agent immediately after taking office.

19 O.S. § 1500

The county purchasing agent's job is to purchase goods and services for the county. The purchasing agent finds the most cost efficient products, places the orders, and makes all purchases paid for with county funds.

19 O.S. § 1501

Requesting Officers

Upon assuming office, the County Treasurer must assign at least one individual, but not more than two, to be **Requesting Officers** or individuals who can sign purchasing requisitions during any absence. This information must be filed with the County Clerk and entered into the Board of County Commissioners' minutes.

19 O.S. § 1501(A.4)

Receiving Officers

The County Treasurer should also appoint at least one individual, but not more than two, to serve as **Receiving Officers**, file their names with the County Clerk, and enter their names into the Board of County Commissioners minutes.

19 O.S. § 1503

Receiving Officers determine that a valid purchase order exists for items received, that the items are in the condition requested, and then prepare a Receiving Report. Receiving Officers also maintain a record of all supplies, materials, and equipment received, disbursed, stored, and consumed by the department. Normally, one of the receiving officers is designated as the **Inventory Officer**.

19 O.S. § 1504

Please refer to the Purchasing Handbook for County Officers published through the County Training Program at Oklahoma Cooperative Extension Service and/or contact the Office of the State Auditor and Inspector (SA&I) for complete details regarding inventory responsibilities and purchasing procedures, and to 19 O.S. §§ 1500-1507.

Signature Filings with the Secretary of State

County Officer Signature List

Upon assuming office, The County Treasurer must sign the signature list for elected officials provided by the County Clerk. The County Clerk notarizes and certifies the list and files it with the Secretary of State.

19 O.S. § 257

When any new County Treasurer takes office during the year, that officer must notify the County Clerk so that the information can be sent to the Secretary of State's office.

Facsimile Signatures

If the County Treasurer uses some method of reproducing the signature such as a stamp, engraving, or imprinting device, a facsimile must be filed with the Secretary of State along with the manual signature to authorize use of a facsimile signature upon "public securities." (A public security is a

bond, note, certificate of indebtedness or other obligation for the payment of money issued by this state or by any of the departments, agencies, or other instrumentalities or by any of its political subdivisions or districts).

“Authorized officer” means any official of this state or of any of its departments, agencies, or other instrumentalities or districts whose signature to a public security, or certificate is required or permitted.

WARNING! Intent to defraud by use of a facsimile signature or facsimile seal on public securities is a felony.

62 O.S. § 604
21 O.S. § 9

Maintaining the Oklahoma Statutes



Effective November 1, 2020, those government offices and institutions that were previously eligible to receive free, hard-bound paper copies of the Official Oklahoma Statutes, Supplements, and Session Laws distributed by the Secretary of State may no longer receive them. The new Oklahoma Statute, effective November 1, 2020, states that the Secretary of State shall provide free electronic access.

75 O.S. § 13
Effective 11/1/2020

The language in the Oklahoma Statutes regarding copies of free printed books has been repealed effective November 1, 2020.

75 O.S. § 14
75 O.S. § 17
Repealed effective 11/1/2020

The new Oklahoma Statute may affect the first three of the following headings.

Oklahoma Statute Books

A set of Oklahoma Statute Books should be maintained in the County Treasurer’s office. Upon assuming office, the County Treasurer should take possession of the *Oklahoma Statutes*, session laws, and yearly supplements from the outgoing County Treasurer and file receipts for these documents with the County Clerk. If any of these are missing, the County Treasurer must requisition the County Clerk to replace them.

75 O.S. § 18

Supplements and Updates – Oklahoma Statute Books

Each year, by the first Monday in February, next succeeding the time when any regular session of the Legislature is held, the Oklahoma Statutes should be updated by requisitioning, from the [Oklahoma Secretary of State](#), copies of the current Supplement to the Oklahoma Statutes, which is the annual update. If possible, a new set of Oklahoma Statutes should be requested at least every ten years.

75 O.S. § 14(A)(5)
75 O.S. § 18
75 O.S. § 20

Oklahoma Statutes On-line

In addition to the Oklahoma Statute Books, the Oklahoma Statutes are available on line at the Oklahoma Supreme Court Network website ([OSCN.net](#)) under “Legal Research,” “Oklahoma Statutes Citationized.”

Oklahoma Statute Conflicts

When referencing statutes in the Statute Books or on-line, users should be aware that more than one statute might contain provisions for identical or similar subjects. If any of these provisions conflict or contradict each other, the most recent statute must prevail.

75 O.S. § 22

Refer to [Appendix A, “Using the Oklahoma Statutes”](#) in this handbook for more information regarding the Oklahoma Statutes.

Oklahoma Statute and Session Law Conflicts

In all cases where there is a conflict between the original acts and adopted statutes, the original acts shall govern, and the adopted statutes shall be deemed as repealed, amended, or modified thereby, without reference to the date of the approval of such original acts. For purposes of this section, "original acts" means the enrolled documents of the acts as produced by the house of origin.

75 O.S. § 12

Acts, Resolutions Passed as Emergency Measures

The Secretary of State is required, as soon as possible after receiving in their office any act or resolution or any Civil Probate or Criminal Procedure Act passed by the Oklahoma Legislature as an emergency measure, to provide access to a copy to each County Treasurer by United States mail, facsimile, or electronic mail transmission.

75 O.S. § 25

Immediately upon receipt from the Secretary of State of these acts and resolutions, the County Treasurer must place them in a binder, which shall be available for examination by the public. If the documents are provided by electronic mail, a recommended good practice is for the County Treasurer to save a printed copy of the transmissions in a folder until the law is codified or have some office procedure in place to produce the legislation when requested.

75 O.S. § 26

County Treasurer Certification Program

The Commission on County Government Personnel Education and Training (Commission) was established to oversee a professional development program for training Oklahoma county officers, excise board members, candidates for county office, and any other persons through the Cooperative Extension Service at Oklahoma State University.

19 O.S. § 130.1
19.S. § 130.2

Each County Treasurer and their deputies shall be required to participate in the appropriate training programs and educational seminars relevant to their positions and duties.

19 O.S. § 130.7

In 1992, the Oklahoma County Treasurer’s Association adopted a certification program for County Treasurers and Deputy County Treasurers. The program was most recently revised in July, 2018.

The certification program is available through the [County Training Program \(CTP\)](#), coordinated by the Oklahoma Cooperative Extension Service at Oklahoma State University.

To refer to the certification guidelines for County Treasurers, please go to the CTP website (agecon.okstate.edu/ctp) and click on “Certification Guidelines” under “County Treasurers” in the left-hand column.

To remain in good standing after receiving any level of certification, six hours of continuing education units (CEU’s) are required each year.

Certificates for all levels are awarded at the County Treasurers Annual School each spring.

Chapter Seven

Duties of the County Treasurer: General

The primary responsibility of the County Treasurer is to administer county monies. The County Treasurer receives and distributes all county monies as provided by law and maintains an accurate accounting of all county monies received and distributed.

19 O.S. § 623
19 O.S. § 625

The County Treasurer assumes the role of “banker” for the county and might receive money from any or all of the following sources:

- Other county offices
- The state government
- Local residents and businesses
- The federal government

WARNING: The County Treasurer and Deputy Treasurers are accountable to the Board of County Commissioners for money that belongs to the county. Any county officer who mishandles county funds or does not abide by statutory laws when receiving, depositing, or disbursing county monies can be sued by the Board of County Commissioners, and must forfeit the office and pay a penalty of twenty percent on the amount due to the county.

19 O.S. § 441
19 O.S. § 443

Table 7-1 contains the primary activities of the County Treasurer’s office listed according to the calendar dates when they should be performed, provides a reference to the chapter in this handbook for additional information, and refers to the statutes that cover the required activities.

Receiving and Depositing County Monies

Ad Valorem Taxes

The County Treasurer collects all ad valorem taxes for the county and must keep an accurate, current record of all ad valorem taxes received. Please refer to [Chapter Eight, “Duties of the County Treasurer, Collecting Ad Valorem Taxes,”](#) [Chapter Nine, “Duties of the County Treasurer: Collecting Delinquent Personal Property Ad Valorem Taxes,”](#) and [Chapter Ten, “Duties of the County Treasurer: Collecting Delinquent Real Property Ad Valorem Taxes,”](#) in this handbook for information on ad valorem taxes and tax collection procedures.

19 O.S. § 625

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office

Calendar Date	Activity	Handbook Reference	Statute Reference
Daily	Deposit all funds and monies received into one or more approved depositories.	Chapter Seven	19 O.S. § 121
	File a duplicate copy of all daily collections and deposit with the County Clerk.	Chapter Seven	19 O.S. § 115 19 O.S. § 116 19 O.S. § 119 19 O.S. § 644.1 19 O.S. § 643
Monthly	Report the monthly ad valorem tax protest amounts to the Oklahoma State Department of Education.	Chapter Eight	70 O.S. § 18-200.1
The second Monday of each month.	Forward to the State Treasurer all monies collected for that office.	Chapter Seven	19 O.S. § 630
The last day of each month	Apportion all funds and monies collected that are subject to apportionment and file an apportionment’s report with the County Clerk.	Chapter Seventeen	19 O.S. § 117 68 O.S. §§ 2923-2924
Quarterly			
March, June, September, and December	Prepare Mobile Home Report and file the report with the Oklahoma Tax Commission.	Chapter Eight	68 O.S. § 2812(c) OTC RULE 710 10-9-18
Yearly			
	Prepare resolutions for the Board of County Commissioners to authorize investments.	Chapter Sixteen	62 O.S. § 348.1

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office (Continued)

Calendar Date	Activity	Handbook Reference	Statute Reference
July through December			
On or before the first Monday in July (if the Board of County Commissioners makes the budget), otherwise on or before a date set by the Budget Board	File estimate of needs/financial report that shows the earnings and the costs of maintaining the office together with an itemized estimated budget for the coming year with the Board of County Commissioners and the County Excise Board.	Chapter Three	68 O.S. § 3004 19 O.S. § 1411
July 1	Prepare a list of designated depository banks for approval by the Board of County Commissioners.	Chapter Seven	19 O.S. § 121
July 1	File a special estimate of needs for expenses for service as School District Treasurer.	Chapter Three	70 O.S. § 5-114
July 1 to July 10	Certify delinquent special assessments from municipal clerk; Fire Protection, Sewer Improvement, Road Districts, and Hospital Districts; and delinquent special assessments on the tax roll, and collect them as other ad valorem taxes.	Chapter Eleven	11 O.S. § 36-222 19 O.S. § 901.19 9 O.S. § 901.20
Thirty days after the second Monday in June	File a return of tax resale with the County Clerk thirty days following the sale.	Chapter Ten	68 O.S. § 3131 68 O.S. § 3137

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office (Continued)

Calendar Date	Activity	Handbook Reference	Statute Reference
June 30	Forward Resale Form 409 to the Board of County Commissioners	Chapter Ten	68 O.S. § 3137
July Board of County Commissioners Meeting	Submit books, accounts, vouchers and all monies, warrants, or orders remaining in the treasury to the Board of County Commissioners for audit and review.	Chapter Seven	19 O.S. § 626
Late June or during July	Receive reimbursement from the State Treasurer for double homestead exemptions.	Chapter Seven	62 O.S. § 193
Recommend well before October Tax Sale	Prepare mailing to delinquent real property owners, and special assessments.	Chapter Ten	68 O.S. § 3106
After April 1 but prior to end of September	Publish “Notice of delinquent taxes and special assessments” once each week for two consecutive weeks in a legal publication of general circulation in the county.	Chapter Eight	68 O.S. § 3106
Before October 1	Obtain Fire Protection District tax rolls by October 1 and collect taxes in same manner as ad valorem taxes	Chapter Eight	19 O.S. § 901 19 19 O.S. § 901.20
On or Before October 1	Receive from the County Assessor the tax rolls and an abstract of the tax rolls. The County Assessor also delivers a copy of the abstract to the County Clerk.	Chapter Eight	68 O.S. § 2869 68 O.S. 2868
October 1	Deliver Personal Property Tax Lien Docket to the County Tax Assessor.	Chapter Nine	68 O.S. 2892(D)(4)

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office (Continued)

Calendar Date	Activity	Handbook Reference	Statute Reference
October	<p>Prepare unclaimed property report and submit it to the Oklahoma Tax Commission before November 1.</p> <p> The County Treasurer usually reports “None” in the report since funds being held by the office are for a designated purpose for a statutory length of time with a designated disposition identified at the end of that time.</p>		60 O.S. § 661
Before November 1	Mail a statement of ad valorem taxes due to each taxpayer within thirty days after receiving the tax roll from the County Assessor.	Chapter Eight	68 O.S. § 2915
November 1	Begin collecting ad valorem tax payments.	Chapter Eight	68 O.S. § 2913
January through June			
First regular meeting of the Board of County Commissioners	Submit books, accounts, vouchers and all monies, warrants, or orders remaining in the treasury to the Board of County Commissioners for audit and review.		19 O.S § 626

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office (Continued)

Calendar Date	Activity	Handbook Reference	Statute Reference
January 1	If at least one-half of the tax bill is not paid [before] January 1, the entire bill becomes delinquent.	Chapter Eight Chapters Nine, Ten	68 O.S. § 2913
January 1 or January 16	Begin to charge interest on delinquent tax bills.	Chapter Eight Chapters Nine, Ten	68 O.S. § 2913 A.G. OPINION JULY 30, 1958
By January 31	File required 1099 forms with the IRS.	Chapter Seven	
February 1	Receive Land Reimbursement Check from the State Treasurer.	Chapter Seven	62 O.S. § 194
Before March 31	Mail out second half statements	Chapters Nine, Ten	
April 1	If the last half of the tax bill is not paid before April 1, the tax becomes delinquent.	Chapters Nine, Ten	68 O.S. § 2913
Within 60 days after April 1	Notify delinquent personal property taxpayers by mail within 60 days after April 1, and publish a notice of personal property tax delinquency in a newspaper of general circulation in the county.	Chapter Nine	68 O.S. § 3102

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office (Continued)

Calendar Date	Activity	Handbook Reference	Statute Reference
April 1 or April 16	Begin to charge interest on delinquent tax bills.	Chapter Eight Chapters Nine, Ten	68 O.S. § 2913 A.G. OPINION JULY 30, 1958
May 1	Prepare resolutions for school districts authorizing investments.	Chapter Sixteen	62 O.S. § 348.1
Thirty days before the second Monday in June	Notify real estate property owners as listed on the latest tax rolls that their property is subject to tax resale.	Chapter Ten	68 O.S. § 3127
Recommended well before publication	File affidavits with the County Clerk for mortgage holders that cannot be notified prior to resale.	Chapter Ten	68 O.S. § 3127
Four weeks before the second Monday in June and each consecutive week	Publish the first notice of the tax resale in a legal publication of general circulation in the county.	Chapter Ten	68 O.S. § 3127
Second Monday in June	Hold tax resale auction. All real estate for which the county has held a tax lien for two years must be auctioned at a tax resale.	Chapter Ten	68 O.S. § 3125

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office (Continued)

Calendar Date	Activity	Handbook Reference	Statute Reference
Prior to June 15	Prepare resale financials and apportionment to present to the Board of County Commissioners prior to June 15.		68 O.S. 3137 68 O.S. 3137(E)
June 15	Receive reimbursement from the State Treasurer on exempt manufacturing.	Chapter Seven	62 O.S. § 193
Within 30 days of resale	Apportion resale report within thirty days of resale and submit Certificate of Returns of Resale of Real Estate for Delinquent Taxes to the County Clerk.	Chapter Ten	68 O.S. § 3137
June 30	Prepare and submit Inventory Report to the Board of County Commissioners.	Chapter Seven	19 O.S. § 178.1
	Submit Resale Form (SA&I Form No 409) to the Board of County Commissioners.		
Before July 1	Prepare a personal property tax lien docket, which lists taxes still unpaid within 30 days of the publication of the general notice of personal property tax delinquency.	Chapter Nine	68 O.S. § 3103
End of Calendar Year	File the annual collection report on Farm Implement Tax Stamps with the County Assessor.	Chapter Eight	68 O.S § 5404

Mortgage Taxes

The County Treasurer collects all real estate mortgage taxes for the county and must keep an accurate, current record of all mortgage taxes received. Please refer to [Chapter Thirteen, “Duties of the County Treasurer, Collecting Real Estate Mortgage Taxes,”](#) in this handbook for information on mortgage taxes and tax collection procedures.

Farm Implement Tax Stamps

The County Treasurer sells Farm Implement Tax Stamps, received from the Oklahoma Tax Commission (OTC), for a tax paid in lieu of ad valorem tax on certain parts of the inventories of farm implement dealers. The County Treasurer also provides records to the OTC and the County Assessor on tax stamp sales. Please refer to “[Farm Implement Tax Stamps](#)” in Chapter Eight, *Duties of the County Treasurer, Collecting Ad Valorem Taxes*, for additional information on selling and reporting Farm Implement Tax Stamps.

68 O.S. § 5401
68 O.S. § 5404

Federal, State, and Local Transfer Payments

All county government receipts from other governmental entities are received, deposited, and apportioned by the County Treasurer. Federal receipts include in-lieu taxes for federal property and Federal Emergency Management Agency payments for repair of county roads damaged by floods. State transfers include that portion of state motor vehicle license and registration fees allocated for the county general fund and county road funds. Local transfers include that portion of visual inspection (revaluation) budgets borne by other local taxing jurisdictions.



Most state and federal government agencies now have an electronic transfer deposit procedure whereby funds are electronically deposited directly into the County Treasurers’ accounts.

The County Treasurer has the responsibility of developing a policy procedure with banks to be notified of such deposits, preferably in writing, and to create a paper trail to properly log deposits and make appropriate bookkeeping entries. The County Treasurer will find it helpful to know the tracking number of deposits and to communicate

directly with agencies and banks on dates when the deposits are to be made.

SA&I now has a form, [SA&I Form Number 392](#), Electronic Fund Transfer, that is used by the banks to notify the County Treasurer of when electronic transfers are received into county bank accounts.

Other Receipts

All receipts other than ad valorem taxes, whether they are transfer payments, fee collections, rental payments, or other receipts, are recorded as miscellaneous receipts or acknowledgements of trust deposit by the County Treasurer. Each receipt is deposited daily and apportioned, generally on a monthly basis.

The County Treasurer must provide the County Clerk with a duplicate copy or a listing of all receipts for money received by the County Treasurer. No receipt, except a tax receipt, is valid unless countersigned by the County Clerk.

19 O.S. § 624
19 O.S. § 643

Deposits

All monies received in the County Treasurer's office must be deposited not later than the immediate next banking day into one or more banks designated by the Board of County Commissioners as county depositories.

The County Treasurer makes daily deposits to the Official Depository account at the bank.

While few offices continue to use hand-written forms for this purpose, [SA&I Form No. 196](#) indicates the information that is required when making these deposits.

The County Treasurer makes daily deposits in the General Account at the bank. Refer to [SA&I Form No. 197](#).



The County Treasurer must provide the County Clerk with a duplicate copy of all daily collections and deposits made. Most offices refer to this informally as the “daily packet.”

County Depositories

A county depository may be established in a bank, trust company, credit union, or savings and loan association in the county or within the state.

19 O.S. § 121
62 O.S. § 517.3

Figure 7-1 shows a sample Resolution Designating County Depository Banks that the Board of County Commissioners uses to designate certain financial institutions in the county as county depository banks. Please note that this resolution should be changed or updated as needed.

The County Treasurer must also ensure that no deposits in any bank exceed the maximum amount that is either insured to \$100,000 by the Federal Deposit Insurance Corporation or fully collateralized by acceptable securities if the deposit exceeds \$100,000. A record of pledged collateral is shown on [SA&I Form No. 341](#).

19 O.S. § 121

The County Treasurer must also have on file in the County Treasurer's office, a FDIC Depository Agreement, [SA&I Form Number 245](#), for each bank that has been designated as a county depository bank.

19 O.S. § 121
19 O.S. § 122-
19 O.S. § 123

Official Depository Account

All county officers must deposit all county monies received with the County Treasurer, who is then responsible for depositing these monies in the Official Depository Account and crediting the account of the officer from whom the money was received.

Change Fund

Each county office, board, and commission is allowed to keep no more than \$1,500.00 on hand in their office to be used for a change fund.

19 O.S. § 682

Investments

Whenever the County Treasurer has collected monies not needed to meet current obligations, these monies should be invested in an authorized, prudent investment program until they are needed. Please refer to [Chapter Sixteen, "Duties of the County Treasurer: Investing County Monies,"](#) in this handbook for information on investing county monies.

62 O.S. § 348.1
62 O.S. § 348.3

RESOLUTION # 2019-12
COUNTY DEPOSITORY BANKS

STATE OF OKLAHOMA, COUNTY OF CLEVELAND, SS.

We, the undersigned board of county commissioners, of the above mentioned County and State, being in lawful session assembled in their office at the County Seat on the date hereinafter inscribed, pursuant to laws now in effect relating to County Depositories, do hereby designate the following Banks as County Depositories, to wit:

NAME OF BANK	ADDRESS		
State Treasurer of Oklahoma	Oklahoma City, OK	Arvest Bank	Stillwater, OK
Bank NA The	Stillwater, OK	Bank One Trust Co. N.A.	Oklahoma City, OK
Bank of Oklahoma	Tulsa, OK/Oklahoma City, OK	Bank of Cushing	Cushing, OK
First National Bank & Trust	Stillwater, OK	First National Bank & Trust	Morrison, OK
Exchange Bank	Stillwater, OK	Payne County Bank	Perkins, OK
Stroud National Bank	Perkins, OK	First Oklahoma State Bank	Glencoe, Oklahoma
American Heritage Bank	Yale, OK	Tinker Federal Credit Union	Stillwater, OK
The Bank, N.A. Stillwater	Stillwater, OK	BancFirst	Stillwater, OK
Liberty Federal Savings & Loan	Stillwater, OK	RCB Bank	Stillwater, OK
RCB Bank	Cushing, OK	Mid First Bank	Stillwater, OK
University & Community Federal Credit Union	Stillwater, OK	IBC Bank	Stillwater, OK
Patriot Bank	Tulsa, OK	Security Bank	Tulsa, OK
First National Bank of Vinita	Vinita, OK		

The safe in the County Treasurer’s Office is designated as a secure receptacle for temporary safekeeping of all County Investment Funds.

It is further provided that, regardless of the above designation, no deposit of public money shall every be made in any or either of said banks in excess of Federal Deposit Insurance or Federal Savings and Loan Insurance currently effective, unless and until adequate securities are pledged in the manner provided by law.

It is further stated that neither of the members of the Board of County Commissioners nor Carla J. Manning, County Treasurer, owns stock or is otherwise particularly interested in any of said banks.

Done at Stillwater, Oklahoma this 6th day of July, 2019.

PAYNE BOARD OF COUNTY COMMISSIONERS

Chris Reding, Chairman

Zach Cavett, Vice- Chairman

Rocky Blasier, Member

COUNTY CLERK
(SEAL)

Figure 7-1. Sample Resolution Designating County Depository Banks

Issuing Receipts for Monies Received

When County Treasurers receive county taxes and other monies, they must issue a receipt, at least in triplicate. One copy of the receipt is given to the payer and one copy to the County Clerk. One copy is retained and filed in the County Treasurer's office.

19 O.S. § 624
68 O.S. § 2914

Disbursing County Monies

County monies already appropriated for specific items can only be disbursed on county warrants. Other monies that are not appropriated are disbursed on vouchers drawn against the County Treasurer's office. The County Treasurer must keep an accurate record of all funds disbursed that shows the following information:

19 O.S. § 625
19 O.S. § 691

- Date
- Recipient of the monies
- Account from which the monies are drawn
- Fund from which the monies are drawn
- Purpose of the disbursement

When any monies have been collected through error, the County Treasurer issues a cash voucher claim to the County Clerk who then issues a refund voucher. All monies collected in error can only be refunded based on the voucher prepared by the County Clerk. Refer to [Chapter Fifteen, "Disbursing Appropriated Funds,"](#) in this handbook for additional information on disbursements.

19 O.S. § 625
19 O.S. § 691

Collecting Fees

Table 7-2 shows the fees the County Treasurer should collect for various activities performed in that office. Other fees and charges may also be collected such as publication fees, County Treasurer's costs for resale, and share of service charges, which may vary between counties.

A listing of all fees collected in the County Treasurer's office must be on display in a conspicuous place in the office. Failure to post the fees results in a \$5.00 per day penalty.

28 O.S. § 7

The County Treasurer must keep an account of all fees showing the following information:

28 O.S. § 44

- The amount charged
- The amount received
- From whom the fee payment was received
- For what purpose the fee was paid
- The date

The account of fees must be totaled each month showing the amount earned, the amount received, and the amount unpaid.

Issuing IRS 1099 Forms

The Internal Revenue Service (IRS) requires that County Treasurers issue 1099 forms for the following interest payments:

- Interest of \$600.00 or more that is earned on protested taxes held in escrow when the taxpayer is entitled to a refund. Refer to [Chapter Twelve, "Duties of the County Treasurer: Collecting Protest Taxes."](#)

Table 7-2. Schedule of County Treasurer’s Office Fees

Activity	Fee	Statute Reference
Issuing warrants to collect delinquent taxes on personal property	\$10.00 per warrant	28 O.S. § 43
Certificates of Redemption	\$5.00 per certificate	28 O.S. § 43
Assignment of Individually held certificates	\$15.00 per certificate	28 O.S. § 43
Preparing Tax Deeds, first tract, including acknowledgment	\$10.00 per deed \$0.00 per additional tract in the same deed	28 O.S. § 43
Preparing Personal Property Tax Lien Docket	\$5.00 per entry	68 O.S. § 3103
Collecting Mortgage Certification Fees	\$5.00	68 O.S. § 1904(B)
Collecting Municipal Clearing and Mowing Assessments	\$5.00 per parcel	11 O.S. § 22-111
Collecting Municipal Condemnation of Building Assessments, Dismantle and Removal, and Boarding and Securing	\$5.00 per parcel	11 O.S. § 22-112 11 O.S. § 22-112.1
Sending Mailings	\$5.00 plus postage	68 O.S. § 3106
Collecting paving, sewer, and demolition (public nuisance abatement) payments	\$5.00	11 O.S. § 36.222 11 O.S. § 36.227
Insufficient Fund Check	\$35.00	19 O.S. § 682

- Interest of \$600.00 or more that is earned on money refunded after a tax lien sale. Refer to [Chapter Thirteen, “Duties of the County Treasurer: Issuing Refunds.”](#)
- Interest of \$600.00 or more that is earned on monies collected for the payment of a judgment that is levied on the ad valorem tax rolls, or monies deposited with the County Treasurer as part of a judgment proceeding administered by the District Court

Filing Reports

Daily Reports

The County Treasurer is required to file a report daily with the County Clerk. This report shows the collections and deposits and disbursements made on that day and includes all of the duplicate receipts, certificates, deposit slips, and original paid and cancelled warrants or vouchers with duplicate checks issued. Many offices refer informally to this as the “daily packet.”

19 O.S. § 115
 19 O.S. § 116
 19 O.S. § 119
 19 O.S. § 644.1
 19 O.S. § 643

Monthly Reports

Treasurer’s Monthly Report

The County Treasurer is required to file monthly with the Office of the SA&I the Monthly Report of County Treasurer which summarizes all collections, the General ledger, and all fund activity, and shows bank reconcilements. A copy of this report is provided to the County Clerk as Secretary to the Board of County Commissioners.

Monthly Report of Officers

The County Treasurer is required to file the Monthly Report of Officers, [SA&I Form No. 140](#), with the Board of County Commissioners.

Monthly Apportionment Reports

The County Treasurer is required to file monthly with the County Clerk the County Treasurer’s Monthly Apportionment Report which shows how county monies are to be apportioned for the month.

19 O.S. § 117
 68 O.S. § 2923
 68 O.S. § 2924

Bi-Annual Reports

At the January and July meetings of the Board of County Commissioners, the County Treasurer is required to submit the books, accounts, and vouchers of the county treasurer, and all monies, warrants, or orders remaining in the treasury for inspection and audit.

19 O.S. § 626

Serving as Treasurer of Cities and Towns

A County Treasurer, in addition to serving as County Treasurer, may be designated, by ordinance, to serve as the treasurer of any incorporated city or town within the county with a population of 5000 or less. The County Treasurer then exercises all of the powers and performs all of the duties of the city or town treasurer without additional compensation. The County Treasurer blanket bond also covers all monies and securities that belong to the city or town.

19 O.S. § 645

Serving as Treasurer of School Districts

A County Treasurer may also be asked to serve as the treasurer of all of the school districts in the county and may charge a fee to these districts for the cost of these services.

70 O.S. § 5-114

The County Treasurer who is functioning as a School District Treasurer keeps a record of warrants issued, deposits received, and a current balance in each school fund on [SA&I Form No. 2064](#).

When warrants are delivered by the school to the County Treasurer to be registered, they should be accompanied by [SA&I Form No. 356](#).

The board of education of a school district may, however, appoint a local treasurer and assistant treasurer, which would relieve the County Treasurer from serving as treasurer for that school district.

Obtaining Legal Advice

The District Attorney

The District Attorney is the authorized legal counsel for all county offices. The District Attorneys or their assistants shall give opinion and advice to the Board of County Commissioners and other civil officers of the counties, when requested, on all matters in which any of the counties of the district are interested, or relating to the duties of such boards or officers in which the state or counties may have an interest.

19 O.S. § 215.5

When seeking legal opinions or advice about the official business of their offices, County Commissioners should request assistance from their District Attorney (or an assistant).

The District Attorney also represents County Commissioners in court for any civil actions brought against them in their official capacity as County Commissioners.

19 O.S. § 215.4
19 O.S. § 215.25

To save time and prevent misunderstandings, The County Commissioner should present questions in writing to the District Attorney's office and keep written records of all responses and communications. The County Commissioner should be sure that their understanding of the opinions agrees with the District Attorney's intended interpretation.

Bills, Laws, and Regulations as Legal References

A strongly recommended good practice is that the County Treasurer should also seek legal advice from their District Attorney's office for proper interpretation of the Oklahoma Statutes, Oklahoma Session Laws, and other regulations.

Employing General Counsel

Civil and Criminal Cases in Which the County is Interested or is a Party

The following conditions apply to employing general counsel in civil and criminal cases:

- If the District Attorney and the Board of County Commissioners of the county agree, legal representation in any civil case in which the county is interested or is a party or in which a county officer or employee acting in good faith in the course of their employment is a named defendant

19 O.S. § 215.37M(A)(B)
19 O.S. § 215.4
19 O.S. § 215.25

and the District Attorney is required to represent the county, may be provided by contract with a private attorney. The costs of this contract shall be paid by the Board of County Commissioners out of its account for general government operation, or other accounts, as may be appropriate.

- If the District Attorney and the Board of County Commissioners of the county agree, prosecution of any criminal matter may be provided by contact with an attorney, not employed by the office of the District Attorney, who shall be designated as a special assistant district attorney, if the case load of the office of the District Attorney is such that adequate representation of the interest of the state is not possible without appointment of one or more special assistant district attorneys. The special assistant district attorney shall be appointed by the District Attorney. The special assistant district attorney may serve with or without compensation, with compensation subject to restrictions in the Oklahoma Statutes.

19 O.S. § 215.37M(C)

County Treasurers' Authority to Employ General Counsel

The County Treasurers also have the authority to employ a general counsel, either in-house as a staff attorney or through an outside law firm, to advise or represent them and their offices in the performance of the official duties of their offices.

19 O.S. § 527(A)

The Board of County Commissioners shall approve all contracts for outside counsel. A general counsel shall be compensated from the funds of the employing County Treasurer's office.

For more information about employing general counsel, refer to "Obtaining Legal Advice" in Chapter 7 of the *Handbook for County Commissioners of Oklahoma*.

Holding Open Meetings

In 1977, Oklahoma passed the Open Meeting Law, which prohibits the members of any public body (including county officers) to meet informally to decide a course of action or vote on any matter, even by telephone or other electronic means. All meetings must be held at specified times and places that are convenient to the public and must be open to the public. All meetings must be publicized by advance notice and specify the time, place, and subject matter to be considered.

25 O.S. §§ 301-313

WARNING: Any violation of the Open Meeting Law is a misdemeanor, punishable by a fine or imprisonment.

25 O.S. § 314

Keeping County Records

Open Records Act

According to the Oklahoma Open Records Act, all county officials, including the County Treasurer, must keep public records “open for public inspection (and copying and/or mechanical reproduction) for proper purposes, at proper times and in a proper manner during all business hours of the day.”

51 O.S §§ 24A.1-24A.20

The Oklahoma Statutes state that the people of Oklahoma have an inherent right to know and be fully informed about their government at any level. The Oklahoma Open Records Act ensures and facilitates the people’s right to access and review government records so that they may exercise this right.

Certain records may not be subject to open search by the public because of confidential privacy created by Oklahoma and federal statutes. Care must be taken when refusing permission for public review of any public record. For protection, the County Treasurer should obtain a written statement from the District Attorney or the Office of the State Auditor and Inspector that states that public review of a particular public record is not authorized. This action protects the County Treasurer from a possible act of commission or omission which might cause removal from office.

A public record includes, but is not limited to, any document, book, paper, photograph, microfilm, computer tape, disk, and record, sound recording, film recording, video record, or other material regardless of physical form or characteristic, that is in the custody, control or possession of the County Treasurer.

WARNING: Any violation of the Oklahoma Open Records Act is a misdemeanor, punishable by a fine or imprisonment and, if convicted, removal from office. Also, any person who is denied access to a public record can file a civil suit.

51 O.S. §24A.17

Record Destruction

The County Treasurer has a specific duty to keep and maintain complete records of the receipt and disbursement of county funds as provided by law. No county records can be destroyed or discarded except as provided by law.

19 O.S. § 155.4

Storage Requirements

The following workbooks, reports, and records must be stored for at least seven years before being destroyed:

19 O.S. § 155.4(1)

- Mortgage Tax Records
- Personal Tax Warrant Records
- Personal Tax Lien Docket

The following records must be filed for at least seven years after final settlement before being destroyed:

19 O.S. § 155.4(2)

- All tax protest records
- Municipal Bond and Judgment Records

The following items must be stored for at least seven years. In addition, the Office of the State Auditor and Inspector (SA&I) must have completed an audit and no longer requires that the items be returned:

19 O.S. § 155.4(4)

- All records pertaining to school districts
- All bookkeeping records
- All instruments pertaining to apportionment and distribution of monies
- Warrant registers
- Miscellaneous income and distribution receipts and records
- Bank statements, deposit tickets, FDIC documents, depository records, reports, checks, purchase orders, and other bookkeeping records

The following items must be stored for at least ten years before being destroyed:

19 O.S. § 155.4(3)

- All tax rolls and tax roll adjustments
- All special assessment rolls
- All tax sale and resale records
- Real Property, Personal Property, Special Assessments and Emergency or Back Tax Receipts

Penalties

WARNING: Any county officer who steals, willfully destroys, mutilates, alters, falsifies, or unlawfully removes or hides any public record, can be charged with a felony offense and, if convicted, forfeit his or her office and serve up to five years in prison.

21 O.S. § 461

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Chapter Eight

Duties of the County Treasurer: Collecting Ad Valorem Taxes

Understanding Ad Valorem Taxes

One of the County Treasurer's major responsibilities is to maintain the county ad valorem tax rolls and collect the associated taxes.

Ad valorem taxes are determined according to two criteria:

1. The value of real, personal, and public service property
2. The local mill levies

Ad valorem is a Latin phrase that means "according to value." The Oklahoma Constitution uses the terms property tax and ad valorem tax to mean the same thing.

The Constitution authorizes the collection of all property taxes, in which the tax rate is given in number of mills rather than dollar amounts and is levied as a percentage of the taxable fair cash value of real and personal property.

Land and buildings are examples of real property. Personal property includes items such as household property, business equipment, inventory, and improvements on leased property.

Oklahoma Statutes in Title 68, sections 2802, 2806, and 2808 contain definitions of terminology associated with ad valorem taxes in Oklahoma.

68 O.S. § 2802
68 O.S. § 2806
68 O.S. § 2808

Purpose of Ad Valorem Taxes

Ad valorem taxation generates revenues to support public goods and services provided by local governmental units.

County Ad Valorem Taxes

County-wide ad valorem taxes finance the operations and services of county government.

School District Ad Valorem Taxes

Several ad valorem tax levies generate revenues for a common school district's operating budget and for capital improvements. A common school district is the local school district that is classified either as a dependent (elementary) school district or an independent school district.

- A dependent or elementary school district offers pre-school through eighth grade.
- An independent school district offers pre-school through twelfth grade.

70 O.S. § 5-103

70 O.S. § 5-102

Vocational technical school districts also operate with ad valorem tax revenues.

Emergency Medical Service District Ad Valorem Taxes

Another local entity that operates with ad valorem tax revenues is the emergency medical service district.

Please refer to [Ad Valorem Tax Levies, OSU Extension Facts No. 795](#), for a detailed discussion of all Oklahoma property tax levies and to the *Handbook for County Assessors of Oklahoma*.

Creating Ad Valorem Tax Rolls

Appraisals

The County Assessor appraises all property within the county except public service property. All property must be appraised at its “fair cash value.”

68 O.S. § 2811
68 O.S. § 2817

Assessment Process

Based on the appraisals, the property is assessed at a percentage of value based on the local assessment ratio (in the range of 11% to 13.5% for real property and 10% to 15% for personal property). The County Assessor prepares the assessment rolls by multiplying the fair cash value by the assessment ratio to produce the assessed values.

Oklahoma Constitution
Article 10 §8

Property Owner Protests

Property owners are informed of any increase in assessed property values and may file protests first, with the County Assessor, then if dissatisfied with the County Assessor’s decision, with the County Board of Equalization. Public service property owners may file protests about increased assessments with the State Board of Equalization.

68 O.S. § 2876
68 O.S. § 2881

Board of Equalization Decision Appeals

Both the taxpayer and the County Assessor can appeal Equalization Board decisions to the District Court.

68 O.S. § 2880.1

Please refer to [Chapter Twelve, “Duties of the County Treasurer: Collecting Protest Taxes,”](#) for detailed information on collecting protest taxes.

Certification of Tax Rolls

Based on Equalization Board decisions and court orders, adjustments are made to the county assessment rolls, and the County Assessor sends an abstract to the Oklahoma Tax Commission and finally to the State Board of Equalization for review and certification.

68 O.S. § 2867

When the State Board of Equalization certifies property valuations, the County Assessor compiles an abstract of assessment, organized by taxing jurisdictions, which shows separate valuations of real, personal, and public service property and sends it to the County Excise Board.

68 O.S. § 2867

Tax Levy Determination

The County Excise Board reviews the abstract and determines the tax levies which may include the following levies:

68 O.S. § 3014
68 O.S. § 3023

- An amount to retire any debt
- Levies allowable by the Oklahoma Constitution and State Statutes
- Levies approved by a vote of the people in each taxing jurisdiction

All levies are subject to protest or complaint.

The following information explains mill levies.

Tax levies are normally expressed as mills per dollar of assessed value. A mill is a tenth of a cent.

One mill = \$1.00 tax per \$1000 valuation or \$0.001 (one-tenth of a cent per dollar of assessed value).

Example: If a taxing jurisdiction such as a school district has a levy of 87 mills and a taxpayer has an assessed value of \$10,000, the tax would be computed as follows:

$\$0.001 \times 87 = \0.087 (tax per dollar of assessed value)

Tax = $\$0.087 \times \$10,000 = \$870.00$

(tax/dollar) (assessment) (tax)

County Tax Roll Preparation

When the County Assessor receives the certified levies, they are applied to the assessed valuations on the assessment rolls, without regard to any protest filed, to arrive at the tax on each property.

68 O.S. § 2868
68 O.S. § 2869

The County Assessor then prepares the County Tax Rolls.

Receipt of Tax Rolls by the County Treasurer

The County Assessor forwards the real estate and personal property tax rolls with a Tax Roll Warrant to the County Treasurer.

68 O.S. § 2869
68 O.S. § 2871

The County Assessor also sends an abstract of the county tax rolls to the County Treasurer and the County Clerk. The County Treasurer accepts the tax rolls and provides the County Assessor with a receipt. The County Clerk instructs the County Treasurer to collect the total amount on the tax roll abstract.

Making Changes to the County Tax Rolls

Once the tax rolls are certified to the County Treasurer, only the County Treasurer's office can make changes to the rolls. Changes are to be made only after receiving a proper certificate authorized by law or a court order.

68 O.S. § 2871

Board of Tax Roll Corrections

The Board of Tax Roll Corrections includes the following individuals:

68 O.S. § 2871

- Chairman: The Chairman of the Board of County Commissioners
- Vice Chairman: The Chairman of the County Board of Equalization
- The County Assessor
- Secretary: The County Clerk who is a nonvoting member

The Board of Tax Roll Corrections is authorized to hear allegations of errors, mistakes, or differences regarding items on the tax rolls. Normally, these errors or mistakes are discovered by the taxpayer, the County Treasurer, or the County Assessor and are corrected by submitting a Complaint of Erroneous Assessment and Order of Correction on [SA&I Form 348](#) to the Board of Tax Roll Corrections.

Certificate of Error

If the Board of Tax Roll Corrections approves a tax roll change that increases the tax amount, the County Clerk issues a Certificate of Error, [SA&I Form 348](#) (side 1), to the County Assessor. This certificate requests certification of the increase to the County Treasurer for entry on the tax rolls.

68 O.S. § 2871

If the Board of Tax Roll Corrections approves a tax roll change that does not increase the tax amount and the tax has not been paid, the County Clerk issues a Certificate of Error, SA&I Form 348 (side 2), to the County Treasurer. The County Treasurer enters the correction on the tax rolls, noting the certification type and number. If the certification decreases the tax amount, the County Treasurer enters a “credit, in lieu of cash” on the tax rolls for the amount of the decrease. The County Treasurer must compile all corrections to satisfy SA&I audit requirements. The County Clerk, Secretary of the Board of Tax Roll Corrections, shall prepare a letter order of dismissal or denial which shall be mailed to the taxpayer or person at the address found on the complaint.

Appeals

Both the taxpayer and the County Assessor have the right to appeal the Board of Tax Roll Corrections’ decisions to the district court.

68 O.S. § 2871

Clerical Errors

The County Assessor can correct any errors that are clearly clerical in nature by issuing a County Assessor’s Certificate of Clerical Error on [SA&I Form 368](#) to the County Treasurer with a copy to the County Clerk. The County Assessor also keeps a file copy. The County Treasurer makes the necessary changes to the tax rolls and enters the certificate type and number.

68 O.S. § 2874

Clerical errors are usually defined to be those errors that do not affect taxes due. These errors include name changes, legal description changes, and address changes.

Omitted Property

Any property that has been omitted from assessment of any prior year(s) and was not properly taxed is entered on the assessment and tax roll for the year(s) omitted. The omitted property may be taxed for the last fifteen years for real property and for the last three years for personal property.

68 O.S. § 2844

The County Assessor prepares a Certificate of Omitted Property on [SA&I Form 1231](#) and sends it to the County Treasurer with a copy to the County Clerk. The County Treasurer makes the corrections to the tax roll and enters the certificate type and number. These corrections must be compiled for SA&I audit purposes.

Court Orders

When the County Treasurer receives an order from a court that results in a change to the tax rolls, the County Treasurer makes the correction and enters the amount opposite the property described in the court order, the case number, and the court order date. These changes must also be compiled for SA&I audit purposes.

Collecting Ad Valorem Taxes

Upon receiving the tax roll, the County Treasurer must collect the taxes listed on the roll.

68 O.S. § 2914

Tax Statements

The County Treasurer prepares the tax statements ([SA&I Form 229](#)) in the same manner and form as the tax roll and totals and balances the statements against the tax roll. Many counties use a four-part copy form. The fourth copy is printed as the tax statement and the remaining original and first and second copies are printed as receipts. (See “[Receipts](#)” in this chapter.)

68 O.S. § 2915

Within 30 days after receiving the tax roll, the County Treasurer must mail each taxpayer, at the taxpayer’s last known address, the following information:

- A statement that lists separately the amount of all ad valorem taxes assessed against the taxpayer’s real and personal property for the current year and all delinquent taxes that remain unpaid for previous years
- An explanation of how the ad valorem tax bill is calculated
- An explanation of how the ad valorem taxes are apportioned between the county, school district, or other jurisdiction levying ad valorem taxes

After receiving the tax roll, the County Treasurer should refer to the previous year's personal property tax lien docket and the listing of delinquent taxes and ensure that the unpaid delinquent taxes are included on the current tax roll. Refer to [Chapter Nine, "Duties of the County Treasurer: Collecting Delinquent Personal Property Ad Valorem Taxes"](#) and [Chapter Ten, "Duties of the County Treasurer: Collecting Delinquent Real Property Ad Valorem Taxes."](#)

Non-receipt of a tax statement from the County Treasurer does not exempt any person who is subject to taxation from paying taxes.

Tax Payments

Taxpayers may pay taxes in person or by mail with currency, a check, bank draft, or money order. At the option of the County Treasurer, taxpayers can also use a nationally recognized credit or debit card that is approved by the Oklahoma Tax Commission. County Treasurers can enter into a contract for credit card processing or an agreement with the State Treasurer to use agreements the State of Oklahoma has in effect with credit card companies.

68 O.S. § 2916

Taxes are either classified as current or delinquent depending on when they are paid. Refer to [Chapter Nine, "Duties of the County Treasurer: Collecting Delinquent Personal Property Ad Valorem Taxes"](#) and [Chapter Ten, "Duties of the County Treasurer: Collecting Delinquent Real Property Ad Valorem Taxes,"](#) for information on collecting delinquent taxes.

Ad Valorem taxes are due and payable on November 1 of each year. One-half of the tax bill must be paid before January 1, and the second half must be paid before April 1. However, if at least one-half of the tax bill is not paid before January 1, the entire tax bill becomes delinquent. If the second half of the tax bill is not paid before April 1, the unpaid amount becomes delinquent.

68 O.S. § 2913

EXCEPTION: The first half of a tax payment is not delinquent until thirty days after the tax roll has been completed and filed by the County Tax Assessor with the County Treasurer.



If the total tax bill is \$25.00 or less, the entire tax bill must be paid before January 1 or it becomes delinquent.

68 O.S. § 2913(C)

Payments must be made in no more than two equal installments. All delinquent taxes will accumulate one and one-half percent interest per month (or major fraction of a month) until they are paid. The interest will never exceed the unpaid principal of the tax.

The interest collected on delinquent tax is apportioned monthly to the Resale Property Fund. An annual report of collections and proposed disbursements out of the Resale Property Fund is shown on [SA&I Form No. 409](#).

EXCEPTION: Mortgage servicers must pay the tax bills for all accounts they are servicing in one annual payment before January 1, or the entire tax levy becomes delinquent.

68 O.S. § 2913

The County Treasurer must stamp the date of receipt on every letter that contains funds for tax payments. No interest is added or charged after the County Treasurer receives the tax payment.

Receipts

A receipt must be issued for all tax payments. [SA&I Form No. 229](#) is the tax receipt form prescribed by the State Auditor and Inspector. The County Treasurer must ensure that a permanent record of all payments, whether in printed form or in computerized storage form, is retained.

A record of collections in each school district is also recorded on [SA&I Form No. 2351](#).

All tax receipts issued by the County Treasurer must be numbered consecutively; starting with the number one on the first receipt issued each tax year. A receipt should include only tax payments for one particular year. A separate and distinct series of numbers and receipts must be maintained for taxes paid for each tax year.

68 O.S. § 2914

68 O.S. § 2917

68 O.S. § 2918

Manual Receipts

For non-computerized manual receipts, some counties use a four-part form. The parts are distributed in the following manner:

- The fourth copy is printed as a tax statement and mailed to the taxpayer.
- The County Treasurer retains the remaining original and the second and third copies.

- When the taxes are paid, the original is given to the taxpayer as an official receipt; one copy is included as part of the County Treasurer’s Daily Report to the County Clerk; and the remaining copy is filed in the County Treasurer’s office.

Computerized Receipts

With computerization, most County Treasurer offices, with the approval of the Office of the SA&I, have developed other methods of meeting the record-keeping requirements of the law. Most offices now maintain all payment records on computer files with a periodic printing (daily, weekly, and monthly) of transactions.

Many offices print a receipt that is kept in bound books. Other offices maintain a receipt file in the computer that allows a receipt to be printed on demand.

Daily Report to County Clerk

The law also requires that a copy of all ad valorem tax receipts be filed as part of the County Treasurer’s Daily Report to the County Clerk. County Treasurers can fulfill this requirement, under the guidance of the Office of the SA&I, by filing either an actual printed copy of the receipt, or a computerized listing of receipts issued each day that includes proper numbering and other information required by law.

19 O.S. § 644.1

Tax Roll Entry

When any taxes are paid, the County Treasurer must enter in the computerized tax roll, or write in a manual tax roll, the following information beside the description of the property against which the tax was levied:

68 O.S. § 2919

- The word “Paid”
- The payment date
- The name of the person or entity paying the tax

Protested Tax

Any taxpayer has the right to protest a decision that affects the value or taxable status of property. In order to file a protest, the taxpayer must pay the full amount of the taxes assessed by the date provided by law. A taxpayer who is paying taxes under protest must advise the County Treasurer by December 31 or when the taxes are paid, whichever is earlier, that an appeal is pending and that a specified portion of the tax amount is being paid under protest. The taxpayer must also attach a copy of the petition filed in the court in which the appeal was made. Until the appeal is settled, the County Treasurer must hold the amount specified in the protest separate from other collected taxes, that is, keep them in an escrow account or fund.

68 O.S. § 2884
68 O.S. § 2886

If these funds are to be invested, and the amount is over \$15,000, the taxpayer can choose the type of investment and where the protested funds will be invested, within the limits prescribed by law. Refer to [Chapter Sixteen, “Duties of the County Treasurer: Investing and Safe Keeping of County Monies.”](#)

68 O.S. § 2884(C)

Please refer to [Chapter Twelve, “Duties of the County Treasurer: Collecting Protested Taxes”](#) for detailed information on protest taxes. [OTC Form No. 990-R-98](#) or [SA&I Form No. 399](#) is used to protest taxes.

Understanding Special Cases

Manufactured Homes

Ad Valorem Tax Assessment and Tax Rolls

On January 1 of each year, the County Assessor is required to assess and tax manufactured homes located in the county that are not currently covered by the initial year registration or new manufactured home registration.

- **Manufactured Homes Listed as Real Property**
Manufactured homes that have escaped taxation should be listed as omitted property not to exceed three years.

68 O.S. § 2813
68 O.S. § 2811
OTC RULES 710:10-9-1,
710:10-9-12

Manufactured homes located on land owned by the owner of the manufactured home shall be listed as real property. The manufactured home, however, shall be listed separately from other improvements and the land itself. The person owning and residing in the manufactured home may apply for homestead exemption.

- **Manufactured Homes Listed as Personal Property**

Manufactured homes that are located on land not owned by the owner of the manufactured home shall be listed and assessed as personal property.

The person owning the manufactured home may apply for a personal property exemption if that person is 62 years or older and if the household income does not exceed the greater of \$22,000 a year or 50% of the county's median income.

68 O.S. § 2812
68 O.S. § 2813
OTC RULES 710:10-9-8,
710:10-9-9
710:10-9-10

68 O.S. § 2812(B)
OTC RULE 710:10-9-11

68 O.S. § 2949



One way to ensure an accurate listing and identification of manufactured homes is to include the Vehicle Identification Number (VIN) on all documentation describing the vehicle.

New Manufactured Homes

The purchaser of a new manufactured home must properly register it through the Oklahoma Tax Commission or motor license agent (tag agent) as prescribed in the Oklahoma Statutes. Such manufactured homes are not subject to ad valorem taxes until January 1 of the following year.

47 O.S. § 1113
OTC RULES 710:10-9-1,
710:10-9-14

Payment of Ad Valorem Tax on Manufactured Homes

Ad valorem taxes on manufactured homes are paid in the same manner as other ad valorem taxes and at the same time. When all ad valorem taxes are paid, the County Treasurer provides the taxpayer with a receipt for taxes paid and a decal to be affixed to the license plate received during the initial registration of the manufactured home. The County Treasurer should not issue the decal when half the taxes are paid because the decal is an indication that all tax liability has been satisfied.

68 O.S. § 2813
OTC RULE 710:10-9-2
47 O.S. § 1110

CAUTION: The Oklahoma Legislature in 1997 (and again in 1998, 2002, and 2013) amended laws regarding payment of manufactured home taxes. A highly recommended good practice is for the County Treasurer to always refer to guidelines published by the Oklahoma Tax Commission or the Office of the SA&I regarding this section.

Manufactured Homes Included in Tax Sales

Please refer to Collecting Delinquent Real Property Taxes/Holding Tax Sales/Tax notice Preparation/Special Listing Requirements/[Properties With a Manufactured Home](#) in Chapter Ten, Duties of the County Treasurer: Collecting Delinquent Real Property Ad Valorem Taxes, for information on manufactured homes included in tax sales.

Moving Manufactured Homes from the County

- First Movement

When a taxpayer wishes to move a manufactured home from one county to another, the County Treasurer, prior to change of location or title, must collect the ad valorem taxes due for the full year. Any outstanding prior years' taxes plus penalty and interest must also be collected. The taxpayer is given a receipt for taxes paid and a tax payment decal, which indicates proper payment for all assessment years preceding and including the year of the receipt.

68 O.S. § 2813(C)
OTC RULE 710:10-9-17

The County Treasurer places the tax receipt number on the Manufactured Home Certificate (OTC Form 936-R), which comes from the County Assessor) and signs the certificate. Taxes paid before November 1 are placed in Trust Deposit until the tax rolls are prepared and certified.

The language of the statutes has been changed so that prior to issuing a permit to move or transport a manufactured home, the Department of Public Safety no longer has to have evidence that the required registration fees, excise taxes, or ad valorem taxes have been paid. All that the law now requires is a current calendar year decal or current registration or a repossession affidavit.

47 O.S. § 14-103D
68 O.S. § 2813

The County Assessor of the county in which the manufactured home is located must notify the County Assessor of the county to which the manufactured home is being moved.

Repossession of Manufactured Homes for Ad Valorem Taxes Due

The reposessor of a manufactured home must secure a repossession affidavit from the motor license agent prior to moving the manufactured home. The reposessor has up to 30 days to secure the Manufactured Home Certificate (OTC Form 936-R) from the County Assessor in the county from which the manufactured home is moved. The County Assessor prepares the form and forwards it to the County Treasurer who adds any delinquent taxes due, collects all taxes due on the manufactured home, and signs the form before returning it to the County Assessor.

68 O.S. § 2813(E)
OTC RULES 710:10-9-20,
710:10-9-22

Quarterly Report of all Decaled Manufactured Homes

At the end of each calendar quarter, the County Treasurer and the County Assessor, in cooperation, must transmit a record of all decaled manufactured homes listed on the tax roll of the county. The information must either be transmitted on a form prescribed by the OTC or by computerized data compatible with the OTC computer and formatted as prescribed by the OTC. The following information must be included:

68 O.S. § 2812(C)
OTC RULE 710:10-9-18

1. Title Number
2. Vehicle Identification Number (VIN)
3. Decal Number
4. Tag Number

Farm Implement Tax Stamps

The Farm Implement Tax Stamp is a tax in lieu of ad valorem tax on certain parts of the inventories, both new and used, owned or possessed for sale or lease by farm implement retailers. The tax stamps are to be affixed on the dealer's copy of the sales invoice of each new or used farm implement sold. This tax does not relieve any other property of the dealer from ad valorem taxation.

68 O.S. § 5401

Amount of Tax Imposed

Items with a list price of \$500.00 or more are taxed in lieu. This tax should be paid by the dealer in the county where the dealership is located. The tax shall be based on sales totals shown in [Table 8-1](#).

68 O.S. § 5402
OTC GUIDELINES

Table 8-1. Sales Totals for Farm Implement Tax Calculations

Sales	Tax
\$500.00 to \$1,999.00	\$6.00
\$2000.00 to \$9999.00	\$12.00
\$10,000.00 to \$19,999.00	\$18.00
\$20,000 to \$29,999.00	\$24.00
\$30,000 to \$39,999.00	\$36.00
\$40,000 to \$49,999.00	\$48.00
\$50,000 to \$59,999.00	\$60.00
\$60,000 to \$69,999.00	\$72.00
\$70,000 to \$79,999.00	\$84.00
\$80,000 to \$89,999.00	\$96.00
\$90,000 and above	\$108.00

Stamp Denominations and Distribution

Farm Implement Tax Stamps are printed in denominations of \$6.00, \$18.00, \$24.00, and \$108.00 and must be purchased from the County Treasurer. The OTC distributes stamps to each County Treasurer.

68 O.S. § 5403
OTC GUIDELINES

Apportionment of Taxes Collected

The County Treasurer must apportion monthly all monies collected from the sale of Farm Implement Tax Stamps in the following manner:

68 O.S. § 5404

- Deposit 2% to the General Revenue Fund of the State Treasury.
- Distribute 98% as if it was collected as ad valorem tax in the school district where the farm implement dealership is located.

Utilization of Funds

Taxing jurisdictions receiving funds from the Farm Implement Tax Stamps must utilize them as if the funds had been generated as ad valorem taxes, including servicing debts with sinking funds.

Generating Required Reports

The County Treasurer must send the following reports concerning Farm Implement Tax Stamps to the offices indicated and at the frequency indicated:

68 O.S. § 5404

- “County Treasurer’s Monthly Report of Receipts and Sales of Farm Implement Tax Stamps” forms provided by the OTC.

The report must be completed and returned by the 15th of each month following the sales. If there are no sales for the reporting period, the monthly report must be returned indicating “No Sales.”

- At the end of each calendar year, the County Treasurer must furnish a report to the County Assessor that shows the total amount of taxes collected from the Farm Implement Tax Stamps sold. The report should include the apportionment made to each taxing jurisdiction authorized to receive these funds.

Payment of Taxes on a Plat Certification

Checking Previous Tax Statements

To be accepted for recording, all plats must have a certificate from the County Treasurer of the county in which the land is located that certifies the following items:

- All taxes against the land involving the plat, including improvements, for all previous years have been paid.
- All taxes levied against the land to be platted, excluding improvements, for the year during which the plat is offered for recording have been paid.

Determining Current Taxes

If the County Assessor has not determined the taxes, or if the County Treasurer has not been notified of the taxes due on the land to be platted, the individual who submits the plat for recording must pay a security deposit in cash, or with a bond executed by a bonding company authorized to do business in Oklahoma. The security deposit must be equal to the total of the following two amounts:

1. The sum charged against the land, excluding improvements, on the last tax rolls
2. Twenty-five percent (25%) of the sum above to cover possible tax increases

Handling the Security Trust Deposit

The County Treasurer issues an Acknowledgment of Trust Deposit Receipt for the security deposit and holds the deposit in a trust account until the tax rolls have been fixed. If any monies remain in the security deposit after the individual submitting the plat for recording pays the taxes due on the land being platted, the remaining balance is refunded, or the bond is released.

11 O.S. § 41-105

Please refer to [SA&I Form No. 310](#), Acknowledgment of Trust Deposit.

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Chapter Nine

Duties of the County Treasurer: Collecting Delinquent Personal Property Taxes

Oklahoma Statutes require the County Treasurer to mail a tax bill to every property owner in the county. However, even if the taxpayer fails to receive the tax bill, any taxes are still due on the dates prescribed by law. These dates are outlined in [Chapter Eight, “Duties of the County Treasurer: Collecting Ad Valorem Taxes.”](#) All persons subject to taxation are required by law to pay taxes.

68 O.S. § 2914

68 O.S. § 2915(A)

This chapter deals with personal property. [Chapter Ten, “Duties of the County Treasurer: Collecting Delinquent Real Property Taxes,”](#) contains information on collecting real property delinquent taxes.



Because of the pandemic situation in 2020, new legislation has been passed regarding delinquent taxes. The following statute affects Title 68, sections 3102, 3103, 3104, 3105, 3106, and certain other sections dealing with delinquent taxes.

“In the event the Governor declares a Catastrophic Health Emergency pursuant to the Catastrophic Health Emergency Powers Act, the board of county commissioners, upon the written request of the county treasurer, shall postpone delinquent tax sales and related delinquent tax notices and publications. The county treasurer shall designate the period of postponement up to but not more than one (1) year. Upon postponement action by the board of county commissioners, the county

68 O.S. § 3148

treasurer shall advertise the details of the postponement in the same manner as other delinquent tax legal publications once per week for four (4) consecutive weeks.”

Collecting Delinquent Personal Property Taxes

The County Treasurer must attempt to collect all delinquent personal property ad valorem taxes plus accumulated interests, other costs, and fees.

68 O.S. § 2915(A)

If one-half of the tax bill due November 1 is not paid before January 1, the entire amount becomes delinquent. If the first half is paid but the second half of the tax bill is not paid before April 1, the remaining tax bill becomes delinquent. Taxes less than \$25.00 must be paid before January 1 or the entire tax bill becomes delinquent.

68 O.S. § 2915

68 O.S. § 2913

Interest on Delinquent Taxes

Delinquent personal property taxes accrue an interest penalty of one and one-half percent per month until the taxes and penalty are paid. However, the total interest charge can never exceed the principal tax amount due.

68 O.S. § 2913

The Attorney General’s opinion is that, in instances where, under the provisions of the Oklahoma Statutes (relating to holidays), the ad valorem taxes for a particular fiscal year upon particular property have become delinquent as of the first day of January in that fiscal year, and are received by the County Treasurer during January, the amount of the penalty is zero, if received by the County Treasurer on or before January 15, but is one and one-half percent of the total amount of delinquent taxes, if received by the County Treasurer on or after January 16, but on or before February 14.

AG OPINION JULY 30, 1958
25 O.S. 82.1

In other words, the delinquent penalty applies on the first day of the second half of the month. The middle day of the month plus one is the date on which the one and one-half percent interest penalty accrues. Specifically, penalty dates are January 16, February 15, March 16, April 16, and so forth.

Notice to Taxpayers

Within sixty days after April 1, the County Treasurer must mail a notice to each delinquent taxpayer informing that taxpayer that taxes are delinquent and subject to payment with interest.

68 O.S. § 3102

The County Treasurer must also insert a notice of each tax delinquency in a newspaper of general circulation published in the county. These notices must contain the following information:

- Taxpayer's name
- Amount due
- A statement that if the taxes are not paid within 30 days from the date of publication, the taxes will be placed on a personal tax lien docket in the County Treasurer's office, and the taxpayer's homestead exemption will be canceled.

Personal Property Tax Lien Docket

Within 30 days after publishing the newspaper notice for delinquent taxpayers, the County Treasurer must prepare a delinquent personal property tax lien docket that lists all taxes that are still unpaid. These liens become superior to all other liens, conveyances, or other encumbrances filed after these liens on real and personal property.

The property tax lien docket must list the following information (as indicated on [SA&I Form No. 171](#)):

- Name and address of delinquent taxpayer
- Delinquent tax year(s)
- Tax amount due including interest and costs

After preparing the property tax lien docket, the County Treasurer should add the \$5.00 lien fee and publication costs to the lien docket.

68 O.S. § 3102
68 O.S. § 3103

The County Treasurer may also enter the following statement on the personal property tax roll:

“All unpaid items contained in this tax roll have been transferred to the personal property tax lien docket for this year.”

No further entries are required on the personal property tax roll, and the County Treasurer may close that tax roll.

These provisions apply to all personal property tax rolls after 1970.

Statute of Limitations on the Lien

The property tax lien docket creates a lien on all personal and real property for seven years from the date of the tax lien.

68 O.S. § 3102
68 O.S. § 3103

Releasing Personal Property Tax Liens

After collecting all these monies, the County Treasurer releases the lien by recording the following information on the personal property tax lien docket:

68 O.S. § 3103

- The word, “released”
- The receipt number
- The date
- The name of the taxpayer

Business/Personal

A tax lien on real property of a business that arises from delinquent personal property taxes can be released for a sale of real property when approved by the County Treasurer. No lien can be released unless all excess proceeds of the sale are paid toward the lien on personal taxes. If the lien is released for a sale, the County Treasurer makes an entry into the tax records.

68 O.S. § 3103(B)

Tax liens remain valid for all other property of the taxpayer.

Non Resident Collections

When a taxpayer who owes delinquent taxes resides on or possesses property in another county, the County Treasurer must forward a copy of the existing personal tax lien (filed in that County Treasurer’s personal property tax lien docket) to the County Treasurer of the other county who must collect the amount due.

68 O.S. § 3104

The County Treasurer of the other county must also record all information in the personal tax lien docket. When this County Treasurer collects the money, they release the lien and forward the monies collected (less the lawful collection fees) to the County Treasurer in the county where the lien originated.

Collecting Unpaid Delinquent Personal Property Taxes

Except as provided otherwise in the Oklahoma Statutes, all unpaid personal property taxes shall become a lien on any real estate owned by the taxpayer.

68 O.S. § 3103

Issuing Personal Property Tax Warrants

For taxpayers who owe delinquent personal property taxes and who do not own real property, the County Treasurer can collect delinquent personal property taxes with personal property tax warrants. This tax warrant, [SA&I Form No. 168](#), can be issued whenever the County Treasurer feels it is necessary, or when another person requests it. The County Treasurer should forward [SA&I Form No. 169](#), Alias Tax Warrant, to the County Sheriff of another county when it is learned the delinquent taxpayer has moved to that county. An Alias Tax Warrant is also used for a second attempt to collect delinquent taxes.

68 O.S. § 3104A

Tax warrants must be issued against the person who had possession of the personal property at the time it was assessed. These tax warrants command the County Sheriff to collect the following monies:

68 O.S. § 3104
28 O.S. § 43

- The total amount due for unpaid taxes, penalties, and interest plus advertising costs, sheriff's collection fees (\$50.00) and any other lawful costs or fees on the personal property
- A \$10.00 fee for issuing the warrant, payable to the County Treasurer, which is deposited in the General fund

28 O.S. § 43
28 O.S. § 152.1(A.5)(A.6)

The County Sheriff (or assigned deputy) has 60 days to attempt to collect the delinquent taxes under an issued warrant. The County Sheriff may personally serve the warrant, post a notice, or even mail a notice. In some cases, the delinquent taxes will be paid right away. Most County Sheriffs give

individuals and businesses ten business days to pay the taxes before seizing the property, which is a courtesy, not a requirement.

If a taxpayer does not pay, the County Sheriff may seize the property on which taxes are due (such as farm equipment) or any other personal property that may be sold to raise money to satisfy the tax debit. If taxes are due on a mobile home, the mobile home can be seized in place and sold for taxes.

In the case of a business that is delinquent in paying its taxes, the County Sheriff may tap the till of the business. They may also lock the business and seize all property in place. Inventory and equipment may be sold in a Sheriff's sale to raise the amount due in back taxes.

If taxes have not been collected within 60 days, it may be that the County Sheriff has not been able to locate the taxpayer or to identify any property of value to seize. If this is the case, a highly recommended good practice is that the County Sheriff and the County Treasurer work together to decide if and when an alias warrant should be issued, and if it is worth the time and effort to do so.

In another situation, the County Sheriff may have seized property and be waiting to hold a Sheriff's Sale. If this is the case, and the 60 days expires, the County Sheriff should return the original tax warrant and request an alias warrant because the law requires that an active warrant be in place during the entire collection process.

When payment is received, the tax warrant is returned to the County Treasurer who issued the warrant. All checks, cash, or money orders collected by the County Sheriff are turned in daily to the County Treasurer. The County Treasurer provides the County Sheriff with a receipt.

A highly recommended good practice is that the County Treasurer and the County Sheriff work together effectively to achieve a successful personal property tax warrant program.

Chapter Ten

Duties of the County Treasurer: Collecting Delinquent Real Property Taxes

Oklahoma Statutes require the County Treasurer to mail a tax bill to every property owner in the county based on the tax rolls prepared and supplied to the County Treasurer by the County Assessor.. However, even if the taxpayer fails to receive the tax bill, any taxes are still due on the dates prescribed by law. These dates are outlined in [Chapter Eight, “Duties of the County Treasurer: Collecting Ad Valorem Taxes.”](#) All persons subject to taxation are required by law to pay taxes.

68 O.S. § 2915
68 O.S. § 2868

This chapter deals with collecting real property delinquent taxes. [Chapter Nine, “Duties of the County Treasurer: Collecting Delinquent Personal Property Ad Valorem Taxes,”](#) contains information on collecting personal property delinquent taxes.



Because of the pandemic situation in 2020, new legislation has been passed regarding delinquent taxes. The new Oklahoma Statute, described below, affects Title 68, sections 3102, 3104, 3105, 3106, and certain other sections dealing with delinquent taxes.

“In the event the Governor declares a Catastrophic Health Emergency pursuant to the Catastrophic Health Emergency Powers Act, the board of county commissioners, upon the written request of the county treasurer, shall postpone delinquent tax sales and related delinquent tax notices and publications. The county treasurer shall designate the period of postponement up to but not more

68 O.S. § 3148

than one (1) year. Upon postponement action by the board of county commissioners, the county treasurer shall advertise the details of the postponement in the same manner as other delinquent tax legal publications once per week for four (4) consecutive weeks.”

Collecting Delinquent Real Property Taxes

Preparing Listing of Delinquent Taxes

The County Treasurer must prepare a listing of all delinquent taxes where the tax is a lien on real property, which includes real and personal property taxes, special assessments, interest, and costs.

68 O.S. § 3102

68 O.S. § 3106

The listing is used to send notices to taxpayers, publish a notice in a newspaper, and have a working list for the resale process.

The flow chart in [Figure 10-1](#), shows the steps to prepare, mail, and publish a listing of delinquent taxes.

Tax Notice Preparation

The following sections cover the steps the County Treasurer should take when preparing a Tax Sale Notice.

1. Develop List of Delinquent Taxes

The County Treasurer should canvass the latest tax rolls and identify those properties for which real property (or real and personal) taxes were not paid by April 1 and are therefore delinquent. These properties are included in the Tax Notice along with special assessments, which have been certified to the county as being delinquent. Please refer to [Chapter Eleven](#), “[Duties of the County Treasurer: Collecting Special Assessments](#).”

68 O.S. § 3105

When delinquent special assessments exist on property, these taxes should be listed under a separate heading.

If the County Treasurer learns of a delinquency due to service in the Armed Forces, a Serviceman’s Affidavit, [SA&I Form 354](#), may be filed to reduce the penalty to 6% per annum.

TITLE 50 USCA
SECTION 560

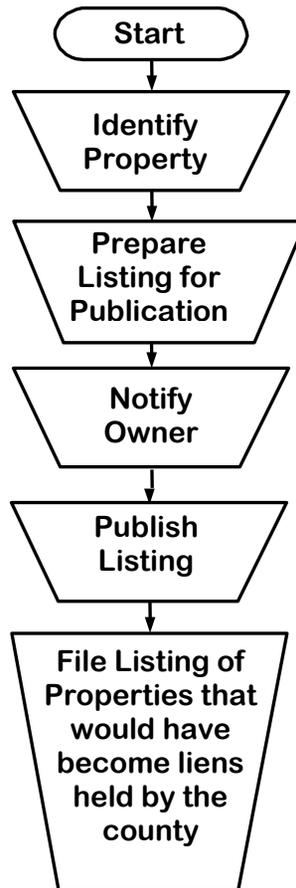


Figure 10-1 Procedure for a Delinquent Tax Listing

2. Check List of Delinquent Taxes Against Prior Years Tax Sale Records

Under Supreme Court authorization, delinquent ad valorem taxes and special assessments can be automatically endorsed to a previous year's Tax Sale when the county was the involuntary purchaser and holds the tax lien. In such cases the delinquent taxes are endorsed to the county.



Endorsements cannot be made to a prior year's Tax Sale if the delinquent taxes are not of the same type as the current year's taxes. For example, if the previous year's taxes were for ad valorem taxes only, the following year's delinquent special assessment taxes cannot be endorsed to the sale in the previous year.

3. List Properties in Order

The County Treasurer should then list all properties with delinquent taxes and special assessments in the Delinquent Tax Notice (Refer to [SA&I Form No. 293](#)).

A recommended good practice is that the County Treasurer might find it helpful to number in consecutive order the properties listed in the notice.

Special Listing Requirements

Properties With a Manufactured Home

When listing properties that include a manufactured home, the Tax Notice should include the following statement:

The sale hereby advertised involves a manufactured home, which may be subject to the right of a secured party to repossess. A holder of a perfected security interest in such a manufactured home may be able to pay ad valorem taxes based on the value of the manufactured home apart from the value of real property.

68 O.S. § 3106



The Vehicle Identification Number (VIN) must be listed for all manufactured homes included in the list of properties.

If personal property taxes become delinquent on a manufactured home that is located on property not owned by the owner of the manufactured

68 O.S. § 3106(B)

home, notice must be provided to the last known address of the owner of the real property on which the manufactured home is located in addition to the owner of the manufactured home.

Properties Involved in Bankruptcy Proceedings

Property involved in bankruptcy proceedings should not be listed as delinquent taxes.



Counties may list a property to perfect the lien on unpaid property taxes, but may not collect the lien until the bankruptcy is lifted.

11 USC § 362A

The County Treasurer must receive notification from the debtor that a bankruptcy petition has been filed which includes the property on which the ad valorem taxes are due. The County Treasurer is not liable for any property listed in the Tax Notice when notification was not received from a debtor filing for bankruptcy.

11 USC § 362,
11 USC 342, RULE 2002F

For any problems or questions that arise concerning bankruptcy cases, the County Treasurer is urged to contact the county's District Attorney or the State Auditor and Inspector's Office for specific advice and assistance.

11 USC § 521

Sale Notice of Delinquent Taxes

Notice to Property Owner

The County Treasurer must also mail the property owner a letter notifying the property owner that the property may be sold for delinquent taxes. This notice must also include the legal description of the delinquent property subject to sale.

68 O.S. § 3106(a)

Except for periods governed by the provisions of the Oklahoma Statutes, within sixty (60) days after taxes on personal property shall become delinquent as of April 1, the county treasurer shall mail notice to the last-known address of such delinquent taxpayer and cause a general notice to be published one time in some newspaper of general circulation, published in the county, giving the name of each person owing delinquent personal property taxes, stating the amount thereof due, and stating that such delinquent personal property taxes, within thirty (30) days from date of this

68 O.S. § 3148(C)
68 O.S. § 3102

publication, shall be placed on a personal property tax lien docket in the office of the county treasurer and the homestead exemption of such taxpayer shall be canceled pursuant to Section 2892 of this title. Such liens are superior to all other liens, conveyances or encumbrances filed subsequent thereto, on real or personal property. The tax lien shall be a lien on all real and personal property of the taxpayer in the county for a period of seven (7) years, except as otherwise provided in subsection B of Section 3103 of this title. From and after the entry of the tax upon the tax lien docket, any person claiming any interest in any land or personal property can sue the county treasurer and board of county commissioners in the district court to determine the validity or priority of the lien.

Published Notice

The County Treasurer must publish a notice of the delinquent tax listing in a county newspaper once each week for the two consecutive weeks (fourteen days) at any time after April 1, but prior to the end of September. (Refer to [SA&I Form No. 294](#).) The notice includes the following information:

68 O.S. § 3106(A)

- A statement of notification that all lands on which taxes are delinquent will be sold
- A list of the lands with delinquent tax
- The name(s) of the last owner(s) of record per the latest tax rolls
- The amount of taxes due and delinquent



When listing delinquent lands, the County Treasurer should identify delinquent special assessments separate from ad valorem delinquencies, probably in a separate column on the list. Special assessments should not be incorporated with ad valorem taxes.



In counties with a population exceeding 100,000, the taxpayers must be apprised that they may be eligible for an exemption regarding the sale of their property.

68 O.S. § 3105(B)

Filing a Publishers Affidavit

On or before October 31, the County Treasurer should file with the County Clerk a Publishers Affidavit, received from the newspaper, that verifies a proper newspaper advertisement of the delinquent real taxes was published. The affidavit should be attached to the purchase order. This affidavit replaces SA&I Form No. 295, Certificate of Returns of Delinquent Tax, which is no longer required.

About Tax Certificates

Prior to 2008, County Treasurers held a tax sale on the first Monday of October, during which tax lien certificates were sold. References to tax certificates were repealed from the Oklahoma Statutes effective in 2008.

68 O.S. § 3105.1

Holding Tax Resales

The County Treasurer must hold a Tax Resale on the second Monday of June of each year to sell any real estate for which the county has held a tax lien for three or more years. A record of land to be sold at resale is compiled on [SA&I Form No. 279](#). A Tax Resale involves the outright purchase of property on which taxes are delinquent.

68 O.S. § 3125

68 O.S. § 3105

All real estate offered at the Tax Resale must be sold for at least two-thirds of the current assessed value or for the total taxes, interest, and costs due, whichever is less. Any properties which do not receive sufficient bids are bid off in the name of the county for the taxes, interest, and costs due.

68 O.S. § 3129(B)



All purchases must be made in cash.

Resale Date, Place and Time

The Tax Resale is held each year on the second Monday of June in the County Treasurer's office between 8:00 a.m. and 5:00 p. m. the exact hours to be determined by the County Treasurer. The sale shall continue day to day during the same hours until all of the real estate is sold.

68 O.S. § 3105(A)

68 O.S. § 3129(A)

Tax Resale Properties

A Tax Resale consists of delinquent properties that have remained unpaid for three or more years since the taxes first became due and payable. For example, taxes on real property that first became due and payable on November 1, 2016 and remained unpaid through 2019 would be included in the resale set for June, 2020.

Notice to Real Estate Owners

The County Treasurer must give notice by mailing, at least thirty days prior to the resale date, to the owner and to all mortgagees of record of real estate to be sold at the tax resale. The notice must include the resale time and date as well as the legal description of the property.

68 O.S. § 3127
68 O.S. § 3131

County Treasurers are recommended to conduct a title search on properties. They should be as diligent as possible in searching real estate records, records of liens in the County Clerk's office, and records of court procedures in the Court Clerk's office. Some County Treasurers contract out title searches; some offices conduct their own searches.

If the County Treasurer is unable to locate any property owners, the County Treasurer must compile a list and sign an affidavit stating that they attempted to find the property owners on the list, but were unsuccessful. The list and the affidavit must be attached to the report submitted to the County Clerk's office after the resale.

Tax Resale Newspaper Notice

The County Treasurer must publish the Notice of Resale of Real Estate for Taxes in a county newspaper of general circulation and which has continuously published for 104 consecutive weeks and meets other criteria listed in the statutes. (Refer to [SA&I Form No. 280](#).) The notice must appear for four consecutive weeks before the resale date and must contain the following items:

68 O.S. § 3125(A)
68 O.S. § 3129(A)
68 O.S. § 3127

- A description of the real estate to be sold
- The name of the record owner of the real estate as of the preceding December 31 or later as shown on the latest tax rolls
- The place of the sale appearing in the caption

- The time of the sale appearing in the caption
- The year(s) for which assessed taxes remain unpaid
This item only applies to previous tax years when a lien sale occurred.
- A statement that the taxes have not been paid for four years
- The total amount of taxes, interest, and costs due for each tract of land
- A statement appearing in the caption that the real estate will be sold to the highest bidder for cash

68 O.S. § 3127

Notice to IRS

If the County Treasurer discovers that any property scheduled for a resale has an IRS lien against it, the County Treasurer must notify the IRS. A recommended good practice is to send the IRS the “Final Notice of Resale” that is sent to other interested parties.

Notice to OHCA

The County Treasurer shall provide to the Oklahoma Health Care Authority (OHCA) a list of properties that will be sold at tax resales in their respective counties. Using the information provided, OHCA shall produce a list for each county of properties on which OHCA has liens. The County Treasurer shall make the list of properties with OHCA liens available to potential buyers at the tax resales. OHCA shall file a release of the liens on properties that fit the definition of blighted properties, in the county records of the county where the property is located upon request of that County Treasurer. The filing of the lien release shall not extinguish the debt owed to OHCA, which may be enforced through any legal means available to OHCA.

68 O.S. § 3129(C)

11 O.S. § 38-101

Payments at Tax Resales

In addition to the amount bid on real estate at a Tax Resale, the purchaser must pay an amount sufficient to pay all expenses of the county in preparing, listing, and advertising the real estate.

Because the owner of record of the real estate has the right to redeem the tax lien on the property prior to the delivery of the resale deed, the cash received at a Tax Resale may be subject to refund.

The County Treasurer must issue an “[Acknowledgment of Trust Deposit](#),” SA&I Form No. 310, to the purchaser at a Tax Resale.

Payments received must be placed in the County Treasurer’s depository account pending the delivery of a resale deed. When the Resale Deed is delivered, the County Treasurer must record the following information on the Acknowledgment of Trust Deposit:

Deed Delivered: (time) ; (date)

Payments received at the Tax Resale can be apportioned upon delivery of the Resale Deed.

If no bid is received for a parcel, the County Treasurer bids for the property in the name of the county, and it is sold to the county.

Return of Tax Resale

Within thirty days after completing the Tax Resale, the County Treasurer files a “[Certificate of Return of Resale of Real Estate for Delinquent Tax](#),” SA&I Form No. 380, with the County Clerk and retains a copy in the County Treasurer’s office. The Return of Tax Resale should include:

68 O.S. § 3131

- SA&I Form No. 380
- A list of the tracts of land sold
- The date each tract was sold
- The name of each purchaser and the price paid
- A copy of the newspaper notice of resale
- An affidavit that verifies newspaper publication
- The complete minutes of the sale
- A statement that the Resale was adjourned from day to day until complete
- An affidavit regarding property owners the County Treasurer was unable to locate

Resale Deed

Within thirty days after a Tax Resale, the County Treasurer must provide a “County Treasurer’s Resale Deed,” SA&I Form No. 303, for the property purchased at resale to an individual purchaser. When the property has been bid off in the name of the county, the deed is delivered to the Board of County Commissioners. For property sold to the county, the County Treasurer issues a “County Treasurer’s Resale Deed (County),” SA&I Form No. 304.

68 O.S. § 3129
68 O.S. § 3133

Property deeded to the county must be maintained by the county. A record of expenses and work is recorded on SA&I Form No. 300.

68 O.S. § 3131

Issuing a County Treasurer’s Tax Resale Deed cancels all delinquent taxes, assessments, penalties, and costs existing against the real estate. The deed vests in the recipient an absolute and perfect title in fee simple to the real estate.

68 O.S. § 3131



Taxes refer to ad valorem taxes. A tax resale deed may or may not cancel state, federal, or other local taxes and assessments which may have not been published and which may be unknown.



The record owner has twelve months to file a protest on a tax resale deed.

28 O.S. § 43

More than one tract of land may be included on one resale deed. The County Treasurer must collect ten dollars from the purchaser for the first tract and nothing for each additional tract.

Apportioning Tax Resale Proceeds

When Proceeds Exceed the Total Amount Due

When real estate is sold at a Tax Resale for more than the taxes, interest, fees, and costs due, the County Treasurer must take the following actions:

68 O.S. § 3131

- Hold the surplus funds in a separate account and notify the former owner that the land was sold and the surplus funds can be claimed. If the former owner fails to claim surplus within one year, the surplus is credited to the County Resale Property Fund.
- Apportion the taxes as if they had been paid on time.
- Apportion the ad valorem tax interest accrued to the resale property fund.
- Apportion special assessments and accrued interest to the appropriate entity.
- Apportion the fees and costs collected to the Resale Property Fund.

68 O.S. § 3137

In counties having a net assessed valuation in excess of eight million dollars, any balance over and above the necessary reserves for items mentioned in the statutes must be apportioned by the County Treasurer in the following manner:

- One-third to the general fund
- One-third to the cities and towns of the county
- One-third to the school districts of the county

In counties having a net assessed valuation of eight million dollars or less, any balance over and above the necessary reserves for items mentioned in the statutes must be apportioned by the County Treasurer in the following manner:

- In the ratio that the county, city or town and school district levy bears to the fifteen-mill levy as allocated by the county excise board
- To the cities and towns of such county in the ratio that the last certified assessed valuation of each bears to the total assessed valuation of all such cities or towns in the county.
- To the school districts of the county on a scholastic enumeration basis.

When Proceeds Equal the Total Amount Due

When real estate is sold at a tax resale for the exact amount of taxes, interest, fees, and costs due, the County Treasurer apportions the monies in the following manner:

68 O.S. § 3131
68 O.S. § 3137

- The ad valorem interest to the Resale Property Fund
- The fees and costs to the fund from which they were originally disbursed
- The ad valorem taxes as if they had been paid on time
- The special assessments plus accrued interest to the assessment district from which the delinquent amount arose

When Proceeds Are Less Than the Total Amount Due

When real estate is sold at a Tax Resale for less than the amount of taxes, interest, fees, and costs due, the County Treasurer apportions the monies in the following manner:

- The fees to the General Fund and costs to the fund(s) from which the costs were originally paid
- The special assessments and ad valorem taxes prorated according to the proportion of the total due as shown in the following example:

Ad Valorem tax due	\$250.00
Special assessment due	110.00
Original total due	\$360.00
Costs, fees, and interest	155.00
Total due at tax resale	\$515.00
Monies actually received	\$350.00
Less costs, fees, and interest apportioned	155.00
Balance to pro-rate	\$195.00
Special Assessments Allocated:	
$110/360 = 30.55\% \times 195.00 =$	\$59.57

Ad Valorem Tax Allocated:
 $250/360 = 69.45\% \times 195.00 = \135.43

If the amount prorated to ad valorem taxes is greater than the total tax due but less than the total tax due plus interest, then the full amount of the tax due is apportioned as if it had been paid on time. The remainder is apportioned to the Resale Property Fund as shown in the following example:

Ad Valorem Tax Due	\$100.00
Interest Due	24.00
Total Due	\$124.00
Monies Actually Received	\$112.00
Ad Valorem Tax Allocated	\$100.00
Resale Property Fund Allocated	\$12.00

If the amount prorated to ad valorem taxes is less than the total ad valorem tax due, the amount collected must be prorated to the total amount due in each year as shown in [Table 10-1](#).

**Table 10-1. Prorating Monies Collected
Less Than the Total Ad Valorem Tax Due**

Year	2019	2020	2021	2022
Delinquent Ad Valorem Tax Due	\$105.00	\$110.00	\$115.00	\$120.00
Total Delinquent Tax Due = \$450.00				
Proportion of Total Due	105/450	110/450	115/450	120/450
Times Ad Valorem Tax Collected	\$250.00	\$250.00	\$250.00	\$250.00
Amount Prorated to Each Year	\$58.33	\$61.11	\$63.89	\$66.67
Total Amount Prorated = \$250.00				

If the amount prorated to special assessments is less than the total of special assessments due, the amount collected must be prorated to the total amount due to each special assessment district as shown in [Table 10-2](#). The total due was \$379.50 (\$207 + 172.50). A total of \$150.00 was received.

68 O.S. § 3130

Table 10-2. Prorating to Assessment Districts Monies Collected Less Than the Total Ad Valorem Tax Due

Year	Payments	Paving District #1	Sewer District #3
2019	Installment	\$60.00	\$50.00
	Interest	14.40	12.00
2020	Installment	\$60.00	\$50.00
	Interest	7.20	6.00
2021	Installment	\$60.00	\$50.00
	Interest	5.40	4.50
	Total	\$207.00	\$172.50
Proportion of Total Due		207/379.50	172.50/379.50
Times Total Received		\$150.00	\$150.00
Amount Prorated to District		\$81.82	\$68.18

Report to County Commissioners

On or before the 30th of June of each year the County Treasurer must file a financial statement (SA&I Form 409) of the resale property fund with the County Clerk for the approval of the Board of County Commissioners, setting forth the necessary reserves for expenditures either made or anticipated, to cover expenses specified in the statutes.

68 O.S. § 3137(E)

Holding a Commissioner's Sale

The County Treasurer may sell property deeded to the county after a Tax Resale upon receiving a bid on that property on SA&I Form No. 302 and approval by the Board of County Commissioners.

68 O.S. § 3135

Notice of Sale

However, a notice of the sale, SA&I Form No. 301, must be published in a county newspaper once in each of the three consecutive weeks preceding the sale. The notice must include the following information:

- A description of the property
- The amount bid and the name of the bidder
- A statement that the property will be sold to the bidder on a specific date and time unless higher bids are received at the sale
- A statement that the sale price is subject to the approval of the Board of County Commissioners

Bidder Deposit

Any bidder must place a deposit with the County Treasurer's office to cover the cost of advertising the sale.

68 O.S. § 3135

Commissioner's Sale

At the sale, the property is auctioned to the highest bidder for cash or certified funds. If no higher price is offered, the property is sold to the original bidder. Before closing the sale, the successful

bidder must also pay the additional advertising and sale costs as well as the County Clerk's recording fee.

After the sale, a transcript of the proceedings, [SA&I Form No. 248](#), and an affidavit that verifies publication of the newspaper notice must be forwarded to the Board of County Commissioners for approval. If the sale is not approved, the County Treasurer must cancel the sale. If the sale is approved, the Chairman of the Board of County Commissioners must execute a deed conveying Fee Simple Title to the purchaser.

Treasurer's Sale

Property deeded to the county after a Tax Resale may also be sold by auction. The auctions can be held at any time, date, and place set by the County Treasurer with the approval of the Board of County Commissioners. At the auction, the property will be sold to the highest competitive bidder. Any bid that is less than all of the real estate ad valorem taxes owed at the time of the original resale may be accepted only upon approval of the Board of County Commissioners and the County Excise Board.

68 O.S. § 3135

An Auctioneer can be hired if the County Treasurer desires.

Any bid that is less than all of the real estate ad valorem taxes owed at the time of the original resale may be accepted only upon approval of the Board of County Commissioners and the County Excise Board.

Chapter Eleven

Duties of the County Treasurer: Collecting Special Assessments

Understanding Special Assessments

Many types of special assessments levied by various boards, districts, and municipalities can become a lien on real property in the special assessment districts. Some special assessments are levied for construction or improvement projects administered by the boards, districts, or municipalities, and these assessments may be levied for a certain number of years. The boards, districts, or municipalities may also levy a recurring annual assessment for operating expenses.

Special assessments might be levied for projects such as the following examples:

- Waterworks or water supplies
- Sewer and water system improvements
- Roads and streets
- Cleaning, mowing, and dilapidated building demolition
- Sidewalks

11 O.S. §22-111

- Public utilities installation
- Fire protection districts
- Irrigation districts

No property situated in a special assessment district is exempt from assessment payments. These assessments are made to pay for construction costs, which may be payable over a period of years, and the cost of annual operations.

Collecting Special Assessments

The municipalities collect special assessments.

If payments become delinquent, the municipal clerk certifies the delinquencies to the County Treasurer for collection between July 1 and July 10. Before certifying the delinquency to the County Treasurer, the municipal clerk must send a notice by restricted delivery to the last known address of the property owner on or before June 1.

The County Treasurer issues a receipt, [SA&I Form No. 278](#), to show that the payments have been received.

Upon receiving the certified delinquency, the County Treasurer collects these delinquent special assessments in the same manner as ad valorem real property taxes. Please refer to [Chapter Eight, “Duties of the County Treasurer: Collecting Ad Valorem Taxes;”](#) [Chapter Nine, “Duties of the County Treasurer: Collecting Delinquent Personal Property Ad Valorem Taxes;”](#) and [Chapter Ten, “Duties of the County Treasurer: Collecting Delinquent Real Property Ad Valorem Taxes”](#) in this handbook for additional information.

Payments

After certification from the municipal clerk, payment may be made only to the County Treasurer. The County Treasurer also collects a \$5.00 fee for each parcel of property. This fee is deposited to the County General Fund.

Within thirty days after the County Treasurer collects a delinquent assessment, the County Treasurer must pay the amount collected to the municipal treasurer for disbursement according to the Oklahoma Statutes.

11 O.S. § 36-222(A)

If the municipality does receive payment, the municipal clerk must forward a notice of payment to the County Treasurer and direct that the lien be discharged. If the municipality and the County Treasurer agree that the County Treasurer is unable to collect the costs, the municipality may pursue a civil remedy for collection.

11 O.S. § 22-111
11 O.S. § 22-112(5)

Municipal Road and Street Improvement

Road and Street Improvements

Assessments for municipal road and street improvements are limited to those properties in an incorporated municipal area. The actual levy is made by municipal ordinances designated by districts. The paving cost in a district is proportionally charged to each property description involved.

The levying body issues bonds to defray the paving cost. Each property owner has one of two options to pay the cost:

- The total cost assessed to each property may be paid in one lump sum within a thirty-day period.
- After thirty days, the assessment is payable in ten annual installments plus interest charged on the unpaid balance.

If a paving or road improvement district property owner is the subject of a court-ordered payment, a record of the payment received by the County Treasurer is shown on [SA&I Form No. 320](#).

Municipal Water and Sewer Distribution

Assessments for municipal water and sewer distribution are levied by municipal ordinance or special improvement districts with the charge assessed to individual properties included in a particular sewer district or area.

These assessments may be paid in full during a thirty-day period, or payments may be made during a five-year or ten-year annual installment period with interest being charged at an annual rate of six percent on the unpaid balance.

In addition to collecting the delinquent installments, The County Treasurer records these collections on [SA&I Forms 143, County Treasurer’s Sewer Record](#) and [SA&I Form No. 144, Sewer Tax Receipt](#).

Municipal Cleaning, Mowing, and Dilapidated Building Demolition

Cleaning and Mowing

When a municipality incurs costs for cleaning or mowing, the municipality may charge the property owner the actual costs and demand payment.

11 O.S. § 22-111

Dilapidated Building Demolition

When a municipality incurs costs for dilapidated building demolition, the municipality may charge the property owner the actual costs and demand payment. If payment is not made within six months from the date the statement is mailed, the municipal clerk forwards a certified statement of the amount of delinquent assessments due.

11 O.S. § 22-112

Fire Protection Districts

Assessments

Each year the board of directors of a fire protection district must levy assessments sufficient to satisfy indebtedness and the cost of operation and maintenance as directed by the statutes. These assessments are liens against the properties and are coequal with ad valorem and other taxes, including special assessments.

19 O.S. § 901.19

19 O.S. § 901.20

Claims

The County Treasurer must keep a register in which is registered all warrants presented as claims against the fire protection district. The register must include the following information:

19 O.S. § 901.21

- Date of the warrant

- Amount of the warrant
- The payee
- Date the warrant is presented for payment
- Date of payment
- Amount paid in redemption

Other Special Improvement Districts

A number of other assessments exist that may be levied under the Oklahoma Statutes. These assessments cover water and drainage and are not levied by municipal ordinances. Instead, they are made by a group of people in an area outside of an incorporated municipality who vote and fulfill certain legal provisions and requirements to form a special improvement district to provide for various utility needs. Bonds are issued to cover the cost of construction.

Repayment for the bonds is an obligation of all real property owners in the district without regard to homestead exemption. The repayment amounts vary yearly as the property valuation varies and the operating costs change. The actual levy is determined in accordance with the Statutes and by the Improvement District Board. These charges are coequal with ad valorem taxes.

19 O.S. § 892
 19 O.S. § 901.2
 19 O.S. § 1250

Rural Road and Street Improvements

The County Treasurer may be required to collect special assessments for roads or other projects in unincorporated areas of the county or for a Rural Road Improvement District.

19 O.S. § 1250
 19 O.S. § 902.15
 19 O.S. § 902.16

Sewer Improvement Districts

The County Treasurer may be required to collect special assessments for Sewer Improvement Districts.

19 O.S. § 902.15
 19 O.S. § 902.16
 19 O.S. § 892

Water and Water Rights

Conservancy Act of Oklahoma

The board of directors shall each year thereafter determine, order, and levy the part of the local assessment levied under the Conservancy Act Oklahoma, which shall become due and collectable during each year at the same time the state and county taxes are due and collected. This annual levy shall be evidenced and certified by the board not later than October 1st of each year to the County Clerk of each county in which the real or other property is situated.

82 O.S. § 639
62 O.S. § 306 d
62 O.S. § 411

The certificate of the annual levy shall include a blank column in which the County Treasurer shall record the amounts collected.

Irrigation Districts

The County Treasurer may be required to collect special assessments for Irrigation Districts Pursuant to the Oklahoma Irrigation Act.

82 O.S. § 277.7(B.1)
82 O.S. § 277.8
82 O.S. § 277.9

Chapter Twelve

Duties of the County Treasurer: Collecting Protested Taxes

Applying Tax Levy Decisions

Any taxpayer has the right to appeal any order of the County Equalization Board to the District Court of the same county. Appeals to a District Court decision can also be made to the Supreme Court.

68 O.S. § 2880.1

Even though an appeal is pending, the full amount of the assessed taxes must be paid in full and in the manner provided by law. If the tax becomes delinquent, any appeal will be dismissed.

68 O.S. § 2884

If the taxpayer is paying taxes in two equal installments, and the amount being paid under protest does not exceed fifty percent of the full amount of the assessed taxes, all protested taxes must be specified in the second installment payment.

68 O.S. § 2884

Providing Written Notice

When the taxpayer pays the tax or by December 31, whichever is earlier, the taxpayer must provide a written notice that the taxes are being paid under protest. The taxpayer must attach to the tax protest notice a copy of the petition filed in the court in which the appeal was taken. The tax protest notice must specify the total tax amount that is being paid under protest.

68 O.S. § 2884

Oklahoma Tax Commission Form No. 990-R-98 (front and back) must be completed for all payments of taxes under protest.

For all written complaints filed with the Oklahoma Tax Commission, the State Board of Equalization must notify, in writing by certified mail, the Attorney General and all affected school districts and other recipients of ad valorem tax revenue within ten days after the complaint is filed.

68 O.S., § 2881(D)

Collecting Tax Payments Made Under Protest

The County Treasurer must accept tax payments made under protest when properly filed on either OTC Form No. 990-R-98 or, SA&I Form No. 399, Notice of Tax Protest. Protest taxes might be collected for property valuation, tax levies, or payments where no appeal is provided by law. For all protest tax payment situations, the County Treasurer must perform the following actions:

68 O.S. § 2884

- Create a Protest Tax Record, SA&I Form No. 292
- Assign a protest number to the tax payment if the protest has been properly filed. Protest numbers begin with the number one at the beginning of each fiscal year and increase in increments of one.
- Enter the protested payment and protest number in the Protest Tax Record.
- Hold the portion of the tax payment that is being paid under protest in a tax protest account. The funds in this account are not apportioned pending the court order regarding the protest appeal. Protested tax monies should be invested in the same way as surplus tax funds not

68 O.S. § 2884 (B)

paid under protest. When making investments, a recommended good practice is for the County Treasurer to consider when the tax payments might need to be refunded.



For any funds over \$15,000, the taxpayer can choose the type of investment and where the protested funds will be invested.

68 O.S. § 2884(C)

- Issue a tax receipt that includes a notation that the payment has been made under protest, and the assigned protest number.

A record of funds being held in the protested tax account must be reported to the Office of the SA&I on the Protest Tax Record.

Notification to the State Auditor and Inspector

Prior to January 31 of each year, the County Treasurer must determine the total amount of ad valorem tax paid under protest and report that amount to the State Auditor and Inspector in the following manner:

68 O.S. § 2884(D)

- The total amount of protested ad valorem tax
- The total amount of protested ad valorem taxes by each taxpayer
- The apportionment of the protested ad valorem tax that would have been made to each school district and each technology center district if there had been no protest.

If any of the above information changes by March 1 of each year, the County Treasurer must submit revised information within thirty days of the change.

68 O.S. § 2884(C)(D)

Collecting Payment for Protested Property Valuation Tax Payments

When an appeal is being made on the basis of property valuation or on a question of assessment, the amount paid under protest is limited to the amount of taxes assessed on the property for the year in

68 O.S. § 2884(C)(D)

question less the amount of taxes that would be payable if the court determined that the property valuation asserted in the appeal was correct.

Issuing Refunds for Protested Property Valuation Tax Payments

When the Court Decides Against the Taxpayer

If the court decides that the tax assessment will remain unchanged, the County Treasurer receives a court order to apportion the tax payment plus any accrued interest. The County Treasurer must then apportion the tax payment and interest as if the tax was not paid under protest.

19 O.S. § 691
19 O.S. § 692
19 O.S. § 693

When the Court Decides In Favor of the Taxpayer

If the court decides that the tax assessment is too high, The County Treasurer will receive an order from the court that must be followed.

The County Treasurer then apportions all remaining funds plus any accrued interest for that payment as if they had not been paid under protest.

68 O.S. § 2884

The County Treasurer refunds the excess tax payment plus any accrued interest to the taxpayer by issuing a cash voucher claim to the County Clerk who will respond with a cash voucher against the money held in the protest fund.



The IRS requires that the County Treasurer issue 1099NT forms for any interest of \$600.00 or more paid to the taxpayer.

If the court finds that the property of railroads, air carriers, or public service is too high, the State Auditor and Inspector, upon receiving corrected valuation certification, must certify the correct valuation to the County Treasurer. The County Treasurer refunds the difference between the amount paid and the correct amount and apportions the remaining amount (amount plus interest).

68 O.S. § 2884
68 O.S. § 3023
68 O.S. § 3030
68 O.S. § 3031

Notification to the State Auditor and Inspector

Within ten days after escrowed ad valorem taxes are released, the County Treasurer must submit a schedule showing the disposition of the released funds, separated by fund for each school district and area school, to the State Auditor and Inspector. The State Auditor and Inspector must certify the apportionment schedule and transmit a copy to the State Superintendent of Public Instruction and the Director of the Oklahoma Department of Career and Technology Education.

68 O.S. § 2884(D.3)
70 O.S. § 18-200.1)

Collecting Payments for Tax Levy Protests Filed with the Court of Tax Review

A taxpayer must file a protest of tax levies with the Court of Tax Review within fifteen days from the date on which the county budget and levies are filed with the State Auditor and Inspector. The taxpayer must still pay the taxes levied at the time and in the manner prescribed by law.

68 O.S. § 3023
68 O.S. § 3030
68 O.S. § 3031

The State Auditor and Inspector sends a copy of the tax levy protest to the County Treasurer.

Issuing Refunds for Tax Levy Protests Filed with Court of Tax Review

When the Court Decides Against the Taxpayer

If the Court of Tax Review decides that the budget and tax levies are legal, the State Auditor and Inspector will send a copy of the decision to the County Treasurer who must then apportion the tax payment and any accrued interest as if the tax was not paid under protest.

68 O.S. § 3030

When the Court Decides In Favor of the Taxpayer

If the Court of Tax Review decides that the budget or tax levies are not legal, the County Clerk will receive a copy of the court decision. Since this decision will effect not just one, but several taxpayers, the County Treasurer must notify all taxpayers involved by publishing a notice in one issue of a county newspaper. This notice must be published within thirty days of the court's decision.

68 O.S. § 3030(B)

Each taxpayer affected by the court’s decision must request a refund from the County Treasurer’s office. The County Treasurer must then issue a cash voucher claim to the County Clerk who will respond with a cash voucher against the money held in the protest fund. Any interest earned by the excess tax payment must also be refunded to the taxpayer.



The IRS requires that the County Treasurer issue 1099 forms for any interest of \$600.00 or more to the taxpayer.

The tax refund must be claimed within six months of the court’s decision. The County Treasurer should apportion any unclaimed funds in the same way as the original levies. However, these funds should be credited as a surplus for the following fiscal year.

68 O.S. § 3030(c)

The County Treasurer then apportions all remaining funds, plus any accrued interest, for that payment as if it had not been paid under protest.

Collecting Payments for Tax Protests Where No Appeal is Provided by Law

Taxpayer Protest

If a taxpayer protests a tax payment because of some action for which the law provides no appeal, the taxpayer must still pay the full amount of the tax at the time and in the manner prescribed by law.

68 O.S. § 2886

The taxpayer must give written notice on [Oklahoma Tax Commission Form 990-R-98](#) to the County Treasurer’s office that the taxes are being protested and show grounds for bringing the suit.

68 O.S. § 2886

Protest Tax Collection

The County Treasurer accepts the protested tax payments and holds them in the protest fund for thirty days. If a summons is received within thirty days, the County Treasurer then performs the actions stated under “[Collecting Tax Payments Made Under Protest](#)” earlier in this chapter.

If a summons is not received within thirty days after collecting the protested tax payment, those monies, plus any accrued interest, should be apportioned by the County Treasurer as if no protest had been made.

Issuing Refunds for a Tax Protest Where No Appeal is Provided by Law

When the Court Decides Against the Taxpayer

If the court decides that the tax assessment will remain unchanged, the County Treasurer receives a court order to apportion the tax payment and any accrued interest. The County Treasurer must then apportion the tax payment and the interest as if the tax was not paid under protest.

68 O.S. § 2884
68 O.S. § 2886

When the Court Decides In Favor of the Taxpayer

If the court decides that the tax assessment is too high, the County Treasurer receives an order from the court that must be followed.

The County Treasurer refunds the excess tax payment plus any accrued interest to the taxpayer by issuing a cash voucher claim to the County Clerk who will respond with a cash voucher against the money held in the protest fund.

19 O.S. § 691
19 O.S. § 692
19 O.S. § 693



The IRS requires that the County Treasurer issue 1099NT forms for any interest of \$600.00 or more paid to the taxpayer.

The County Treasurer then apportions all remaining funds plus any accrued interest for that payment as if they had not been paid under protest.

68 O.S. § 2884

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Chapter Thirteen

Duties of the County Treasurer: Collecting Real Estate Mortgage Taxes

Understanding Real Estate Mortgage Taxes

A real estate mortgage tax is charged on every type of conveyance (document of property transfer) issued for the purpose of collecting money as a lien against real estate. [SA&I Form No. 146](#) is used to write a receipt for real estate mortgage taxes.

68 O.S. § 1901

A real estate mortgage is usually a special document written for a particular sales transaction. Any contract written for the sale of real property (land and buildings) in which the seller retains the title to the property while the buyer pays the balance due is considered a mortgage under Oklahoma law.

The mortgagor, the mortgagee, or any other interested party may pay the mortgage tax. [SA&I Form No. 443, Mortgage Tax Information](#), must accompany any mortgage document presented to the County Treasurer for payment of the mortgage registration tax.

68 O.S. § 1904(C)
68 O.S. § 1904

The Mortgage Tax Information form must include the following information:

74 O.S. § 214

- The mortgagor's name
- The mortgagee's name
- The mortgage date

- The mortgage maturity date
- The amount that is secured by the mortgage
- A description of the property for which the mortgage is secured

This form must be retained in the County Treasurer’s office and must become a part of the same record as the mortgage tax receipt.

The real estate mortgage tax must be paid before the County Clerk can record the mortgage or before any court judgment or final order can be made regarding the mortgage.

68 O.S. § 1907

Computing Real Estate Mortgage Taxes

Table 13-1 shows the mortgage tax rates listed in the Oklahoma statutes. A tax is charged for each \$100.00 and each remaining fraction of \$100.00. For example, the mortgage tax on a 30-year mortgage would be computed in the following way:

68 O.S. § 1904

$$\$41,540/100 = 415.4 \text{ or } 416 \times .10 = \$41.60$$

A.G. OPINION 65-116

Table 13-1. Oklahoma Mortgage Tax Rates

Term of the Mortgage	Rate per \$100.00
5 years or more	\$00.10
4 years and less than 5 years	\$00.08
3 years and less than 4 years	\$00.06
2 years and less than 3 years	\$00.04
Less than 2 years	\$00.02
Less than \$100.00	\$00.10 (flat charge)
Mortgage on Demand	\$00.02

Mortgage Certification Fees

In addition to the mortgage taxes shown in Table 13-1, the County Treasurer must also collect a \$5.00 mortgage certification fee on each mortgage presented for certification.

68 O.S. § 1904(B)

Supplemental or Additional Mortgages or Instruments

If supplemental instruments or mortgages are recorded to correct or perfect a mortgage that is already recorded, the supplemental, or an assignment, is not subject to mortgage taxes unless it creates a new debt or increases the amount of the original recorded mortgage.

68 O.S. § 1905

Supplemental or additional mortgages or instruments are presented to the County Treasurer for payment. Taxes are collected unless an affidavit is presented to the County Treasurer similar to the one in [Figure 13-1](#). If the County Treasurer receives an affidavit that indicates that no new debt or obligation is created, the County Treasurer does not charge a mortgage fee or certification fee. The County Treasurer stamps the instrument “No Mortgage Tax Due” and returns the instrument to the County Clerk for filing. The County Treasurer does not place any certification on this instrument.

Mortgages for Indefinite Amounts

If the maximum amount of the mortgage is not stated in the mortgage, the County Treasurer can have the owner file a sworn statement that indicates the amount secured by the mortgage and collect taxes according to that amount.

68 O.S. § 1906

If the maximum amount of the mortgage is not stated in the mortgage or in a sworn statement, the County Treasurer may require either the mortgagor or mortgagee to furnish proofs of value, and keep those proofs on file.

Corporate Mortgages

Mortgages made by corporations in trust to secure payment of bonds or obligations issued, or to be issued, are subject to the real estate mortgage tax.

68 O.S. § 1908

AFFIDAVIT OF _____

STATE OF OKLAHOMA)

) SS

COUNTY OF)

I, _____, being of legal age, do on my oath depose and state as follows:

1. That I am the duly authorized agent for filing the instrument entitled _____, a copy of which is attached hereto.

That no mortgage tax or certification fee is due because the attached instrument is presented for the purpose or correcting or perfecting the previously recorded mortgage or, is presented for the purpose of imposing the lien thereof upon property not originally covered by the recorded primary mortgage for the purpose of securing the principal indebtedness which is secured by such recorded primary mortgage, and; the instrument does not create or secure a new or further indebtedness or obligation other than the principal indebtedness or obligation secured by the recorded primary mortgage.

FURTHER AFFIANT SAYETH NOT.

Subscribed and sworn to before me this _____ day of _____, 20__.

Notary Public

My Commission expires: _____

Figure 13-1. Sample Affidavit for Supplemental Instruments or Mortgages

Additional Mortgage Amounts

In some cases, the total amount of the principal indebtedness may not be advanced at the time the mortgage is recorded. The mortgage may contain a statement of the amount actually advanced and taxes are computed on that amount. When additional amounts are advanced under the original mortgage, the corporation making the mortgage must file a statement regarding the additional amount with the County Treasurer's office and pay the additional tax. The additional payment must be noted on the margin of the mortgage record and, if requested, a receipt provided to the taxpayer.

Annual Statement

Corporations providing additional mortgages must file an annual statement with the County Treasurer's office within thirty days after July 1, which lists the amount advanced on each mortgage as of June 30. These statements must be filed until the maximum amount of the mortgage has been advanced.

Exemptions

Certain instruments are exempt from the mortgage tax under very specific conditions. A mortgage or deed of trust that secures the payment of bonds issued by any domestic railroad, transportation, transmission, or industrial corporation is exempt if the money from the bonds is used for building or improving property which is subject to the local county ad valorem taxes.

The County Clerk collects a nominal recording fee for these instruments according to the fees shown in [Table 13-2](#).

68 O.S. § 1908

Table 13-2. Recording Fees

Item	Fee
Each item	\$0.25
Each additional page	\$0.10
Indexing and recorders certificates	\$0.50

Property in More than One County

68 O.S. § 1909

If a real estate mortgage covers property in more than one county within Oklahoma, the County Treasurer in the county where the mortgage is filed collects the mortgage tax. That County Treasurer then apportions the tax collected among the counties involved in proportion to the assessed value of the property within each county. If the County Treasurer is not able to determine the correct proportion, they may require the mortgagee to furnish a sworn affidavit that provides the facts necessary to determine the apportionment.

Property in More Than One State

68 O.S. § 1909

If a real estate mortgage covers property in states other than Oklahoma, a proportioned mortgage tax is levied based on the value of the property that is located in Oklahoma.

Exemptions from Mortgage Tax

AG OPINION 1986-53
AG Opinion 1995-84

Several government entities may be exempt from paying mortgage tax such as the following examples:

- Federal Stock Land Bank
- Reconstruction Finance Corporation
- Corporations wholly owned by the Federal Government
- Federal Reserve Bank
- Federal Land Bank
- Homeowners Loan Corporation
- Rural Electric Cooperatives
- Oklahoma Industrial Finance Authority
- U. S. Small Business Administration
- Farm Services Agency

- Federal Credit Unions
- Federal National Mortgage Association

Before exempting any group or organization from paying mortgage taxes, the County Treasurer should require an affidavit of exemption. For questions about possible exemptions, the County Treasurer should contact the Office of the State Auditor and Inspector.

Apportioning the Mortgage Taxes and Fees

Mortgage Taxes

Each month the County Treasurer must credit the common school fund of the county with all monies collected as mortgage tax and distribute these monies in the same way that all other common school monies are credited.

68 O.S. § 1910

Mortgage Certification Fees

The \$5.00 mortgage certification fees collected are deposited in the County Treasurer's Mortgage Certification Fee Account, a cash account, and may be used to cover legitimate office expenses.

68 O.S. § 1904(B)

Referencing Attorney General Opinions Regarding Real Estate Mortgage Taxes

The following Attorney General opinions may be helpful in computing and collecting real estate mortgage taxes:

- August 18, 1949 - Hays

Where additional mortgage does not increase or change principle indebtedness but merely adds property not described in or originally covered by the primary mortgage, then the additional mortgage is not subject to mortgage tax.

- September 14, 1950 - Field
Mortgage tax is not a tax on the mortgage but an excise tax upon the privilege of having the mortgage registered or recorded. For a mortgage that secures payment of an installment note, tax is computed on the maturity date of the last installment.
- November 15, 1963 - Rogers - #514
Real estate mortgage executed to U.S. Small Business Administration is not subject to mortgage tax.
- April 6, 1964 - Harvey - #195
National Church Foundation bonds which secure mortgages on churches are subject to mortgage tax.
- October 23, 1964 - Vinzant - #364 and February 16, 1965 - Vincent - #116
To apply the mortgage tax to notes due on demand, use the tax rate indicated for “less than two years.”
- November 2, 1964 - Rogers - #382
Where real estate mortgage includes personal property, the mortgage tax must be charged on the value of both.
- June 2, 1966 - Pitchford - #235
When the due date is not specified on the mortgage, the County Treasurer must assume that the due date or term is for a period of more than five years and should apply the appropriate mortgage rate unless evidence is submitted that shows the due date or term to be for a shorter period.
- February 9, 1965 - Monroe - #117
A mortgage on oil, gas and other minerals is not subject to mortgage tax.
- February 16, 1965 - Vincent - #116

The tax rate on Mortgage on demand is assessed at the rate of two cents (0.02) for each one hundred dollars valuation.

- April 13, 1967 - Rogers - #235

A mortgage to the Oklahoma Industrial Finance Authority is not subject to mortgage tax.

- August 8, 1968 - Murphy - #284

A foreign but domesticated corporation enjoys the same exemption provisions of O.S. 68 § 1908 as a domestic corporation.

68 O.S. § 1908

- April 3, 1969 - Rogers - #68-351

Instruments under the UCC which qualify as equitable mortgages are subject to mortgage tax.

- November 21, 1972 - Fallis - #148

Mortgagees of an electric utility company qualify for exemption from real estate mortgage tax under the last sentence of O.S. 68 § 1908 when that statute is otherwise applicable, because an electric utility corporation is an “industrial corporation.”

68 O.S. § 1908

- November 21, 1972 - #68-351

Agreements made in consideration of loans from a bank representing costs of improvements on certain described real property constitute mortgages on real estate which are subject to mortgage tax.

- April 7, 1976 - Rogers - #190

When a contract for sale or a contract for deed is made, duly recorded, and the mortgage tax paid in compliance with the statutes and the seller later conveys the same property and title to the purchaser by warranty deed, the mortgage is not subject to mortgage tax again when presented for filing and recording.

- November 19, 1974 - Rogers - #73-301

Mortgages on real property executed to the Indian Credit Association when presented for filing and recording are subject to mortgage tax.

Chapter Fourteen

Duties of the County Treasurer: Issuing Refunds

Issuing Refunds for Erroneous Tax Payments

Occasionally, errors can be made in tax payments for a variety of reasons such as the following situations:

- A mortgage holder pays taxes from an escrow account on the wrong property.
- The tax payment is misapplied in the County Treasurer's office.
- An error was made in the property description.
- Changes are received from the Board of Tax Roll Corrections.

Cash Voucher Claim

Once the County Treasurer verifies that a refund is required for a tax payment, a [Cash Voucher Claim, SA&I Form No. 270](#) must be completed, which includes the following information:

- The tax receipt number

- The type of error made
- The account from which the refund is to be made

The Cash Voucher Claim, with the tax receipt attached, must be delivered to the County Clerk who issues a [Cash Voucher, SA&I Form No. 1293](#) to pay a Cash Voucher Claim. The form is signed and registered by the County Treasurer. The County Clerk then returns the Cash Voucher Claim and tax receipt to the County Treasurer's office where the bookkeeper should debit the appropriate fund and register the Cash Voucher Claim.

Current Year Tax Payment Refunds

When issuing a refund for a tax payment made in the current year, the current tax collections account should be debited.

Previous Year Tax Payment Refunds

When issuing a refund for a tax payment made in a previous year, the tax account for that year should be debited. If no money is available in that year's tax account, the money is refunded from the resale property fund.

Issuing Refunds for Invalid Tax ReSale

The sale of property to recover delinquent taxes may be declared illegal for several reasons, including the following situations:

68 O.S. § 3137

- No tax was due.
- Including the property in the sale has been held to be invalid by a court.
- The title of the property is vested in the Commissioners of the Land Office.
- The property was not taxable at the time of the assessment.
- The sale was illegal for some other reason.

To refund a purchaser for an invalid tax sale, a Cash Voucher Claim must be filed with the County Clerk, which authorizes a refund to be paid from the resale property fund. Before the purchaser can receive a refund, a Quit Claim Deed or other disclaimer, which explains the reason the tax deed is not valid, must be attached to the refund claim.

If monies have been appropriated to the general fund for the purpose of paying refunds, the refund can be authorized to be paid from the general fund.

Statute of Limitations on Refunds

Invalid Tax Resale

Purchasers at an invalid tax resale or Commissioner's sale must file a claim for a refund within three years of the date of the sale. If a refund claim has not been paid from the resale property fund within three years, refunds can no longer be made from that fund.

68 O.S. § 3137

Issuing Refunds for Erroneous Tax Assessments

Complaints can be filed to the Board of Tax Roll Corrections concerning mistakes made in a property's tax assessment amount by the following people:

- The County Assessor or County Treasurer can file a complaint before the tax has been paid, or has been attempted to be paid.
- Any person who verifies by affidavit that the tax assessment affects them in some way can also file a complaint. The affidavit must also show that the person is not at fault through failure to fulfill some lawful duty.

68 O.S. § 2871

The statutes list seventeen errors as grounds for correction. The complaint form, [SA&I form 348 \(front\)](#), [Complaint of Erroneous Assessment and Order of Correction](#), should clearly state the appropriate reason for correcting the tax assessment.

68 O.S. § 2871

The Board of Tax Roll Corrections' members are the Chairman of the Board of County Commissioners, the Chairman of the County Equalization Board, The County Assessor, and the County Clerk (as a non-voting member and Secretary).

Any taxes that a protesting taxpayer owes will not become due until thirty days after the Board of Tax Roll Corrections makes a decision.

Board of Tax Roll Corrections

Corrections That Increase the Tax

When the Board of Tax Roll Corrections determines that correcting the error results in an increase in the tax assessment, the County Clerk (serving as Secretary to the Board of Tax Roll Corrections) issues a Certificate of Error to the County Assessor who then issues the County Treasurer a certificate, [SA&I Form 348 \(back\)](#), ‘[Order of Correction Board, and Certificate of Error](#),’ verifying the increase. The amount of the increase and the certificate number must be entered on the tax roll.

Corrections That Decrease the Tax and The Tax Has Not Been Paid

When the Board of Tax Roll Corrections determines that correcting the error results in a decrease in the tax assessment and the tax has not been paid, the County Clerk issues a Certificate of Error to the County Treasurer who then enters the amount “credited” and the certificate number on the tax roll.

Corrections That Decrease the Assessment and The Tax Has Been Paid

When the Board of Tax Roll Corrections determines that correcting the assessment error results in a decrease in the assessment and the tax has been paid, the taxpayer must file a cash voucher claim through the County Clerk.

A certificate of error is issued by the Board of Tax Roll Corrections. The County Treasurer designates to the County Clerk which of the following funds should be debited for the refund.

- The current tax collections account where the payment was credited
- The protest fund if the taxes were paid under protest
- The resale property fund if the funds are not available in the current collections account or the protest fund

The procedure for redeeming a Cash Voucher Claim is the same as stated in the “[Cash Voucher Claims](#)” section of this chapter.

Statute of Limitations on Refunds for Erroneous Tax Assessments

To file a cash voucher claim for refund, a taxpayer must file an application for correction of error before the end of two years from the date the tax was paid.

19 O.S. § 247

To obtain a refund, the taxpayer must file the claim for refund within six months after the effective date of the order of correction.

Issuing Refunds for Clerical Errors

Upon receipt of [SA&I Form 368, County Assessor’s Certificate of Clerical Error](#), from the County Assessor, the County Treasurer is authorized to make corrections for clerical errors only as specified in the Oklahoma Statutes. These errors do not involve valuations, assessments, or exemptions. Two kinds of clerical errors may decrease the amount of tax owed:

68 O.S. § 2874

- Duplicate assessments or two identical entries on the tax rolls
- Errors in transcribing from the assessment rolls to the tax rolls providing there is no indication that the original entry was altered

Upon receipt of a Certificate of Clerical Error from the County Assessor that results in a decrease in the tax payment due, the County Treasurer corrects the tax roll in the following manner:

- Correct the error on the tax roll.
- Enter opposite the property described the amount credited and the County Assessor’s certificate number.

Issuing Refunds for Protest Payments

Please refer to [“Issuing Refunds for Protested Property Valuation Tax Payments”](#) in Chapter Twelve, “Duties of the County Treasurer: Collecting Protested Taxes,” in this handbook for guidelines on issuing refunds for protest taxes collected for property valuation, tax levies, or payments where no appeal is provided by law, when the court decides in favor of the taxpayer.

Chapter Fifteen

Duties of the County Treasurer: Disbursing Appropriated Funds

Before any monies administered by the County Treasurer can be disbursed, The County Clerk, acting on an order from the Board of County Commissioners, must issue a warrant. The warrant must be signed by the Board of County Commissioners' Chairman, attested to by the County Clerk, and registered and signed by the County Treasurer who certifies whether funds are available to pay the warrant.

If the County Treasurer is acting as treasurer for any other county entity, a warrant must be signed by the appropriate governing body to disburse funds for that entity.

Any Board of County Commissioners can issue a negotiable instrument that serves as both a warrant on the county treasury and a check ordering payment of the warranted amount. The printing on the instrument must indicate that it is both a warrant and a check.

19 O.S. § 347(B)
19 O.S. § 623
62 O.S. § 471(A)
62 O.S. § 471(B)



This method is not recommended for counties that issue non-payable warrants.

Issuing and Registering Warrants

Each warrant must be drawn against a specific appropriation or a specific amount authorized by a bond issue. As soon as a warrant is prepared by an authorized officer, it must be signed by the Board of County Commissioners.

62 O.S. § 474

The warrants must be issued, drawn, and recorded in the numerical order issued on each fund. Each fiscal year the numerical order should begin with the number one for each fund and increase in increments of one. The warrant should also indicate the fiscal year in which it is prepared.

62 O.S. § 472,
62 O.S. § 475

Warrant Register

The County Treasurer must register all warrants in a record kept solely for that purpose ([SA&I Form No. 185](#)), and must record the following information:

- Instrument number
- Date
- Name of payee
- Fund from which monies are drawn
- Amount of the warrant
- Date of registration
- Treasurer's name and official title
- Statement of whether funds are available or not available

All warrants must be registered in the numerical order in which they are issued on each fund. After registering the warrants, the County Treasurer then returns them to the County Clerk.

62 O.S. § 475

The County Treasurer and the County Clerk must both maintain warrant registers as a precaution against fraudulent use of funds. The information in both registers must match at all times.

19 O.S. § 250

[Figure 15-1](#) contains a flowchart that shows the warrant registration process.

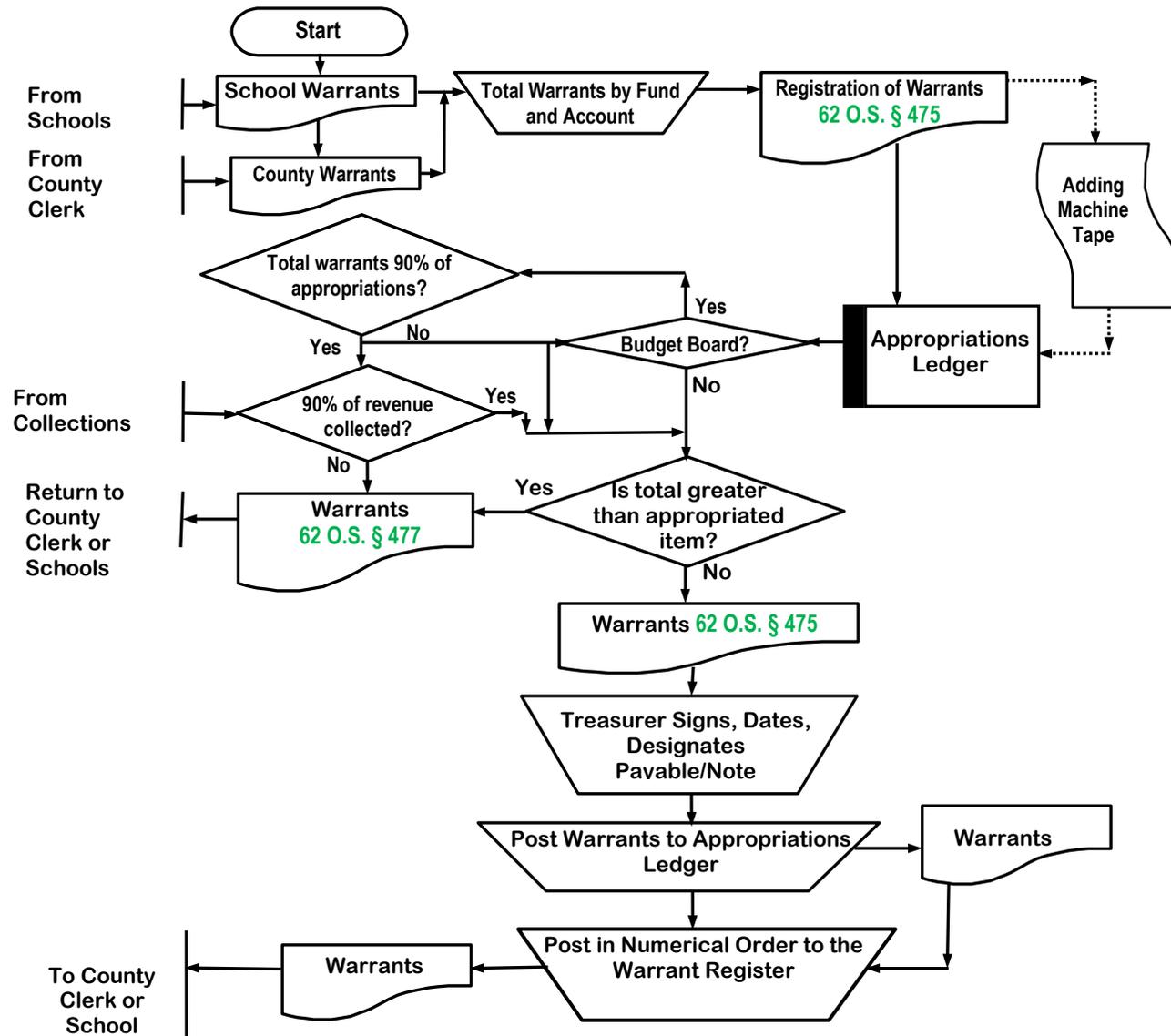


Figure 15.1. The Warrant Registration Process

Payment Register

When warrants are paid, the following information should be entered into the payment register (SA&I Form No. 2211):

19 O.S. § 633

- The date the warrant is paid and canceled
- Who submitted the warrant
- The warrant number
- The amount for which it was originally drawn
- Any allowed interest
- The total amount paid on each group of warrants bearing the same registration date and presented for payment on the same date

Paying Warrants That Are Not Also Checks

Determining Available Funds

When presented with a warrant to be registered for payment, the County Treasurer determines if adequate monies are available in the fund, completes the line, “pay/non-pay” on the face of the warrant, and dates and signs the warrant. A payable or non-payable warrant, after it has gone through the normal process of being issued to the payee, is presented to the County Treasurer by the county’s depository routing bank or to an individual for actual payment.

62 O.S. § 551

The County Treasurer must pay warrants with a County Treasurer’s check, [SA&I Form No. 115](#). Upon payment, the County Treasurer then records the information in the Payment Register

Handling Non-Payable Warrants

If funds are not available to pay a warrant, the County Treasurer, when registering the warrant, must indicate on the face of the warrant the rate of interest to be paid and must write the following information on the back of the warrant:

62 O.S. 552

- The words, “Not paid for want of funds”
- The number of the entry in the warrant register
- The date
- The County Treasurer’s signature

The following information should then be recorded in the warrant register:

62 O.S. § 552

- The warrant number
- Amount of the warrant
- Date drawn
- The fund on which the warrant is drawn
- Who will receive the funds
- The date when presented for payment

Warrants for which funds are not available when registered earn interest at a rate fixed by the governing board (not to exceed 10% per year).

62 O.S. § 475
62 O.S. § 498.1



The IRS requires County Treasurers to issue 1099 INT forms for any interest paid of \$600.00 or more.

Handling Funds for Unpaid Warrants

The County Treasurer must set aside monies as they become available in a fund to pay warrants or orders registered as not paid, and must then call for these warrants by publishing a notice in a newspaper of general circulation in the county or by posting a printed or written notice in five or more public places. These calls should be published at least every sixty days and include the following information:

62 O.S. § 553
62 O.S. § 475

- Notice that money is available to pay warrants
- The warrant numbers and the funds on which they are drawn
- Request that the warrants be presented for payment and cancellation

The interest accumulating on warrants that are called will cease thirty days from the date of publication.



Arrangements may be made with appropriate banks to facilitate holding of such warrants and for notification of a warrant call.

If the warrants being called are for a school district and the County Treasurer is serving as treasurer of that school district, call notices should be published in a newspaper of general circulation or posted (printed or written) in five or more public places in the school district.

62 O.S. § 475

Handling Unredeemed Warrants or Vouchers

All warrants issued in payment of obligations of counties, townships, school districts, cities, and towns, and other county entities become due one year after the close of the fiscal year in which the warrant is issued. Unless action is taken to redeem the warrant before the year is up, the warrant is canceled. The cancelled amount must be credited to the fund on which it was drawn, and the cancellation must be recorded in the warrant and payment registers. [Treasurer Form No. 355](#), Memorandum of Credit, would be used to record these warrants or vouchers.

62 O.S. § 482

62 O.S. § 488

Paying Vouchers

Official Vouchers

On or before the second Monday following the close of the calendar month, County Treasurers must distribute all monies collected for various funds under their administration according to official vouchers received from the officer, board, or commission for that fund. These vouchers must be

19 O.S. § 681

19 O.S. § 682

19 O.S. § 683

19 O.S. § 684

presented for the County Treasurer to sign, register in numerical order in the voucher register, and designate on the voucher the bank from which the voucher will be paid.

Figure 15-2 contains a flow chart that shows the procedure for handling official vouchers.

Cash Vouchers

The County Treasurer receives cash vouchers only from the County Clerk. They are issued for payment of a refund due or for payment from a statutory designated fund. The County Clerk issues a cash voucher after receiving a Cash Voucher Claim from the county officer responsible for the fund against which the cash voucher is drawn.

19 O.S. § 691

The County Clerk presents the cash voucher to the County Treasurer for registration in the warrant register. Once the claimant cashes the voucher, the bank submits the cash voucher to the County Treasurer for redemption, who then writes a Treasurer's check in the amount of the cash voucher and debits the fund on which the voucher was drawn.

Some County Treasurers may choose to redeem the cash voucher directly from the claimant.

Figure 15-3 contains a flow chart that shows the procedure for handling cash vouchers.

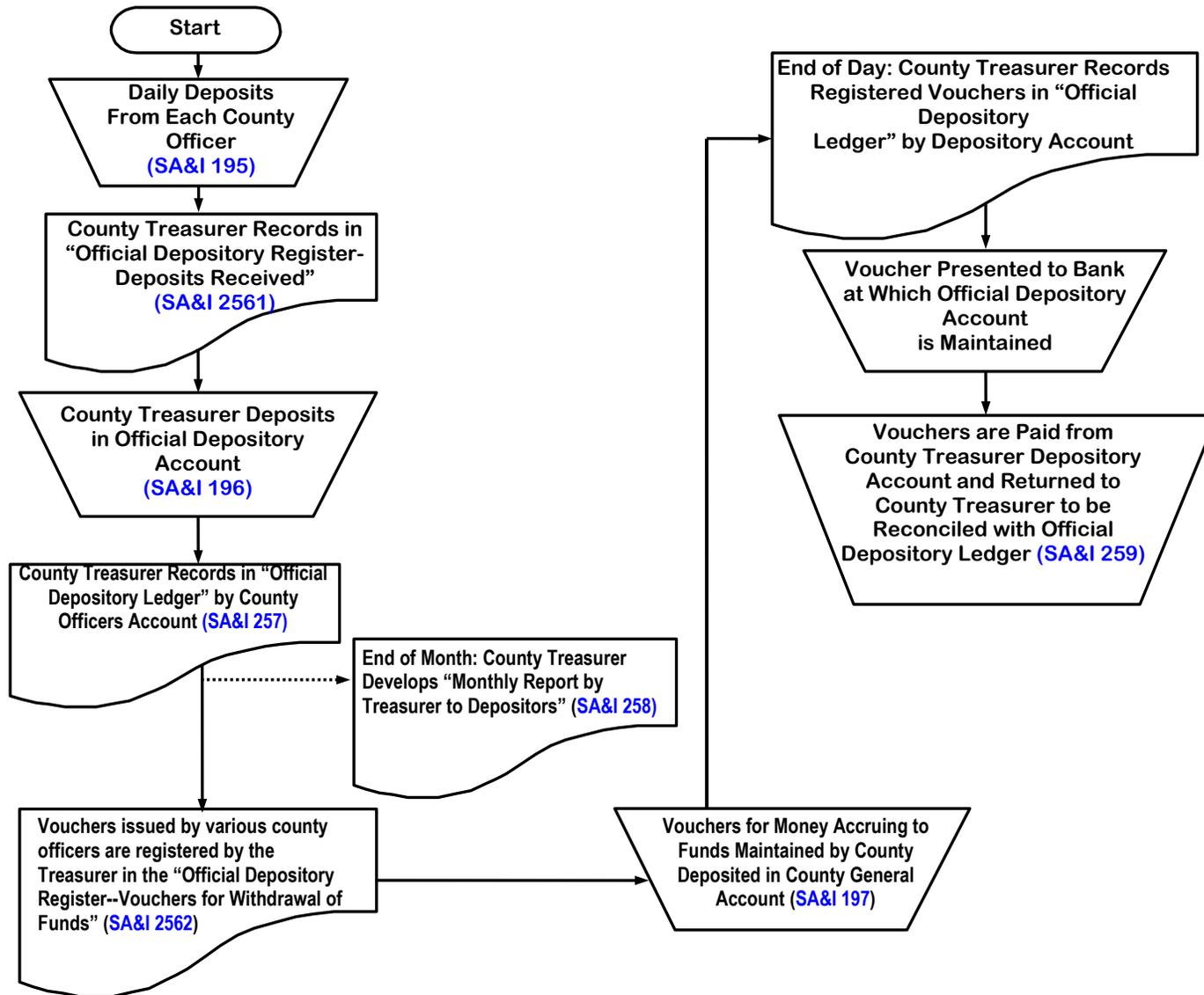


Figure 15.2. Procedure for Handling Official Vouchers

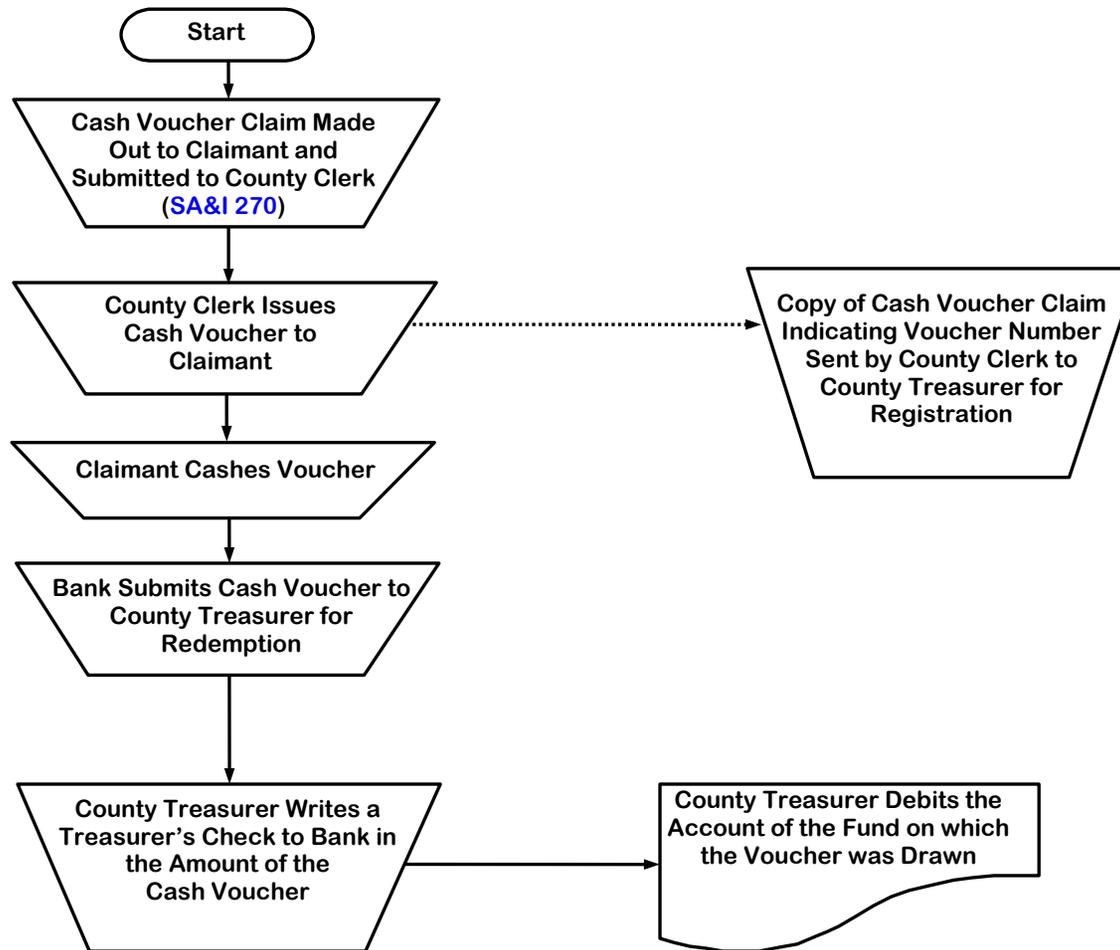


Figure 15.3. Procedure for Handling Cash Vouchers

Replacing Lost or Destroyed Warrants or Vouchers

If a warrant or voucher is lost or destroyed, the County Clerk issues a duplicate on [SA&I Form No. 176](#). An affidavit that states how the warrant was lost or destroyed together with an indemnifying bond running to the County Treasurer for double the amount of the warrant must be filed with the County Clerk. The County Treasurer and the County Clerk must keep records on all lost or destroyed warrants to avoid loss of county funds due to the issue of a duplicate.

62 O.S. § 555

If issuing a stop payment at the bank for a lost or destroyed warrant, the County Treasurer should be aware that there may be time limitations on stop payments (some are good for only six months) and check with their bank for that bank's policy.

Chapter Sixteen

Duties of the County Treasurer: Investing and Safe Keeping of County Monies

At any given time, the County Treasurer may have custody of a substantial amount of county monies that are not needed to meet current obligations. A highly recommended good practice it that County Treasurers should regularly review all funds under their control to determine the following factors:

- The date funds will be needed for their intended purposes
- Whether that date is sufficiently far enough in the future to allow for the beneficial investment of these funds

If investment of funds would be beneficial, the County Treasurer, when authorized, should invest these funds in authorized, prudent investments such as Certificates of Deposit (CD). Otherwise, monies should at least be deposited in interest-bearing bank accounts.

62 O.S. § 348.1
62 O.S. § 348.3
62 O.S. §541

This chapter contains guidelines for investing county monies that are not immediately needed to meet current obligations and for maintaining proper collateral, insurance, or surety for county funds.



When considering investments, a highly recommended good practice is that the County Treasurer should ensure that some of the investments are easily liquidated for use, if they become necessary to meet obligations.

Cash balances in banks, savings and loan associations, or other financial institutions should be monitored closely to ensure that proper collateral is secured for any amounts that exceed the amount insured by the Federal Deposit Insurance Corporation (FDIC) or other similar insurance on deposits. The County Treasurer is responsible for approving collateral pledged against deposits. In the event of the institution's failure, the County Treasurer must take possession of the securities that were pledged.

62 O.S. §511

When public deposits are made in accordance with the Security for Local Public Deposits Act in the Oklahoma Statutes, the County Treasurer is not liable for any loss that results from the default or insolvency of a public depository, provided no negligence or illegal activity occurs on the part of the County Treasurer.

62 O.S. §517.7

Obtaining and maintaining proper collateral is addressed at the end of this chapter. The first part of the chapter deals with investing county funds.

Receiving Authorization to Invest Monies

Written Investment Policy, Ordinance, or Resolution

Before any county monies can be invested, the Board of County Commissioners must issue a written investment policy, ordinance, or resolution. The County Treasurer is authorized to invest monies through this policy, ordinance, or resolution. The Board of County Commissioners determines when monies cannot be used immediately for their intended purpose and are therefore available for investment.

62 O.S. § 348.1
62 O.S. § 541

Although not stated in the Oklahoma Statutes, these resolutions should include the following information:

- Date of investment (usually immediately)

- Amount of investment
- Term of investment
- Fund to be credited with the interest earned
- Statement verifying that the monies being invested cannot be used for their intended purpose at the present time

Much of this information normally comes from the County Treasurer’s regular review of monies available for investment and the dates these monies will be needed for their intended purposes.

Authorized Investments

The following investments are authorized investments that are included in the policy, ordinance, or resolution:

1. Direct obligations of the United States Government, its agencies or instrumentalities to the payment of which the full faith and credit of the Government of the United States is pledged, or obligations to the payment of which the full faith and credit of this state is pledged
2. Collateralized or insured Certificates of Deposits (CEDs) of savings and loan associations, banks, savings banks and credit unions located in this state, when the Certificates of Deposit are secured by acceptable collateral as provided by law, or fully insured Certificates of Deposit at banks, savings banks, savings and loan associations and credit unions located out of state



County Treasurers should be aware of the Certificate of Deposit Account Registry Service (CDARS), a service that enables banks to provide customers with FDIC-insured certificates of deposit through the CDARS network.



When a customer deposits a sum of money greater than \$250,000, the excess funds are placed into certificates of deposit issued by other banks in the network. Banks rely on CDARS deposits as a stable source of core funding. This process allows bank customers to access up to \$50 million in FDIC protection by working with just one bank. Go to <http://www.fdic.gov/regulations/laws/federal/2008/08cLABankersAD35.html> for more information.

3. Savings accounts or savings certificates of savings and loan associations, banks, and credit unions, to the extent that the accounts or certificates are fully insured by the Federal Deposit Insurance Corporation
4. Investments as authorized by Section 348.3 of this title which are fully collateralized in investments specified in paragraphs 1 through 3 of this section, and where the collateral has been deposited with a trustee or custodian bank in an irrevocable trust or escrow account established for such purposes
5. County, municipal or school district direct debt obligation for which an ad valorem tax may be levied or bond and revenue anticipation notes, money judgments against such county, municipality or school district ordered by a court of record or bonds or bond and revenue anticipation notes issued by a public trust for which the county, municipality, or school district is a beneficiary thereof. All collateral pledged to secure public funds shall be valued at no more than market value. The income received from that investment may be placed in the general fund of the governmental subdivision to be used for general governmental operations, the sinking fund, the building fund, or the fund from which the investment was made.

Written Investment Policies

In addition to the investments authorized above, the Board of County Commissioners of a county may adopt a written investment policy directing the investment of the funds of the county and any of its public trusts or authorities. If such a policy is adopted by the governing Board of County Commissioners, all funds shall be invested pursuant to the provisions of the policy. The written policy shall address liquidity, diversification, safety of principal, yield, maturity and quality, and capability of investment management, with primary emphasis on safety and liquidity. To the extent practicable, taking into account the need to use sound investment judgment, the written investment policies shall include provision for utilization of a system of competitive bidding in the investment of municipal funds. The system shall be designed to maximize yield within each class of investment instrument, consistent with the safety of the funds invested.

The written investment policy may authorize the County Treasurer to purchase and invest in any or all of the following:

1. Obligations of the United States government, its agencies and instrumentalities
2. Collateralized or insured Certificates of Deposit (CED's) and other evidences of deposit at banks, savings banks, savings and loan associations and credit unions located in this state, or fully insured Certificates of Deposit at banks, savings banks, savings and loan associations and credit unions located out of state
3. Negotiable Certificates of Deposit issued by a nationally or state-chartered bank, a savings bank, a savings and loan association or a state-licensed branch of a foreign bank

Purchases of negotiable Certificates of Deposit shall not exceed ten percent (10%) of the surplus funds of the county which may be invested pursuant to this section. Not more than one-half (1/2) of the ten percent (10%) limit shall be invested in any one financial institution specified in this paragraph

4. Prime banker's acceptances which are eligible for purchase by the Federal Reserve System and which do not exceed two hundred seventy (270) days' maturity. Purchases of prime banker's acceptances shall not exceed ten percent (10%) of the surplus funds of the city or county which may be invested pursuant to this section. Not more than one-half (1/2) of the

ten percent (10%) limit shall be invested in any one commercial bank pursuant to this paragraph

5. Prime commercial paper which shall not have a maturity that exceeds one hundred eighty (180) days nor represent more than ten percent (10%) of the outstanding paper of an issuing corporation
6. Purchases of prime commercial paper shall not exceed seven and one-half percent (7 1/2%) of the surplus funds of the city or county which may be invested pursuant to this section; Repurchase agreements that have underlying collateral consisting of those items specified in paragraphs 1 through 5 of this subsection; and
7. Money market funds regulated by the Securities and Exchange Commission and which investments consist of those items and those restrictions specified in paragraphs 1 through 6 of this subsection.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Investing School District Funds

County Treasurers serving as treasurers of any school districts in their county can invest monies from these school districts in securities specified by Oklahoma law. Each month school boards are required to set aside funds to an operating account and to an investment account.

62 O.S. § 348.1

62 O.S. § 517.3

70 O.S. § 5-114

70 O.S. § 5-115

70 O.S. § 5-115(C)

When acting as treasurer of a school district, the County Treasurer must prepare and submit a written report of the district's finances and produce that report when required at any meeting of a school board.

County Treasurers, when acting as the treasurer of a school district must satisfactorily complete an investment education program approved by the State Board of Education and the State Board of Career and Technology Education.

70 O.S. § 5-115(H)

Investing Monies for Other Entities

When County Treasurers serve as treasurers of an incorporated city or town or other governmental entity, the governing bodies of these entities must issue a resolution that authorizes investment of funds before investments can be made.

62 O.S. § 348.1
62 O.S. § 348.3

Safekeeping of Funds Through Proper Collateral, Insurance, or Surety

The Oklahoma Statutes require that County Treasurers receive collateral from financial institutions in which they keep county monies whenever the balance exceeds the amount insured by the Federal Deposit Insurance Corporation (FDIC) or similar insurance on deposits. If a bank defaults, the County Treasurer can then seize the collateral and recover all county funds.

62 O.S. § 511
62 O.S. §§ 517.4-517.7

Most County Treasurers keep the majority of county funds in checking accounts, money market accounts, and certificates of deposits that are backed by the financial institution itself. The FDIC insures county accounts in any given bank (who is a member of FDIC) up to a maximum of \$250,000.

WARNING: A highly recommended good practice is that County Treasurers understand that FDIC or any similar insurance for deposits can create a false security. For example, "branch banks" are not considered separate banks by the FDIC. Several accounts in branches of the same bank are insured only if the sum of all accounts is less than \$250,000. Therefore, all deposits and investments in excess of \$250,000 in a given bank must be protected by collateral. If a county has an interest bearing checking account and a money market account in a particular bank, both are secure as long as the sum of the two does not exceed \$250,000.

State law requires that county funds exceeding the FDIC insurance amount be backed by certain types of bank collateral. This collateral protects taxpayers' monies in the event a bank defaults or

62 O.S. § 511
62 O.S. § 513

becomes bankrupt. Care must be taken to ensure that a bank is financially sound, the collateral is of sufficient quality, and the amount of county money deposited or invested at a bank does not exceed the market value of pledged collateral.

The County Treasurer must prepare a [Pledge Agreement for Public Funds Held on Deposit \(Oklahoma State Treasurer \[OST\] form 2001-1\)](#), a [Tri-Party Public Deposit Pledge and Custody Agreement \(OST Form 2001-2\)](#) and a [Certificate of Adoption of Resolution \(OST Form 2001-3\)](#) to be signed by the County Treasurer and bank officials for any collateral pledged against deposits.

Statutory Collateral and Surety Bonds

Securities acceptable as collateral are prescribed by law. The County Treasurer can accept as collateral only those securities and instruments listed under the Security for Local Public Deposits Act. The County Treasurer can establish standards that restrict any types or classes of securities or instruments listed.

62 O.S. § 517.4
62 O.S. § 517.5
62 O.S. § 517.6
62 O.S. § 517.7

Collateral other than letters of credit or surety bonds must be limited to negotiable instruments, payable to the bearer, or certified registered public obligation bonds or registered public obligation. The County Treasurer may select from the following items:

- Obligations, including letters of credit, of the United States Government, its agencies, and instrumentalities
- Obligations of the State of Oklahoma or of a county, municipality, or school district of Oklahoma
- General obligation bonds of any other state of the United States
- A surety bond if it meets the four conditions set out in the statutes

United States Government obligations include U.S. Treasury securities, which are considered to be the most credit worthy securities in the nation. They are virtually free of credit or default risk. Securities issued by the State of Oklahoma and local governments in Oklahoma should typically be of low risk also.

To judge the relative risk of various state and local government securities, a recommended good practice is for County Treasurers to consult publications such as Moody's Municipal and Government Manual. Published annually, this manual normally includes income statements, balance sheets, bond ratings, amount of bonds issued, interest rates, and maturity dates of state and local government bonds.

Moody's assigns bond ratings to an entity based on its financial health and its ability to pay off its debt. These ratings are defined in the opening pages of the manual. Ratings range from AAA (best quality securities) to C (poor quality investment). Other organizations have similar rating schemes.

Securities of relatively small local governments may not have a rating and may not be listed in financial publications. A recommended good practice is for County Treasurers to consult a report published by the Municipal Rating Committee of Oklahoma, Inc. for ratings on local government securities.

Figure 16-1 contains a sample computerized ledger showing collateral pledge records.

Safeguarding Funds – Healthy Banks

A recommended good practice for County Treasurers is to consider these three factors, which can determine the safety of county deposits:

1. The health of the bank
2. The quality of the collateral
3. The market value of the collateral

**TULSA COUNTY TREASURER
COLLATERAL PLEDGES
FEBRUARY 2, 2009**

PLEDGE NUMBER	BANK CODE	CUSIP OR I.D. NUMBER	DESCRIPTION	ORIGINAL FACE AMOUNT	PLEDGE DATE	MATURITY DATE	GENERAL LEDGER AMOUNT	MARKET DATE BOOKED	DATE LAST BOOKED	MARKET VALUE	PLEDGE REPORT RECEIVED
#8372 - American Bank and Trust:											
32844	8372	3136F9FC2	FNMA, 4.0%, 10/02/2013	515,000.00	4/23/2008	10/2/2013	519,186.95	12/31/08	1/9/2009		
Total for American Bank and Trust				<u>\$ 515,000.00</u>			<u>519,186.95</u>			<u>\$ -</u>	
#6920 - American Bank of Oklahoma:											
14259	6920	14259	FHLB of Topeka Letter of Credit	700,000.00	3/5/2008	3/5/2009	700,000.00	N/A	N/A		
Total for American Bank of Oklahoma				<u>\$ 700,000.00</u>			<u>700,000.00</u>			<u>\$ -</u>	
#9800 - American State Bank											
34348	9800	31331Y4A5	FFCB, 3.875%, 07/28/2011	500,000.00	8/29/2008	7/28/2011	508,593.75	12/31/08	1/9/2009		
34342	9800	3128X2EV3	FHLMC, 4.75%, 12/8/2010	400,000.00	8/29/2008	12/8/2010	426,250.00	12/31/08	1/9/2009		
Total for American State Bank				<u>\$ 900,000.00</u>			<u>934,843.75</u>			<u>\$ -</u>	
#5430 - Arkansas Valley State Bank:											
57	5430	31371FV90	FNMA, 7.5%, 4/1/17	749,706.00	10/7/1997	4/1/2017	11,981.01	1/30/09	2/2/2009		
1439	5430	36202KMZ5	GNMA II, 4.375%, 3/20/2019	500,000.00	5/8/2003	3/20/2019	14,318.13	1/30/09	2/2/2009		
9613	5430	598291JY9	Midwest City OK, 3.95%, 5/1/2014	325,000.00	1/28/2008	5/1/2014	362,531.00	1/30/09	2/2/2009		
5855	5430	938191EP4	Washington County OK, 3.35%, 11/1/2013	205,000.00	1/28/2008	11/1/2013	220,266.35	1/30/09	2/2/2009		
Total for Arkansas Valley State Bank				<u>\$ 1,779,706.00</u>			<u>609,096.49</u>			<u>\$ -</u>	
#7481 - BancFirst:											
13	7481	3133XRLR9	FHLB, 3.375%, 12/18/09	5,000,000.00	12/4/2008	12/18/2009	5,121,059.10	1/30/09	2/2/2009		
256	7481	3128X1KG1	FHLMC, 4.0%, 6/12/13	2,000,000.00	4/9/2008	6/12/2013	2,114,000.00	1/30/09	2/2/2009		
Total for BancFirst				<u>\$ 7,000,000.00</u>			<u>7,235,059.10</u>			<u>\$ -</u>	

**Figure 16-1. Sample Computerized Ledger
Showing Collateral Pledge Records**

County Treasurers should also understand that accountants, financial analysts, and others can assess the financial health of a bank by examining its balance sheet and income statement. Various ratios can be examined and compared to the ratios of other banks or to time-tested rules-of-thumb. One commonly used ratio is the capital to assets ratio. "Capital" refers to owner or equity capital.

"Assets" refers to the total assets of the bank. Bank regulators generally expect banks to maintain a capital to assets ratio of .05 (5%) or greater. Smaller ratios can indicate excessive liabilities and/or erosion of investment capital.

County Treasurers can access this ratio or the data from which to compute this ratio for a particular bank from newspapers published quarterly within a bank's service area. In many cases, inspection of these quarterly reports should provide some assurance that a bank is financially sound. Past copies of these public information reports can be obtained from the bank or the newspaper office.

The Oklahoma Banking Association also publishes an annual report that includes basic financial statements from which the capital/assets ratio can be calculated. Various private financial services provide similar information. One example is the Veribanc Bank State Rating Report. Veribanc produces a quarterly report on about 400 Oklahoma banks.

A recommended good practice is for the County Treasurer to use these sources of information to identify any weak banks in which county money is held. By minimizing the amount of funds in those banks, the County Treasurer can minimize the chance of having to seize bank collateral and liquidate it in order to recover county money. Even if the collateral is sufficient to recover all county funds, the process of seizing the collateral and selling it could require several months' time.

Depository Default or Insolvency

In the event a public depository defaults or becomes insolvent, the County Treasurer must implement the following procedures:

62 O.S. § 517.6

- In cooperation with the State Department of Banking and other regulatory officials, the County Treasurer must determine the amount of county and other public funds on deposit at the defaulting institution and the amount of deposit insurance applicable to that deposit.
- The potential loss to the county or the public entity must be calculated by the County Treasurer. The loss to the county or public entity must be satisfied, insofar as possible, first

through any applicable deposit insurance and then through the sale of securities pledged, or through the proceeds of collateral instruments pledged, by the defaulting depository institution. Such sales shall be conducted by the County Treasurer.

- The securities, bonds or other forms of collateral must become forfeited to and become the property of the county or the public entity. If the securities, bonds or other forms of collateral are valued at less than the amount of principal and interest due to the county or the public entity plus the cost of the ensuing sale, the securities, bonds and other forms of collateral must be sold by the County Treasurer, and the County Treasurer is entitled to recover from the financial institution such balances with costs and attorney's fees. If the market value of the securities, bonds, or other forms of collateral exceeds the principal and interest due to the county or the public entity plus the cost of the ensuing sale, the securities, bonds, and other forms of collateral may be sold by the County Treasurer, and the excess of the proceeds must be returned to the pledging financial institution or its receiver, without further process of law.

Safeguarding Funds – Quality Collateral

The quality of the collateral is a second consideration of a safe investment. United States Treasury bills and notes, along with the other types of authorized securities (discussed above), constitute high quality collateral. When considering state and municipal bonds, a recommended good practice is to determine the bond rating of the issuing entity and to follow the State Treasurer's guidelines to assure quality collateral.

Safeguarding Funds – Collateral Market Value

Finally, fluctuating interest rates and variable payout provisions mean that the actual market value of financial instruments may vary over time. The "face" value of a Treasury note or other instrument may not reflect its market value. Face value is the dollar amount printed on the security. A recommended good practice is for the County Treasurer to consider the market value, rather than the stated face value of a security since the market value is what the security is actually worth at a particular point in time. Market value is the dollar amount the security will sell for if placed for sale at a public auction.

For example, the market value of a five-year Treasury note in the amount of \$100,000, issued in 2005 at an interest rate of 4% had a market value of \$100,000 or very close to it at the time it was issued. That is, the market value was very close to "par" (100% of face value). Three years later, if interest rates on new bonds drop to 3%, the 2005 bond will probably be worth more than \$100,000. The reason is fairly simple. The 2005 bond is still paying interest of \$4,000 per year, whereas, the new bond is paying only \$3,000 per year, which means that the 2005 bond is worth more than the new bond.

On the other hand, if the instrument offered for collateral has a lower interest rate than the current rate of interest on a similar investment, the instrument will probably be worth less today than its stated value. If the face value is \$100,000, it probably will have a current market value less than \$100,000. It is true that on the designated date of maturity (sometime in the future), the U.S. government will pay the face value, but some counties may not be able to wait until the maturity date to recover their money. This is one reason that it is a recommended good practice for County Treasurers to require collateral with a stated value of at least 120% of the amount to be covered. The State Treasurer requires 110% collateral on State monies. The 1992 survey indicated that eighty-nine percent of the County Treasurers of Oklahoma require 110% or more collateral. By requiring collateral with a stated value in excess of the amount of money being secured, the County Treasurer makes some provision for market fluctuations.



State law prohibits valuation of collateral at greater than market value.

62 O.S. § 348.1(5)

The market price of a security can be obtained on a regular basis from the pledging bank or from independent sources, such as, the Wall Street Journal, Moody's, or an investment banker. A recommended good practice is for County Treasurers, when estimating market values themselves, use a financial calculator and/or financial tables.

By law, the market value of pledged securities must be provided to the County Treasurer by either the financial institution that holds the deposit or the financial institution that holds the collateral securities, and the market value must have been obtained from an independent, recognized, and documented source. The market value of pledged collateral must be reviewed at least quarterly.

62 O.S. § 517.4

A highly recommended good practice for the County Treasurer to ensure the safety of county deposits is to know the banks, know the bankers, to not hesitate to ask questions (either of the banker or the State Treasurer's collateral department) about the collateral being offered, and to not hesitate to reject collateral if its safety and value cannot be supported.

When considering investments, a recommended good practice is for County Treasurers to take into account the length or term to maturity, the interest rate, and safety.

For more information, a highly recommended good practice is for the County Treasurer to contact the State Treasurer's office, the State Auditor and Inspector, the County Training Program at OSU Extension Services, or a County Treasurer who is known to be knowledgeable in this area.

Liquidating Investments

When the governing board that approved the investment of county monies determines that these monies are needed for their intended purpose, they may direct, by resolution, the liquidation of the investment and the placement of the interest income received in one of the following funds:

62 O.S. § 348.1
19 O.S. § 339

- The general fund of the governmental subdivision to be used for general governmental operations
- The fund from which the investment was initially made
- The building fund
- The sinking fund



Even though the statutes give the governing board the right to direct placement of interest earnings, Attorney General Opinion 93-32 declares that, based on constitutional law, interest should be apportioned to the fund whose principal earned the interest income. However, the Board of County Commissioners does have the authority to deposit interest income from highway funds into the county general fund.

62 O.S. § 348.1
AG OPINION 93-32
Oklahoma Constitution
Article X, Section 19

Apportioning Interest

On or before the last day of each month, all interest earned and collected must be apportioned and credited to the appropriate fund. The income received on an investment may be placed in the fund from which the investment was made: the general fund, the building fund, or the sinking fund. Funds must be apportioned in the month that they are received.

62 O.S. § 544
62 O.S. § 348.1(5)
70 O.S. § 5-115.1

Maintaining an Investment Ledger

The County Treasurer must keep an investment ledger and make an entry for all investments made. The ledger should contain the following information:

- The purchase date
- Description and principal amount paid for each investment purchased
- The Treasurer's Check number if issued for the investment, or other form of certification or confirmation such as wire confirmation number or direct debit number
- The fund from which it was invested
- [SA&I Form 322, County Treasurer's Investment Record](#) is used to record all investments and activities of those investments. [Figure 16-2](#) contains a sample computerized investment ledger.
- When an investment is liquidated, the date and principal amount received for each investment should also be posted along with the miscellaneous receipt number issued for interest.

INVESTMENT LEDGER- DEPOSITORY												
	Purchase Date	Current Investment	Matured Investment	Accrued Interest	Current Interest Rate	Matured Interest Rate	Callable Date	Maturity Date	Liquidation Date	Interest Earned	Average YTM	Fund Total
Sovereign Bank												
PW CD # 3133XBCQ6	4/13/2005	40,000.00	40,000.00		4.75%			4/13/2007	4/13/2007	\$2,562.50		
Bank of Choice												
PW CD#061212AF3	5/11/2005	90,000.00	90,000.00		3.75%			11/13/2006	12/5/2006	\$5,094.86		
Discover Bank Greenwood												
WAC CD #Z59340606	7/13/2005	100,000.00	100,000.00		3.85%			7/13/2006	7/18/2006	\$3,850.00		
Paramount Bank												
PW CD#669917QBP3	9/7/2005	50,000.00	50,000.00		3.95%			9/7/2006	9/7/2006	1825.41		
FNMA												
PW CD #31359MG31	2/24/2006	100,000.00	100,000.00		5.00%			8/24/2007	8/24/2007	5,000.00		
Home National Bank												
HNB CD # 140008713	2/24/2006	100,000.00	100,000.00		4.40%			10/24/2006	11/3/2006	\$3,013.69		
FNMA												
PW T-Note # 31359MWR0	3/31/2006	148,065.69	148,065.69	1,612.50	5.06%			11/22/2006	12/5/2006	\$3,209.31		
Net Bank												
PW CD # 64109EGT6	4/5/2006	97,000.00	97,000.00		4.90%			4/5/2007	4/5/2007	\$4,753.00		
Freddie Mac												
PW T-Note #3128X1NN3	5/10/2006	98,079.95	98,079.95	728.89	5.11%			1/2/2007	1/4/2007	\$3,241.16		
Washington Mutual Bk												
WAC CD #939369-PM-0	7/26/2006	100,000.00	100,000.00		5.40%			7/26/2007	8/3/2007	\$5,400.00		
Frontier Bank Co												
PW CD #644397CE9	9/29/2006	50,000.00	50,000.00		5.10%			3/31/2008	4/9/2008	\$3,835.48		
FHLB												
PW T-Note #3133X93Q1	11/15/2006	88,549.05	88,549.05		5.11%			11/2/2007	11/2/2007	\$4,378.76		
Western Bank PR												
WAC CD #95989P-ZH-5	12/20/2006	90,000.00	90,000.00		5.00%			6/20/2008	6/26/2008	\$6,756.16		
FHLB												
PW T-Note #313588HZ1	1/23/2007	99,589.07	99,589.07		5.229%			7/11/2007	7/11/2007	\$2,413.38		
FNMA												
PW T-Note #3136F3NH5	6/4/2007	47,275.55	47,275.55	188.89	5.356%			10/30/2008	5/5/2008	\$2,366.79		
FHLB												
PW T-Note #3133X8STO	6/4/2007	98,512.00	98,512.00	508.33	5.446%			4/14/2008	4/16/2008	\$4,639.67		
FHLB												
PW T-Note #3133XHM33	7/31/2007	99,371.25	99,371.25	1,137.50	5.886%			8/13/2008	8/20/2007	\$803.73		
Federal Farm Credit												
PW T-Note #31331XGV8	8/13/2007	149,764.50	149,764.50	1,259.38	5.318%			12/11/2007	12/18/2007	\$2,632.37		
FNMA												
PW T-Note #31359M4S9	8/27/2007	219,958.20	219,958.20	898.33	5.261%			1/29/2009	1/29/2008	\$4,918.47		
Banco Popular												
PW CD #059637LY2	9/5/2007	97,000.00	97,000.00		5.300%			6/5/2008	6/9/2008	\$3,859.27		
Paragon Coml Bk NC												
PW CD #89235MAJ0	1/16/2008	97,000.00			4.400%			1/11/2010				
Crescent State Bk NC												
PW CD #228783CP2	1/16/2008	transferred to MCG on 04/08/07						8/17/2009				
United Cmty Bk GA												
PW CD #90984PS97	1/22/2008	transferred to MCG on 04/08/07						7/22/2009				
American Chtrd Bk IL												
PW CD #025121EY6	1/25/2008	transferred to MCG on 04/08/07						1/25/2010				
FHLB Step-up												
PW T-Note #3133XPM43	2/21/2008	200,000.00	200,000.00		4.000%			2/21/2013	2/23/2009	\$4,000.00		
Community Banks CO												
PW CD #203620CL1	6/4/2008	48,500.00			3.250%			3/4/2009				
Guaranty Fed Bank TX US												
PW CD #401084DC9	10/29/2008	97,000.00	97,000.00		4.500%			10/29/2010	1/30/2009	\$1,100.22		
Fund Total												145,500.00
Average YTM												4.89%

Figure 16-2. Sample Computerized Investment Ledger

Chapter Seventeen

Duties of the County Treasurer: Apportioning County Monies

Apportioning General Revenue

The County Treasurer collects many different types of revenues. The County Treasurer uses apportionment to distribute monthly the proper amount of collected revenues to the various agencies, funds, county government accounts, schools, towns, and cities that are entitled to receive them.

68 O.S. § 2923

[SA&I Form No. 127](#) that designates the treasurer of each school district, city, town, fire district, or other entity that receives apportioned funds should be filed with the County Clerk and the County Treasurer.

In most cases, specific statutes govern the distribution of these monies to the various agencies entitled to receive them. A special apportionment on [SA&I Form No. 220](#) may be performed for a specific purpose to distribute monies at times other than the end of the month. In this chapter, only the most common revenues subject to apportionment are discussed.

68 O.S. § 2924

At the end of each month, the County Treasurer must apportion all revenues collected during that month by preparing a monthly report ([SA&I Form No. 236](#)) for the County Clerk that indicates the

68 O.S. § 2923

amount apportioned to each town, city, and school district. The County Clerk then issues warrants to all agencies receiving apportionment for the amounts indicated on the monthly apportionment report.

Any money due from the sale, lease, or rental of any public property received from royalty, for compensation for service of public employees, or other purpose is paid to the County Treasurer.

The Board of County Commissions shall have the authority to direct by written resolution the deposit of these monies to the fund account from which such property was derived or from which payment has been or will be made. If the Board of County Commissioners does not provide a written resolution, the County Treasurer credits the monies to the County General Fund.

62 O.S. § 335

Apportioning Ad Valorem Tax Revenues

Ad valorem tax revenues are apportioned to the funds established within each school district of the county. The total millage levy for each school district includes the following levies:

- County-wide levies such as the County General Fund and the 4-mill school levy
- Special district levies such as Emergency Medical Service
- Common School, technology center, and city sinking fund levies unique to the school district

Property tax payments correspond to the school district within which the property exists. The total ad valorem tax revenues at the end of each month for each school district are apportioned to each fund based on that fund's percentage of the total levy for the school district. A report showing the tax levy percentage is made annually on [SA&I Form No. 2352](#).

For example, if XYZ school district is to receive 39 mills of the total 78 mills paid on a property, then XYZ school receives 50 % (39/78) of this tax revenue. Likewise, the county general fund receives 10 mills or 12.8205% (10/78).

Apportioning Sheriff Fees

Fees Collected

All fees collected by the County Sheriff or Deputies must be deposited daily with the County Treasurer who credits the monies to the various County Sheriff's funds or to the cash fund.

19 O.S. § 682

Supplemental Security Income and Social Security Income Payments for Inmates

The County Sheriff's office now receives incentive payments up to \$400.00 from the Social Security Administration for all county inmates whose Supplemental Security Income (SSI) payments or Social Security benefits are suspended due to their incarceration.

The Board of County Commissioners must draft a resolution authorizing these funds to be placed into the Sheriff's Board of Prisoners Account.

Apportioning Printing Fees for Legal Notices

Monies collected to pay the cost of printing legal notices, such as the notice of a tax sale or resale, should be credited back to the fund from which the monies were appropriated.

28 O.S. § 121.B

Apportioning Alcoholic Beverage Tax

The Oklahoma Tax Commission allocates one-third of ninety-seven percent of the excise tax levied on alcoholic beverages to the counties based on area and population. These revenues are appropriated by the Board of County Commissioners and the County Treasurer apportions the monies among the incorporated cities and towns within the county.

37A O.S. § 5-104

Apportioning State School Land Earnings

The School Land Commission apportions earnings from school land to the counties based on the number of school-age children in each school district as shown in the last census.

70 O.S. § 615

The County Treasurer apportions these monies among the schools in the county based on the Average Daily Attendance (ADA) provided by the State Department of Education.

Apportioning Motor Vehicle License and Registration Revenue

Oklahoma Tax Commission

The Oklahoma Tax Commission collects license fees, taxes, and penalties for motor vehicles, boats and motors and apportions these monies to the counties.

The County Treasurer apportions these monies, as indicated on the Oklahoma Tax Commission's monthly breakout, to cities, towns, the general fund, and the county highway fund.

47 O.S. § 1104

Apportioning Flood Control Revenue

At the end of each fiscal year, the State Treasurer distributes revenue to counties in which Federal Flood Control projects are located. This revenue is paid to the State Treasurer under provisions of Section 7 of the Federal Flood Control Act of 1941.

The County Treasurer distributes these monies in the following manner:

62 O.S. § 204

- One half to the County General Fund
- One fourth, on an enumeration basis, to the various school districts of the counties that receive monies

- One fourth to the County Sinking Fund, or if no sinking fund exists, to the County General Fund

Apportioning Motor Fuel Tax

The Oklahoma Tax Commission distributes to the county a portion of the excise tax on the following items:

- Gasoline
- Special fuel
- Diesel fuel

68 O.S. § 500.6
 68 O.S. § 500.7
 68 O.S. § 703
 68 O.S. § 704
 68 O.S. § 705,

The County Treasurer apportions these revenues to the County Highway Cash Fund for use in the construction and maintenance of county roads and permanent bridges.

Apportioning Gross Production Tax

The Oklahoma Tax Commission levies and collects a gross production tax on oil and gas at the wellhead. These monies are distributed monthly to the counties and should be apportioned to the County Highway Cash Fund.

If the County Treasurer acts as a school district treasurer, the Oklahoma Tax Commission will send the monies to the county to be apportioned to the schools.

68 O.S. § 1001
 68 O.S. § 1004

Apportioning Rural Electrification Tax

The Oklahoma Tax Commission collects taxes from Rural Electric Cooperatives and distributes the revenues to County Treasurers who are acting as treasurers for school districts, based on the number of miles of transmission line within each county. This tax collection is in lieu of ad valorem taxes.

68 O.S. § 1805
68 O.S. § 1806

These funds are apportioned among the school districts in the county based on the number of miles of line that each cooperative has within each school district. The Oklahoma Tax Commission indicates the apportionment amounts for each school district when it sends the monies to the counties.

68 O.S. § 1801
68 O.S. § 1806

Apportioning Double Homestead Reimbursement

The County Assessor may grant an additional homestead exemption to certain classifications of taxpayers. The Board of County Commissioners files a claim with the Oklahoma Tax Commission to receive a reimbursement for the county and the county schools for the loss of revenue due to the double homestead exemption. Cities and towns are not reimbursed for this loss of revenue.

68 O.S. § 2889
62 O.S. § 193.A.2

If a double homestead reimbursement is received, the County Treasurer apportions the monies in the same manner as any other ad valorem tax collections.

Apportioning Ad Valorem Reimbursement Fund Money

The Oklahoma State Treasury has created a revolving fund for the Oklahoma Tax Commission that is designated as the Ad Valorem Reimbursement Fund. Monies apportioned to this fund are expended to reimburse counties for loss of revenue for various exemptions granted by the Oklahoma Tax Commission.

68 O.S. § 1359
68 O.S. 1359.1

The Board of County Commissioners must make claims for reimbursement of these funds on forms prescribed by the Oklahoma Tax Commission prior to April 30 each year.

62 O.S. § 193

Apportioning Vehicle Tax Stamp Revenue

All licensed dealers in Oklahoma are required to affix a tax stamp of \$3.50 on all titles of new and used automobiles, trucks, travel trailers, and other vehicles. The Oklahoma Tax Commission distributes the stamps to the County Treasurer to issue.

Warning: The County Treasurer must issue the vehicle tax stamp only to the appropriate dealers of autos, trucks, travel trailers, mobile homes, recreational vehicles, motorcycles, vessels, watercraft, motorboats, and motors.

68 O.S. § 5304
47 O.S. § 1137.1.C

The County Treasurer must keep a record of stamp sales on [OTC Form 938-mv](#). At the end of each month all monies collected should be apportioned in the following manner:

- Deposit 2% to the General Revenue Fund of the State Treasury.
- Apportion 49% to county schools based on average daily attendance.
- Apportion 49% to the County General Fund.

68 O.S. § 5305

68 O.S. § 5301
68 O.S. § 5302,
8 O.S. § 5304
8 O.S. § 5305
8 O.S. § 5306

Apportioning Farm Implement Tax

Each month the County Treasurer must apportion all monies collected from the sale of tax stamps in the following manner:

- Credit two percent to the General Revenue Fund of the State Treasury.
- Distribute 98% in the same manner as ad valorem taxes collected where the farm implement dealer's business is located.

68 O.S. § 5404

Apportioning Public Service Administrative Penalty Revenue

The State Board of Equalization assesses an administrative penalty for every day that a railroad, air carrier or public service carrier, or public service corporation doing business in the state fails or refuses to file the statements of schedules with the Oklahoma Tax Commission.

The Board remits 50% of this penalty to the County General Fund of counties in which the entity refusing to pay has property that is subject to ad valorem tax.

68 O.S. § 2857(B)

Apportioning Mortgage Tax

Each month the County Treasurer credits the common school fund of the county with mortgage tax monies collected. These monies are then distributed based on ADA.

68 O.S. § 1910

70 O.S. § 692

Each \$5.00 mortgage certification fee collected should be deposited into a cash account called the County Treasurer's Mortgage Certification Fee Account. (Refer to "[Mortgage Certification Fee](#)" in Chapter Thirteen, Duties of the County Treasurer: Collecting Real Estate Mortgage Taxes.) These monies are used in the lawful operation of the County Treasurer's office.

68 O.S. § 1904(B)

Apportioning Horse Racing Revenue

Counties in which a horse racetrack is located receive the following revenue:

- Forty-five percent of the tax collected on monies wagered at a facility other than the racetrack when the facility is located within the corporate limits of a city in the county
- Ninety percent of the total monies wagered at a facility other than an organization licensee's enclosure when the facility is not located within the corporate limits of any city in the county

3A O.S. § 205.6A (A.5)

- Fifty percent of an admission tax collected by the racing organization licensee for tickets for admission to the racetrack when the racetrack is located within the corporate limits of a city in the county
- One hundred percent (except for the first two years when the amount is 95%) of an admission tax collected by the racing organization licensee for tickets for admission to the racetrack under the following conditions:
 - * The racetrack is not located within the corporate limits of a municipality in the county.
 - * The racetrack is located in a municipality with a population of less than 1,000.

If the racetrack is located within a municipality, the county receives 50% (45% the first two years) of the admission tax.

3A O.S. § 207

3A O.S. § 207

Apportioning Tax Increment Financing Levies

Some project plans under the Local Development Act may have provisions that the increments from certain local taxes or fees may be used to finance project costs in areas qualified under the Local Development Act.

That portion of the ad valorem taxes produced by the levy are apportioned following the guidelines in the Oklahoma Statutes.

62 O.S. § 854

62 O.S. § 860

62 O.S. § 861

62 O.S. § 863

62 O.S. § 865

Apportioning Federal Payments

Federal Land Payments

Forest Reserve Rental Fees

If the county receives a share of monies collected by the Federal Government for rental of U.S. Forest Reserves within the county, the County Treasurer apportions these monies in the following manner:

- Apportion 25% to the school districts that are contiguous to the Forest Reserve. Monies are apportioned to the school districts based on the ADA.
- Apportion 75% to a special roads fund for county highways leading into and away from the Forest Reserve. The Board of County Commissioners administers the special roads fund.

62 O.S. § 326

Bankhead-Jones Farm Tenant Act

If the county receives payments collected by the Federal Government on government-owned lands administered by the Forest Service within the county, the County Treasurer apportions these monies in the following manner:

- Apportion two-thirds to the school districts that are contiguous to the Forest Reserve. Monies are apportioned to the school districts in direct ratio to the number of acres of land within each school district to the total number of acres of land purchased by the Federal Government.
- Apportion one-third to the County Highway Fund.

62 O.S. § 491

Federal Payments Made “In Lieu of Taxes” to Local Governments

Each September and October, the federal government makes payments to counties in lieu of ad valorem taxes, which would otherwise be collected on property in which federal land is located.

These monies should be apportioned as if they were collected as ad valorem taxes. Refer to [Chapter Eight, “Duties of the County Treasurer: Collecting Ad Valorem Taxes.”](#)

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Chapter Eighteen

Duties of the County Treasurer: Maintaining Sinking Funds

Creating Sinking Funds

Sinking Funds are used for issuing Municipal Bonds and paying judgments against the county. Either before or at the time a county incurs any debt that requires voter approval, the county must create a sinking fund to repay the principal within 25 years from the time the debt is incurred and to pay annually accruing interest.

Each year, the Board of County Commissioners must levy a sufficient assessment to create a sinking fund to be used in one or more of the following ways:

1. To pay the interest coupons (payments) on outstanding bonds or other indebtedness as they fall due
2. To pay any bond principal on bonds to be retired that year
3. To pay the installment of principal to be amortized during that year
4. To pay any judgments that might be required

Oklahoma Constitution
Article 10 §26

Oklahoma Constitution
Article 10 §28
19 O.S. § 901.19

Issuing County Municipal Bonds

Bonds issued by state or local governments (including counties) or other public entities at the state or local level are called Municipal Bonds.

When a county or other public entity issues a Municipal Bond, the bond is purchased by an individual or an institution such as a bank, a charitable foundation, a college, an insurance company, or a pension fund. By purchasing the bond, the purchaser is loaning money to the issuer for some specific purpose. The bond issuer promises to repay the loan on a specified future date and to pay the purchaser a guaranteed rate of interest until the loan is repaid.

County Treasurer's Role in Municipal Bond Issues

For bonds issued by the county or any county entity, the County Treasurer has the following responsibilities:

- To draw up and issue tax statements based on the following information:
 - * The mill amounts for the debt service fund set by the County Excise Board
 - * The assessed value as set by the County Assessor
- To collect and apportion ad valorem taxes for sinking funds
- When appropriate, to deposit money collected into a sinking fund (debt service fund) and to invest that money

Refer to [Chapter Sixteen, Duties of the County Treasurer: Investing County Monies](#) for information on investing county funds.

- To make payments, either by treasurer's check or by electronic transfer of funds, on county bonds and any other bonds for which the County Treasurer is responsible, when they become due to fiscal or paying agents.

[SA&I Form No. 277](#) is used to maintain a record when remittance is made to a paying agent or bank.

Understanding Municipal Bonds

Bond Issue

Municipal bonds are usually issued with the assistance of an investment banker who agrees to buy the municipal bonds and possibly resell them to the public. If a bond issue is relatively small, a single investment banker may float the issue. For larger bond issues, a number of investment bankers may form a syndicate or underwriting group that disbands after the bonds have been sold.

Usually, underwriters make competitive bids to the county to underwrite a bond issue and the underwriter who enables the county to pay the lowest rate of interest wins the bid.

Indentures

The details of a bond purchase agreement are summarized on the actual bond and explained on an indenture or transcript of proceedings. Each bond contains the following information:

- Serial number
- Principal amount
- Date on which the principal amount is to be repaid
- Interest rate
- Issuer's name

Bond Issue Amounts

Bonds are ordinarily issued in denominations of \$5,000. The bond amount is the bond's principal amount, or face value, which will be repaid to the bond holder when the bond expires or matures.



Oklahoma law requires the Board of County Commissioners to sell bonds issued by a vote of the people for no less than 99% of the face value.

62 O.S. §351

Specific Purpose for Debt

All laws that authorize any county to borrow money must specify the purpose for which the money will be used. The money cannot be used for any other purpose except the one specified.

Oklahoma Constitution
Article 10 §16

County Debt Limit

No county can incur any debt, in any manner, for any purpose, for an aggregate amount that exceeds five percent of the taxable valuation of the county. All debts must be approved by a 3/5 vote by the county voters at an election held specifically for that purpose.

Oklahoma Constitution
Article 10 §26

Certificate of Legal Compliance

No bond or evidence of debt of any county is valid unless both the County Clerk (or other officer authorized by law to sign the certificate) and the County (District) Attorney certify that the bond is issued according to the law and is within the county's debt limit.

Oklahoma Constitution
Article 10 §29

Payments for Advisors and Other Expenses

All expenses associated with issuing a bond, such as fees to a bond attorney, financial advisor, bond printer, or other consultants can legally be paid from the bond issue proceeds or from other monies legally available.

62 O.S. § 589

Since the issuing agent will continue in service to the county for the life of the bonds, a sinking fund levy that is made to service the bonded indebtedness can provide for issuing agent fees.

62 O.S. § 589

Bond Types

Serial Bonds

In some instances, the county is legally required to issue serial bonds. Revenues which the county has dedicated to bond redemption are placed into a sinking fund. Under the serial redemption arrangement, the county is committed to redeem a certain portion of the bond issue each year until the entire issue is retired. A portion of the bonds are issued with short-term maturities, and subsequent portions of the bond issue mature in the following years.

The serial bond approach enables the cost of a public improvement to be shared among its present and future beneficiaries. Also, the overall cost of breaking an issue into short-term, medium-term, and long-term bonds is usually less to the county. Furthermore, investors are attracted to issues, which allow for spreading an investment over several maturities so that they can get some of their principal back each year or every few years.

Register and Bearer Bonds

The law stipulates that the county issue register bonds, while in some cases bearer bonds are stipulated.

- Register bonds involve maintaining books in which the names and addresses of the bond owners are registered. Interest payments are mailed to the owners usually every six months.
- Bearer bonds are assumed to belong to whoever possesses or bears them. Interest coupons are a part of the bond. The owner clips the coupons and presents them for interest payments.



The Federal Tax Code was amended in 1983 to require that bonds must be registered in order to retain their tax-exempt status. Consequently, the Oklahoma Statutes were amended to provide the legal basis for registration of bonds regardless of whether other Oklahoma Statutes stipulate issuing bearer bonds.

62 O.S. § 583

Coupon Bonds

Whenever the terms coupon bond or coupon bonds appear in any statute, these terms mean any bond, note, or other evidence of debt of any public entity, department, public trust, or agency, regardless of whether these instruments are in coupon, registered, or other form. The use of the word coupon does not limit the form of instruments that these entities are authorized to issue. The terms coupon or coupon rate mean interest or interest rate.

62 O.S. § 591

Major Bond Categories

Municipal Bonds are broken down into specific categories depending on the purpose of the bond issue. Table 18-1 lists Municipal Bond categories and shows any statutory references that apply to each bond category.

Registering Bonds

Registration Systems

Each bond issuer is authorized to establish and maintain a system of registration for each obligation it issues. The bond issuer can amend, discontinue, and reinstitute any system, subject to covenants. These registration systems may be one of the following types:

62 O.S. § 584

- A system in which only certificated registered public obligations are issued
- A system in which only uncertificated registered public obligations are issued
- A system in which both certificated and uncertificated registered public obligations are issued.

System Creation and Maintenance

The bond issuer must establish, amend, discontinue, or reinstitute the bond registration system, and the official or official body must maintain that system.

Description

The bond issuer must describe the bond registration system in the registered public obligation or in the official actions, which provides for original issuance of the registered obligation, and in subsequent official actions provides for amendments and other matters from time to time. The description may reference a program of the issuer that is established by the official or official body.

Table 18-1. Bond Categories and Statute References

Bond Category	Statute References
<p>General Obligation Bonds</p> <p>Backed by the full faith, credit, and taxing power of the county, these bonds tend to receive the highest credit rating and therefore pay the lowest interest rate.</p>	<p>62 O.S. §§ 381-425</p>
<p>Limited-Tax General Obligation Bonds</p> <p>Essentially the same as General Obligation Bonds, these bonds have a legal restriction on the level of taxation that can be imposed to service the debt.</p>	
<p>Road Improvement Bonds</p> <p>Bonds issued for road improvement districts are paid by the property owners who benefit from the road improvements based on the County Tax Assessor’s appraisal and apportionment. These payments are due in ten equal annual installments with interest of not more than 13% per annum until maturity. If installments are not paid when due, they bear interest at 15% per annum. Interest changes on some bonds after the maturity date.</p>	<p>19 O.S. § 1257</p>
<p>Industrial Development Bonds</p> <p>These bonds are used to finance the construction of facilities to encourage manufacturing, business, recreational, and cultural growth in a county. The debt payments usually come from rental payments made to the county by the organization that occupies the facility.</p> <p>These bonds do not affect the debt limit of the county, and are exempt from all state, county, municipal, income, and inheritance taxes.</p> <p>Industrial Development Bonds include Revenue Bonds</p> <p>The total assessments can be paid without interest if paid within 30 days of the resolution to levy assessments. Since they are not a liability of the county, they do not affect the county debt limit.</p>	<p>62 O.S. §§ 651-664</p>

Table 18.1. Bond Categories and Statute References (Continued)

Bond Category	Statute References
<p>Public Trust Bonds</p> <p>Express trusts may be created to issue obligations and to provide funds to further and accomplish any authorized and proper public function or purpose of the state or of any county or municipality or any combination. An example would be an industrial development authority trust.</p>	<p>60 O.S. § 176</p>
<p>County Buildings Bonds</p> <p>A county may issue general obligation bonds to acquire land and build or remodel a courthouse or jail. These bonds require a 3/5 vote of the people.</p> <p>Coupon bonds issued for county building programs are made payable to the bearer with an interest rate of no more than 6% per annum. The bonds are issued in denominations from one hundred to one thousand dollars.</p>	<p>62 O.S. § 442 19 O.S. § 731 19 O.S. § 738</p>

Understanding Implications of the Federal Tax Reform Act of 1986

Federal Tax Interest Income Exemption

In addition to the relatively low risk of investing in municipal bonds, a major incentive for investment in municipal bonds has been their tax-exempt status. This status allows local governments to finance improvements at a relatively low cost to taxpayers and allows investors to earn an effective yield on their investment at least equal to yields of more risky taxable investments.

Restrictions

The Federal Tax Reform Act of 1986 has placed some restrictions on the types of municipal bonds that can retain a tax-exempt status. Bonds issued for “governmental” and certain “private activity

and exempt facility” purposes are allowed tax-exempt status. The following governmental projects qualify for unrestricted tax-exempt financing:

- Traditional general public projects such as roads, bridges, schools, public buildings, parks, and sewers (except treatment)
- Similar infrastructure projects

The tax act prohibits more than 10% of a tax-exempt bond’s proceeds from being used by a private business whenever more than 10% of the debt service payments are derived from that private business.

The tax act eliminates tax-exempt bond uses unless they meet the test of public ownership and use.

The following private activities can no longer use tax-exempt financing:

- Sports
- Conventions
- Trade show parking
- Industrial parks
- Pollution control facilities

Arbitrage Restrictions

Arbitrage involves a local government issuing tax-exempt bonds and investing the proceeds at a higher interest rate, until the proceeds are needed. The difference between the interest income over and above the interest expense is called “arbitrage earnings.”

The interest rate that a county pays on a tax-exempt bond is lower than the interest rate of taxable bonds. For example, if a county invests the proceeds of a tax-exempt bond on which the interest is 5% in an otherwise taxable investment that pays 7% interest, the county’s arbitrage earnings are 2%.

Under the tax bill, arbitrage earnings in excess of the allowable limits must be rebated to the federal government. The following situations are exceptions to this rule:

- When all gross proceeds of a bond issue are expended within six months of bond issue
- When small governmental units issue bonds totaling \$5 million or less annually

Internal Revenue Service Report

Counties must now file reports with the Internal Revenue Service each time they issue any tax-exempt bond. Failure to do so within certain time limits can result in the loss of tax exemption for that particular bond issue. The credit rating of the county could also suffer.

Seeking Assistance With Bond Issues

The County Treasurer can contact the following state offices for guidance and assistance on bond issues:

- Oklahoma Securities Commission
Department of Securities
Will Rogers Memorial Office Building
P. O. Box 53595
Oklahoma City, Oklahoma 73152
405-521-2451
- Oklahoma Attorney General's Office
Bond Division
State Capitol
Oklahoma City, Oklahoma 73105
405-521-3921
- Government Finance Research Center
1750 K Street, N.W.
Suite 200
Washington, D. C. 20006
202-429-2750

- Oklahoma State Auditor and Inspector
State Capitol, Room 123
Oklahoma City, Oklahoma 73105
405-521-3495

Paying Judgments Against the County

A judgment is a court decision regarding the rights of parties. Judgments can occur for the following reasons:

62 O.S. § 361

- To pay money owed – for example, a claim that workers compensation was not paid
- To pay for damages to a person or property – for example, a claim that a violation of a prisoner’s civil rights has occurred
- For no or inadequate insurance

State law limits the size of tort claims against the state and its political subdivisions.

51 O.S., § 154

62 O.S. § 365.5

Judgment claims are filed with the County Treasurer and submitted to the County Clerk.

Role of the County Treasurer Regarding Judgments

At time of the judgment, the County Court Clerk delivers a certified copy of the Journal Entry of Judgment to the judgment creditor or the attorney for the judgment creditor who then transmits that information to the following people:

62 O.S. § 365.2

- The County Clerk
(SA&I Form No. 325)
- The County Treasurer
- The County Clerk as secretary of the county excise board

The County Treasurer then has the following responsibilities regarding judgments.

- Maintain the Treasurer’s Judgment Ledger (SA&I Form No. 324)

- Accept for filing from the judgment creditor or the attorney for the judgment creditor the claim form prescribed by the Office of the SA&I ([SA&I Form No. 334](#))

62 O.S. § 365.5

This form itemizes the judgments to be paid, including principal sums, any sums already paid, and the balance due with interest.

The amount of the judgment (the principal) is paid in three equal payments beginning in the fiscal year that follows the fiscal year in which the judgment was made. No payment is made until the first third is placed in the budget and is levied for collection.

Interest accrues each year at the rate for that year published by the Administrative Office of the Courts. Interest is calculated to the end of each calendar year and then compounded.

12 O.S. § 727
12 O.S. § 727.1

Supreme Court Decision
Cox vs Kansas City Life,
January 1998



In 1999, the Oklahoma Supreme Court interpreted 12 O.S. § 727 to provide for both compound interest and a varying interest rate for each year that the judgment remains unpaid after January 1998. The Tulsa County District Attorney's Office has advised that this method is used regardless of any wording in the Journal Entry of Judgment.

- Once the judgment has been placed in the budget and levied for collection and there is sufficient cash in the sinking fund; approve the claim and transmit it to the County Clerk for approval
- Upon approval by the County Clerk, send the payment by treasurer's check to the Court Clerk and make the appropriate bookkeeping entries
- After the judgment, plus interest, is paid in full and a release or similar document is received from the Court (Court Clerk), transfer any balance in the sinking fund to the County General Fund.

When a sinking fund is closed, a notice that details the condition of the sinking fund must be published in a newspaper of general circulation in the county.

62 O.S. §§ 445

Sinking Fund Levy Computation

The following forms are used in computing sinking fund levies:

- Treasurer’s Judgment Ledger ([S.A.&I. Form No. 324](#))
- Court Clerk Municipal Judgment Claim ([S.A.&I. Form No. 334](#))
- Assigned Judgment Claim
- Application for Release of Judgment (Court Clerk)
Submitted by the judgment debtor to the Court Clerk
- Certificate of Release (Court Clerk)
Issued by the Court Clerk to the judgment debtor

Prepayment of Judgments

If sufficient cash is available to make the annual principal and interest payment prior to the anniversary date of the judgment, the amount of interest due is prorated according to the actual elapsed time. In other words, just like any other debt, the sooner it is paid, the smaller the amount of interest.

Alternative Methods of Handling Claims

Some claims at the discretion of the insurance carrier or the Board of County Commissioners can be settled out of court to avoid a court judgment.

51 O.S. § 158

One judgment can be paid from the excess in another sinking fund and then that fund is repaid.

62 O.S. § 435

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Appendix A
Using the Oklahoma Statutes

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Appendix A

Using the Oklahoma Statutes



For any questions on how to interpret an Oklahoma Statute or law, the district attorneys or their assistants shall give opinions and advice to the Board of County Commissioners and other officers of the counties in their districts, when requested, upon all matters in which any of the counties of their districts are interested, or relating to the duties of such boards or officers in which the state or counties may have an interest.

19 O.S. § 215.5

This appendix is meant only as a guideline for accessing and using the Oklahoma Statutes.

The Oklahoma Statutes

The Oklahoma Statutes contain “Laws of a General and Permanent Nature.” They consist of statutes and session laws enacted into Oklahoma law in yearly sessions of The Oklahoma Legislature. They are available in a hardback book multi-volume set, and they can be accessed on the web on the Oklahoma Supreme Court Network (OSCN) web site (<https://www.oscn.net>).

The statutes and session laws include all the laws enacted, amended, and repealed since statehood. For example, the 2011 Oklahoma Statutes contain all of those laws passed from statehood up to and including the 2011 legislative session.

In the book format, the 2011 Oklahoma Statutes are in a nine-volume set, plus the supplements. A supplement (one or more volumes) is printed for each year following 2011 (2012~2020) and contains the session laws and the new and revised Oklahoma Statutes enacted at that years’ legislative session.

On the OSCN web site, new Oklahoma Statutes and statute changes and the session laws are added each year in August following that year's legislative session.

Conflicting Oklahoma Statutes

When provisions within an Oklahoma Statute contravene any former code (are contrary to or oppose in argument), the most recent provision prevails.

75 O.S. § 22

Conflicting Oklahoma Statutes and Session Laws

In all cases where there is a conflict between the original acts and adopted statutes, the original acts shall govern, and the adopted statutes shall be deemed as repealed, amended, or modified thereby, without reference to the date of the approval of such original acts. For purposes of this section, "original acts" means the enrolled documents of the acts as produced by the house of origin.

75 O.S. § 12

The Oklahoma Session Laws

Following the adjournment of each session of the state legislature, all laws enacted in that session are published as the Oklahoma Session Laws for that year. They are published as chapters in the order of their enactment.

In the interim between the time legislators pass the laws and the time the Annual Supplement to the Statutes is printed or the OSCN website is updated, the Oklahoma Session Laws are the only reference available for the new laws. In order to find a law, either the date the bill passed or the bill's number is needed, as the Session Laws index lists the laws both chronologically and by number.

The Oklahoma Session Laws are the most accessible source of legislative process such as these examples:

- Appropriation bills
- Concurrent resolutions
- Other measures

The Oklahoma Statutes Format

Titles

Oklahoma Statutes, supplements, and Session Laws are all organized into major categories called Titles, which are arranged alphabetically by the title of the category. Each Title is numbered consecutively in both the Table of Contents and throughout the Oklahoma Statutes. The Titles listed in Volume I begin as follows:

Title

1. Abstracting
2. Agriculture
3. Aircraft and Airports

Thus, a reference made to "Title 2 of the Oklahoma Statutes" is actually a reference to laws generally pertaining to agriculture. Title 19 deals with "Counties and County Officers."

Each Title in the Oklahoma Statutes is organized by chapters that pertain to the major topic of the Title to assist researchers. Chapters are further divided into sections. Instead of starting over with the number one in every new chapter, sections are numbered continuously throughout each Title, so that only the Title and section number need be known to access an Oklahoma Statute.

Chapters and Sections

Under each Title are the chapter headings and section numbers. Sections are organized into chapters by subject matter to assist the researcher. They are used for categorizing information and are not used when referencing an Oklahoma Statute. Thus, Title 19, Counties and County Officers, contains chapters such as the following:

<u>Chapter</u>	<u>Title</u>
1	Status and Power of Counties
2	Creation and Modification of Counties
6	Officers

25 County Employees' Retirement Systems

Under each chapter are the sections that pertain to that chapter. Each section is a copy of the Oklahoma Statute that covers the topic in that chapter and section. For example, Title 19, Chapter 1, begins as follows:

<u>Section</u>	<u>Heading</u>
§ 1	Organized Counties to be Empowered for the Following Purposes
§ 2	Definition of Property of County
§ 3	County's Powers Exercised by Board of Commissioners-Certain Contracts Void by Individual Commissioner

After each section of the Oklahoma Statutes is a "Historical Data" section, which includes the following information:

- The year in which the law was enacted
- The year(s) in which amendments were made
- The chapter (or page number) and the section of the Oklahoma Session Laws at which the law or amendment is found
- The date on which the law or amendment became effective if an emergency was declared

For example, following 19 O.S. § 1 is the footnote:

R.L. 1910, § 1497; Amended by Laws 1986, SB 367, c. 135, § 1, emerg. eff. April 17, 1986.

The section may also include a "Citationizer© Summary of Documents Citing This Document," which may include Oklahoma Attorney General Opinions, Oklahoma Supreme Court Cases, and other related documents.

Referencing the Oklahoma Statutes

Oklahoma Statutes should be referenced as 19 O.S. § 130.1 where 19 is the Title number, O.S. is the Oklahoma Statutes, § is the symbol that designates a section in the Oklahoma Statutes, and 130.1 is the section number. Chapter numbers are not included in the official citation.

In the book format, Oklahoma Statutes from the beginning year volumes usually do not have a date indication. If the law has been changed or a new law has been passed, references from the Supplements are written as 19 O.S. 2019, § 116 to show that the latest version of that law is found in the 2019 Supplement to the 2011 Oklahoma Statutes.

The Oklahoma Statutes and Session Laws On-line

To access the Oklahoma Statutes on-line through the OSCN web site, the web address (URL) is <https://www.oscn.net>. Once the site comes up, click on “Legal Research” on the dark blue bar at the top of the page or in the menu box just below the bar. Then click on “Oklahoma Statutes Citationized” under the “All Oklahoma Legal Materials” heading. When the list of statute Titles appears, click on “Expand” at the right-hand side of the Title for access. Please note that the clicking on the “Search” option does search that particular title, but will bring up a page to initiate a search through all of the Titles for a particular topic.

After the Title sections appear, click on the section needed. These copies of the Oklahoma Statutes have all of the information found in the Oklahoma Statute books and supplements including historical information and court case data.

The Oklahoma Session Laws, plus other items of interest to county officers such as, the Oklahoma Constitution, and Oklahoma Attorney General’s Opinions are also listed under the “All Oklahoma Legal Materials” heading on the OSCN website.

When accessing the Oklahoma Statutes on the OSCN website, click on the words “Up One Level” in blue at the top left-hand side of the page to move backwards from a Title page to the list of Titles page, and from the list of Titles page to the list of “All Oklahoma Legal Materials.”

Searching the Oklahoma Statutes Databases

The OSCN supports two types of search requests:

- A natural language search is any sequence of text, like a sentence or a question. After a natural language search, the OSCN sorts documents by their relevance to the search request.
- A Boolean search request consists of a group of words or phrases linked by connectors such as *and* and *or* that indicate the relationship between them.

A database code appears in green, and the word “Search” appears in blue after the heading “Oklahoma Statutes Citationized” on the list of Titles page and after each Title listed on that page. It also appears after the Title number and name on the Title pages.

Clicking on the blue word “[Search](#)” starts a “Quick Search” for the complete list of titles, or a particular title or section, depending on where the search was initiated. After typing in the search words or phrases, such as “county officers and training,” clicking on “Go” in the grey box will bring up a list of Oklahoma Statute titles related to that search such as the following example.

Certain County Officials to Participate in Training Programs and Educational Seminars - Expenses

Database: *Oklahoma Statutes Citationized, Title 19. Counties and County Officers*

Statute Citation: 19 O.S. 130.7

Chapter 6 - Officers

Effective: 04/20/2015

[Relevancy \(Number of Hits\):10](#)

[Retrieve Hit Highlighted Document](#) [Citationize](#) [Retrieve Document \(No Highlights\)](#)

Click on the blue line “Retrieve Hit Highlighted Document” to access that Oklahoma Statute.

Clicking on the word “Search” on the “Quick Search” page will bring up a “Simple Query” page for a more in-depth search.

Clicking on the words “Advanced Search” on the “Quick Search” page will bring up an “Advanced Query Editor” for an even more in-depth search.

The Oklahoma Statutes, Supplements, and Session Laws Book Format

The Oklahoma Statutes are published in a multi-volume set every ten years.

Each year following the beginning year volumes, a Supplement (one or more volumes) is published that contains all the laws enacted, amended, or repealed at that year's legislative session. Therefore, a full reading of the laws for 2011 through the current year would require the reader to consult not only the 2011 Oklahoma Statute volumes, but the latest Supplement book(s) for each year following 2011 (2012~2020).

Distribution

Effective November 1, 2020, those government offices and institutions that were previously eligible to receive free, hard-bound paper copies of the Official Oklahoma Statutes, Supplements, and Session Laws distributed by the Secretary of State may no longer receive them. The new Oklahoma Statute, effective November 1, 2020, states that the Secretary of State shall provide free electronic access.

75 O.S. § 13
Effective 11/1/2020

The language in the Oklahoma Statutes regarding copies of free book sets has been repealed effective November 1, 2020.

75 O.S. § 14
75 O.S. § 17
Repealed effective 11/1/2020

Index

The Index volume (volume 8 in 2011) of the Oklahoma Statutes has two parts. The first part is the General Index, an alphabetical index of topics found in the previous volumes. The second part is a Popular Name Table, which contains a selective alphabetical listing of those Oklahoma laws that are commonly referred to by a popular name or descriptive term, or by a statutory short title.

For example, in the Popular Name Table, the topic "Alcohol Testing, Standards for Workplace Drug and Alcohol Testing Act," could be found under "Alcoholics: Alcoholics and Intoxicated Persons: Standards for Workplace Drug and Alcohol Testing Act" or "Alcoholics: Alcoholics and Intoxicated Persons: Tests and Testing: Workplaces, standards" in the General Index to find the related Oklahoma Statute(s).

General Index

The General Index to the Oklahoma Statutes is organized by major topics. Following each major topic heading is an alphabetical list of subentries to the major topic. Each subentry may be further subdivided. Following each subentry is the Title and section where statute that pertains to the entry can be found. For example, to find the laws addressing the mandatory training required for county officers, locate the major topic heading "Counties" and the subheading "Officers" which refers to another major topic heading "County Officers and Employees generally, this index".

Under this topic heading, locate "Training."

This particular example appears in the index in the following manner:

Training

Counties, **19 § 130.1**

Professional development programs, 19 § **130.2 et seq**

Purchasing Agents, **19 § 1500**

Reimbursement, **19 § 165**

Therefore, statutes addressing county training are in Title 19, Section 130.1, 130.2, and the following sections (et. seq. means "and following").

Other notations following a listing are

- "generally, this index" means the subentry is a major topic in a broad, general area of the Oklahoma Statutes where the subject is covered.
- "elsewhere in the index" means the topic is a major heading elsewhere
- The word "ante" means the concept is listed prior to that listing under the same topic heading.
- The word "post" means the concept is listed after that listing under the same topic heading.
- "et.seq." means follows section number, which implies the current section and several sections that follow relate to the topic.

Tables

The tables, volume 8 of the 2011 Oklahoma Statutes, help locate a statute when only the session law date and/or number are known.

Table 1 lists the Session Laws from 1931 to 2001 and shows corresponding sections in Oklahoma Statutes 2001.

Table 1A lists the Session Laws from 2002 to 2011 and shows corresponding sections in Oklahoma Statutes 2011.

Table 2 lists Revised Laws 1910 and shows corresponding sections in Oklahoma Statutes 2001.

Table 3 lists Compiled Statutes 1921 and shows corresponding sections in Oklahoma Statutes 2001.

Table 4 lists Oklahoma Statutes 1931 and shows corresponding sections in Oklahoma Statutes 2001.

For example, to find the location of the session law "laws 1970, C. 110 § 1" in the Oklahoma Statutes, 1991, locate the table for "laws 1970" under the major heading "Session Laws 1931-1991." The table reads as follows:

Laws 1970

Chapter	Section	Title	Section
110	1	19	138.4

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Appendix B

Related Sources Contact Information

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Appendix B

Related Sources Contact Information

Association of County Commissioners of Oklahoma (ACCO)

429 Northeast 50th Street
Oklahoma City, Oklahoma 73105

Phone: 405-524-3200
1-800-982-6212

Fax 405-524-3700

Website: <http://www.okacco.com>

Publications Available:

Policy and Procedures (<https://www.okacco.com/policies--procedures.html>)

Sheriff's Policy and Procedures

ACCO Fire and Safety Manual

County Training Program (CTP)

Division of Agricultural Sciences and Natural Resources
318 Ag Hall
Oklahoma State University
Stillwater, OK 74078-8088

Phone: 405-744-6160

Fax: 405-744-8210

Email: ctp@okstate.edu

Website: <http://www.agecon.okstate.edu/ctp>

Publications Available:

Handbook for County Clerks of Oklahoma

Handbook for County Court Clerks of Oklahoma

Handbook for County Commissioners of Oklahoma

The Purchasing Handbook for Oklahoma Counties

The Handbook for County Treasurers of Oklahoma

The Handbook for the County Assessors of Oklahoma

For other publications, refer to the CTP website
under “Related Publications”

Governmental Finance Officers Association (GFOA) of the United States and Canada

203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210

Phone: 312-977-9700

Fax: 312-977-4806/ 312-977-9083

Website: <http://www.gfoa.org/>

Publications Available:

Governmental Accounting, Auditing, and Financial Reporting

Office of Management and Enterprise Services

Central Purchasing
5005 North Lincoln Boulevard, Room 300
Oklahoma City, Oklahoma 73105

Phone: 405-521-2116

Website: <https://omes.ok.gov/services/purchasing>

Office of the Oklahoma State Auditor and Inspector (SA&I)

Room 100 State Capitol
2300 North Lincoln Boulevard, Suite 123
Oklahoma City, Oklahoma 73105

Phone 405-521-3495

Fax: 405-521-3426

Website: <http://www.sai.ok.gov/>

Publications Available:

County Government Chart of Accounts
County Government Forms
Purchasing Forms

Oklahoma Bar Association

1901 Lincoln Boulevard
Oklahoma City, Oklahoma 73105

Phone: 405-416-7000

Toll Free: 1-800-522-8065

Website: <http://www.okbar.org>

Oklahoma Cooperative Extension Service (OCES)

Division of Agricultural Sciences and Natural Resources
Department of Agricultural Economics
139 Agricultural Hall
Oklahoma State University 74078-6026

Phone: 405-744-5398

Fax: 405-744-8210

Website: <https://extension.okstate.edu/>

Publications Available:

County Financial Statement Handbook
County Excise Board Handbook
OSU Extension Fact Sheets

Oklahoma Department of Libraries

200 Northeast 18th Street
Oklahoma City, Oklahoma 73105

Phone: 405-521-2502

Fax: 405-525-7804

Website: <https://libraries.ok.gov/>

Publications Available:

Directory of Oklahoma (published every two years)
Oklahoma state agencies, boards, commissions, courts,
institutions, legislatures, and officers

Oklahoma Department of Transportation

200 N.E. 21st Street
Oklahoma City, Oklahoma 73105

Phone: 4050-522-8000

Website: <https://www.ok.gov/odot/>

Local Government Division – 405-521-2553

Office Engineer Division – 405-521-2625

Oklahoma Press Service, Inc.

An affiliate of the Oklahoma Press Association

3601 North Lincoln Boulevard

Oklahoma City, Oklahoma 73105-5499

Phone: 405-499-0020

Toll Free: 888-815-2672

Website: <https://okpress.com/?>

Publications Available:

Oklahoma Open Meeting & Open Records Book

Oklahoma Public Employees Retirement System (OPERS)

5400 North Grand Boulevard, # 400
Oklahoma City, OK 73112
P.O. Box 53007
Oklahoma City, Oklahoma 73152-3007

Phone 405-858-6737
Toll Free: 800-733-9008
Fax: 405-521-4718
<http://www.opers.ok.gov>

Publications Available:

Oklahoma Public Employees Retirement Handbook

Oklahoma State Department of Health

1000 N.E. 10th Street
Oklahoma City, Oklahoma 73117
Phone 405-271-5600
Toll Free 800-522-0203
Email: webmaster@health.ok.gov.
Website: <https://www.ok.gov/health/>

Oklahoma State Election Board

State Capital Building
2300 North Lincoln Boulevard, Room G28
Oklahoma City, Oklahoma 73105
P.O. Box 53156
Oklahoma City, Oklahoma 73152

Phone 405-521-2391
Fax: 405-521-6457
Website: <http://www.ok.gov/elections/>

Publications Available:

Roster, state and county officers and elections returns

Oklahoma Tax Commission

P.O. Box 269060
Oklahoma City, Oklahoma 73126-9060
2501 North Lincoln Boulevard
Oklahoma City, Oklahoma 73194

Phone: 405-521-3160
Fax: 405-522-4275
Ad Valorem Division - 405-319-8200
Website: <http://www.ok.gov/tax/>

Publications Available:

State payments to governments – from Public Information Office
State tax collections – from Public Information Office

Secretary of State, State of Oklahoma

421 N.W. 13th, Suite 210
Oklahoma City, Oklahoma 73103

Phone: 405-521-3912

Fax: 405-521-3771

Website: <https://www.sos.ok.gov>

Email: webmaster@sos.ok.gov